

Third Sector Trends in England and Wales 2025

The contribution of voluntary organisations to place: A study of Essex in comparative context

Essex Community Foundation

30 YEARS of generosity in Essex

October 2026

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

Third Sector Trends Study

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

The Community Foundation and St Chad's College have worked with partners: Lloyds Bank Foundation England and Wales, Wales Council for Voluntary Action (WCVA) and Millfield House Foundation to undertake the Third Sector Trends study survey in 2025-26

More information about Third Sector Trends can be found here:

Third Sector Trends in England and Wales - St Chad's College Durham

All publications from the Third Sector Trends study are available free to download at this address: https://www.stchads.ac.uk/research/third-sector-trends-in-england-and-wales/publications-from-third-sector-trends/

Current and previous reports are also lodged on the Community Foundation North East website:

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Section 1
Introduction

1.1 Context and purpose

This report produces statistical analysis of the situation of the local voluntary, community and social enterprise sector (VCSE) in Essex. This forms part of a wider '***Community Listening Project***' commissioned by Essex Community Foundation which aims to complete a comprehensive audit of the activities of the voluntary sector in Greater Essex. The work has been designed to support planning and preparations for a new NHS Integrated Care Board covering the whole of Essex and (currently paused) proposals for local government reorganisation.[1]

In this report, data are drawn from a combined register of all currently active voluntary organisations England and Wales. The report also uses survey data from Third Sector Trends in 2025 and provides comparative evidence to highlight activities and achievements of the VCSE sector in Essex that are distinctive, effective or particularly challenging. The analysis builds upon findings from a series of national reports from the Third Sector Trends study and a previous study on Essex in 2023.[2]

The statistical analysis was completed in June 2026, but publication was scheduled for October 2026 so that a qualitative study, also commissioned by Essex Community Foundation could be completed. An event to present and debate findings from both studies will take place in November 2026.

1.2 Structure of the report

The analysis in this report is divided into four sections

- ***Section 2*** provides a detailed description of sector structure to include analysis of sector income, employment, volunteering, labour market dynamics and investment in training and development.
- ***Section 3*** focuses upon sector beneficiaries and VCSE organisations' perceptions of social impact. Financial estimates of sector energy are provided together with estimates of tangible economic, fiscal, use value and intangible aspects of added value.
- ***Section 4*** examines sector income sources (including more detailed analysis of grants, contracts and earned income) together with an evaluation of current sector property assets and financial reserves. An appraisal of financial wellbeing and resilience is provided alongside current expectations about finance.
- ***Section 5*** looks at relationships within the voluntary sector together with private sector and local public sector interactions. This section also explores views on local devolution agendas and the willingness of VCSE organisations to engage in influencing local public and social policy.

[1] See, for further information: https://www.essexlgrhub.org/stronger-greater-essex. The Government announced on 7th September 2026 that, following legal advice, it is withdrawing its decision on Local Government Reorganisation in Essex and is reviewing plans. Further information is available on the Ministry of Housing, Communities and Local Government (MHCLG) website.

[2] All reports from Third Sector Trends, including detailed technical papers on analytical techniques and research methodology can be located here: https://www.stchads.ac.uk/research/third-sector-trends-in-england-and-wales/publications-from-third-sector-trends/

The concluding section provides a summary of key findings together with a brief discussion of their implications.

A note on terminology

For stylistic reasons, terminology to describe the VCSE sector and VCSE organisations varies – to include the terms 'voluntary sector' and 'voluntary organisations'. The more concise terms 'third sector' and 'third sector organisations' (abbreviated as 'TSOs') are also used extensively in tabular data and figures. Specific usage of legal forms of VCSE organisations (such as *Community Interest Company* or *Community Amateur Sport Clubs*) are avoided except when referring to specific configurations of legal forms using register or survey data.

1.3 Research methods and survey sample

Third Sector Trends was initiated in 2008 by *Northern Rock Foundation* in North East England and Cumbria as a longitudinal study to explore the structure and dynamics of the sector in the context of change. Surveys began in North East England and Cumbria in 2010.[3] The field of study has widened to include Yorkshire & Humber in 2013, the remainder of North West England in 2016 and across England and Wales from 2019. There have been six iterations of the triennial survey.

In 2025, the survey was administered using *Online Surveys*[4] between June and September. A total of 8,680 valid responses were received. Responses were obtained using direct email invitations from listings collated from the Charity Commission register (there were 7,163 returns representing a 5.4% response rate from a sample frame of 133,161 charities). These data were supplemented by 1,517 responses to appeals to participate by local infrastructure organisations and community foundations across England and Wales.[5]

The national sample is fully representative of sector organisations by size (as defined by income levels) and is distributed appropriately across areas of relative deprivation and affluence when compared with Third Sector Trends Combined Register data. The survey dataset has good coverage in Wales and all English regions each with at least 600 responses and apart from London, an average 5.6% response rate measured against the Charity Commission Register sample frame. A much lower response rate in London, as in 2022, stood at 2.8% but due to high organisational density, a credible sample of 713 was obtained.

For this report, some use is made of 2022 Third Sector Trends survey data for comparative purposes. The scope for this is limited because there were many fewer responses in 2022 (total sample 6,070) than in the more recent 2025 survey (8,680).

As Table 1.1 shows, sample size rose from 551 in 2022 to 1,112 in 2025 in East of England due to a concerted effort locally by most community foundations. The survey was first undertaken across the whole of England and Wales in 2019 in a less intensive pilot form outside of the established survey area of the North of England so there are insufficient data for regional analysis.[6] Given the relatively small number of responses involved in 2022, comparisons should be regarded as indicative where provided.

[3] A separate report is available which details the research methodology employed in the Third Sector Trends surveys. This can be accessed here: Technical paper on research methodologies, October 2022.

[4] Online Surveys is a powerful platform specifically designed for use by academics by JISC. Details on the platform's specifications can be found here: https://www.onlinesurveys.ac.uk/

[5] This is a fully representative national sample, as evidenced by comparison with combined register data (including the registers of the Charity Commission, Community Interest Companies, Register of Mutuals/Societies Register and Community Amateur Sport Clubs Register). A separate report which details research methodology, sample structure and characteristics is available here: Archive of publications from Third Sector Trends - St Chad's College Durham.

[6] In 2019 a total of 4,083 survey responses were obtained: in East of England only 113 were received which is insufficient for reliable analysis.

Table 1.1 **Survey response rates in East of England in 2022 and 2025**			
	2022	**2025**	**Plus or minus**
Essex	110	325	+215
Cambridge & Peterborough	89	191	+102
Suffolk	116	213	+97
Norfolk	108	182	+74
Bedfordshire & Hertfordshire	128	211	+83
East of England	**551**	**1,122**	**+571**

The wide-ranging questionnaire asks respondents about beneficiaries served and what voluntary organisations feel that they have achieved. The survey also examines TSOs' energy by focusing questions on its people resources, property assets and financial situation. Leadership is a core element of the study too; asking participants how voluntary organisations invest in their *own* wellbeing so that they can serve their beneficiaries more effectively. And finally, it asks about inter-organisational relationships which is the last topic for analysis in this report.

The current series of Third Sector Trends reports relies almost exclusively upon quantitative data drawn from this and previous rounds of the survey.[7] However, some interpretative observations originate from quantitative analysis and previous in-depth qualitative studies from Third Sector Trends (and directly related projects) which are referenced accordingly. The most important of these studies ran from 2008 to 2022 with 50 voluntary organisations from the North East of England and Cumbria. The final report from that study, ***Going the distance, how third sector organisations work through turbulent times***, has recently been revised and republished to accompany this series of quantitative reports.[8]

1.4 Area context

This sub-section provides a basis for the interpretation of VCSE data in subsequent analysis by presenting a brief socio-economic statistical profile of Essex.

Population data are presented in Table 1.2 for Essex and its constituent local authorities. Ethnicity demographics are also presented. There is considerable variation in levels of diversity across local authorities and districts. Thurrock is the most ethnically diverse area while Maldon is the least. In general terms, major urban centres tend to be more diverse than town and country areas in Essex – with the exception of Castle Point which has a low level of diversity for a predominantly built-up area.

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 1.3 shows, making simple statements on area characteristics is not straight forward

[7] The report draws upon a wide range of analytical techniques, the complexity of which cannot be fully explained in this report for reasons of brevity. A full set of explanations on the usage or these techniques can be found here: https://www.stchads.ac.uk/wp-content/uploads/2025/12/Third-Sector-Trends-in-England-and-Wales-2025-Technical-paper-on-sector-structure-and-analytical-techniques-December-2025.pdf

[8] The report is available here: Archive of publications from Third Sector Trends - St Chad's College Durham.

Using the rank of average scores, Essex is characterised by considerable variation across areas which fall into three broad categories: most affluent area concentration (Uttlesford, Brentwood, Rochford and Chelmsford), intermediate mix of affluence and deprivation (Maldon, Braintree, Epping Forest, Castle Point and Colchester), and concentration of less affluent areas (Southend-on-Sea, Thurrock, Basildon, Harlow and Tendring). It is notable that Tendring, a coastal town and country area, is an area with concentrations of deep deprivation. There are also some wide variations within and across these broad categories which should be noted. For example, while Tendring scores the lowest overall score on the IMD, it has a high score for access to housing and services. Uttlesford, the most affluent area in Essex, by contrast, scores second lowest (after Harlow) on access to housing and services.

Table 1.2 **Demographic profiles in Essex local authorities** (Source: ONS 2021)

	Asian or Asian British	Black, African, Caribbean or Black British	Mixed or multiple ethnic groups	White	Other ethnic group	Total resident population (NOMIS)[9]
Southend-on-Sea	5.5	2.9	3.1	87.5	1.1	180,600
Thurrock	6.9	11.9	3.0	76.7	1.5	175,900
Basildon	4.3	4.7	2.6	87.4	0.9	187,700
Braintree	1.6	1.2	1.9	94.4	0.5	155,700
Brentwood	5.1	2.3	3.1	88.4	1.1	77,100
Castle Point	1.7	1.3	1.6	94.7	0.5	89,700
Chelmsford	5.3	2.6	2.6	88.4	0.9	181,800
Colchester	5.1	3.5	2.9	87.2	1.5	192,400
Epping Forest	7.2	2.9	3.6	84.1	2.2	134,900
Harlow	5.9	6.2	3.3	82.7	1.8	93,400
Maldon	1.1	0.4	1.3	96.3	0.3	66,600
Rochford	1.4	0.7	1.7	95.3	0.3	86,200
Tendring	1.2	0.6	1.6	95.8	0.4	148,900
Uttlesford	1.9	0.8	2.2	93.9	0.7	91,900
Essex	**4.2**	**3.4**	**2.6**	**88.7**	**1.0**	**1,862,800**

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

Table 1.3 **Indices of Multiple Deprivation** (Source: ONS 2021)

District or unitary authorities in descending rank order (from most affluent to least affluent areas)	**IMD - Rank of average rank**	**IMD - Rank of proportion of LSOAs in most deprived 10% nationally**	**Income - Rank of average rank**	**Education, Skills and Training - Rank of average rank**	**Health Deprivation and Disability - Rank of average rank**	**Barriers to Housing and Services - Rank of average rank**
Uttlesford	295	297	308	277	313	44
Brentwood	287	195	279	252	291	140
Rochford	286	195	258	124	290	194
Chelmsford	260	195	248	237	272	67
Maldon	211	195	208	121	233	149
Braintree	203	195	192	117	196	179
Epping Forest	200	195	198	136	266	134
Castle Point	182	168	163	27	186	189
Colchester	181	184	180	196	157	50
Southend-on-Sea	129	94	95	100	124	233
Thurrock	116	134	109	49	173	76
Basildon	111	80	111	34	147	70
Harlow	100	195	62	42	93	35
Tendring	32	48	36	12	34	211

Public health profile

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'.[10] In England, data are collected by the ONS on self-perceptions of health.[11] Healthy life expectancy is defined as follows:

> ***"The healthy life expectancy measure adds a 'quality of life' dimension to estimates of life expectancy by dividing it into time spent in different states of health. Health status estimates are based on the following survey question; 'How is your health in general; would you say it was… very good, good, fair, bad, or very bad'. If a respondent answered 'very good' or 'good' they were classified as having 'good' health. Those who answered 'fair', 'bad', or 'very bad' were classified as having 'not good' health and equate to those in 'poor' health."***

[10] 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/lanepe/article/PIIS2666-7762(20)30023-5/fulltext. A recent report by The Health Foundation (2026) *Health life expectancy trends in the UK: a watershed moment*, has recently produced updated analysis at a national level and is available here: https://www.health.org.uk/reports-and-analysis/analysis/healthy-life-expectancy-trends-in-the-uk-a-watershed-moment

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

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.

Table 1.4 **Healthy Life Expectancy in statistical neighbour areas** (Source: ONS 2021)

	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*
Southend-on-Sea	79.6	62.1	17.4	83.1	65.3	17.9
Thurrock	79.3	65.6	13.7	82.6	62.8	19.8
Essex	80.3	65.4	15.0	83.6	66.5	17.1
Home counties statistical neighbours	**80.7**	**68.6**	**12.1**	**84.2**	**67.9**	**12.1**
London statistical neighbours	**80.3**	**63.6**	**16.7**	**84.2**	**63.8**	**20.4**

More detailed statistics are available from the Office for Health Improvement and Disparities (formally Public Health England) on a range of indicators for lower tier local authority areas. A set of summary statistics are presented in Table 1.5.[12] These data indicate wide disparities in public health on several dimensions for adults and children. The indicators broadly mirror those presented on the Indices of Multiple Deprivation shown in Table 1.3

Table 1.5 **Public health by district and unitary authority** (Source: OHID, 10th October 2023)

		Percentages						
	Deaths from causes considered preventable, under 75 years[13]	Limiting long-term illness or disability	Reception: Prevalence of obesity (including severe obesity)	Smoking prevalence at 15 years, Regular or Occasional	Reception: Prevalence of overweight (including obesity)	Year 6: Prevalence of obesity (including severe obesity)	Life expectancy at birth for males (years)	Life expectancy at birth for females (years)
Southend-on-Sea	104.6	18.5	9.7	9.9	22.0	20.7	78.7	82.5
Thurrock	102.4	15.6	10.7	4.7	23.1	24.7	78.6	82.4
Basildon	100.6	17.4	10.1	10.5	22.7	21.7	79.2	82.8
Braintree	81.1	16.4	10.8	10.5	23.7	19.4	80.1	83.2
Brentwood	76.3	15.6	7.3	10.5	19.0	15.0	81.0	84.6
Castle Point	91.3	19.0	10.7	10.5	22.7	20.8	79.7	83.1
Chelmsford	73.6	14.4	8.7	10.5	21.2	18.1	81.3	84.3
Colchester	85.4	15.8	8.6	10.5	20.5	18.6	80.2	83.4
Epping Forest	82.5	15.7	8.9	10.5	20.6	19.0	80.7	83.9
Harlow	107.1	17.1	9.9	10.5	22.3	24.0	78.4	82.6
Maldon	80.7	17.4	11.5	10.5	26.6	19.0	80.7	83.7
Rochford	72.2	17.0	7.8	10.5	20.0	17.2	81.2	84.3
Tendring	114.7	25.5	12.4	10.5	28.1	22.3	78.0	81.9
Uttlesford	64.1	13.6	6.7	10.5	17.5	13.9	82.5	85.3

[12] Source: Office for Health Improvement and Disparities, downloaded 10th October 2023: https://www.localhealth.org.uk/#bbox=520930,252675,165144,102061&c=indicator&i=t3.l_term_ill&selcodgeo=E07000072&view=map10

[13] Standardised mortality ratio for deaths from causes considered preventable, aged under 75 years.

1.5 Spatial analysis

Currently the political geography of Essex is in transition as NHS and local government reorganisation takes place here, as in many other parts of England. That being the case, data are presented in a variety of ways.

- The project's principal geographical focus will be Greater Essex, together with current local authority boundaries to include:
  - ***Southend on Sea*** and ***Thurrock*** unitary authorities;
  - ***Essex County Council*** (including the following districts: Basildon, Braintree, Brentwood, Castle Point, Chelmsford, Colchester, Epping Forest, Harlow, Maldon, Rochford, Tendring and Uttlesford).
- In 2028 a local government reorganisation process may establish five unitary authorities, although there remain uncertainties as to whether this will happen due to a government pause the reorganisation process.[14] New unitary authority areas were firmly defined as follows at the time of analysis.
  - ***West Essex Council*** (current local government areas of Epping Forest, Harlow and Uttlesford);
  - ***North East Essex Council*** (current local government areas of Braintree, Colchester and Tendring);
  - ***Mid Essex Council*** (current local government areas of Brentwood, Chelmsford and Maldon);
  - ***South West Essex Council*** (current local government areas of Basildon and Thurrock);
  - ***South East Essex Council*** (current local government areas of Castle Point, Rochford and Southend-on-Sea).
- Due to the constraints of the size of survey dataset for Essex it is not possible to undertake analysis for each of the five areas listed in the previous bullet. Consequently, the data will be divided into three areas which were initially mooted as potential boundaries of unitary authorities.[15] These three spatial (not political) boundaries will be defined as follows:
  - ***North Essex area***: Braintree, Colchester, Tendring, Uttlesford;
  - ***Mid Essex area***: Harlow, Epping Forest, Brentwood, Chelmsford, Maldon;
  - ***South Essex area***: Thurrock, Basildon, Castle Point, Rochford, Southend on Sea.
- The report will make extensive use of comparisons with other English regions and Wales to contextualise the overall position in East of England. These data will then be divided into each of county of East of England:
  - ***Essex***
  - ***Cambridgeshire & Peterborough***
  - ***Suffolk***
  - ***Norfolk***
  - ***Bedfordshire***
  - ***Hertfordshire.***

[14] See, for further information: https://www.essexlgrhub.org/stronger-greater-essex. The Government announced on 7th September 2026 that, following legal advice, it is withdrawing its decision on Local Government Reorganisation in Essex and is reviewing plans. Further information is available on the Ministry of Housing, Communities and Local Government (MHCLG) website.

[15] Identification of potential new unitary authority areas gleaned from the following source: https://www.gov.uk/government/consultations/local-government-reorganisation-in-essex-southend-on-sea-and-thurrock/proposals-for-local-government-reorganisation-in-essex-southend-on-sea-and-thurrock

There are sufficient survey data for comparative purposes for all counties apart from Bedfordshire and Hertfordshire, so as neighbouring areas they will be combined for statistical purposes,

1.6 Health analysis

Third Sector Trends surveys collate data on beneficiaries served by VCSE organisations. There are five questions which directly concern health, including, 'physical health', 'disability', 'mental health', 'learning disabilities' and 'carers'. As there are insufficient data to undertake analysis reliably on health-oriented organisations at local level in Essex or East of England – national data will be used to inform analysis and interpretation. Many organisations serve more than one beneficiary group associated with health conditions so it is necessary to combine the five questions into a single variable on health – this includes – 3,556 respondents from a sample of 8.680 (41% of the sample).

Table 1.6 **Health orientation of VCSE organisations** (Third Sector Trends in England and Wales 2025, n=8,680)

Beneficiary groups TSOs serve	Number of respondents	Percentage of total sample
People with physical disabilities	1,785	20.6
People with physical health conditions	1,783	20.5
People with mental health conditions	2,036	23.5
People with learning disabilities	1,530	17.6
Carers	1,058	12.2
Combined data for TSOs serving health related beneficiaries	**3,556**	**41.0**

While 3,556 VCSE organisations have some commitment to health related issues, that is not to say that this is their central concern. Consequently, it is necessary to isolate those organisations which regard health and wellbeing as a 'primary' focus in their work and achievement in impact terms.

To do this, data from a second set of questions were collated on voluntary organisations' perceptions of impact in core areas of social benefit. These questions include 13 sub-categories ranging from 'employability support' to 'empowerment in the community'. One of these questions on impact determines if '*we improve health and wellbeing*'. Answers are reported on the following scale: 'we have a very strong impact', 'we make a good contribution',' we make some difference' and 'we do not try to do this'.

As shown in Table 1.7, many TSOs which work with health beneficiaries claim to achieve a tangible impact on health and wellbeing, but also in related areas of impact including: 'physical activity', 'social isolation' and 'improving people's access to basic services',

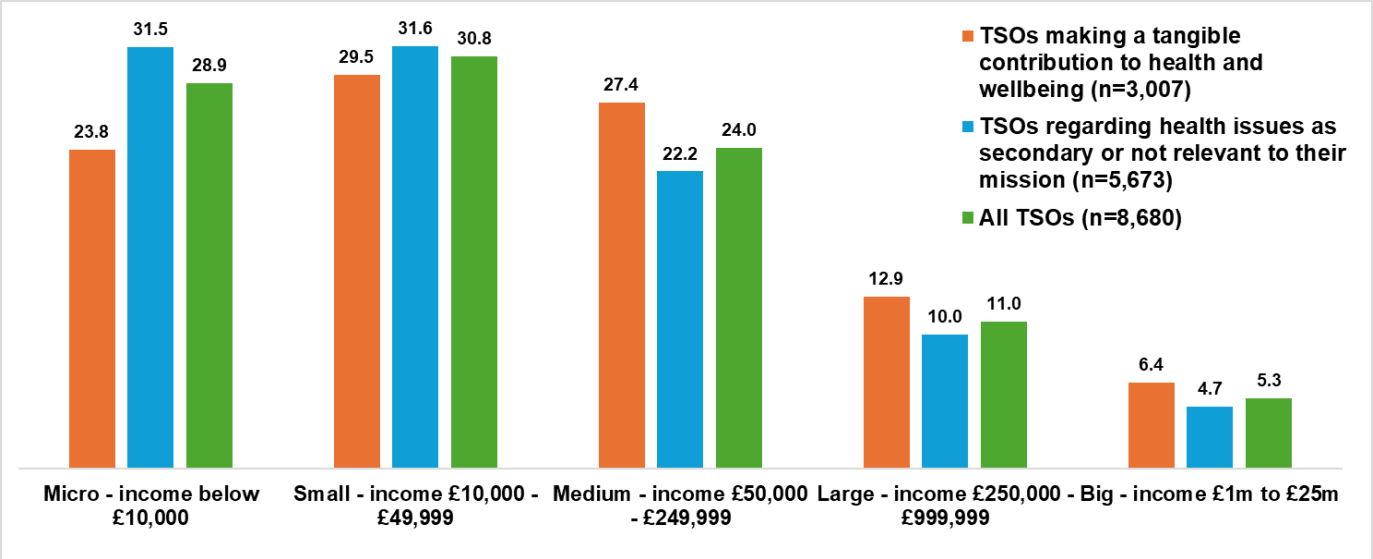
It is apparent that many organisations with health beneficiaries believe that they make a strong impact. Amongst the 3,499 TSOs with health and social care beneficiaries, 72% feel that they make a strong or good contribution to tackling 'health and wellbeing'. A similar percentage of 3,415 VCSE organisations with health beneficiaries feel that they make a strong or good contribution to 'social isolation'. Fewer voluntary organisations with health beneficiaries feel that they make a strong or good contribution to 'physical activity' (42%) as is the case with those addressing 'access to services' (34%).

Table 1.7 **Contribution of health-oriented VCSE organisations to aspects of impact**					
	TSOs having tangible impact on health issues as a primary concern		***TSOs having impact on health issues as a secondary or of no concern***		
	We have a very strong impact	**We make a good contribution**	**We make some difference**	**We don't try to do this**	**All TSOs which serve health and social care beneficiaries**
We improve health and wellbeing	32.8	38.7	22.9	5.6[16]	3,499
We encourage physical activity and improve people's fitness	16.6	25.4	24.5	33.6	3,415
We reduce social isolation	37.6	35.0	19.1	8.3	3,482
We improve people's access to basic services	14.5	19.8	23.4	42.3	3,365

A new variable was created on VCSE organisations' contribution to health beneficiaries which combines those organisations which claim to make a 'very strong' or 'good contribution' with those voluntary organisations which serve physical and mental health concerns, people with disabilities, learning difficulties, disabilities and carers. The new variable has a core set of 3,007 respondents which make a 'tangible' commitment to health issues.

To aid interpretation, Figure 1.1 compares the size of organisations which make a tangible contribution to health and wellbeing. It is clear that VCSE organisations attending to health issues tend to be larger. And as may be expected there are comparatively fewer micro organisations that attend to health issues (24%), but the proportion of medium-sized organisations (27%), larger (13%) and big VCSE organisations (6.4%) are higher than amongst non-health oriented voluntary organisations.

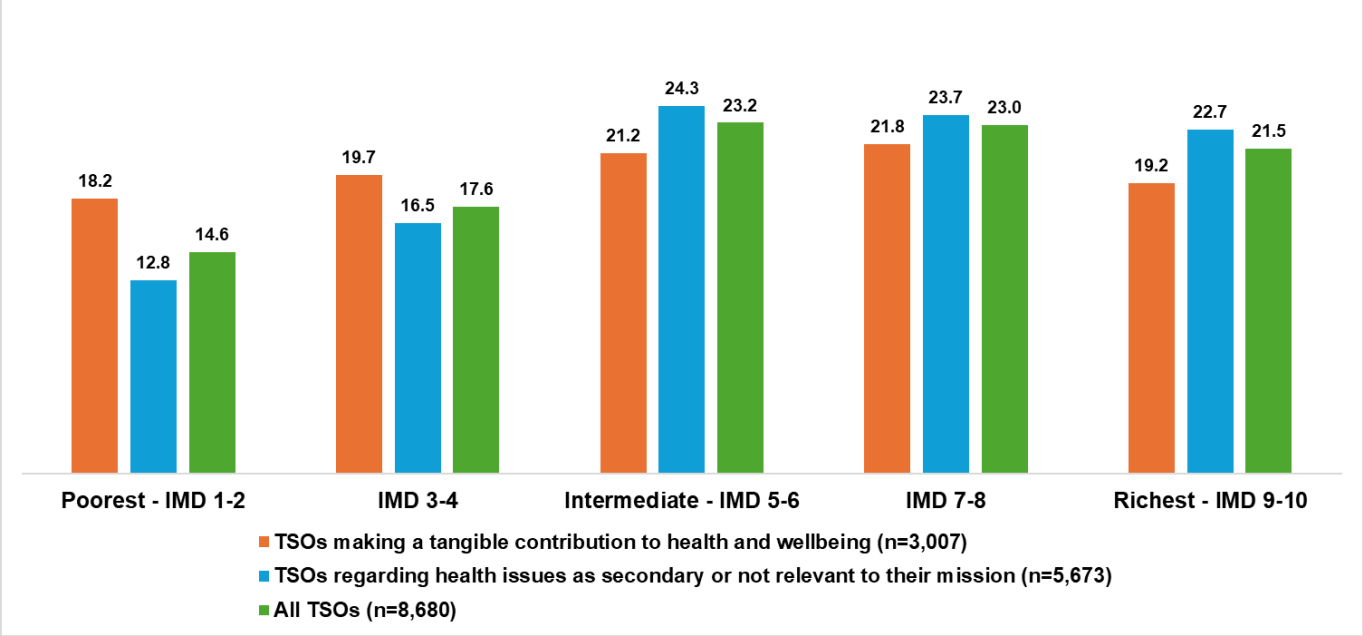
Figure 1.1 **Size of VCSE organisations contributing tangible impact in the field of health and wellbeing** (Third Sector Trends in England and Wales 2025)



[16] It may seem odd that nearly 6% of TSOs with health beneficiaries do not aim to achieve any tangible impact. These organisations mainly include those which facilitate other voluntary organisations' impact on health such as infrastructure organisations and grant making trusts.

VCSE organisations which focus upon achieving impact in the field of health and wellbeing are more concentrated in poorer areas than voluntary organisations with other interests (Figure 1.2). Nonetheless, it is evident that health interests are catered for quite equally - about a fifth of VCSE organisations in each quintile of social advantage and disadvantage.

Figure 1.2 **Location of VCSE organisations contributing tangible impact in the field of health and wellbeing** (Third Sector Trends in England and Wales 2025)



The spatial range of voluntary organisations working in the field of health and wellbeing tends to be focused locally – though less so at neighbourhood level than VCSE organisations with other objectives (Figure 1.3). In comparative terms, relatively few health oriented voluntary organisations work at regional level or beyond. (16% compared with 23% with other types of beneficiary foci).

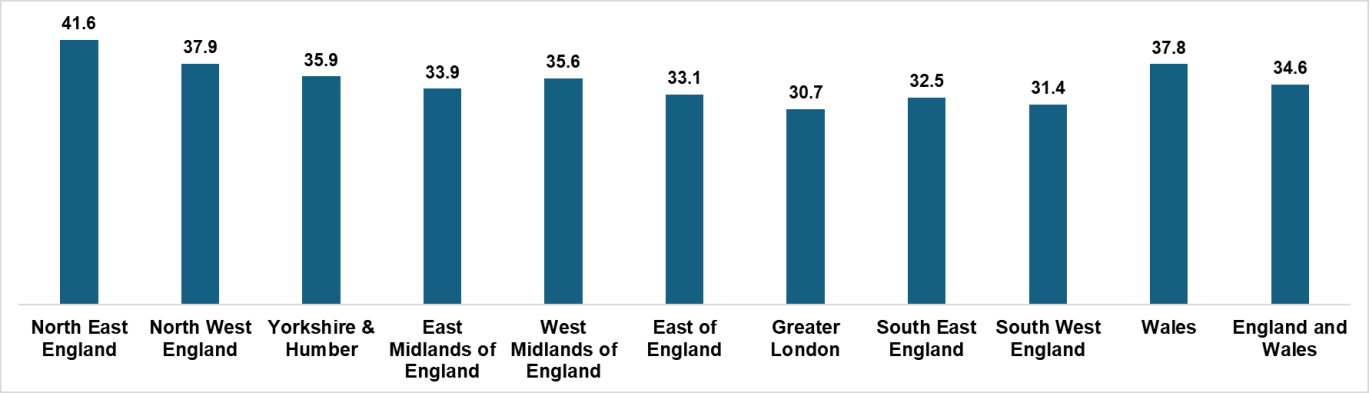
Figure 1.3 **Spatial range of operation amongst VCSE organisations contributing tangible impact in the field of health and wellbeing** (Third Sector Trends in England and Wales 2025)



There are, unfortunately, too few cases in the sample to undertake analysis at the local level. Even at regional level, the scope for convincing analysis is quite limited although it is interesting to note that there is a greater concentration on health issues in less advantaged regions such as North East England (42%) and Wales (38%) than in more affluent areas such as East of England (33%) as shown in Figure 1.4. At

national level, however, the sample of 3,007 is sufficient to undertake reliable analysis which can inform interpretation at local level. Evidence will be presented in sections of this report as required to deepen understanding of sector dynamics in the health field.

Figure 1.4 **Percent of VCSE organisations making a tangible contribution to health and wellbeing by region** (Third Sector Trends in England and Wales, health oriented TSOs n=3,007, all TSOs n=8,680)



Section 2

Sector structure, income and people energy

2.1 Sector structure

The Third Sector Trends study is primarily concerned with the contribution of the voluntary sector to social, economic and environmental wellbeing of localities. Consequently, the study does not report on data held on major charitable organisations with income above £25million. These data are available elsewhere as NCVO collate substantive data on the activities and resources of larger charities which is reported in their annual *UK Civil Society Almanac*.[17]

In England and Wales, it is estimated that there are about 205,000 registered VCSE organisations. These organisations are not distributed evenly across Wales and English regions. Instead, as shown in Table 2.1 there is a higher concentration of VCSE organisations per thousand members of the local resident population in more affluent regions such as South East of East England (3.4 per 1,000) than in poorer regions such as North East England (2.6 per 1,000).

Table 2.1(a) **Distribution of VCSE organisations in English regions and Wales**
(Third Sector Trends Combined Register 2025)

	Estimated Number of TSOS	Percentage of TSOs in each region	Population in each region (1,000s)[18]	TSOs per 1,000 population
North East England	7,134	3.5	2,711	2.6
North West England	20,755	10.1	7,600	2.7
Yorkshire and Humber	15,057	7.4	5,594	2.7
East Midlands of England	14,646	7.2	4,991	3.0
West Midlands of England	17,501	8.6	6,086	2.9
East of England	**22,108**	**10.8**	**6,469**	**3.4**
London	38,861	19	8,945	4.4
South East England	33,979	16.6	9,483	3.6
South West England	24,426	11.9	5,811	4.2
Wales	10,533	4.9	3,164	3.2
England and Wales	**205.000**	**100.0**	**60,854**	**3.4**

[17] The most recent data from NCVOs Civil Society Almanac are available here: https://www.ncvo.org.uk/news-and-insights/news-index/uk-civil-society-almanac-2024/. It was announced in November 2025 that NCVO had cancelled the launch of the 2025 version: https://www.civilsociety.co.uk/news/ncvo-delays-civil-society-almanac-publication-until-2026.html

[18] Statistica, 2023 https://www.statista.com/statistics/294729/uk-population-by-region/#:~:text=Population%20of%20the%20UK%202023%2C%20by%20region&text=The%20population%20of%20the%20United,West%20England%20at%207.6%20million.

Table 2.1(b) shows the distribution of VCSE organisations by unitary authority and county council districts in Essex. The number of VCSE organisations per 1,000 resident population has been calculated to show that there is substantive variation across local authority areas ranging from 1.8 per 1,000 in Castle Point to 5.1 per 1,000 in Uttlesford.

Table 2.1(b) **Distribution of VCSE organisations in local authorities** (Third Sector Trends Combined Register 2025)

	Resident population in local authority [19]	Number of TSOs in each local authority	TSOs per 1,000s resident population
Southend-on-Sea	180,700	444	2.5
Thurrock	176,000	386	2.2
Basildon	187,600	349	1.9
Braintree	155,200	461	3.0
Brentwood	77,000	251	3.3
Castle Point	89,600	160	1.8
Chelmsford	181,500	615	3.4
Colchester	192,700	627	3.3
Epping Forest	135,000	424	3.1
Harlow	93,300	195	2.1
Maldon	66,200	240	3.6
Rochford	85,600	192	2.2
Tendring	148,100	415	2.8
Uttlesford	91,300	464	5.1
Proposed West Essex Council	*319,600*	*1,083*	*3.4*
Proposed North Essex Council	*496,000*	*1,503*	*3.0*
Proposed Mid Essex Council	*324,700*	*1,106*	*3.4*
Proposed South West Essex Council	*363,600*	*735*	*2.0*
Proposed South East Essex Council	*355,900*	*796*	*2.2*
Essex	**1,859,800**	**5.223**	**2.8**

Table 2.2(a) shows the distribution of VCSE organisations by legal form in English regions and Wales. It is noted that the percentage of registered charities is higher in more affluent southern English regions than in the West Midlands, the North and in Wales. The newer legal form of Charitable Incorporated Organisation (CIOs) is fairly evenly distributed across English regions but is higher in Wales.

In the more industrial North East, North West and West Midlands of England the percentage of Community Interest Companies (CICs) is substantially higher than in other English regions. Wales has proportionally fewer CICs than the English regional average.

In Essex, the proportion of charities is higher in more affluent districts such as Uttlesford (76%) than more disadvantaged areas such as Tendring (61%). CICs are most common in Southend-on-Sea (16%) and Harlow (18%).

[19] Census 2021.

Table 2.2(a) **Distribution of VCSE organisations by legal form by English regions and Wales**
(Third Sector Trends Combined Register 2025)

Row percentages	Registered charities	Charitable Incorporated Organisations	Community Interest Companies	Registered Societies	Community Amateur Sport Clubs	Registered TSOs in each region
North East England	54.3	16.3	19.4	6.5	3.6	7,134
North West England	59.7	14.9	17.9	4.2	3.3	20,755
Yorkshire & Humber	61.0	16.9	13.4	5.0	3.6	15,057
East Midlands of England	66.2	14.2	12.3	3.7	3.6	14,646
West Midlands of England	61.4	14.5	17.0	4.2	3.0	17,501
East of England	**69.4**	**13.8**	**10.4**	**3.0**	**3.4**	**22,108**
London	63.0	17.2	15.9	2.8	1.2	38,861
South East England	66.9	15.0	10.7	3.4	4.1	33,979
South West England	64.1	14.1	13.9	4.1	3.7	24,426
Wales	59.9	19.1	12.1	5.4	3.5	10,533
England and Wales	**63.6**	**15.5**	**14.0**	**3.8**	**3.1**	**205.000**

Table 2.2(b) **Distribution by legal form in local authority areas of Essex**
(Third Sector Trends Combined register 2025)

Row percentages	Registered charities	Charitable Incorporated Organisations	Community Interest Companies	Registered Societies	Community Amateur Sport Clubs	Registered TSOs in each area
Southend-on-Sea	59.8	18.1	15.9	3.2	3.0	444
Thurrock	63.9	15.8	14.9	3.2	2.2	386
Basildon	65.8	15.3	12.1	2.7	4.1	349
Braintree	74.7	10.0	5.6	4.1	5.6	461
Brentwood	73.0	12.2	9.5	1.5	3.8	251
Castle Point	64.7	15.0	12.0	3.0	5.4	160
Chelmsford	70.3	14.8	9.6	2.6	2.6	614
Colchester	63.9	15.5	13.7	2.9	4.0	627
Epping Forest	65.3	16.2	13.3	1.8	3.4	424
Harlow	58.3	17.2	18.1	1.5	4.9	195
Maldon	69.3	11.6	8.4	4.8	6.0	240
Rochford	73.6	9.0	10.9	2.5	4.0	192
Tendring	60.8	15.2	11.5	4.8	7.6	415
Uttlesford	75.7	12.1	6.6	2.9	2.7	464
Proposed West Essex Council	*68.5*	*14.6*	*11.3*	*2.2*	*3.4*	*1,083*
Proposed North Essex Council	*66.4*	*13.7*	*10.6*	*3.8*	*5.5*	*1,503*
Proposed Mid Essex Council	*70.7*	*13.5*	*9.3*	*2.8*	*3.6*	*1,106*
Proposed South West Essex Council	*64.8*	*15.6*	*13.6*	*3.0*	*3.1*	*735*
Proposed South East Essex Council	*64.1*	*15.3*	*13.9*	*3.0*	*3.7*	*796*
Essex	**67.2**	**14.4**	**11.4**	**3.0**	**4.0**	**5,222**

Third Sector Trends does not use precisely 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 voluntary sector where a majority of organisations have income below £1million. If these smaller organisations are not disaggregated into discrete definitional categories, it is not possible fully to understand how different elements of the sector is structured, how they work and how objectives are achieved.

The regional population of VCSE organisations in English regions and Wales is shown in Table 2.3(a). The structure of the voluntary sector is broadly similar across

regions. London is the exception with a much bigger proportion of large organisations. When comparing the structure of the voluntary sector in the relatively poor North East region with the largely affluent East of England region it is apparent that variations in middling-sized VCSE organisations are relatively limited – although the proportion of large voluntary organisations in the North East is notably higher (10%) while there are proportionately more micro organisations in East of England (40%).

Table 2.3(a) **Distribution of VCSE organisations by size in English regions and Wales** (Third Sector Trends Combined Register 2025)

Row percentages	Micro (£10,000 or less)	Small (£10,001-£50,000)	Medium (£50,001 - £250,000)	Large (£250,001 - £1m)	Big (£1m – £25m)	Registered TSOs in each region
North East England	34.1	28.4	22.2	10.3	5.0	7,134
North West England	35.4	27.9	22.8	9.0	4.9	20,755
Yorkshire & Humber	36.9	27.9	21.9	8.9	4.3	15,057
East Midlands of England	42.0	29.2	18.8	6.4	3.6	14,646
West Midlands of England	38.2	28.9	20.5	7.9	4.5	17,501
East of England	**40.3**	**29.4**	**20.2**	**6.5**	**3.6**	**22,108**
London	26.5	24.7	24.6	14.2	10.0	38,861
South East England	34.8	31.3	21.9	7.5	4.6	33,979
South West England	39.9	29.7	19.8	7.0	3.7	24,426
Wales	42.2	27.7	18.8	7.4	4.0	10,533
England and Wales	**35.8**	**28.4**	**21.6**	**8.8**	**5.3**	**205.000**

In Essex (Table 2.3(b)), the proportion of larger and big organisations is much greater in the cities of Southend-on-Sea and Colchester, but also in Harlow. There are proportionately more smaller and micro organisations in affluent town and country areas such as Braintree and Uttlesford.

Table 2.3(b) **Distribution by size of VCSE organisations in local authority areas of Essex** (Third Sector Trends Combined Register 2025)

Row percentages	Micro (£10,000 or less)	Small (£10,001-£50,000)	Medium (£50,001 - £250,000)	Large (£250,001 - £1m)	Big (£1m – £25m)	Number of TSOs
Southend-on-Sea	33.4	27.9	24.9	8.9	4.9	444
Thurrock	34.0	35.1	22.4	6.3	2.2	386
Basildon	24.6	38.3	21.9	12.5	2.7	349
Braintree	45.6	31.0	18.6	3.0	1.9	461
Brentwood	36.2	32.2	21.6	6.5	3.5	251
Castle Point	31.5	40.7	23.1	3.7	0.9	160
Chelmsford	34.2	33.6	21.0	8.0	3.1	614
Colchester	35.7	28.4	22.5	8.0	5.4	627
Epping Forest	38.2	31.6	19.7	7.2	3.3	424
Harlow	32.8	27.9	25.4	9.0	4.9	195
Maldon	37.8	36.7	19.7	5.3	0.5	240
Rochford	27.6	43.4	23.7	3.9	1.3	192
Tendring	35.2	33.2	24.5	5.7	1.3	415
Uttlesford	47.3	29.1	16.6	4.4	2.6	464

Continued	Micro (£10,000 or less)	Small (£10,001-£50,000)	Medium (£50,001 - £250,000)	Large (£250,001 - £1m)	Big (£1m – £25m)	Number of TSOs
Proposed West Essex Council	*41.1*	*29.9*	*19.4*	*6.3*	*3.3*	*1,083*
Proposed North Essex Council	*38.6*	*30.5*	*21.9*	*5.8*	*3.2*	*1,503*
Proposed Mid Essex Council	*35.5*	*34.0*	*20.9*	*7.1*	*2.6*	*1,105*
Proposed South West Essex Council	*29.5*	*36.6*	*22.2*	*9.2*	*2.4*	*735*
Proposed South East Essex Council	*31.6*	*34.2*	*24.3*	*6.7*	*3.2*	*796*
Essex	**36.1**	**32.5**	**21.5**	**6.8**	**3.0**	**5,222**

It should be noted that in analytical terms, returns from survey data limit the scope and reliability of more localised analysis in Essex (Table 2.3(c)). As can be observed, the percentage distribution in the survey sample in Essex varies substantially from the combined register data (see above) because there are proportionately fewer small and micro returns from the survey. The number of responses from medium, larger and the biggest organisations are much higher. Within the three sub-regions there are also substantive variations with comparably very few micro and small voluntary organisations in South Essex which will skew findings considerably but are reported nonetheless with these caveats in mind.

Table 2.3(c) **Distribution of survey data by size of VCSE organisations in areas of Essex**
(Third Sector Trends Survey data 2025)

Row percentages	Micro (£10,000 or less)	Small (£10,001-£50,000)	Medium (£50,001 - £250,000)	Large (£250,001 - £1m)	Big (£1m – £25m)	Number of TSOs
North Essex	*28.7*	*30.1*	*22.1*	*14.7*	*4.4*	*136*
Mid Essex	*29.8*	*31.9*	*25.5*	*8.5*	*4.3*	*94*
South Essex	*16.8*	*22.1*	*31.6*	*24.2*	*5.3*	*95*
Essex	**25.5**	**28.3**	**25.8**	**15.7**	**4.6**	**325**

Table 2.4(a) compares the distribution of VCSE organisations in each region by indices of multiple deprivation (IMD). Variations in sector distribution clearly reflect comparative levels of affluence and deprivation across regions. In the East of England, for example, only 8% of VCSE organisations are located in the least affluent quintile, while 27% are located in the most affluent. In North East England, by contrast, 28% of VCSE organisations are located in the least affluent quintile while only 15% are situated in the most affluent.

In Essex, the percentages of VCSE organisations based in the most deprived areas vary considerably. In Maldon, Brentwood, Rochford and Uttlesford there are no such areas while in Southend-on-Sea, 28% of VCSE organisations are based in the most deprived quintile (Table 2.4(b)).

Table 2.4(a) **Regional and national distribution of VCSE organisations by area affluence**[20] (Third Sector Trends Combined Register, 2025)						
Row percentages	**Least affluent IMD 1-2**	**IMD 3-4**	**Intermediate IMD 5-6**	**IMD 7-8**	**Most affluent IMD 9-10**	**Number of TSOs**
North East England	27.9	23.1	18.9	15.1	15.0	7,134
North West England	30.4	17.8	17.3	18.8	15.7	20,755
Yorkshire and Humber	25.0	15.0	19.9	21.4	18.6	15,057
East Midlands of England	14.1	18.6	18.9	24.7	23.6	14,646
West Midlands of England	24.4	19.2	22.4	19.8	14.2	17,501
East of England	**7.5**	**15.4**	**25.8**	**24.5**	**26.8**	**22,108**
London	15.2	29.4	24.7	20.0	10.7	38,861
South East England	6.2	11.7	19.7	27.4	35.0	33,979
South West England	9.3	19.9	29.3	22.9	18.6	24,426
Wales	13.8	18.6	23.8	25.5	18.3	10,533
England and Wales	**15.5**	**19.2**	**22.6**	**22.5**	**20.3**	**205.000**

Table 2.4(b) **Distribution of VCSE organisations by area affluence in Essex** (Third Sector Trends Combined Register 2025)						
Row percentages	**Least affluent IMD 1-2**	**IMD 3-4**	**Intermediate IMD 5-6**	**IMD 7-8**	**Most affluent IMD 9-10**	**Number of TSOs**
Southend-on-Sea	28.3	20.0	15.5	15.2	21.0	444
Thurrock	8.4	38.9	13.9	27.0	11.9	386
Basildon	16.7	31.0	11.2	14.2	26.8	349
Braintree	0.8	4.6	40.5	38.2	16.0	461
Brentwood	0.0	2.3	21.7	20.5	55.5	251
Castle Point	7.2	15.0	22.2	35.9	19.8	160
Chelmsford	0.6	6.5	24.8	36.3	31.7	614
Colchester	4.3	20.1	26.1	26.5	23.0	627
Epping Forest	0.9	19.8	28.6	25.5	25.2	424
Harlow	14.7	44.1	22.5	17.2	1.5	195
Maldon	0.0	8.0	38.6	41.0	12.4	240
Rochford	0.0	11.4	16.4	31.3	40.8	192
Tendring	24.0	29.5	30.0	13.8	2.8	415
Uttlesford	0.0	0.0	11.9	46.5	41.6	464
Proposed West Essex Council	*3.0*	*15.7*	*20.3*	*33.0*	*28.0*	*1,083*
Proposed North Essex Council	*8.7*	*17.9*	*31.6*	*26.6*	*15.3*	*1,504*
Proposed Mid Essex Council	*0.3*	*5.9*	*27.1*	*33.8*	*32.9*	*1,105*
Proposed South West Essex Council	*12.3*	*35.1*	*12.6*	*20.9*	*19.0*	*735*
Proposed South East Essex Council	*17.2*	*16.9*	*17.1*	*23.2*	*25.5*	*796*
Essex	**7.5**	**17.2**	**23.4**	**28.1**	**23.7**	**5,223**

Many VCSE organisations do not limit their work to the immediate area within which they are based, so this must be taken into account when interpreting statistics. As

[20] Indices of deprivation in England and the Index of Deprivation in Wales are constructed in slightly different ways and are not strictly comparable. However, both sets of indices are similarly purposed so comparative data have been presented in a single set of quintiles. See: Welsh Index of Multiple Deprivation; English indices of deprivation 2019 - GOV.UK.

Table 2.5(a) shows, the spatial patterns of work are fairly similar across English regions and Wales – but some anomalies must be noted.[21] In East of England, working at neighbourhood or village level (44%) is amongst the highest of all regions.

Within the East of England region there is much variation (Table 2.6). In Norfolk and Suffolk, the voluntary sector is more localised in its orientation while Essex is the least localised sector. Within Essex, there is more highly localised working in North Essex while in South Essex it appears to be much more limited.

Table 2.5(a) **Spatial range of VCSE organisations' operation in Wales and English regions** (Third Sector Trends 2025 survey data)

	Just in our neigh-bourhood or village	Within our local authority / county council district / London borough	Across at least two local authorities / districts / London boroughs	At a regional level (e.g. North East England, London or Mid Wales)	At a national level (e.g. Wales / England / across the UK	Inter-nationally	N=
North East England	33.7	26.7	13.7	20.8	2.9	2.3	659
North West England	34.3	33.2	16.4	6.6	6.1	3.3	798
Yorkshire and Humber	39.6	33.0	13.3	5.5	5.6	3.0	952
East Midlands of England	40.7	30.2	13.6	5.4	6.5	3.6	612
West Midlands of England	38.9	29.3	11.7	5.7	9.1	5.3	736
East of England	**44.1**	**29.4**	**13.9**	**3.6**	**5.5**	**3.5**	**1,120**
London	12.1	27.3	15.6	10.2	22.4	12.4	774
South East England	37.5	30.8	13.5	3.2	8.7	6.4	1,209
South West England	46.9	26.5	9.8	3.6	8.3	4.9	1,094
Wales	30.2	28.5	13.7	7.3	15.8	4.5	709
England and Wales	**36.7**	**29.6**	**13.4**	**6.5**	**8.9**	**5.0**	**8,663**

Table 2.5(b) **Spatial range of VCSE organisations' operation in East of England** (Third Sector Trends in East of England 2025)

	Just in our neigh-boarhound or village	Within our local authority / county council district	Across at least two local authorities	At a regional level	At a national level	Inter-nationally	N=
North Essex	*46.7*	*34.1*	*14.1*	*0.7*	*3.7*	*0.7*	*135*
Mid Essex	*36.2*	*35.1*	*16.0*	*5.3*	*6.4*	*1.1*	*94*
South Essex	*22.1*	*40.0*	*27.4*	*4.2*	*4.2*	*2.1*	*95*
Essex	**36.4**	**36.1**	**18.5**	**3.1**	**4.6**	**1.2**	**324**
Cambridgeshire & Peterborough	41.4	29.8	14.1	5.2	7.3	2.1	191
Suffolk	54.7	25.5	9.0	3.8	3.8	3.3	212
Norfolk	50.0	25.8	12.1	3.8	5.5	2.7	182
Bedfordshire & Hertfordshire	42.7	25.6	13.3	2.4	7.1	9.0	211
East of England	**44.1**	**29.4**	**13.9**	**3.6**	**5.5**	**3.5**	**1,120**

[21] The distinction between local authorities / local authority districts and working across two or more local authorities has become less useful over time. This is due to local government reorganisation where several two-tier counties have either become single tier or split into two smaller local authorities. Unfortunately this has undermined analysis between waves of the study as the political geographies are no longer comparable. In analytical terms it makes sense in comparative analysis, therefore, for these two categories to be merged.

2.2 Sector employment

The voluntary sector in England and Wales employs about 1.15 million people, constituting an average of 3% of employment in English regions and Wales (see Table 2.6). It is estimated that this represents a small increase of around 25,000 employees nationally since 2022. The full cost of employees to voluntary organisations is estimated at £61.3bn which represents around 67% of total organisational expenditure.

In the East of England, the voluntary sector employs around 93,100 people, constituting about 2.8% of regional employment – which is just below the national average. The cost of employing staff is estimated to be about 75% of sector income – a higher proportion than all other regions apart from London and South East England.

Table 2.6 **The contribution of the voluntary sector to overall employment in England and Wales**
(Third Sector Trends statistical model 2025)

	Estimated number of voluntary sector employees	**Regional employment[22]**	**Estimated percentage of regional employment**	**Estimated sector income** (£millions)	**Approximate percentage of sector income spent on wages**
North East England	37,500	1,211,000	3.1	1,983.0	65.1
North West England	107,900	3,675,000	2.9	5,711.5	68.6
Yorkshire and Humber	72,300	2,693,000	2.7	3,868.7	66.4
East Midlands of England	55,700	2,476,000	2.3	2,944.0	67.5
West Midlands of England	86,500	2,945,000	2.9	4,609.0	67.5
East of England	**93,100**	**3,301,000**	**2.8**	**4,946.1**	**75.0**
London	173,700 (372,000)	4,964,000	3.5 (7.5)	19,987.1[23]	82.9
South East England	178,700	4,934,000	3.6	9,548.3	76.1
South West England	101,600	3,027,000	3.4	5,404.3	68.7
Wales	42,600	1,457,000	2.9	2,258.1	67.3
England and Wales	**1,148,500[24]**	**30,683,000**	**3.1[25]**	**61,260.2**	**69.1[26]**

[22] Source: Nomis (downloaded September 27th, 2025)
https://www.nomisweb.co.uk/reports/lmp/gor/2013265921/report.aspx#tabnrhi

[23] Estimated cost for total London-based organisational employment. Costs will be exaggerated as expense incurred elsewhere in the UK or abroad are likely to be lower.

[24] Includes London-based organisational employees which are distributed elsewhere in England and Wales.

[25] Average regional percentage excludes London-based organisations' employees as it is not known how they are distributed across the UK and abroad.

[26] Average percentage cost excluding London.

Table 2.7 provides estimates on the distribution of the workforce and its associated costs by local authorities and county council district areas.[27]

Table 2.7 **Estimated employee numbers and costs in Essex** (Third Sector Trends statistical model 2025)

	Total number of registered voluntary organisations	Estimated sector income (£millions)	Estimated number of employees
Southend-on-Sea	444	99.4	1,871
Thurrock	386	86.4	1,626
Basildon	461	103.0	1,940
Braintree	251	56.2	1,058
Brentwood	160	35.7	672
Castle Point	615	137.7	2,592
Chelmsford	627	140.2	2,640
Colchester	424	94.9	1,787
Epping Forest	195	43.6	821
Harlow	240	53.7	1,010
Maldon	192	43.0	809
Rochford	415	92.8	1,747
Tendring	464	103.9	1,956
Uttlesford	461	103.0	1,940
Proposed West Essex Council	*896*	*200*	*3,771*
Proposed North Essex Council	*1,139*	*255*	*4,801*
Proposed Mid Essex Council	*979*	*219*	*4,121*
Proposed South West Essex Council	*847*	*189*	*3,566*
Proposed South East Essex Council	*1,474*	*330*	*6,210*
Essex	**5,335**	**1,194**	**22,469**

2.3 Support from volunteers

National estimates for the number of volunteers in the UK are published annually in NCVO's Civil Society Almanac.[28] It is reported that 16% of people volunteered at least once in the previous year with a group, club or organisation in the UK – this represents a decline from a recent peak of 23% in 2019-20. These are still impressive statistics which show that a culture of volunteering, in one capacity or another, is well established in the UK. Third Sector Trends estimates the number of 'regular' volunteers VCSE organisations rely upon to provide practical hands-on support to achieve their objectives.[29] This means that several other kinds of volunteers are not included in the analysis:

- 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 TSO such as RVS).
- 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.

[27] The accuracy of the estimates produced by the statistical model is reduced at lower level geographies and should be considered as 'indicative'.

[28] NCVO UK Civil Society Almanac 2024 https://www.ncvo.org.uk/news-and-insights/news-index/uk-civil-society-almanac-2024/.

[29] Regular volunteers are defined as people who provide on average 72 hours of support to a TSO in one year (or an average of six hours per month). Calculations exclude occasional or ephemeral (i.e. 'one-off') volunteering. Ephemeral or occasional volunteering may include people who help with a fundraising appeal, people who are allocated to volunteer through, for example, employee supported volunteer initiatives or by university student volunteer programmes.

- 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 local or national fundraising appeals (for example, *BBC Children in Need, Comic Relief, Sport Relief*, or for large national charities such as *Save the Children* and *Oxfam*[30] etc.)

It is not being asserted that these forms of volunteering lack value or are of a lesser value than those working directly and regularly for local VCSE organisations. It is simply a question of calculating the practical contributions regular volunteers make, via local voluntary organisations to society. With these caveats in mind, it is possible to calculate the amount of energy which is produced through voluntarism in VCSE organisations (see Table 2.8(a)).

In England and Wales, regular volunteers number around 4.3 million people who contribute 308 million hours of work valued at between £3.8bn and £5.6bn in 2025. In the East of England, the number of regular volunteers is about 437,700 and the hours worked amounts to 31.5 million. The proxy replacement value of volunteers would be between £385m and £587m in East of England. Estimated numbers and proxy financial replacement values for regular volunteers at local authority and county council district levels are provided in Table 2.8(b).

Table 2.8(a) **Estimated number and proxy replacement value of regular volunteers in VCSE organisations** (Third Sector Trends statistical model 2025)

	Number of regular volunteers	Estimated total hours worked (£millions)	Value at National Living Wage (£millions)	Number of full-time equivalent regular volunteers	80% average median regional wage	Value produced at 80% average regional (£millions)
North East England	148,900	10.7	130.9	6,300	27,506	172.9
North West England	431,500	31.1	379.3	18,200	28,954	527.2
Yorkshire and Humber	310,300	22.3	272.8	13,000	28,072	367.7
East Midlands of England	289,700	20.9	254.7	12,200	28,459	347.9
West Midlands of England	342,400	24.7	301.0	14,500	28,700	414.7
East of England	**437,700**	**31.5**	**384.8**	**18,500**	**31,762**	**586.8**
London[31]	903,500	65.1	794.2	38,100	35,501	1,353.7
South East England	708,300	51.0	622.6	29,900	32,415	968.9
South West England	492,800	35.5	433.2	20,800	29,153	606.3
Wales	212,300	15.3	186.6	8,900	28,471	255.1
England and Wales	**4,277,400**	**308.0**	**3,760.2**	**180,400**	**29,899**	**5,601.1**

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

[31] Estimates of the number of volunteers may be over or underestimated in London because many larger organisations, such as charitable foundations, tend not to have volunteers. Large international organisations by contrast may have very large numbers of volunteers but they may not provide support in England and Wales.

Table 2.8(b) **Estimated number and proxy replacement value of regular volunteers in VCSE organisations in Essex** (Third Sector Trends statistical model 2025)

	Estimated number of regular volunteers	Estimated hours worked (1,000s)	Equivalent cost at National Minimum Wage (£millions)	Equivalent cost at 80% median regional wage (£millions)
Southend-on-Sea	8,291	0.6	7.3	11.1
Thurrock	7,225	0.5	6.4	9.7
Basildon	6,682	0.5	5.9	9.0
Braintree	8,850	0.6	7.8	11.9
Brentwood	4,843	0.3	4.3	6.5
Castle Point	3,084	0.2	2.7	4.1
Chelmsford	11,927	0.9	10.5	16.0
Colchester	12,185	0.9	10.7	16.3
Epping Forest	8,271	0.6	7.3	11.1
Harlow	3,811	0.3	3.4	5.1
Maldon	4,702	0.3	4.1	6.3
Rochford	3,776	0.3	3.3	5.1
Tendring	8,177	0.6	7.2	11.0
Uttlesford	9,182	0.7	8.1	12.3
Proposed West Essex Council	*21,264*	*1.6*	*18.8*	*28.5*
Proposed North Essex Council	*29,212*	*2.1*	*25.7*	*39.2*
Proposed Mid Essex Council	*21,472*	*1.5*	*18.9*	*28.8*
Proposed South West Essex Council	*13,907*	*1.0*	*12.3*	*18.7*
Proposed South East Essex Council	*15,151*	*1.1*	*13.3*	*20.3*
Essex	**101,006**	**7.3**	**89.0**	**135.5**

Reliance on regular volunteers is high in the East of England (Table 2.9), but that pattern of reliance varies little from the national average. But expectations that VCSE organisations can rely on volunteers on a very regular basis (84%) or for them to work unsupervised (77%) is substantially higher in the East of England than in the much less affluent North East region (71%).

Conversely, in North East England, a higher percentage of VCSE organisations report that many of their service users are beneficiaries (74%) compared with just 64% in the East of England. In all regions, a substantial proportion of VCSE organisations state that they have yet to recover to pre-pandemic levels of volunteering (~39%). In the East of England the percentage stands at the national average.

In the East of England, reliance upon volunteers varies to some extent, but not dramatically so and in Essex percentages mirror those of the region as a whole.

Table 2.9(a) **Reliance on volunteers by region** (Third Sector Trends in England and Wales 2025, percentage 'agree' or 'strongly agree n=8,583)

	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	We have never fully recovered our volunteer numbers since the pandemic
North East England	80.7	71.2	73.8	81.8	38.9
North West England	84.5	76.7	70.4	87.9	44.2
Yorkshire & Humber	87.8	78.4	70.6	90.5	39.4
East Midlands of England	86.3	80.3	62.3	86.5	36.6
West Midlands of England	87.0	82.7	69.3	90.0	39.6
East of England	**84.3**	**77.1**	**64.2**	**86.7**	**38.6**
Greater London	81.4	72.5	64.6	84.2	36.1
South East England	86.8	80.3	62.9	90.7	36.0
South West England	86.3	83.2	63.0	89.1	38.0
Wales	83.6	79.0	69.8	84.9	41.5
England and Wales	**85.1**	**78.4**	**66.8**	**87.6**	**38.8**

Table 2.9(b) **Reliance on volunteers in East of England counties** (Third Sector Trends in England and Wales 2025, percentage 'agree' or 'strongly agree n=1,120)

	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	We have never fully recovered our volunteer numbers since the pandemic	N=
Essex	85.2	76.0	62.9	84.2	38.8	324
Cambridgeshire & Peterborough	77.9	73.6	61.7	80.8	32.8	191
Suffolk	83.7	77.0	63.9	88.0	40.3	213
Norfolk	86.3	77.0	74.1	90.0	36.8	181
Bedfordshire & Hertfordshire	87.7	82.3	60.9	92.0	43.3	211
East of England	**84.3**	**77.1**	**64.2**	**86.7**	**38.6**	**1,120**

2.4 Labour market dynamics

There has been a good deal of turbulence in the structure of the voluntary sector labour force in recent years but patterns of change vary by region. As Table 2.10 shows, the situation in East of England is more stable than in others, such as North East England where it is reported that rising full-time employment is higher than in any other region (32%).

VCSE organisations in some regions report significant changes in the numbers of regular volunteers and trustees over the last two years (Table 2.11). In the East England, the percentage of voluntary organisations with rising numbers of volunteers (33%) is equal to the national average as are percentages for trustees. That stated, volunteer numbers did not return to pre-pandemic (Table 2.9(a)). The balance between those voluntary organisations gaining or losing trustees in the East of England is similar (19%). The national indications are that the loss of trustees is more severe in smaller VCSE organisations than larger ones.

Table 2.10 **Changing levels of full and part-time employment over the last two years**
(Third Sector Trends in England and Wales 2025)

	Full-time employees			*Part-time employees*		
	Increased	Stayed the same	Reduced	Increased	Stayed the same	Reduced
North East England	31.8	49.0	19.2	36.5	46.0	17.5
North West England	22.3	57.3	20.4	36.7	48.5	14.7
Yorkshire and Humber	26.5	51.8	21.7	38.3	45.2	16.5
East Midlands of England	21.5	55.4	23.1	35.2	46.6	18.2
West Midlands of England	24.4	60.4	15.2	33.9	52.7	13.4
East of England	**27.9**	**57.4**	**14.7**	**36.9**	**52.4**	**10.8**
London	24.9	58.4	16.7	38.0	49.1	13.0
South East England	24.5	58.5	17.0	34.0	51.3	14.7
South West England	21.7	59.8	18.5	32.1	53.7	14.2
Wales	27.4	53.9	18.7	35.7	45.4	18.9
England and Wales	**25.5**	**56.1**	**18.4**	**35.8**	**49.3**	**14.9**

Table 2.11 **Changing levels of regular volunteers and trustees over the last two years**
(Third Sector Trends in England and Wales 2025)

	Regular volunteers			*Trustees*		
	Increased	Stayed the same	Reduced	Increased	Stayed the same	Reduced
North East England	37.5	42.1	20.4	20.3	61.6	18.1
North West England	34.7	45.2	20.0	18.3	63.2	18.5
Yorkshire and Humber	33.9	46.8	19.3	19.4	64.0	16.6
East Midlands of England	32.4	46.4	21.2	21.5	61.1	17.4
West Midlands of England	35.0	45.6	19.4	18.6	64.7	16.6
East of England	**32.7**	**46.9**	**20.4**	**19.4**	**62.0**	**18.6**
London	32.6	50.9	16.5	22.5	64.3	13.3
South East England	30.2	51.8	18.0	17.6	66.4	16.0
South West England	27.9	49.7	22.4	19.1	62.0	18.8
Wales	35.0	44.0	20.9	19.5	61.9	18.6
England and Wales	**32.8**	**47.3**	**19.8**	**19.4**	**63.3**	**17.3**

Recruitment and retention problems have become a matter of concern to many VCSE organisations in recent years. These difficulties vary substantially across regions (Table 2.12).

- In the North East, 41% of TSOs report employee recruitment problems compared with just 32% in the East of England. In East of England, employee retention problems are comparably low (17%).
- Volunteer recruitment problems are widespread, but are particularly severe in the East of England (47%), while volunteer retention difficulties are at the national average (25%).
- Trustee recruitment difficulties are just above the national average in East of England (37%) while retention problems are slightly higher than the national average (18%).

Table 2.12 **Difficulties associated with recruitment and retention in East of England**
(Third Sector Trends in England and Wales 2025)

	Difficulty with recruitment			*Difficulty with retention*		
	Employees	**Volunteers**	**Trustees**	**Employees**	**Volunteers**	**Trustees**
North East England	41.0	42.5	37.3	22.3	25.4	16.6
North West England	33.0	42.2	33.9	19.9	25.3	15.5
Yorkshire and Humber	33.2	45.3	35.4	20.5	26.9	16.8
East Midlands of England	34.4	43.0	35.3	19.9	23.0	15.6
West Midlands of England	32.1	45.1	35.7	18.6	25.7	15.8
East of England	**31.5**	**46.9**	**37.2**	**17.4**	**25.0**	**17.9**
London	27.6	34.0	26.7	18.4	22.8	13.3
South East England	32.3	44.3	35.3	17.7	22.8	13.5
South West England	32.1	44.3	38.9	16.9	24.4	18.2
Wales	36.4	44.4	38.0	21.6	27.2	16.6
England and Wales	**33.1**	**43.5**	**35.5**	**19.1**	**24.8**	**16.0**

As Table 2.13 shows, the percentages of VCSE organisations having difficulty with recruitment of employees (34%) and volunteers (50%) are quite high in Essex compared with other counties – but problems with trustee recruitment is at the regional average (37%).[32] Difficulties with the retention of employees (16%) in Essex is just below the regional average while volunteer retention problems are higher (29%). Trustee retention difficulties sit at the regional average (18%).

Table 2.13 **Difficulties associated with recruitment and retention in East of England**
(Third Sector Trends in England and Wales 2025)

	Difficulty with recruitment			*Difficulty with retention*		
	Employees	**Volunteers**	**Trustees**	**Employees**	**Volunteers**	**Trustees**
Essex	**33.8**	**50.0**	**37.0**	**15.6**	**28.6**	**18.2**
Cambridgeshire & Peterborough	31.0	42.9	33.1	13.8	20.3	16.4
Suffolk	30.9	48.6	39.6	19.4	21.6	19.5
Norfolk	29.4	46.4	44.7	19.3	22.4	17.1
Bedfordshire & Hertfordshire	30.3	43.9	32.0	20.4	28.9	17.7
East of England	**31.5**	**46.9**	**37.2**	**17.4**	**25.0**	**17.9**

[32] There are insufficient data to undertake analysis at sub-regional level convincingly.

It is useful to note that recruitment and retention difficulties amongst VCSE organisations focusing on health are about the same as voluntary organisations with other beneficiary interests. (Table 1.14).

Table 2.14 **Difficulties associated with recruitment and retention in VCSE organisations in the field of health** (Third Sector Trends in England and Wales 2025)

	Difficulty with recruitment			*Difficulty with retention*		
	Employees	**Volunteers**	**Trustees**	**Employees**	**Volunteers**	**Trustees**
TSOs making a tangible contribution to health and wellbeing (n=3,007)	34.5	44.9	38.0	19.1	24.9	16.8
TSOs regarding health issues as secondary or not relevant to their mission (n=5,673)	32.2	42.7	34.2	19.1	24.8	15.6

2.5 Training and development

Ensuring that people are highly motivated and properly equipped with the skills needed to do their work is generally thought to be an important aspect of organisational effectiveness. And yet, the most important priority set by VCSE organisations is 'income generation' (Table 2.15(a)).

Clearly, VCSE organisations need money to rent or buy property within which to work, to buy kit and consumables to deliver services and to pay employees wages. But it is a moot point as to whether developing fundraising skills should be the top priority. Income generation is most clearly prioritised in North East England over all other issues by 77% of VCSE organisations compared with just 64% in the East of England.

There could be stronger arguments, from an outsider's perspective, to invest in business planning so as to work out what money is needed for; and investing in the capability of managers and trustees to make sure that they are making the right decisions. In the East of England the imperative to make such investments seems to be particularly low: only 27% of VCSE organisations prioritise trustee development compared with 33% in Wales.

As shown in Table 2.15(b) the prioritisation of training in managing employees and volunteers, business skills and trustee development in Essex is substantially higher than the regional average and far above that of Norfolk and Suffolk. In South Essex, the imperative to do so is by far the strongest – which is likely to be related to a higher concentration of larger VCSE organisations in this area.

Table 2.15(a) **Percentage of VCSE organisations stating that training needs are a high priority** (Third Sector Trends in England and Wales 2025)						
	Managing employees / volunteers	**Trustee development and training**	**Business planning**	**Income generation**	**Practical digital skills** (e.g. financial accounting software)	**Artificial intelligence (AI)**
North East England	48.1	31.5	47.6	76.7	27.7	15.9
North West England	44.2	28.5	42.4	67.4	23.6	11.4
Yorkshire & Humber	40.1	28.0	41.0	71.0	22.6	12.3
East Midlands of England	37.6	26.7	35.6	62.9	21.9	7.2
West Midlands of England	36.6	27.4	38.2	66.1	22.0	8.7
East of England	**40.4**	**26.6**	**36.9**	**64.3**	**18.9**	**9.9**
Greater London	48.8	29.1	48.1	71.8	28.9	17.0
South East England	40.8	28.1	39.9	63.6	23.6	10.1
South West England	36.4	24.1	35.8	63.2	20.0	7.2
Wales	47.2	33.3	46.8	72.7	25.8	11.3
England and Wales	**41.6**	**28.0**	**40.8**	**67.5**	**23.1**	**10.9**

Table 2.15(b) **Percentage of VCSE organisations stating that training needs are a high priority** (Third Sector Trends in England and Wales 2025)						
% HIGH PRIORITY	**Managing employees / volunteers**	**Trustee development and training**	**Business planning**	**Income generation**	**Practical digital skills (e.g. financial accounting software)**	**Artificial intelligence (AI)**
North Essex	*42.6*	*28.0*	*41.0*	*70.5*	*19.4*	*6.7*
Mid Essex	*49.5*	*30.1*	*34.4*	*66.7*	*19.4*	*7.5*
South Essex	*53.2*	*33.7*	*48.4*	*77.7*	*26.6*	*23.4*
Essex	**47.7**	**30.3**	**41.3**	**71.5**	**21.5**	**11.8**
Cambridgeshire & Peterborough	43.4	30.2	41.8	62.6	18.9	12.2
Suffolk	28.2	22.1	32.4	62.6	18.3	7.1
Norfolk	36.5	22.8	27.6	60.4	16.5	5.5
Bedfordshire & Hertfordshire	42.1	25.8	38.3	60.1	17.8	11.6
East of England	**40.4**	**26.6**	**36.9**	**64.3**	**18.9**	**9.9**

Investing in people is generally considered to be beneficial to organisational health and a major contributor to success in achieving objectives.[33] Table 2.16 presents headline data for employees and volunteers in the East of England on the extent of voluntary organisations' investment in training, wellbeing (using flexible working arrangements as an indicator) and personal development. Only the first of these

[33] Academic studies of the public and private sectors generally show that investment in people through training, supporting their wellbeing and personal development enhances organisational effectiveness. For a critical view of the literature, see: Burgess, S., and Williams, I. (2009) 'Investing in your people works–can 40,000 organisations be wrong?', *Library Management*, 30(8-9), 608-618. The literature on third sector organisational training and development is patchy. See: Egan, T. (2017) 'Training and development in nonprofit organizations', in Ward, J. and Sowa, J. (eds.) *The Nonprofit Human Resource Management Handbook,* New York, Routledge (223-249). Routledge. Most literature in this field is generally focused on the wider objective of fundraising or social impact rather than improving organisations capability and wellbeing; see, for example: Green, E., Ritchie, F., Bradley, P. and Parry, G. (2021) 'Financial resilience, income dependence and organisational survival in UK charities', *Voluntas: international journal of voluntary and nonprofit organizations*, 32(5), 992-1008.

factors, holding a training budget, implies direct financial commitment from VCSE organisations, but other factors will also involve direct or indirect costs.

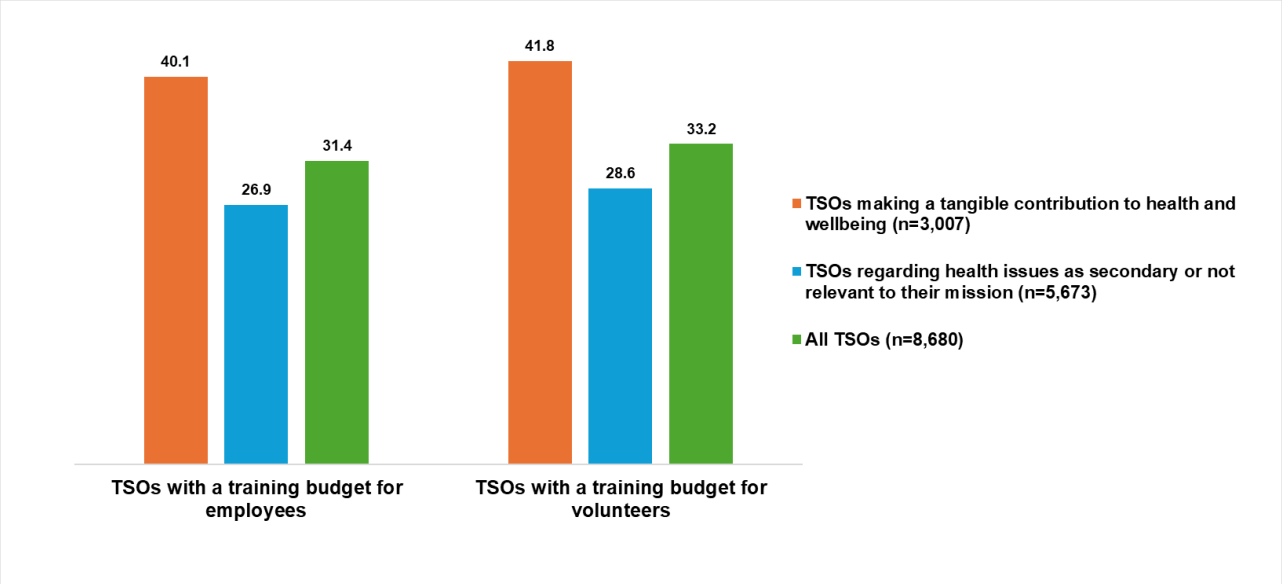
Levels of investment in employees is a good deal higher in Essex than in other counties. For example, 49% of VCSE organisations in Essex have a training budget compared with a regional average of 40% (commitment is lowest in Norfolk 33%). Within Essex, as would be expected given the finding presented on the prioritisation of training and development, is highest by far in South Essex.

Table 2.16 **Percent of VCSE organisations which invest in training, flexible working and personal development for employees and volunteers in East of England** (Third Sector Trends in England and Wales 2025)

	We have a general training budget	We offer flexible working arrangements	We make provisions for personal development
North Essex	*44.1*	*58.1*	*55.1*
Mid Essex	*46.8*	*59.1*	*53.8*
South Essex	*59.1*	*73.9*	*65.6*
Essex	**49.2**	**62.9**	**57.8**
Cambridgeshire & Peterborough	41.9	61.1	48.9
Suffolk	33.5	51.2	42.0
Norfolk	33.0	48.0	40.8
Bedfordshire & Hertfordshire	34.8	52.9	47.8
East of England	**39.6**	**56.1**	**48.7**

It is useful to note that VCSE organisations which have health issues as their key priority are more likely to train than other voluntary organisations. This may partly be due to their generally larger size together with statutory requirements which must be met in the field of health and social care provision (Figure 2.1)

Figure 2.1 **Percentage of VCSE organisations with training budgets in the health and social care field** (Third Sector Trends in England and Wales 2025)



More than half of VCSE organisations in the East of England tackle training and development issues in house, as shown in Table 2.17. In South Essex that percentage is much lower (45%) probably because there are more large organisations in this area.

Of those which seek external support for training in Essex, most go to local infrastructure bodies – and especially so in South Essex. Local trusts and foundations are also a valuable source of support for many organisations. In some case, VCSE organisations go to the local authority (usually on policy based issues) and businesses or professionals (primarily for legal and accountancy support).

Table 2.17 **Principal sources of support for VCSE organisations in East of England**
(Third Sector Trends in England and Wales 2025)

	From a local infrastructure body	From a local charitable grant-making trust or community foundation	From the local authority, NHS or other public sector body	From a local private sector business or specialist profession	We'd do it ourselves	Average n=
North Essex	*19.9*	*14.0*	*6.4*	*8.7*	*50.9*	*131*
Mid Essex	*20.6*	*13.6*	*5.1*	*6.7*	*54.0*	*92*
South Essex	*23.4*	*10.5*	*6.9*	*13.7*	*45.4*	*91*
Essex	**21.2**	**12.8**	**6.2**	**9.8**	**50.0**	**265**
Cambridgeshire & Peterborough	16.4	14.6	7.3	11.3	50.4	145
Suffolk	14.0	13.7	5.7	8.5	58.1	160
Norfolk	14.2	11.6	6.9	11.9	55.5	131
Bedfordshire & Hertfordshire	13.0	10.9	5.3	10.0	60.7	156
East of England	16.5	12.7	6.3	10.1	54.4	856

Section 3

Sector purpose, energy and impact

3.1 Sector purpose and beneficiaries

Third Sector Trends collects data on a limited range of broad categories of beneficiary groups. Most VCSE organisations also tend to tackle a range of issues rather than focusing upon just one. While it is not possible to undertake highly nuanced localised analysis using these data below county level, it is clear that sector purpose reflects local regional conditions. For example, emphasis on physical disability or illnesses as beneficiary areas tend to be far higher in northern areas where concentrations of deprivation are greater than in more affluent southern regions.

Table 3.1 presents data for East of England on beneficiaries served in three blocks. The first addresses specific *personal or biographical issues*. It is clear from these data that many VCSE organisations state that they serve 'people in general' (55% in East of England) while others state they have a more specific focus, such as children and young people (38%) or older people (33%). Percentages add up to more than 100% because, as noted, many VCSE organisations serve several purposes. Nonetheless, these data provide some useful indications of variation by areas such as the stronger focus on children and young people in Essex.

Table 3.1 Percentage of VCSE organisations supporting beneficiaries (Third Sector Trends in England and Wales 2025)

Block 1: Personal or biographical issues	People in general	Children and young people	Older people	People of a particular ethnic or racial origin	People with concerns about gender and sexuality
Essex	**48.3**	**45.5**	**32.3**	**7.7**	**5.8**
Cambridgeshire & Peterborough	54.5	34.6	36.1	5.8	4.7
Suffolk	60.1	34.7	36.6	2.8	3.3
Norfolk	56.0	33.5	33.5	4.9	2.7
Bedfordshire & Hertfordshire	60.2	36.5	27.0	6.2	0.5
East of England	**55.1**	**38.0**	**33.0**	**5.7**	**3.7**

The second block of the table considers how many VCSE organisations address issues surrounding *health and wellbeing*. The focus on health related issues is, without exception, stronger in Essex than all other areas of East of England. The final block in Table 3.1 focuses on *household and community issues*. This section shows that VCSE sector focus in Essex is stronger on predominantly urban issues such as poverty, deprived urban communities and unemployment than the counties of Norfolk and Suffolk where rural issues are more likely to be prioritised. As might be expected, housing issues are highlighted in Cambridgeshire & Peterborough which has well-known challenges associated with housing supply and demand.

Block 2: Health and wellbeing issues	People with physical disabilities	People with physical health conditions	People with mental health conditions	People with learning disabilities	Carers
Essex	**25.2**	**26.5**	**29.8**	**22.2**	**17.5**
Cambridgeshire & Peterborough	21.5	19.4	25.7	16.8	13.6
Suffolk	18.8	18.8	18.8	12.2	12.2
Norfolk	16.5	15.9	21.4	14.3	10.4
Bedfordshire & Hertfordshire	15.2	11.8	15.2	8.1	5.7
East of England	**20.1**	**19.3**	**22.9**	**15.4**	**12.5**
Block 3: Housing and community issues	**People with homelessness and housing issues**	**Unemployed/ workless people**	**People or households living in poverty**	**People in disadvantaged urban areas**	**People in rural areas**
Essex	**10.2**	**14.8**	**21.5**	**16.9**	**18.5**
Cambridgeshire & Peterborough	15.7	15.2	20.4	12.6	22.0
Suffolk	8.5	9.4	20.2	9.9	33.8
Norfolk	7.7	10.4	23.6	12.6	24.2
Bedfordshire & Hertfordshire	5.7	7.1	14.7	5.7	7.1
East of England	**9.5**	**11.7**	**20.1**	**12.0**	**20.8**

3.2 Perceptions of social impact

Currently, Third Sector Trends is the only large-scale study which collects substantive data on perceptions of sector impact. New questions were introduced in 2019 on the impact of the sector's work which were developed in collaboration with *Power to Change*. Respondents were asked, "*at a community level, what kind of impact do you think you have?"* across several domains.

For each aspect, respondents were invited to tick one of the following responses: 'we have a very strong impact,' 'we make an important contribution,' 'we make some difference' and 'no we don't try to do this'. Response rates to each question were high (never falling below 94% for each statement) which bolsters the reliability of the findings. It was a matter of concern, when this question was first launched in 2019, that people who took part in the survey might be tempted to 'over emphasise' the value of their work. But this did not turn out to be the case. Respondents were measured in their assessments of the areas of impact to which they contribute.

Table 3.2 shows the strength of impact that VCSE organisations feel that they have at regional level on each issue. Two findings immediately stand out. Firstly, at national level a higher percentage of VCSE organisations perceive that they have very strong impact on 'generalist' objectives such as 'health and wellbeing' (25%) or 'social isolation' (27%), while fewer make strong claims about more specialised aspects of impact such as 'increasing employability' (6%) or 'improving the local environment' (8%).

Perceived levels of high social impact in the East of England are quite close to national averages in all domains – unlike some regions which diverge substantially such as North East England due to the deep concentrations of deprivation in the region.

Table 3.2(a) **Percent of VCSE organisations stating that they 'have a very strong impact' by region 2025** (Third Sector Trends in England and Wales 2025)

	We develop knowledge and skills through education and training	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
North East England	20.8	32.0	37.7	17.3	9.7	13.4	14.4
North West England	18.1	29.2	30.2	14.9	5.2	12.5	13.0
Yorkshire & Humber	16.4	28.3	28.1	13.9	6.6	8.9	12.1
East Midlands	15.0	19.9	22.1	11.0	5.7	7.6	7.5
West Midlands	14.8	23.1	26.5	12.2	5.8	8.9	10.7
East of England	**16.1**	**25.5**	**28.5**	**10.6**	**5.7**	**9.4**	**11.3**
Greater London	22.6	23.9	27.0	12.8	9.0	12.6	9.6
South East England	14.4	20.5	21.7	10.6	4.8	7.8	8.7
South West England	13.0	19.3	20.3	10.7	3.6	7.1	6.4
Wales	18.6	27.5	30.8	13.8	5.5	11.3	13.0
England and Wales	**16.7**	**24.6**	**26.8**	**12.5**	**6.0**	**9.7**	**10.5**

Table 3.2(a) Continued/…	We give people confidence to manage their lives	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	N=
North East England	26.9	14.7	9.4	22.3	25.3	18.8	**661**
North West England	23.5	15.8	8.8	21.0	20.8	15.7	**800**
Yorkshire & Humber	22.1	14.3	7.3	19.3	19.3	16.7	**953**
East Midlands	15.6	14.9	7.8	15.7	11.7	11.3	**613**
West Midlands	20.3	15.3	8.7	19.5	16.6	13.9	**739**
East of England	**20.5**	**15.2**	**9.0**	**19.8**	**18.9**	**13.9**	**1,122**
Greater London	22.6	16.8	6.3	18.2	21.9	12.9	**774**
South East England	17.0	13.8	8.3	14.8	14.1	10.2	**1,212**
South West England	12.8	14.1	8.7	14.0	11.5	10.6	**1,097**
Wales	23.8	18.9	10.0	22.9	21.2	16.8	**709**
England and Wales	**20.1**	**15.2**	**8.4**	**18.4**	**17.8**	**13.8**	**8,680**

Within the East of England, there are some clear variations in the extent to which the local voluntary sector feels it achieves higher levels of impact (Table 3.2(b)). Essex stands out in its stronger claims of social impact in all domains compared with other counties while the voluntary sector in Bedfordshire & Hertfordshire are the least likely to do so. These differences are most likely associated with higher levels of local area affluence in town and country areas which tend to affect sector structure and focus on issues associated with critical and pernicious social need.

Table 3.2(b) **Percent of VCSE organisations stating that they 'have a very strong impact' by county 2025** (Third Sector Trends in England and Wales 2025)

	We develop knowledge and skills through education and training	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
Essex	**20.9**	**39.2**	**39.6**	**15.8**	**8.1**	**12.6**	**17.2**
Cambridgeshire & Peterborough	16.1	25.3	30.9	10.4	5.6	9.3	10.4
Suffolk	13.5	17.7	22.1	7.7	4.9	8.3	8.9
Norfolk	14.5	20.6	25.0	3.6	4.8	8.2	8.4
Bedfordshire & Hertfordshire	12.6	17.1	18.6	11.4	3.6	6.6	7.6

	We give people confidence to manage their lives	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	n=
Essex	**29.8**	**16.9**	**10.7**	**26.1**	**30.8**	**19.4**	**316**
Cambridgeshire & Peterborough	18.9	20.3	12.6	24.0	17.7	14.3	186
Suffolk	16.1	16.5	8.3	18.4	14.7	13.2	208
Norfolk	18.7	8.2	7.6	11.6	13.1	7.7	173
Bedfordshire & Hertfordshire	13.6	12.6	5.0	14.8	10.5	10.7	206

3.3 Financial estimates of sector impact

The approach to defining sector value by Third Sector Trends involves four steps.[34] The first step is to estimate the 'added value' the voluntary sector contributes involves the identification of the amount of 'energy' which the sector has at its disposal to achieve its objectives. Rather than over-labouring the process of defining sector energy, a relatively simple approach is taken to include financial or proxy financial values under four headings:

- ***The value of financial expenditure***: it is possible to make good estimates of sector expenditure. This sum captures the economic value of employee wages, spending on rent and consumables and the disbursement of grants to individuals or other VCSE organisations together with contributions to local and national taxation.
- ***The proxy-replacement value of volunteer time available***: in Section 2, calculations on the number of regular volunteers and the work time they invest were presented. Replacement values were attributed to this energy at National Living Wage and at 80% of median regional wages. A mid-point estimate is used to define the value of volunteering.

[34] See Section 5, *Technical paper on sector structure and analytical techniques*: https://www.stchads.ac.uk/wp-content/uploads/2025/12/Third-Sector-Trends-in-England-and-Wales-2025-Technical-paper-on-sector-structure-and-analytical-techniques-December-2025.pdf

- ***The proxy value of additional in-kind support***: in-kind support from the private sector and public sector is estimated. This support includes the free or low-cost use of facilities and services, pro bono advice and technical expertise, employee volunteer support and the provision of free goods such as surplus consumables.[35]
- ***The proxy value of self-generated income***: this estimate is based on the regional share of the national value of income gained from retailing of pre-used goods. This represents the production of financial value from redundant articles and is not covered in the expenditure category (which would include income from other types of voluntary sector trading).[36]

As shown in Table 3.3, these combined financial values reach substantial sums. But these statistics is do not fully reflect the whole value of the economic and social impact the voluntary sector produces. Instead, they simply signal the resource 'energy' that the sector has at its disposal.

Table 3.3 **Estimates of the voluntary sector's financial value in Essex 2025**
(Third Sector Trends Statistical Model 2025)

	Estimated sector expenditure (£millions)	Proxy-replacement value of volunteer time mid point estimate (£millions)	Proxy value of additional in-kind support in each area (£millions)	Proxy value of additional sources of self-generated income in each area (£millions)	Total financial value of sector energy expended by the Third Sector in each area (£millions)
Southend-on-Sea	95.1	9.2	5.4	0.7	110.5
Thurrock	82.7	8.0	4.7	0.6	96.0
Basildon	74.7	7.4	4.3	0.6	86.9
Braintree	98.6	9.8	5.6	0.7	114.8
Brentwood	53.8	5.4	3.1	0.4	62.7
Castle Point	34.2	3.4	2.0	0.3	39.8
Chelmsford	131.8	13.2	7.5	1.0	153.5
Colchester	134.2	13.5	7.7	1.0	156.4
Epping Forest	90.8	9.2	5.2	0.7	105.9
Harlow	41.7	4.2	2.4	0.3	48.7
Maldon	51.4	5.2	2.9	0.4	59.9

[35] A report on the substantive contribution of business to the third sector has been produced as part of the Law Family Commission on Civil Society. See Chapman, T. (2021) *Going the extra mile: how business works with the local third sector*, London: Pro Bono Economics. Currently there are no equivalent studies of local public sector investment in the third sector using in-kind resources. However, it is likely that the non-financial contributions of public bodies such as NHS trusts, health authorities, police, fire and rescue and other agencies is likely to be at least equal to private sector investment. In-kind support would include the contribution of officers with responsibility for third sector liaison, research and intelligence and advice and guidance – but exclude contracts to the third sector to provide infrastructure support as this will be counted under third sector expenditure. Other forms of in-kind support would include free access to venues and equipment for third sector usage and beneficial arrangements such as peppercorn rents.

[36] The evidence from the Charity Retail Association suggests that charity shop retail produces about £331m in profits in 2018/19. On this basis, estimates were generated for Yorkshire and the three study areas. For further discussion of the value produced through charity shop recycling and retail see also, Osterley, R. and Williams, D. (2019) 'The social, environmental and economic benefits of reuse by charity shops', *Detritus* 7(1) 29-35. https://digital.detritusjournal.com/articles/the-social-environmental-and-economic-benefits-of-reuse-by-charity-shops/244. For further analysis on the value of charity shop retail, see Harrison-Evans, P. (2016) *Shopping for good: the social benefits of charity retail*, London: Demos https://www.demos.co.uk/wp-content/uploads/2017/09/Shopping-for-Good-the-social-benefits-of-charity-retail-.pdf. While charity retail declined during the pandemic due to lockdowns and closures, there are indications that business has bounced back in 2022: Charity shops reveal surge in interest with sales 22% higher than pre-pandemic due to cost of living crisis (inews.co.uk).

Table 3.3 continued/…	Estimated sector expenditure (£millions)	Proxy-replacement value of volunteer time mid point estimate (£millions)	Proxy value of additional in-kind support in each area (£millions)	Proxy value of additional sources of self-generated income in each area (£millions)	Total financial value of sector energy expended by the Third Sector in each area (£millions)
Rochford	41.1	4.2	2.4	0.3	48.0
Tendring	88.8	9.1	5.1	0.7	103.6
Uttlesford	99.4	10.2	5.7	0.8	116.1
Proposed West Essex Council	*232*	*23.6*	*13*	*1.8*	*270.7*
Proposed North Essex Council	*322*	*32.4*	*18*	*2.4*	*374.8*
Proposed Mid Essex Council	*237*	*23.8*	*14*	*1.8*	*276.1*
Proposed South West Essex Council	*157*	*15.4*	*9*	*1.2*	*182.9*
Proposed South East Essex Council	*170*	*16.8*	*10*	*1.3*	*198.3*
Essex	**1,118**	**112.0**	**64**	**8.5**	**1,302.8**

The second step in the process is to define types of 'added value' that the voluntary sector contributes to local economy and society. No claim is made that these distinctions are entirely original – instead, the approach draws upon the large policy and academic literature on the appraisal or measurement of impact which implicitly or explicitly embrace one or more of these notions of impact value.[37]

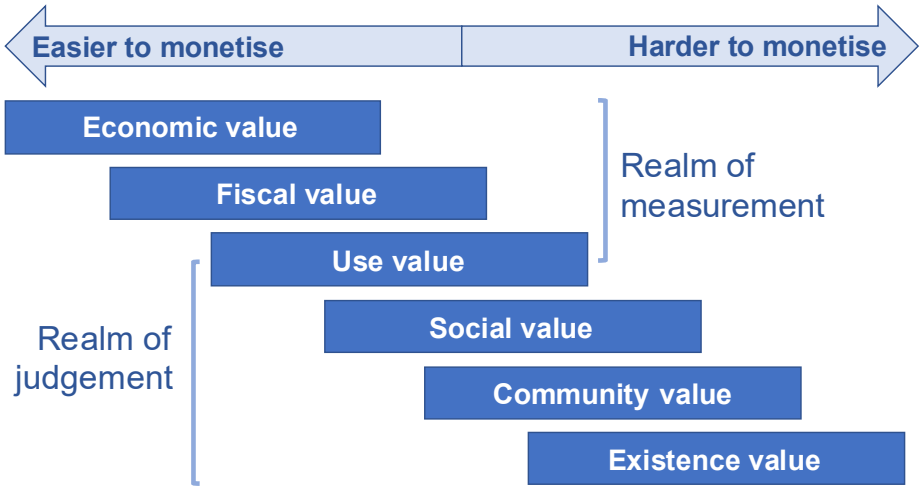
- ***Economic value***: is defined as the economic contribution that the local voluntary sector makes to the area through 'multiplier effects' driven by: organisational expenditure on local businesses; the spending of employees in the local economy and productivity from self-generated trading activities.
- ***Fiscal value***: is defined as the savings gained by local public sector agencies and government departments because of voluntary sector activity (either by delivering services under contract more efficiently or cheaply, or by reducing service need via voluntary sector generated activity).
- ***Use value***: is defined as the direct and immediate personal or social benefits gained by voluntary sector service users which in turn incentivises, empowers and facilitates greater socially, economically or environmentally beneficial activity by the resident population in employment, self-employment, unpaid caring, running private businesses/social enterprises and volunteering.
- ***Social value***: the alleviation of the impact of specific social problems and investment in personal wellbeing to generate or embrace new opportunities to strengthen economy and society locally.
- ***Community value***: strengthening the quality of life, enriching culture, and encouraging cohesion, tolerance, trust and belief in civil society through the collective contribution of the voluntary sector working in neighbourly, complementary or collaborative ways.
- ***Existence value***: when the voluntary sector invests in social and community wellbeing which is valued by the general population though not necessarily 'used' personally. Existence value also includes extant voluntary sector

[37] There is a large academic and policy literature on the definition and measurement of value. A useful contribution has been offered by Mulgan, G., Breckon, J., Tarrega, M., Bakhshi, H., Davies, J., Khan, H. and Finnis, A. (2019) *Public value: how can it be measured, managed and grown?* London: Nesta. There are many methodologies on offer to measure value, such as descriptive models of causation adopted in 'theories of change' which may result in impact; complex manipulation of evidence and predictive modelling in social return on investment strategies, and so on. Whichever approach is adopted, results can be contested depending on the value position of the observer. For further discussion, see Third Sector Trends discussion paper: *Measuring Impact: easy to say, hard to do.* Newcastle: Community Foundation North East. https://www.communityfoundation.org.uk/wordpress/wp-content/uploads/2017/09/Measuring-Impact-easy-to-say-hard-to-do.pdf

capacity and latent potential to produce energy and momentum to tackle unforeseen local challenges or crises.

As Figure 3.1 illustrates, some of these types of value are easier to 'measure' and 'monetise' than others. Economic, fiscal and use values are *more* amenable to measurement and monetisation. Social, cultural and existence values cannot easily be monetised or measured – but this does not mean that shared judgements cannot be reached about their value.

Figure 3.1 **Realms of measurement and informed judgement**



The third step in the analysis is to apply standardised multipliers to each aspect of value. The multiplier estimates are more 'conservative' than those often adopted in evaluation work. This is because specific assessments of voluntary sector practices attribute success within defined practice boundaries – but without necessarily considering how other interventions may have contributed to overall impact.[38]

It is accepted that the estimates may be 'too low' or 'too high'. And similarly, the possibility is not dismissed that there could be considerable levels of variation when looking at different aspects of sub-sector activity.[39] It would be expected that the estimates, as given, may be subject to challenge as the quality of evidence on sector impact improves – but this would be welcomed if it helps to produce informed debate about voluntary sector economic impact. The resulting economic values, once multipliers have been applied to sector energy estimates are presented in Table 3.4.

[38] For a brief overview of the limitations of approaches to economic impact analysis, see Westall, A. (2009) *Economic analysis and the third sector: overview of economic analysis in relation to the third sector*, Birmingham: third sector Research Centre Working Paper No. 14. http://epapers.bham.ac.uk/801/1/WP14_Economic_analysis_and_the_third_sector_-_Westall_Dec_09.pdf. See also, Harlock, J. (2013) *Impact measurement practice in the UK third sector: a review of emerging evidence*, Birmingham: third sector Research Centre Working Paper No. 14, http://epapers.bham.ac.uk/1800/1/WP106_Impact_measurement_practice_in_the_UK_third_sector_-_Harlock%2C_July_2013.pdf

[39] There is a growing body of research literature on the social value produced by sub sectors. See for example Sport England's measuring impact guidance https://www.sportengland.org/how-we-can-help/measuring-impact. A review has also been produced for arts and culture activities, see: See also, Reeves, M. (2003) Measuring the economic and social impact of the arts: a review, London: Social Value UK, https://socialvalueuk.org/report/measuring-economic-social-impact-arts-review/. For a more critical analysis of arts measurement, see Holdon, J. (2004) *The value of culture cannot be expressed only with statistics, audience numbers give us poor picture of how culture enriches us*, London: Demos: https://www.demos.co.uk/files/CapturingCulturalValue.pdf. Similar research has also been undertaken widely in the health and social care field, for an introduction to the field, see: https://www.health.org.uk/topics/community-and-voluntary?gclid=Cj0KCQjw6NmHBhD2ARIsAI3hrM1eO53eusFbSpDO2pvaHgxGNovJRKr31zlf2ucWS48sGtAQIvQ_tNoaApJQEALw_wcB

Table 3.4 **Estimates of tangible added value produced by the voluntary sector in Essex**
(Third Sector Trends Statistical Model 2025)

	Total financial value of sector energy expended by the third sector in each area (£millions)	**Economic multiplier value (mid-point estimate 65%)** (£millions)	**Fiscal multiplier value (mid-point estimate 55%)** (£millions)	**Use value multiplier (mid-point estimate 35%)** (£millions)	**Total contribution of multiplier contribution excluding direct financial value** (£millions)
Southend-on-Sea	110.5	71.8	60.8	38.7	171.3
Thurrock	96.0	62.4	52.8	33.6	148.8
Basildon	86.9	56.5	47.8	30.4	134.7
Braintree	114.8	74.6	63.2	40.2	178.0
Brentwood	62.7	40.7	34.5	21.9	97.1
Castle Point	39.8	25.9	21.9	13.9	61.7
Chelmsford	153.5	99.8	84.4	53.7	238.0
Colchester	156.4	101.7	86.0	54.7	242.5
Epping Forest	105.9	68.8	58.2	37.1	164.1
Harlow	48.7	31.6	26.8	17.0	75.4
Maldon	59.9	38.9	32.9	21.0	92.8
Rochford	48.0	31.2	26.4	16.8	74.4
Tendring	103.6	67.4	57.0	36.3	160.6
Uttlesford	116.1	75.4	63.8	40.6	179.9
Proposed West Essex Council	*270.7*	*175.8*	*148.8*	*94.7*	*419.4*
Proposed North Essex Council	*374.8*	*243.7*	*206.2*	*131.2*	*581.1*
Proposed Mid Essex Council	*276.1*	*179.4*	*151.8*	*96.6*	*427.9*
Proposed South West Essex Council	*182.9*	*118.9*	*100.6*	*64.0*	*283.5*
Proposed South East Essex Council	*198.3*	*128.9*	*109.1*	*69.4*	*307.4*
Essex	**1,302.8**	**846.7**	**716.5**	**455.9**	**2,019.3**

The fourth step involves making observations on how to value aspects of voluntary sector activities that cannot easily be defined, let alone measured. It may not be possible accurately and consistently to measure value which is created through the individual and accumulated action of the voluntary sector, but it does not mean that such value does not exist.

Dredging for ‘data’ to collate, categorise and count and then shoehorn into statistical models rarely looks convincing. It is better to recognise that making shared judgements about the value of sector activity that is already happening. There are two simple ways of recognising this. Firstly, by taking into account the fact that a majority of VCSE organisations are awarded grants and gifts from time to time, by trusts and foundations, local public bodies which operate small community grants, local parish councils, faith organisations, businesses or philanthropists, public giving and so forth. This shows that through the use of judgement, much of the work of the sector has already been assessed and invested in by people.

Secondly, and as importantly, the low levels of closures among voluntary organisations indicate that continuity and sustainability is the norm, not the exception. What this shows is that that VCSE organisations are relevant, purposeful and

produce social and community activity that people value, contribute towards and use. It is a simple point to make: if the community did not value the work and sustain the resolve to keep it alive and active - the voluntary sector would not exist. If accepted, in principle, that the added social, community and environmental value that the voluntary sector accumulates is at least of equal value to the energy the sector expends - that is far as financial evaluation exercises on intangible sector-wide impact need to go – the results of which are presented in Table 3.5.

Table 3.5 **Estimates of total value produced by the voluntary sector in Essex 2025**
(Third Sector Trends Statistical Model 2025)

	Actual financial value of the third sector (£millions)	Added economic, fiscal and use value (£millions)	Added intangible social, community and existence value (£millions)	Total value (£millions)	Resident population in local authority[40]	Value per 1,000 resident population (£millions)
Southend-on-Sea	110.5	171.3	110.5	392.3	180,700	2.17
Thurrock	96.0	148.8	96.0	340.9	176,000	1.94
Basildon	86.9	134.7	86.9	308.6	187,600	1.64
Braintree	114.8	178.0	114.8	407.6	155,200	2.63
Brentwood	62.7	97.1	62.7	222.5	77,000	2.89
Castle Point	39.8	61.7	39.8	141.3	89,600	1.58
Chelmsford	153.5	238.0	153.5	545.0	181,500	3.00
Colchester	156.4	242.5	156.4	555.3	192,700	2.88
Epping Forest	105.9	164.1	105.9	375.9	135,000	2.78
Harlow	48.7	75.4	48.7	172.8	93,300	1.85
Maldon	59.9	92.8	59.9	212.6	66,200	3.21
Rochford	48.0	74.4	48.0	170.3	85,600	1.99
Tendring	103.6	160.6	103.6	367.8	148,100	2.48
Uttlesford	116.1	179.9	116.1	412.0	91,300	4.51
Proposed West Essex Council	*270.7*	*419.4*	*270.7*	*960.7*	*319,600*	3.01
Proposed North Essex Council	*374.8*	*581.1*	*374.8*	*1,330.7*	*496,000*	2.68
Proposed Mid Essex Council	*276.1*	*427.9*	*276.1*	*980.1*	*324,700*	3.02
Proposed South West Essex Council	*182.9*	*283.5*	*182.9*	*649.5*	*363,600*	1.79
Proposed South East Essex Council	*198.3*	*307.4*	*198.3*	*703.9*	*355,900*	1.98
Essex	**1,302.8**	**2,019.3**	**1,302.8**	**4,624.9**	**1,859,800**	**2.49**

[40] Statistica, 2023 https://www.statista.com/statistics/294729/uk-population-by-region/#:~:text=Population%20of%20the%20UK%202023%2C%20by%20region&text=The%20population%20of%20the%20United,West%20England%20at%207.6%20million.

Section 4

Income, assets and financial wellbeing

4.1 Income sources

Dependence upon a single income source can be risky for voluntary organisations. Consequently, most prefer to rely upon a mix of income sources such as grants, earned income, gifts and legacies, subscriptions and so on. Headline data on income sources can conceal underlying variations. Figure 4.1 compares perceptions of the value of income sources by size of organisations at national level.[41]

- ***Grant funding*** is generally regarded as a 'most important' or 'important' source of income, but this varies by size of VCSE organisations. Nationally, only 42% of micro organisations feel that grants are of importance to them compared with 79% of larger organisations.
- Nationally, income from ***contracts to deliver services*** is valued by 63% of the biggest organisations, but only by 5% of the smallest.
- The size of VCSE organisations affects how ***earned income from self-generated trading*** is valued - rising from 23% of micro TSOs to 42-43% of the biggest organisations nationally.
- Nationally, few organisations highly value ***income from investments*** - ranging from 12% of small to medium-sized VCSE organisations to 16% of larger organisations. Over a quarter of the biggest organisations highly value investments (26%).
- ***Contributions in kind*** are valued more highly as organisations grow in size, risingD from 28% of micro to 35-36% of medium-sized and larger VCSE organisations. In-kind support is considered to be of lesser value by the biggest VCSE organisations (23%).
- ***Gifts and donations*** are most highly valued by medium-sized organisations nationally (63%). Micro organisations are most likely to value subscription income (38% nationally, 35% North East); percentages fall steadily to 14% of the biggest VCSE organisations nationally.
- ***Borrowing money*** is not considered to be an important source of income by most VCSE organisations: 10% of the biggest organisations nationally state that borrowed money is of importance to them while fewer than 1% of the smallest do so.

As shown in Table 4.1, there are distinct variations in the extent to which income sources are valued by region (variations within East of England are also shown but due to small sample numbers, reliability is undermined to a large extent).

For example, in North East England, a relatively poor region, grants are much more highly valued (73%) than in East of England (56%). Statistics for the East of England hold close to the England and Wales average, so reflecting the wide variation of local conditions in the region.

[41] There are too few data to undertake this analysis convincingly at regional level.

Figure 4.1 **How sources of income are valued by organisational size in England and Wales** (Third Sector Trends in England and Wales 2025, percent 'most important' or 'important', n=8,576)

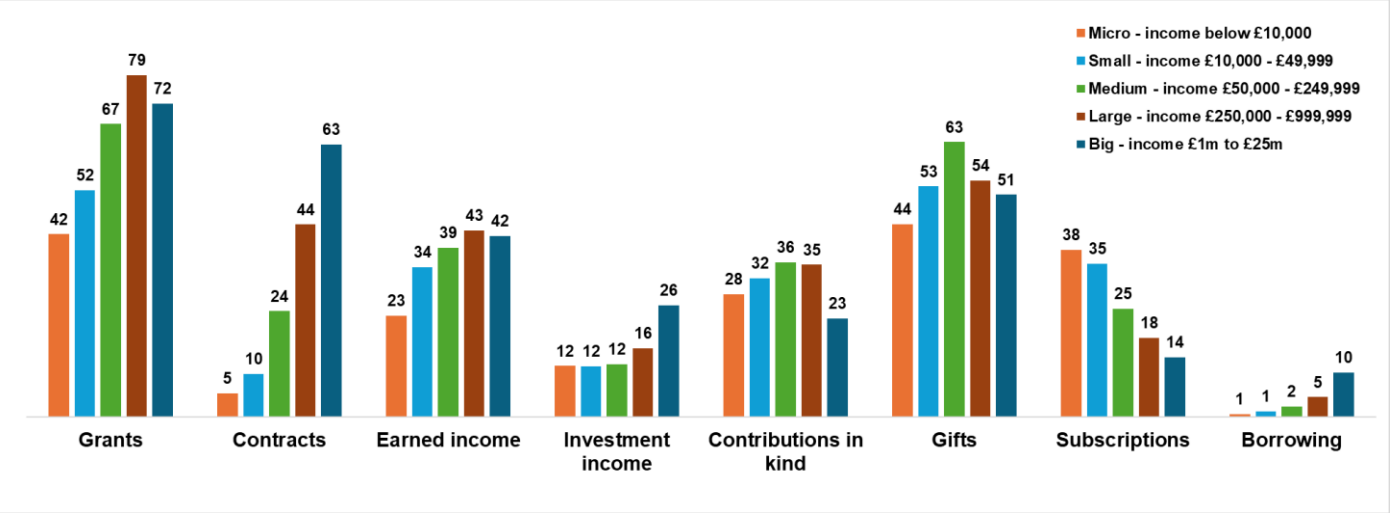


Table 4.1(a) **Percent of VCSE organisations highly valuing income sources by region** (Third Sector Trends in England and Wales 2025, n=8,576)

	Grants	Contracts	Earned income	Investment income etc.	Contribution in kind	Gifts and legacies	Subscriptions	Borrowed money
North East England	73.3	28.5	36.4	9.4	34.8	49.8	26.6	2.9
North West England	60.2	22.8	35.4	10.3	33.0	53.8	30.1	1.8
Yorkshire and Humber	59.0	22.5	38.1	10.6	32.5	52.8	29.8	1.8
East Midlands of England	51.2	15.6	31.2	12.8	29.1	46.7	31.8	3.2
West Midlands of England	54.3	14.7	32.0	12.4	32.3	53.8	31.8	1.8
East of England	**56.3**	**18.0**	**33.0**	**13.7**	**32.1**	**52.7**	**31.0**	**2.2**
London	53.9	21.4	31.4	16.5	35.8	61.5	33.1	2.9
South East England	50.5	15.5	31.0	15.7	30.2	55.6	33.2	2.6
South West England	49.8	12.1	34.8	15.4	27.8	50.2	30.4	1.2
Wales	68.1	24.4	36.1	10.9	32.2	49.9	28.4	1.6
England and Wales	**56.9**	**19.1**	**33.9**	**13.1**	**31.8**	**52.9**	**30.8**	**2.2**

Within the East of England, the evidence suggests a much higher level of reliance on grants in Essex than in neighbouring counties (69%). Reliance on contracts in Essex, however, is similar to that of Cambridgeshire & Peterborough (~24-5%). Reliance upon investment income, by contrast, is lowest in Essex (12%). Contributions in kind are most highly valued in Essex (38%) as are gifts (62%).

Table 4.1(b) **Percent of VCSE organisations highly valuing income sources in East of England**
(Third Sector Trends in East of England n=1,103))

	Grants	Contracts	Earned income	Investment income	Contribution in kind	Gifts and legacies	Subscriptions	Borrowed money
Essex	**69.1**	**23.6**	**35.7**	**11.8**	**38.5**	**62.6**	**30.0**	**2.6**
Cambridgeshire & Peterborough	54.3	24.7	33.3	16.6	28.7	53.2	27.3	3.2
Suffolk	56.6	11.7	29.0	15.6	25.9	48.6	31.8	1.9
Norfolk	53.9	13.1	32.2	12.8	28.9	47.8	26.3	0.0
Bedfordshire & Hertfordshire	40.3	14.1	33.2	13.0	34.6	45.7	39.1	2.8
East of England	**56.3**	**18.0**	**33.0**	**13.7**	**32.1**	**52.7**	**31.0**	**2.2**

Relationships with grant funders

Grant funding, as shown above, is the mainstay of income for many voluntary organisations in most regions. In 2019, Third Sector Trends introduced new questions to explore the 'quality' of relationships with grant makers. It is now possible to compare responses over three waves of the study: before, during and after the Coronavirus pandemic.

Figure 4.2 shows the percentages of VCSE organisations at national level which 'agreed' or 'strongly agreed' with a series of statements on relationships with grant makers from 2019-2025. Those voluntary organisations which have no relationship with grant-making trusts and foundations are excluded. This analysis produces some remarkable findings. In 2019 only 46% of VCSE organisations stated that they received unrestricted or 'core funding' but the percentage rose to 60% in the extraordinary circumstances surrounding the Coronavirus pandemic. While the evidence suggests that some grant-makers have tightened up on unrestricted funding, 56% of VCSE organisations continued to receive unrestricted grants in 2025,

Many grant-making foundations are committed to getting to know their grantees. During the pandemic, the percentage of VCSE organisations reporting that this was so fell to 48% from a pre-pandemic level of 57%. Following the loosening of pandemic restrictions, grant-makers have reverted to previous practice – 57% of voluntary organisations now report that grant makers take the time to get to know them.

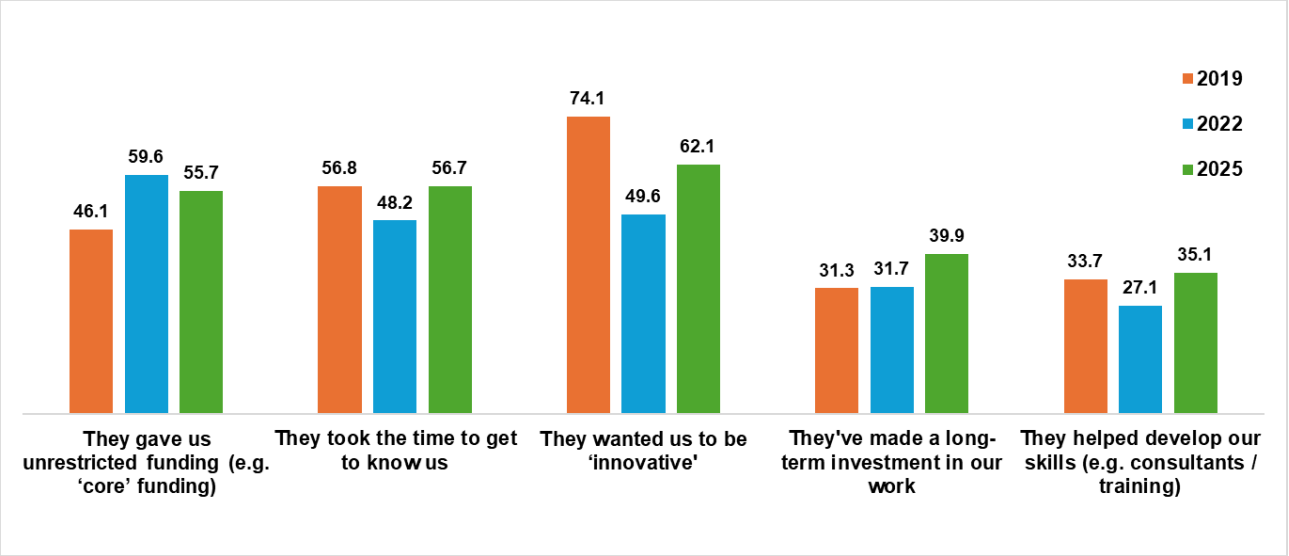
During the pandemic, grant makers adopted a 'lighter touch' approach when working with voluntary organisations and pressurised them less about being 'innovative': indeed, the percentage dropped from 74% in 2019 to 50% in 2022. Some grant funders have since gone back to demanding that innovation is a requirement – but many have not: in 2025, 62% of VCSE organisations state that innovation had been expected as a condition of grant funding.

For many years, voluntary sector organisations have complained about the short-term investment they receive from grant-making foundations. Before and during the pandemic, about 31-32% of VCSE organisations reported that they received long-term investment. That has now risen to 40%.

Many grant-makers commit to help voluntary organisations to develop their skills by appointing, for example, consultants or providing training sessions. Provision was received by 34% of voluntary organisations pre-pandemic, but support fell to 27% in

2022. The evidence indicates that support is now slightly higher than pre-pandemic levels (35%).

Figure 4.2 **Voluntary organisations' working relationship with grant-making trusts and foundations in England and Wales: 2019-2025** (Third Sector Trends in England and Wales, , percentage 'agree' or 'strongly agree' 2019, n=4,083, 2022 n=5,978, 2025, n=8,350)



The situation in the East of England is quite close to the national average on all aspects of relationships with trusts and foundations (Table 4.2(a)). Within the region, however, there appear to be some inconsistencies between Essex and other counties. There is good evidence to indicate that trusts and foundations worked harder to get to know VCSE organisations in Essex (68%) than in other counties. Expectations of 'innovation' were higher in Essex (65%) and Cambridgeshire and Peterborough (63%) than other areas. The commitment to provide long-term investment in the work of VCSE organisations varies little within the region, but skills support is clearly much stronger in Essex (42%) than in other areas (30-34%).

Table 4.2(a) **Relationships with trusts and foundations 2025**
(Third Sector Trends in England and Wales 2025 n=8,620)

	They gave us unrestricted funding (e.g. 'core' funding)	**They took the time to get to know us**	**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)
North East England	59.4	62.4	64.6	48.1	38.3
North West England	48.9	58.0	63.6	39.5	35.3
Yorkshire and Humber	56.4	55.0	66.0	36.0	37.3
East Midlands of England	49.8	53.6	59.2	39.7	33.5
West Midlands of England	54.1	49.4	54.5	37.0	29.3
East of England	**58.5**	**60.2**	**60.6**	**41.1**	35.9
London	59.6	60.9	68.9	47.2	34.6
South East England	54.0	53.8	58.8	32.9	29.6
South West England	60.3	57.2	56.1	41.0	38.4
Wales	51.7	53.3	66.9	37.9	37.5
England and Wales	**55.7**	**56.7**	**62.1**	**39.9**	**35.1**

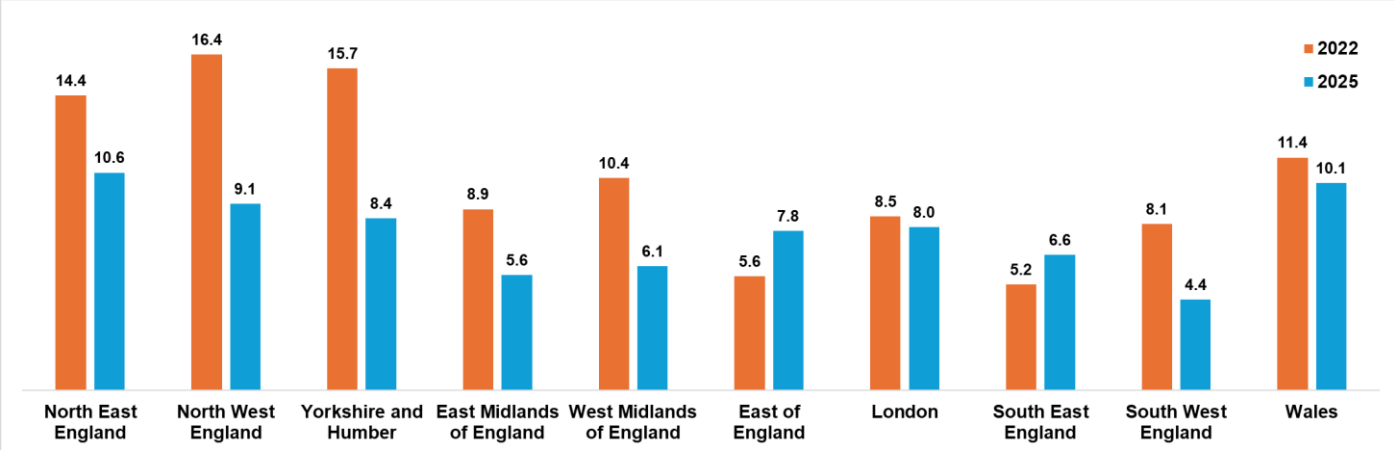
Table 4.2(b) **Relationships with trusts and foundations 2025** (Third Sector Trends in East of England, n=1,114)					
	They gave us unrestricted funding (e.g. 'core' funding)	**They took the time to get to know us**	**They wanted us to be 'innovative'**	**They've made a long-term investment in our work**	**They helped develop our skills** (e.g. consultants / training)
Essex	**61.7**	**68.1**	**65.2**	**41.1**	**41.8**
Cambridgeshire & Peterborough	60.0	55.1	63.4	46.4	34.6
Suffolk	63.7	60.4	59.0	36.9	30.4
Norfolk	55.3	50.6	54.9	41.1	33.3
Bedfordshire & Hertfordshire	47.0	56.3	54.0	40.0	33.8
East of England	**58.5**	**60.2**	**60.6**	**41.1**	35.9

Public service delivery contracts

Historically, government policy on the procurement of service delivery from VCSE organisations has lacked critical awareness of market demand for such work and mistakenly believed that sector capacity can easily be built. Current procurement policies differ little, in essentials, from previous incarnations of two decades ago.[42]

The percentage of VCSE organisations bidding for or delivering public sector contracts fell in most English regions apart from South East and East of England between 2022 and 2025 (Figure 4.3). Levels of participation in London and Wales also declined, although to a lesser extent.

Figure 4.3 **Percent of VCSE organisations bidding for or delivering public sector contracts 2022-2025** (Third Sector Trends, 2022 n=5,967, 2025 n=8,547)



In the East of England there appear to be significant variations in the extent to which VCSE organisations are prepared to engage with the delivery of public services under contract. As shown in Figure 4.3(a), engagement with contracts varies substantially by region. In North East England 11% of VCSE organisations are bidding for or delivering contracts compared with fewer than 5% in South West England.

East of England sits close to the national average, but there is variation across counties – with the largest reported percentage of VCSE organisations actually delivering contracts in Cambridgeshire and Peterborough (13%) followed by Essex

[42] For further discussion, see: *Relationships, influencing and collaborative working*, Section 4.5 and Section 5.3: https://www.stchads.ac.uk/wp-content/uploads/2025/10/Relationships-influencing-and-collaborative-working-Third-Sector-Trends-in-England-and-Wales-2025-October-2025-1.pdf

(7%). Within Essex, although sample numbers are low, there are indications that engagement with contracts is much higher in the south of the county.

Table 4.3(a) **Engagement with public service contracts by region and within East of England**
(Third Sector Trends in England and Wales, n= 8,547, East of England n=1,102)

			Ambivalent				
	We are not aware of these opportunities	We are aware of these opportunities but they are not relevant to our organisation' s objectives	We are aware of these opportunities but need more information	We are interested in this option but would need extra support to do this	We are interested in this option but feel there are barriers in the tendering process	We are already bidding to deliver public sector services	We are already delivering public sector services for which we have tendered
North East England	32.3	35.3	5.4	7.9	8.5	2.0	8.6
North West England	31.2	42.4	4.7	6.0	6.6	2.7	6.5
Yorkshire & Humber	31.9	44.5	3.0	5.8	6.4	2.3	6.1
East Midlands of England	36.3	45.4	2.8	5.0	5.0	2.0	3.6
West Midlands of England	35.5	45.4	3.2	5.4	4.4	1.1	5.0
East of England	**36.3**	**43.4**	**2.5**	**5.5**	**4.5**	**1.2**	**6.6**
Greater London	34.8	39.9	3.8	7.2	6.4	1.7	6.3
South East England	35.3	46.4	2.8	3.9	5.1	1.8	4.9
South West England	37.5	49.1	2.2	3.2	3.5	1.5	3.0
Wales	34.4	36.6	4.6	7.1	7.1	2.4	7.7
England and Wales	34.7	43.4	3.3	5.5	5.6	1.8	5.7

Table 4.3(b) **Engagement with public service contracts by region and within East of England**
(Third Sector Trends in East of England n=1,102)

			Ambivalent				
	We are not aware of these opportunities	We are aware of these opportunities but they are not relevant to our organisation' s objectives	We are aware of these opportunities but need more information	We are interested in this option but would need extra support to do this	We are interested in this option but feel there are barriers in the tendering process	We are already bidding to deliver public sector services	We are already delivering public sector services for which we have tendered
Essex	**35.2**	**38.1**	**2.8**	**8.8**	**5.3**	**2.8**	**6.9**
North Essex	*35.1*	*39.6*	*4.5*	*7.5*	*6.0*	*3.0*	*4.5*
Mid Essex	*43.5*	*40.2*	*1.1*	*2.2*	*4.3*	*2.2*	*6.5*
South Essex	*27.2*	*33.7*	*2.2*	*17.4*	*5.4*	*3.3*	*10.9*
Cambridgeshire & Peterborough	35.5	39.8	2.2	5.9	3.2	0.5	12.9
Suffolk	33.8	49.0	2.9	4.8	5.2	1.0	3.3
Norfolk	38.7	45.9	1.7	2.8	6.1	0.6	4.4
Bedfordshire & Hertfordshire	39.1	46.9	2.4	3.4	2.4	0.0	5.8

Earned income

In 2025 about 59% of voluntary organisations in the East of England earned a proportion of their income by trading (by delivering contracts or engaging in self-generated trading of goods and services). Fewer than a quarter of VCSE organisations are heavily reliant upon trading (only 23% earn more than 60% of their income). Heavier reliance on trading income has declined.

There is a good deal of regional variation in the extent to which VCSE organisations earn income (Figure 4.4). While VCSE organisations in North East England are most likely (together with Wales) to earn some of their income (65%), they are least likely (after London at 17%) to earn above 60% of their income (also the same as Wales at 22%). VCSE organisations in Yorkshire & Humber and South West England earn the biggest proportion of their income (27%). Within the East of England variations in the extent to which VCSE organisations trade is quite consistent as shown in Table 4.4; as is the case within Essex.

Figure 4.4 **Percent of income from trading by region 2025**

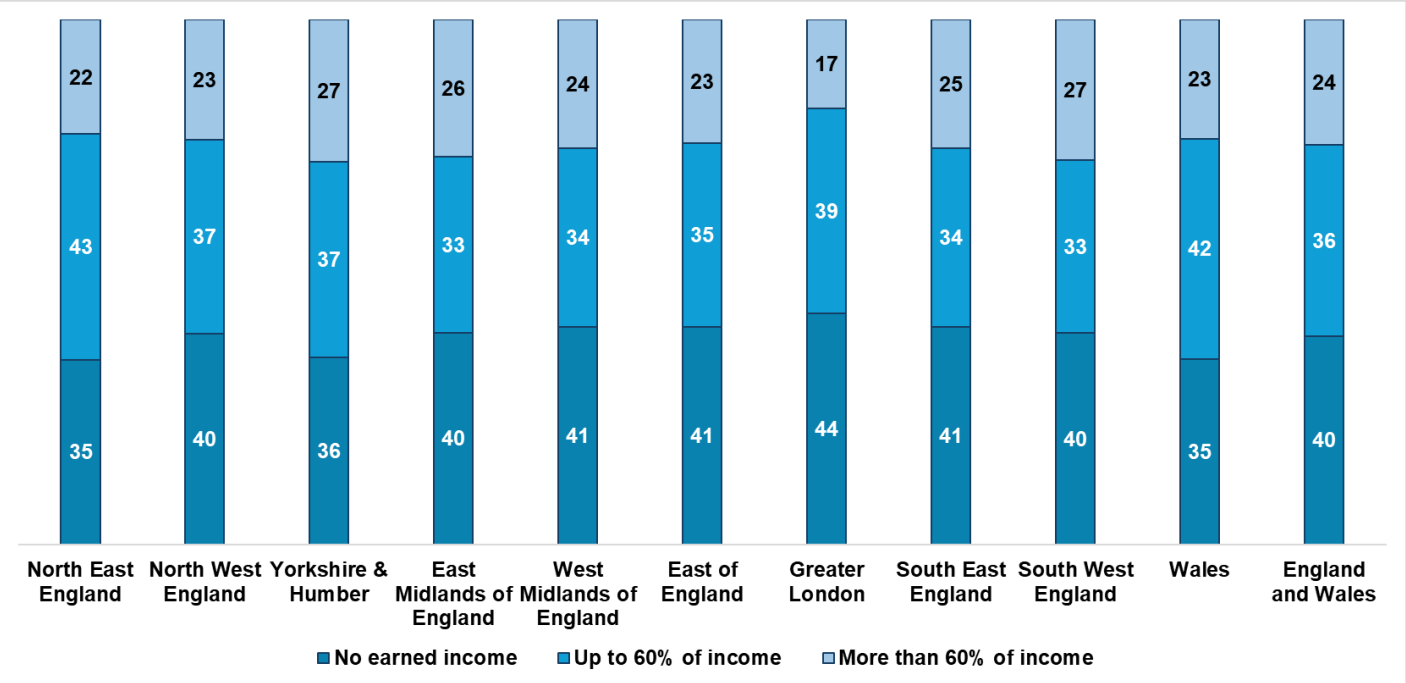


Table 4.4 **Percent of VCSE organisations earning income from trading in East of England**
(Third Sector Trends in East of England n=1,102)

	No earned income	Up to 60% of income earned	More than 60% of income earned	N=
Essex	**42.6**	**40.4**	**17.0**	**324**
North Essex	*46.3*	*37.5*	*16.2*	*136*
Mid Essex	*37.2*	*45.7*	*17.0*	*94*
South Essex	*42.6*	*39.4*	*18.1*	*94*
Cambridgeshire & Peterborough	38.6	34.9	26.5	189
Suffolk	42.7	32.4	24.9	213
Norfolk	41.2	32.4	26.4	182
Bedfordshire & Hertfordshire	41.0	32.4	26.7	210
East of England	**41.0**	**34.0**	**25.0**	**1,102**

4.2 Assets and reserves

Assets

As Table 4.5(a) shows, the most common forms of property tenure or usage nationally in 2025 are renting (41%), followed by ownership (29%) and free use of space in a building (30%). Ownership includes properties adopted via community asset transfer. There is little change from 2022 although ownership and asset transfer percentages have risen slightly. Tenure patterns are quite similar across regions, with the exception of community asset transfer: nearly 10% of VCSE organisations have acquired property in this way in the North East which is substantially higher than all other regions.

In the East of England, variations are quite limited, although there are some indications that renting property is more common in Essex (51%) and that this is most concentrated in the south of the county (47%). Property ownership appears to be most common in Norfolk (33%).

Table 4.5(a) **Property tenure by region** (Third Sector Trends in England and Wales 2025)

	Own a property	Rent a property	Asset transfer	Free use of space	N=
North East England	31.9	48.2	9.5	30.9	624
North West England	28.9	45.9	4.6	28.0	755
Yorkshire and Humber	27.9	39.1	6.4	28.6	899
East Midlands of England	30.0	40.1	4.9	29.1	594
West Midlands of England	30.7	37.3	5.6	30.0	701
East of England	**30.1**	**42.3**	**4.8**	**30.1**	**1.068**
London	18.9	40.2	3.7	32.9	736
South East England	25.2	40.3	3.5	29.4	1.156
South West England	30.6	36.3	5.1	27.6	1.048
Wales	35.0	46.7	8.2	29.6	672
England and Wales	**28.7**	**41.3**	**5.4**	**29.5**	**8,253**

Table 4.5(b) **Property tenure within the East of England** (Third Sector Trends in East of England 2025, n=1,068)

	Own a property	Rent a property	Asset transfer	Free use of space	N=
Essex	**28.4**	**50.8**	**5.0**	**29.2**	**306**
North Essex	*31.8*	*47.3*	*8.7*	*29.1*	*129*
Mid Essex	*27.0*	*49.4*	*1.2*	*28.4*	*89*
South Essex	*25.0*	*57.3*	*3.4*	*30.0*	*88*
Cambridgeshire & Peterborough	31.3	44.5	5.1	30.9	182
Suffolk	27.3	45.9	5.7	25.5	205
Norfolk	33.3	32.4	2.4	34.1	174
Bedfordshire & Hertfordshire	31.8	31.9	5.3	31.5	201
East of England	**30.1**	**42.3**	**4.8**	**30.1**	**1.068**

Reserves

Holding reserves is regarded as a good indication of VCSE organisations' financial wellbeing. As shown in Table 4.6, most voluntary organisations in 2025 held reserves (82%), more than half of which did not draw upon these reserves in the previous year. About 16% of organisations used reserves to invest in new activities, while about 27% have used reserves for essential purposes such as rent, bills and wages.[43]

Holding reserves is much more common amongst larger voluntary organisations: 97% of the biggest VCSE organisations have reserves compared with 71% of micro VCSE organisations. Medium (34%) and larger sized organisations (40%) were the most likely to be drawing upon reserves for essential costs in 2025.

Table 4.6 **Ownership and use of reserves by size of organisation**
(Third Sector Trends in England and Wales, 2025, column percentages)

	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 £1million - £25million	**All TSOs**
No, we don't have any reserves	29.4	19.9	12.2	6.7	2.9	18.4
No, we have not drawn on our reserves	43.9	48.7	43.3	41.4	40.7	44.8
Yes, we have used our reserves to invest in new activities	6.2	8.4	10.4	13.0	23.1	9.5
Yes, we have used our reserves for essential costs	15.3	16.3	27.1	29.2	21.1	20.3
We have used our reserves for both investment and essential costs	5.2	6.7	6.9	9.7	12.3	7.0
N=	2,481	2,654	2,067	955	455	8,612

There is little variation in the use of reserves between 2022 and 2025 nationally (Table 4.7(a)). In the East of England. The indications are that fewer VCSE organisations were using reserves for essential purposes in 2025 than in 2022.

Data are provided for counties in the East of England in Table 4.7(b). About 24% of VCSE organisations in Essex are using reserves for essential costs, this is at the same level as for the region as a whole.

The evidence in Table 4.7(c) suggests that there has been little change in the percentage of organisations in Essex drawing upon reserves for essential costs between 2022 and 2025 – in other areas variations are more pronounced – and especially so in Suffolk. However, the number of survey responses in 2022 were relatively low so these localised findings are not sufficiently secure to make strong claims.

[43] To calculate the percentages of TSOs using reserves for investment the third and fifth row of the table are added, for the use of reserves for essential costs, the fourth and fifth row are added,

Table 4.7(a) **Reliance on reserves by region, comparing 2022 and 2025**

	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		N=	
	2022	2025	2022	2025	2022	2025	2022	2025	2022	2025	2022	2025
North East England	19.1	19.4	42.7	42.0	9.1	10.6	20.6	20.6	8.4	7.3	606	659
North West England	18.3	19.7	44.5	44.6	8.7	6.9	22.0	21.0	6.6	7.8	728	796
Yorkshire and Humber	14.1	18.6	46.6	46.1	9.5	10.2	23.3	19.4	6.5	5.7	644	943
East Midlands	15.3	18.6	40.4	46.5	8.0	9.7	28.8	17.1	7.5	8.1	399	607
West Midlands	16.9	19.3	43.8	44.1	8.7	10.1	21.8	20.6	8.7	5.9	504	732
East of England	**15.0**	**17.4**	**48.4**	**48.2**	**7.8**	**9.8**	**22.1**	**18.0**	**6.7**	**6.6**	**566**	**1,113**
London	16.6	19.5	43.7	41.0	7.0	9.2	25.2	23.8	7.5	6.5	531	770
South East England	13.6	16.3	48.8	44.7	9.6	10.7	22.2	21.3	5.8	6.9	811	1,195
South West England	15.4	17.4	47.9	46.4	9.0	9.4	22.1	18.8	5.6	8.0	779	1,093
Wales	20.5	20.5	40.3	41.5	9.8	8.1	22.3	23.0	7.1	7.0	439	704
England and Wales	**16.3**	**18.4**	**45.2**	**44.8**	**8.8**	**9.5**	**22.8**	**20.3**	**6.9**	**7.0**	**6,007**	**8,612**

Table 4.7(b) **Reliance on reserves in the East of England** (Third Sector Trends in East of England 2025)

	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	N=
Essex	**23.0**	**43.8**	**9.6**	**17.7**	**5.9**	**322**
North Essex	*28.7*	*39.7*	*8.1*	*18.4*	*5.1*	*136*
Mid Essex	*18.3*	*45.2*	*10.8*	*20.4*	*5.4*	*93*
South Essex	*19.4*	*48.4*	*10.8*	*14.0*	*7.5*	*93*
Cambridgeshire & Peterborough	14.3	47.6	10.6	19.0	8.5	189
Suffolk	17.5	52.8	7.5	15.6	6.6	212
Norfolk	16.0	52.5	9.9	17.1	4.4	181
Bedfordshire & Hertfordshire	12.9	46.9	11.5	20.6	8.1	209
East of England	**17.4**	**48.2**	**9.8**	**18.0**	**6.6**	**1,113**

Table 4.7(c) **Comparisons on usage of reserves by counties in East of England 2022 and 2025**						
	Not drawn on reserves			***Used reserves for essential costs***		
	2022	**2025**	**Change**	**2022**	**2025**	**Change**
Essex	**58.2**	**43.8**	**-14.4**	**25.5**	**23.6**	**-1.9**
Cambridge & Peterborough	53.4	47.6	-5.8	20.5	27.5	7.0
Suffolk	38.3	52.8	14.5	39.1	22.2	-16.9
Norfolk	47.2	52.5	5.3	26.4	21.5	-4.9
Bedfordshire & Hertfordshire	48.4	46.9	-1.5	30.2	28.7	-1.5

4.3 Expectations about finance

Third Sector Trends surveys ask respondents to make an assessment of their prospects over the next two years. It has been shown in previous rounds of the study that voluntary organisations of all sizes tend to be 'over optimistic' in their projections about future finances. This should not be seen as a 'bad thing', optimism drives sector enthusiasm and commitment. But when hopes are dashed, it can make people in the sector feel disappointed. In 2025, voluntary organisations in East of England were, on balance, feeling quite upbeat about their prospects (Table 4.8).

- In general terms, the voluntary sector in the East of England is cautiously optimistic. 84% of VCSE organisations believe that income will remain either the same or increase – only 16% expect income to fall. In Essex, voluntary organisations are the most optimistic – 34% expect that their income will rise.
- In East of England many more VCSE organisations are optimistic (27%) than pessimistic (15%) about financial support from private sector business. Across counties, there is wide variation, but voluntary organisations in Essex are the most optimistic (33%).
- Future grant funding from trusts and foundations is considered in quite an optimistic light, with around 28% of VCSE organisations in the East of England expecting that funding will increase while only about 20% think it will fall. VCSE organisations in Essex are by far the most optimistic (33%).
- Only funding from statutory agencies is regarded less positively, with 30% of VCSE organisations in the East of England expecting support to *decrease* over the next two years. VCSE organisations in Essex are slightly less pessimistic (28%) but a much higher percentage are optimistic than in other counties (26%).

Table 4.8 **Expectations about future finance in East of England** (Third Sector Trends in East of England 2025, n=1,117)								
	Income will..		***Financial support from private businesses will***		***Grants from charitable foundations will...***		***Funding from statutory agencies will...***	
	Increase	**Decrease**	**Increase**	**Decrease**	**Increase**	**Decrease**	**Increase**	**Decrease**
Essex	**34.1**	**19.7**	**32.5**	**14.8**	**32.5**	**19.8**	**25.6**	**27.6**
Cambridgeshire & Peterborough	33.0	13.8	28.8	12.7	28.6	20.6	14.4	26.0
Suffolk	19.0	16.1	17.4	16.5	19.9	19.2	15.9	31.9
Norfolk	25.0	12.2	22.1	13.7	26.8	22.0	12.8	33.0
Bedfordshire & Hertfordshire	32.2	16.6	28.4	15.6	28.5	22.3	17.6	30.8
East of England	**29.2**	**16.2**	**26.9**	**14.7**	**27.9**	**20.6**	**18.6**	**29.5**

Section 5

Relationships and influencing

5.1 Relationships within the voluntary sector

Taking the voluntary sector as a whole, there is a great deal of informal and formal interaction; and even when collaboration is absent, there is often a willingness to do so should opportunities arise (see Tables 5.1(a) and 5.1(b)).

- Nationally, 72% of VCSE organisations have useful informal 'complementary' relationships with other voluntary organisations and groups. North East England has the highest level of informal working (80%) while the East of England is at the national average (72%). Voluntary organisations in Essex are second most involved in informal relationships (76%) after Cambridge & Peterborough (79%). Within Essex, VCSE organisations in South Essex are the most engaged in this respect (90%) – that is likely related to the higher proportion of larger organisations in this area.
- Nationally, 62% of VCSE organisations work 'collaboratively', but informally, with other voluntary organisations. Again, VCSE organisations in North East England and Wales are the most likely to do so (69%) while East of England (60%) sits just below the national average (62%). Within the East of England, voluntary organisations in Essex are most likely to work collaboratively (68%) and especially so in South Essex (75%).
- Currently, 28% of VCSE organisations work in formal 'partnership' arrangements with other voluntary organisations nationally. VCSE organisations in North East England are by far the most likely to do so (39%) while the East of England (25%) again sits just below the national level (28%). VCSE organisations in Essex (32%) are the most engaged in formal working (though Cambridgeshire & Peterborough are close behind (31%). Organisations in South Essex are by far the most likely to be in formal working relationships (43%) while in north Essex they are the least (30%).

Why is complementary, collaborative or partnership working so much lower in north Essex. As shown in the national report on sector interactions, VCSE organisations in more affluent areas are less likely to work in informal or formal relationships. For example, nationally, 44% of VCSE organisations in the poorest areas work together formally compared with just 20% in the richest areas.[44]

As Table 5.2 indicates, formal collaborative working is more common in areas of deprivation in all regions – and in the East of England's poorest areas, an almost equal percentage of voluntary organisations are working formally together (46%) as in North East England (48%).

[44] See: *Relationships, influencing and collaborative workin*g, Section 2, pp.13-25: https://www.stchads.ac.uk/wp-content/uploads/2025/10/Relationships-influencing-and-collaborative-working-Third-Sector-Trends-in-England-and-Wales-2025-October-2025-1.pdf

Table 5.1(a) **Relationships within the voluntary sector by region**
(Third Sector Trends in England and Wales 2025, n=8,604)

	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	N=
North East England	79.6	69.3	39.0	656
North West England	69.7	62.8	30.4	792
Yorkshire and Humber	73.1	64.8	28.3	940
East Midlands of England	68.8	58.1	24.2	605
West Midlands of England	70.5	59.9	24.5	733
East of England	**71.6**	**60.4**	**25.1**	**1,111**
London	76.2	63.1	32.6	768
South East England	71.7	58.7	24.4	1,203
South West England	66.9	58.3	20.6	1,091
Wales	76.0	68.9	33.5	705
England and Wales	**72.1**	**62.0**	**27.6**	**8,604**

Table 5.1(b) **Relationships within the voluntary sector by region**
(Third Sector Trends in East of England 2025, n=1,111)

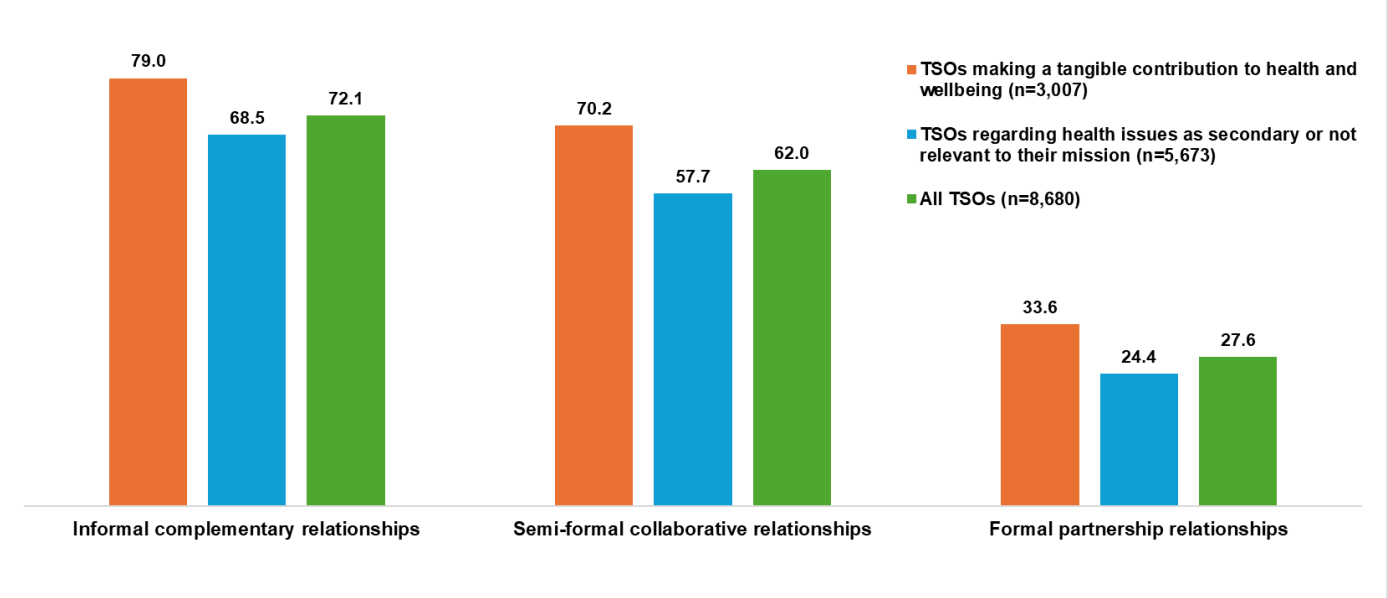
	We have useful informal relationships with other voluntary organisations and groups	We often work quite closely, but informally, with other voluntary organisations and groups	We often work in formal partnership arrangements with voluntary organisations and groups	
Essex	**76.3**	**68.0**	**32.2**	**320**
North Essex	*66.7*	*66.4*	*29.9*	*135*
Mid Essex	*76.1*	*63.0*	*24.7*	*92*
South Essex	*90.3*	*75.3*	*43.0*	*93*
Cambridgeshire & Peterborough	78.7	64.9	31.2	188
Suffolk	71.9	60.5	20.1	210
Norfolk	64.8	51.9	15.5	182
Bedfordshire & Hertfordshire	63.5	52.1	21.9	211
East of England	**71.6**	**60.4**	**25.1**	**1,111**

Table 5.2 **Percent of VCSE organisations working in formal collaborative relationships by area affluence** (Third Sector Trends in England and Wales 2025)

	Poorest IMD 1-2	IMD 3-4	Intermediate IMD 5-6	IMD 7-8	Richest IMD 9-10	N=
North East England	47.9	40.3	40.0	33.0	23.6	648
North West England	43.6	31.7	22.3	23.8	22.7	789
Yorkshire & Humber	43.0	35.3	22.1	18.5	23.9	936
East Midlands of England	34.2	30.3	22.5	21.1	20.1	604
West Midlands of England	39.8	29.3	21.3	19.1	19.6	727
East of England	**45.8**	**33.5**	**23.7**	**19.0**	**20.7**	**1,109**
Greater London	39.2	38.2	34.2	23.1	27.5	767
South East England	43.8	38.5	26.2	21.1	18.2	1,193
South West England	37.5	26.7	18.4	18.0	15.0	1,079
Wales	52.6	42.8	29.1	26.9	18.6	702
England and Wales	**43.5**	**34.5**	**25.2**	**21.4**	**20.2**	**8,552**

National data indicate that VCSE organisations which focus specifically on health and wellbeing are much more likely to engage in complementary working (79%), collaborative arrangements (70%) or formal partnerships (34%) than voluntary organisations with other interests. These arrangements will probably be similar in Essex but there are too few data to examine this convincingly at present.

Figure 5.1 **Percent of health and wellbeing oriented VCSE organisations working collaboratively**
(Third Sector Trends in England and Wales 2025)



5.2 Relationships with business

Private sector businesses can support voluntary organisations in several ways.[45] Third Sector Trends surveys distinguish empirically between four types of assistance (see Tables 5.3(a) and 5.3(b)). Given that survey numbers are quite small within Essex sub-regions, findings should be regarded only as 'indicative'.

- ***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. Financial support is offered to half of voluntary organisations, about 33% of VCSE organisations nationally state that this income is of some or great importance to them; the East of England sits slightly below that level (31%) while the North East has the highest score of 38%. Within the East of England, Essex is far ahead of all other counties in this respect (39%) but that generosity from business is strongest in South Essex (45%).
- ***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 is received by 43% of voluntary organisations – 27% of VCSE organisations state that this is of some or great importance to them nationally, but the percentage is highest in the North East (32%). East of England sits below the national average at

[45] A critical literature review on sources of support from business is provided in Chapman T. (2019) *Going the Extra Mile*, how businesses support the third sector in England and Wales, London: Power to Change (Chapter 1), available here: , https://www.researchgate.net/publication/353379534_Going_the_extra_mile_how_businesses_support_the_third_sector_in_England_and_Wales. A more textured understanding of the kinds of support given and how it is valued was gained from qualitative interviews in the TSO50 study and other directly related projects, see: https://www.stchads.ac.uk/uncategorised/going-the-distance-how-third-sector-organisations-work-through-turbulent-times/ and https://www.stchads.ac.uk/research/research-news/trading-interactions-amongst-community-businesses-bradford-hartlepool-middlesbrough/.

27%, but Essex does better overall in this respect (32%) – but far less so in North and Mid Essex (27%) than in the south (45%).

- ***Employer 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. Employer supported volunteering is of some or great importance to 17% of VCSE organisations nationally and is highest in London and the North East (21%). Support in East of England (16%) is just below the national average. Voluntary organisations in Essex are most likely to get employer volunteer support (21%), especially in South Essex (32%).
- ***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. Pro bono expert advice: is of some or great importance to 20% of VCSE organisations nationally, but to 25% in London and the North East. The East of England sits at the national average (20%) but support in Essex is greater (25%) - Mid Essex is least likely to gain pro bono support (22%).

Table 5.3(a) **Relationships with business in the East of England 2025** (Third Sector Trends in England and Wales 2025, percentage reporting 'some' or 'great' importance, n=8,573)

	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	N=
North East England	37.7	32.4	20.6	24.9	650
North West England	37.7	30.1	19.5	21.4	788
Yorkshire and Humber	36.9	30.1	19.9	22.8	935
East Midlands of England	32.3	27.2	16.8	18.3	603
West Midlands of England	33.1	26.8	16.2	17.9	728
East of England	**31.1**	**26.5**	**15.5**	**19.5**	**1,114**
London	36.8	31.2	20.9	24.9	767
South East England	29.7	24.7	14.0	16.5	1,197
South West England	27.7	21.9	12.0	16.3	1,089
Wales	30.9	27.4	15.5	18.0	702
England and Wales	**33.0**	**27.4**	**16.7**	**19.8**	**8,573**

Table 5.3(a) **Relationships with business in the East of England 2025** (Third Sector Trends in East of England 2025, percentage reporting 'some' or 'great' importance, n=1,114)

	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	
Essex	**39.3**	**31.8**	**20.9**	**26.4**	**321**
North Essex	*38.2*	*26.5*	*14.7*	*24.4*	*136*
Mid Essex	*35.5*	*26.9*	*19.4*	*21.7*	*93*
South Essex	*44.6*	*44.6*	*31.9*	*34.1*	*92*
Cambridgeshire & Peterborough	32.8	25.9	15.4	22.0	189
Suffolk	28.9	23.7	11.9	15.6	211
Norfolk	24.2	20.3	13.8	13.3	182
Bedfordshire & Hertfordshire	25.6	27.1	12.4	15.9	211
East of England	**31.1**	**26.5**	**15.5**	**19.5**	**1,114**

5.3 Relationships within the public sector

This section looks at aspects of interaction between the voluntary sector and the local public sector. Tables 5.4(a) and 5.4(b) compare levels of positive interaction regionally in 2025.

- Slightly more VCSE organisations in the East of England agree that they feel valued by local public sector agencies (89%) than at the national level (87%). The weakest relationships are reported in North East England (85%). Within the East of England, there is little differentiation across counties, nor within Essex sub-regions.
- VCSE organisations in Yorkshire and Humber are most likely to agree that local agencies inform them about issues of interest (68%) compared with 63% in the North East and 87% nationally. East of England sits comfortably above the national average in this respect (66%). Within East of England, VCSE organisations in Bedfordshire and Hertfordshire are the least likely to feel informed (58%), other counties record similar levels (66-69%). In Essex, fewer voluntary organisations feel that they are informed on issues of interest in Mid Essex (60%).
- Relatively few VCSE organisations in feel involved appropriately in developing or implementing local public policy nationally (42%) as is the case in East of England (41%). Voluntary organisations in North West England (46%) and Yorkshire & Humber (48%) are the most positive in this respect. In the East of England, VCSE organisations feel most positive in Essex (46%) and Cambridgeshire & Peterborough (45%) and least so in Bedfordshire & Hertfordshire. Within Essex, voluntary organisations in the north of the county feel most positive (49%).
- In some regions, VCSE organisations report that local public agencies are more likely to act upon their opinions, especially Yorkshire & Humber (47%). VCSE organisations in the East of England are amongst the least confident (42%) but there is wide variation in opinion across the region. Voluntary organisations in Essex feel that local public bodies are more responsive to their opinions (49%) than in other counties – and especially so in Norfolk and Suffolk (36% and 35% respectively). Within Essex, VCSE organisations in North Essex feel the most influential (51%).

Table 5.4(a) **Relationships with the public sector by region** (Third Sector Trends in England and Wales 2025 percent 'agree' or 'strongly agree')

	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	N=
North East England	84.8	62.9	37.7	41.2	654
North West England	88.0	65.4	46.0	45.0	793
Yorkshire and Humber	88.0	68.2	47.8	46.6	946
East Midlands of England	87.9	60.9	39.0	40.4	609
West Midlands of England	87.6	62.1	39.3	44.1	734
East of England	**88.5**	**65.5**	**41.9**	**41.5**	**1,113**
London	85.6	64.3	40.4	45.4	770
South East England	88.6	61.5	40.1	40.9	1,205
South West England	87.5	60.9	37.5	40.7	1,091
Wales	85.9	64.7	44.2	45.0	703
England and Wales	**87.4**	**63.7**	**41.5**	**43.0**	**8,618**

Table 5.4(b) **Relationships with the public sector in East of England** (Third Sector Trends in East of England , percent 'agree' or 'strongly agree')

	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	N=
Essex	**88.6**	**66.7**	**45.8**	**48.8**	**321**
North Essex	*87.0*	*72.6*	*49.2*	*50.9*	*135*
Mid Essex	*89.2*	*59.5*	*42.7*	*44.0*	*93*
South Essex	*90.4*	*66.7*	*42.6*	*40.9*	*93*
Cambridgeshire & Peterborough	85.6	68.8	45.1	40.5	190
Suffolk	90.4	66.4	40.0	35.1	211
Norfolk	89.8	66.9	38.4	36.4	180
Bedfordshire & Hertfordshire	87.8	57.7	36.1	45.1	211
East of England	**88.5**	**65.5**	**41.9**	**41.5**	**1,113**

Tables 5.5(a) and 5.5(b) compare VCSE organisations' attitudes about the impact of devolution strategies across regions.

- VCSE organisations in North East England are the least positive about improving levels of collaboration with the local public sector/NHS (52%) while those in East of England (58%) are much more positive. Within the East of England, VCSE organisations in Essex are most positive (62%), though the least so in Mid Essex (54%).

- Comparatively few VCSE organisations in North East England feel that policy makers now give them more notice about new initiatives (26%) compared with many more in East of England (33%). Voluntary organisations in Essex are by far the most positive (43%) and especially so in South Essex (48%).
- A similar finding is reported on policy makers' receptiveness to VCSE organisations arguments in the North East, again with the lowest percentage with a positive attitude (35%) while voluntary organisations in the East of England (42%) and Yorkshire & Humber are the most positive (43%). Voluntary organisations in Essex (49%) are by far the most positive in East of England irrespective of their location within the county.
- Nationally, 39% of VCSE organisations feel that public sector organisations are working together more effectively – especially so in Yorkshire & Humber (44%). VCSE organisations in London are the least positive in this respect (34%); voluntary organisations in the East of England (41%) sit just above the national average. VCSE organisations in Essex (49%) are much more positive than in other East of England counties – and especially so in South Essex (55%).
- A clear majority of VCSE organisations in all regions state that they have been asked more often to improve engagement with local people and the North East and London are most likely to say so (64%); the East of England (60%) sits just below the national average (61%).

It would be unwise to make too much of these findings at this stage because this is the first time the question has been used. Data therefore represent a 'baseline' position from which future comparisons can be made. Nonetheless, sector opinion in Essex is currently very positive - whether than can be sustained in the context of local government reorganisation is an open question.

Table 5.5(a) **Engagement with public organisations and policy makers by English region**
(Third Sector Trends in England 2025, n=8,557)

	Opportunities for effective collaborative working have increased (e.g. with local council / NHS)	Policy makers give us much more notice now about new initiatives	Policy makers are more receptive to our arguments even if they don't always agree	Public sector agencies seem to be working together more effectively	We're asked more often to help improve engagement with local people
North East England	52.4	25.7	34.6	37.6	63.6
North West England	56.7	32.0	40.0	42.6	62.8
Yorkshire and Humber	59.8	33.8	42.5	43.7	63.2
East Midlands of England	58.9	33.5	35.4	35.5	57.4
West Midlands of England	55.3	29.3	39.4	40.6	59.6
East of England	**57.6**	**33.1**	**41.6**	**40.6**	**59.7**
London	52.7	31.0	37.2	33.7	63.7
South East England	54.2	31.1	39.1	36.7	60.6
South West England	54.1	29.2	38.0	37.2	55.2
England and Wales	**56.0**	**31.2**	**39.1**	**39.0**	**60.8**

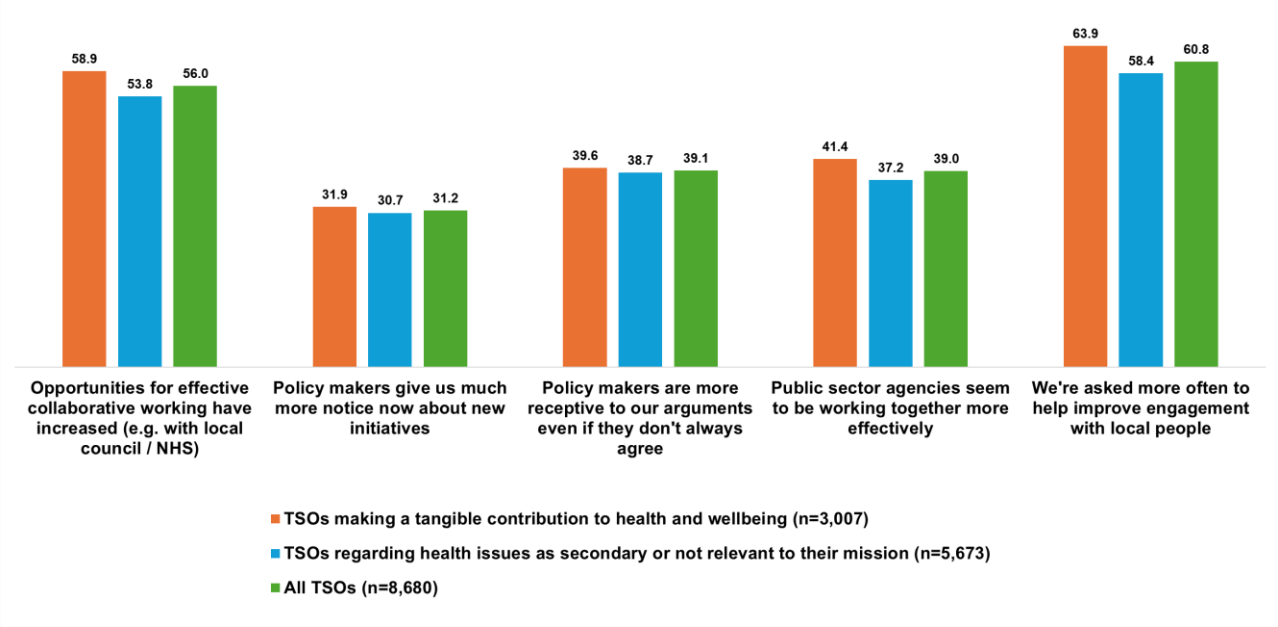
Table 5.5(a) **Engagement with public organisations and policy makers in East of England**
(Third Sector Trends in East of England 2025, n=1,105)

	Opportunities for effective collaborative working have increased (e.g. with local council / NHS)	Policy makers give us much more notice now about new initiatives	Policy makers are more receptive to our arguments even if they don't always agree	Public sector agencies seem to be working together more effectively	We're asked more often to help improve engagement with local people
Essex	**62.2**	**43.3**	**48.8**	**49.3**	**60.8**
North Essex	*64.6*	*43.9*	*48.7*	*44.4*	*55.3*
Mid Essex	*54.4*	*36.8*	*46.4*	*49.2*	*51.7*
South Essex	*65.8*	*47.8*	*50.7*	*54.8*	*73.7*
Cambridgeshire & Peterborough	54.6	26.9	38.4	37.3	64.0
Suffolk	56.1	26.4	37.1	37.1	57.0
Norfolk	60.4	30.3	41.7	36.0	51.0
Bedfordshire & Hertfordshire	49.5	28.3	33.8	32.5	63.4
East of England	**57.6**	**33.1**	**41.6**	**40.6**	**59.7**

It is useful to note how VCSE organisations which are concerned with health and wellbeing feel, at a national level, about engagement with public organisations and policy makers (Figure 5.2). It is apparent that voluntary organisations are more likely to feel that there have been more opportunities for effective collaborative working (59%) and that they are asked more often to help improve local public engagement (64%) than voluntary organisations with other interests.

In other respects, such as the willingness of policy makers to give notice or new initiatives or their receptiveness to ideas - variations are minimal. Health oriented VCSE organisations are more likely to feel that public organisations (such as the NHS and local authorities) are working together more effectively (42%) than other voluntary organisations (37%). How these responses hold up in the context of local government and NHS Integrated Care Board reorganisation remains to be seen – but that can be tested when the survey returns in 2028.

Figure 5.2 **Health focused VCSE organisations' engagement with public organisations and policy makers in England**



5.4 Sector influence on local social and public policy

It is likely that the relatively positive perceptions of relationships with the public sector in the East of England is due to the willingness of many VCSE organisations to get involved and have their say. As Table 5.6 shows, however, the voluntary sector in the East of England is not especially keen to engage in political issues (74% 'steer clear' compared with just 66% in Wales).

- VCSE organisations' level of engagement with local meetings and events is just above the national average in the East of England (71%) but far below that of the North East (79%). Voluntary organisations in Essex are the most likely to engage in this way (77%) than other counties – and especially so in South Essex (89%).[46]
- Campaigning to further the interest of beneficiaries is strongest in North East England (57%) where issues surrounding deprivation are the most severe. In the East of England campaigning is far less common (46%) and below the national average (48%). More VCSE organisations engage in campaigning in Essex (52%) than in other East of England counties, though fewer do so in Mid Essex (47%) than in the north or south of the county.
- Many voluntary organisations trust a local infrastructure organisation (LIO) to engage in influencing of local social and public policy on their behalf (31% nationally). Reliance on LIOs varies considerably by region ranging from 25% in the South East and South West to 39% in the North East and Wales. East of England sits just above the national average at 32%. Within the East of England, VCSE organisations appear to have the most confidence in LIOs to represent their interests in Cambridgeshire & Peterborough (36%) and Essex (39%) but least so in Norfolk (22%) and Suffolk (25%).
- The willingness of VCSE organisations to work behind the scenes to influence local social and public policy also varies widely across regions; lobbying in Wales (48%) and the North East (49%) is more common than in the East Midlands (34%) where this option is taken relatively rarely. East of England sits at the national average in this respect (42%). Within the region, lobbying happens more in Essex (48%) than all other East of England counties – and especially so in South Essex (60%).

[46] Sample sizes are small at sub-regional level in Essex and findings should be treated with caution – in the south of Essex, there is a higher proportion of larger organisations which will skew results to some extent.

Table 5.6(a) **Influencing social and public policy in English regions 2025** (Third Sector Trends in England 2025, percentage 'agree' or 'strongly agree')

	We tend to steer well clear of political issues	We try to go to relevant meetings/events which relate to our kind of work	We campaign to further the interests of our beneficiaries	We 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
North East England	69.8	79.3	56.7	38.5	48.9
North West England	69.7	71.6	50.9	38.1	45.8
Yorkshire & Humber	72.4	70.6	47.4	35.8	42.7
East Midlands of England	80.7	62.6	40.5	28.2	34.1
West Midlands of England	74.4	69.5	51.3	26.8	39.6
East of England	**73.5**	**71.2**	**46.0**	**31.6**	**42.4**
Greater London	66.7	68.2	50.8	29.6	45.0
South East England	76.9	66.9	44.7	24.6	40.2
South West England	77.7	65.8	42.2	24.9	37.2
Wales	66.0	72.2	51.6	39.1	47.5
England and Wales	**73.1**	**69.6**	**47.7**	**31.2**	**42.1**

Table 5.6(b) **Influencing social and public policy in the East of England 2025** (Third Sector Trends in East of England, percentage 'agree' or 'strongly agree', n=1,096)

	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
Essex	**71.5**	**76.8**	**52.2**	**39.4**	**47.8**
North Essex	*74.4*	*70.5*	*53.4*	*32.3*	*43.8*
Mid Essex	*68.5*	*73.1*	*47.3*	*47.2*	*40.0*
South Essex	*70.3*	*89.1*	*55.4*	*42.0*	*60.9*
Cambridgeshire & Peterborough	70.1	74.6	48.9	35.7	43.0
Suffolk	72.7	71.3	46.0	24.9	41.7
Norfolk	79.9	68.0	43.9	22.3	37.3
Bedfordshire & Hertfordshire	74.8	62.3	35.7	30.7	39.0
East of England	**73.5**	**71.2**	**46.0**	**31.6**	**42.4**

Section 6

Summary, discussion and implications

6.1 Summary of key findings

Sector size and structure

The VCSE sector in Essex is large and productive. There are about 5,200 registered voluntary organisations in the county, that is about 2.8 per 1,000 resident population county wide. The density of voluntary organisations is much higher, however, in the county's most affluent areas such as Uttlesford where there are 5.1 VCSE organisations per 1,000 residents.

In these more social advantaged and less urbanised districts, there tends to be a greater concentration on micro and small organisations than in less affluent urban areas such as Southend-on-Sea where the proportion of larger organisations is more evident and many more of them focus on critical and pernicious social needs.

The focus of the local VCSE sector in Essex reflects its purpose and practices. In more rural areas of north Essex, voluntary organisations tend to concentrate their attention at neighbourhood or village level while in larger urban areas of the county, they are more likely to work across a wider spatial area – often crossing district or local authority boundaries.

Sector finance

Sector income in Essex is estimated at about £1.19bn. Income is fairly evenly spread between four of the five prospective unitary authorities – although the income of the fifth, South East Essex, is currently substantially higher due to a concentration of larger organisations.

This report has shown that the voluntary sector in Essex, in general terms, is in a reasonably good position financially, where most VCSE organisations (77%) hold reserves and 43% have not needed to draw upon them in the last year. Some have been experiencing some financial problems however – about a quarter of VCSE organisations have had to use reserves for essential costs such as salaries, bills or rent.

The sector values grant funding above all other types of income sources at present, but most VCSE organisations manage financial risk by relying on a wide variety of income sources such as gifts, subscriptions, earned income, contracts and investments – very few choose to borrow money.

Trusts and foundations are very supportive of the sector in Essex. 62% of VCSE organisations received unrestricted income and 41% enjoyed long-term investment from grant makers. Similarly about 68% of voluntary organisations in Essex stated that trusts and foundations took time to get to know them, while 42% got support in the development of their skills. Expectations of 'innovation' by grant makers remains high amongst 65% of voluntary organisations.

Sector impact

The voluntary sector in Essex is highly productive and impactful over a wide range of social issues. There is a particularly strong focus on the promotion of health and wellbeing, tackling social isolation, giving people confidence to manage their lives and empowering people in the community.

It is estimated that the total value of sector energy expended was about £1.3bn in 2025 and that it produced about £2bn in fiscal, economic and use value for the county. When intangible aspects of social value are added into the equation, it is estimated that total sector contribution was £4.6bn which represents about £35,600 per 1,000 resident population.

Labour market dynamics

Sector employment of around 22,500 in Essex is spread quite evenly across four prospective unitary council areas, but is currently much higher in South East Essex at about 6,200. While there are signs that a sizeable minority of VCSE organisations are struggling to recruit (34%) or retain (16%) employees – the indications are that overall employment has risen marginally since 2022.

Regular volunteers number about 101,000 in Essex and they deliver around 7.3 million hours of productive work. The proxy replacement value by employees would be between £89m (at national minimum wage) and £136m (at 80% of regional average wage).

There are imbalances in the density of the population of regular volunteers. In the prospective North Essex Council area for example, there are 29,200 regular volunteers compared with just 15,000 in South East Essex.

Reliance on regular volunteers is high in Essex, 85% of VCSE organisations rely mainly on volunteers who support them on a regular basis and 84% of organisations could not survive without their support – and indeed, 76% of organisations relied on volunteers to work unsupervised.

Currently, volunteer numbers in Essex have yet to recover to pre-pandemic levels in 38% of VCSE organisations. It is a mixed picture as 50% of VCSE organisations are struggling with recruitment and 29% with retention of regular volunteers in Essex. Similarly, 37% are struggling to recruit trustees and 18% find it hard to retain them.

Organisational wellbeing and development

The success of VCSE organisations is contingent upon their ability to make good decisions about purpose, practice, finance and investing in people development. At present, the biggest priority in most VCSE organisations in Essex (71%) is to get support for income generation rather than invest in these other crucial aspects of organisational wellbeing.

Fewer than half of voluntary organisations seek to invest in business planning (41%) or trustee development and training (30%). This may be a cause for concern as raising income is not always the answer to VCSE organisations' problems – indeed it can cause them if finance is gained for purposes that the organisation is not in a position to deliver successfully. The percentage of VCSE organisations in Essex with a training budget (49%) is higher than the East of England average (40%) which gives some room for confidence.

When organisations identify training and development needs, about half attempt to tackle these in-house in Essex; but many mainly seek support externally from local infrastructure organisations (21%), trusts and foundations (13%), private businesses (10%) or local public authorities (6%).

Sector interactions

Working relationships within the VCSE sector in Essex is strong and suggests a well-embedded culture of cooperation: 76% of VCSE organisations work together in informal 'complementary' ways, 68% in semi-formal 'collaborations', and 32% work in formally constituted 'partnerships'.

Relationships with the private sector are widespread: 39% of VCSE organisations are given money by business to help them work, 32% are provided with free use of facilities or provided free goods, 21% get employer volunteer support and 26% were in receipt of *pro bono* expert advice from businesses.

Public sector relationships are also strong. 89% of VCSE organisations feel valued by public bodies and 67% feel well informed about issues that affect them. Fewer feel involved appropriately in the development and implementation of policies that are relevant to them (46%) but 48% of VCSE organisations believe that local public bodies act upon their opinions or responses to consultations.

In response to questions about local devolution, 62% of VCSE organisations in Essex feel that opportunities for effective collaborative working have increased and 43% feel that public bodies are now giving more notice about new initiatives. Furthermore, 49% believe that public sector bodies are working together more effectively. These baseline data will be useful for comparative purposes if the five prospective unitary authorities in Essex are, ultimately, established.

The VCSE sector itself is keen to influence local social and public policy (although 74% of organisations avoid 'political' issues). Almost 80% of voluntary organisations in Essex will go to relevant meetings or consultations, 57% campaign for their beneficiaries and 49% will lobby behind the scenes to influence policy. Many organisations rely on local infrastructure organisations to take charge of influencing (39%).

6.2 Discussion and implications

While it may not be possible to make firm predictions on what will happen next, leaders of voluntary organisations were asked in 2025 to say how they felt about some key issues. It has been possible to look at 'sector vitality' and 'optimism' in the East of England (Table 6.1).

- Many more leaders in the East of England were 'excited' about bidding to do something brand new (43%) than those who were 'worried' (26%) and in Essex, the percentages are much the same. Only in Bedfordshire & Hertfordshire, did leaders seem to be comparatively more worried (29%) and less 'excited' (35%).
- Most leaders felt quite 'excited' about working collaboratively in the East of England (45%) although there was much variation by county ranging from 30% in Suffolk to 53% in Essex (and even more leaders felt this way in South Essex). Very few leaders worried about collaboration irrespective of where they were located.
- Of those leaders whose voluntary organisation engaged in campaigning to get the general public to see things their way in the East of England, many more were 'excited' (43%) than 'worried' about it (16%). Levels of excitement about campaigning is remarkably similar across the region.

Table 6.1 **Sector vitality and ambition in East of England/South East England/South West England 2025** (Third Sector Trends in England and Wales, n=EA1,112, SE n=1,194, SW n=1,086)

	Percent of leaders 'excited' or 'worried' about bidding for funding to do something brand new		Percent of leaders 'excited' or 'worried' about working collaboratively with other voluntary organisations		Percent of leaders 'excited' or 'worried' about campaigning to get the general public to see things our way	
	Excited	Worried	Excited	Worried	Excited	Worried
Essex	45.3	25.9	52.5	4.0	43.5	18.4
North Essex	*52.7*	21.8	*48.6*	4.6	*46.4*	11.3
Mid Essex	*31.6*	29.1	*45.7*	4.9	*36.7*	26.7
South Essex	*48.2*	28.2	*64.0*	2.3	*45.5*	21.2
Cambridgeshire & Peterborough	44.1	25.7	49.0	1.3	44.1	18.1
Suffolk	41.1	23.9	30.5	6.1	41.9	12.4
Norfolk	45.2	24.6	39.2	3.2	43.9	15.3
Bedfordshire & Hertfordshire	34.6	29.4	46.8	3.2	40.7	14.4
East of England	**42.5**	**25.9**	**44.9**	**3.6**	**42.9**	**16.1**

This report has demonstrated that many leaders in the voluntary sector in Essex are feeling optimistic about the future. That should not be so surprising because the financial position of the sector is currently quite sound, as indicated by the widespread ownership of financial reserves and the ability of many organisations to leave them untouched since 2022. Indeed, around four fifths of survey participants believed that their income levels would be sustained or increase over the next two years.

But there is evidence of underlying anxiety too, leading many voluntary organisations to sit on their reserves rather than to invest wholeheartedly in new developments and secure their own wellbeing by strengthening governance, strategic skills and enabling their employees and regular volunteers. Leaders of voluntary organisations know from experience that their financial position is fragile because of uncertainties in their working environment. That is why they try to ensure that they don't keep all their eggs in one basket in financial terms.

Nonetheless, this report shows clearly that sector mood about the reliability and relative value of income sources is shifting further towards grant funding and away from self-generated trading and income garnered from public service contracts. But as the pot of finance available to grant makers is finite – there could be trouble ahead.

As in all other English regions and in Wales – the structure and dynamics of the voluntary sector responds to and is shaped by local social, spatial, political and economic conditions. And this explains why there is a higher concentration of VCSE organisations per 1,000 members of the local resident population in more affluent regions such as the East of England (3.4) than in less affluent regions such as North East England (2.6).

In wealthier areas right across the country, there are more VCSE organisations per capita because local people have more disposable income and productive free time; they are better connected, richer in social capital and are, consequentially, more willing and able to buy-in to a lifestyle that embraces civil society at its core. Most of their VCSE organisations are small, relying wholly or mostly upon regular volunteers to achieve their aims and most are relatively financially resilient – often relying more heavily upon their own resources than calling upon outsiders to support their work.

That is why, in the richest areas, 69% of voluntary organisations across England and Wales had no relationship with trusts and foundations in 2025 compared with just

32% in the poorest districts. That is not to say that these organisations *never* bid for grants, but indicates that they do so on an occasional basis rather than relying upon them heavily to keep going. In poorer areas there are comparatively fewer VCSE organisations *per capita*. Many of them address issues produced and embedded by financial insecurity, poorer health, educational disadvantage and limited access to or use of public services. VCSE organisations in these localities are more reliant upon employees than in more affluent districts and that is why they need more money.

The balance between richer and poorer areas differs substantially across regions and that shapes the way that the voluntary sector works. In the East of England, for example, only 8% of VCSE organisations are located in the poorest areas (the least affluent quintile of the Indices of Multiple Deprivation or IMD). But they work in much the same way as they do in the poorest areas of North East England. At the other end of the social spectrum, 27% of VCSE organisations in the East of England are located in the most affluent quintile of the IMD compared with just 15% in the North East; but in those kinds of areas the focus and structure of the local sector is strikingly similar.

Interestingly and perhaps counter-intuitively, the report also shows that in poorer areas the spatial focus of VCSE organisations is *wider* than in affluent areas where more voluntary organisations concentrate their activities at neighbourhood or village level.[47] To some extent, that is due to the specialist foci of many VCSE organisations in poor areas on discrete aspects of service delivery which tend to be funded by large grants or contracts to deliver services over a wider spatial area. In more affluent areas, by contrast, much more of sector activity is locally focused and self-funded (by subscriptions, for example) or is facilitated by smaller, occasional grants.

Because the boundaries around areas are not impermeable, generalisations such as these need to be read with caution. Not all VCSE organisations based in the very poorest areas concern themselves with local issues associated with critical need; just as in the wealthiest areas, many VCSE organisations are fervent in their support for people struggling in adverse conditions in communities often far from their own. And while in several districts of Essex, there are no local statistical census neighbourhoods which fall into the poorest quintile of the Indices of Multiple Deprivation – that does not mean that there is no poverty or social exclusion.

While localities undoubtedly shape sector purpose and structure to some extent and help to account for spatial variations in sector wellbeing and impact, other factors also come into play derived from national political decision making which shape the prospects of VCSE organisations. Often the impact can be direct – when, for example, government shifts policy direction and invests heavily in one aspect of social life to the detriment of others.

On other occasions, national government decisions on how it works with local and regional public sector agencies, such as the NHS or local authorities can have a profound impact on voluntary sector activity. One such challenge, highlighted in this report, is the government's squeeze on public finances which has the effect of lowering the value of contracts offered to VCSE organisations to deliver public services. This could, potentially, upset the financial dynamics of the voluntary sector now that many larger VCSE organisations are losing interest in, or have already withdrawn from delivering public services.

When this issue was raised in previous reports in this series, the emphasis was on what government should do if it wants the voluntary sector to remain engaged in public service delivery. [48] Here, the issue is the potential knock-on effect of big VCSE

[47] Sometimes, historians and social commentators adopt somewhat romantic notions of the 'mutuality of the oppressed' and over play their hand about community resilience and self help within poor communities. That is a dangerous assumption to make about hard-pressed areas where managing to keep going on a day-to-day basis in socially stressed communities consumes people's energy physically and emotionally. To assume that adopting middle-class values associated with civic voluntarism will get such communities out of hot water using their own mettle can be both unfair and unrealistic.

[48] The reason why contracts have become detrimental and what consequences that may have for government have already been explored in this series of reports, see Section 4.5, *Third Sector Trends in England and Wales 2025: relationships, influencing and collaborative working*, Newcastle: Community Foundation North East, https://www.stchads.ac.uk/wp-

organisations withdrawing from contracts for grant finance on the voluntary sector as a whole over the next few years.

It is useful to take a 'medium-term' view of the situation because, realistically, the most likely response of many VCSE organisations currently engaged in public services will be to 'bide their time' and see what national politicians do if they awaken to the potential consequences of voluntary sector withdrawal from this arena. Nonetheless, a likely response is that leaders of big VCSE organisations will already be looking for alternative ways of sustaining their activity.

On this matter, the evidence from Third Sector Trends is crystal clear – leaders in 94% of VCSE organisations which were delivering contracts in 2025 stated that they intended to bid for funding 'to deliver something brand new' (compared with 68% of leaders in organisations which have no intention of delivering public services).

Increased competition for grants could seriously upset the current equilibrium in funding opportunities in Essex, especially for middling-sized VCSE organisations in a marketplace with finite resources. But the extent to which that happens may vary by region because, the percentages of organisations delivering contracts has risen in the East of England since 2022 (though, admittedly, from a lower base than in the industrial north and midlands).

More competition is potentially bad news for many other VCSE organisations which are heavily dependent upon grants in the East of England. But to reiterate an earlier point, the voluntary sector in the region is currently in quite good shape with relatively few VCSE organisations using reserves for essential costs and as shown below in Table 6.2, few reported significantly falling income in 2025 irrespective of their size.

Table 6.2 **Income change over the last two years in East of England**
(Third Sector Trends East of England 2025)

	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 to £25m	All TSOs
Risen significantly	8.6	14.3	27.3	23.1	28.1	17.2
Remained about the same	80.8	74.9	57.6	60.4	61.4	70.5
Fallen significantly	10.7	10.8	15.1	16.4	10.5	12.4
N=	338	343	245	134	57	1,117

While the VCSE sector in East of England generally (and more specifically in Essex) is currently in a strong position and most leaders are confident and optimistic about their future outlook, there are some issues on the near horizon that could affect sector wellbeing.

The first of these is local government reorganisation which, as indicated in the introduction to this report, could have a radical impact upon the shape of administrative boundaries across Essex.[49] The consequences of these changes has now been explored in much more detail in the wider ***Community Listening Project*** being undertaken by Essex Community Foundation of which this report forms a part.

content/uploads/2025/10/Relationships-influencing-and-collaborative-working-Third-Sector-Trends-in-England-and-Wales-2025-October-2025-1.pdf

[49] At the time of study, for this report, local government organisation in Essex had been agreed by government, subsequently, on 7th September 2026, the government paused the process and as a consequence it is by no means certain that the planned changes will be effected. Further information is available on the Ministry of Housing, Communities and Local Government (MHCLG) website.

But from previous studies by Third Sector Trends, it is clear that local government reorganisation can be a mixed blessing for the voluntary sector. When county councils are split up into unitary authorities it can lead to 'boundary hardening' as councillors seek to vary their policies and practices from adjacent areas. For voluntary organisations which work across these boundaries, that can produce the duplication of activities in many domains – not least in having to develop productive relationships with several local authority officers and directorates rather than just one.

In other respects, relationships with public sector organisations may be simplified in Essex due to the establishment of a single NHS Integrated Care Board from April 2026. Beforehand there were three ICBs operating in Essex, two of which crossed county boundaries with Suffolk and Hertfordshire.[50]

As this report has shown, many VCSE organisations in Essex are engaged directly or indirectly with issues concerning health and wellbeing – but determining who does what in the VCSE sector will always be hard to disentangle. That is because approaches to practice are sometimes shared, definitions of purpose are diverse and constituencies of beneficiaries are complex. At best, it is only possible to define general areas of activity.

The NHS's Integrated Care Systems (ICSs) policy framework[51] seeks the involvement of the VCSE sector in planning for and aligning with specific aspects of delivery. Loosening of administrative boundaries in Essex may help to reduce the layers of complexity for VCSE organisations with direct involvement with the NHS have had to negotiate previously.

It is crucial to note, however, that much of the activity of the VCSE sector addresses 'intangible' aspects of social value which is 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 from an NHS point of view 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 6.2). 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, or to attempt to control it.

This is a complex environment for both the VCSE sector and for NHS Integrated Care Boards to understand, navigate and negotiate. But if the objective to improve prevention of health conditions is to move closer to centre stage, as indicated in NHS England Integrated Care System strategies and in the Hewitt Review[52] to shift resources from 'illness' to 'health', then recognising and valuing what is happening on the ground now in the VCSE sector is vital.

Rationalisation of NHS ICB boundaries in Essex is a good idea. But it should not be forgotten that the imperative to change boundaries (or to abolish *NHS England* itself[53]) were not just about smoothing and strengthening interactions but also to save money.[54] ICB cuts have been severe and resulted in the loss of many dedicated staff

[50] This change was confirmed in a written statement from Minister of State for Health, Karin Smyth, 9th September 2025 https://questions-statements.parliament.uk/written-statements/detail/2025-09-09/hcws915; see also, NHS England, 'More about each integrated care system', https://www.england.nhs.uk/integratedcare/integrated-care-in-your-area/more-about-each-integrated-care-system/#east-of-england

[51] ICS strategy and implementation documentation can be found here: https://www.england.nhs.uk/integratedcare/

[52] (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

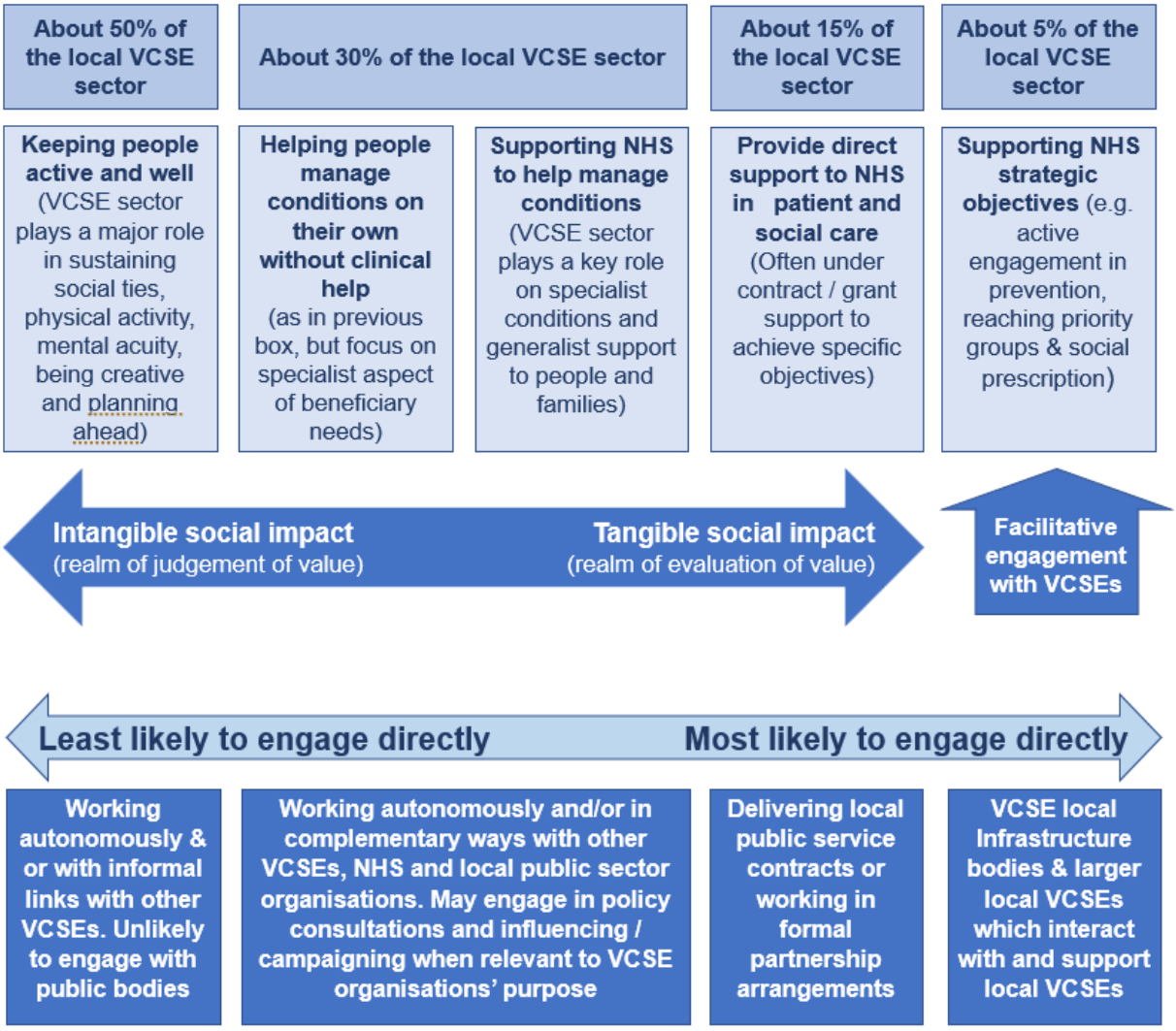
[53] NHS Confederation (2025) Abolishing NHS England: what you need to know (13th March) https://www.nhsconfed.org/publications/abolishing-nhs-england-what-you-need-know

[54] From a government perspective, the rationale was to redirect funds to front-line patient care: Department of Health and Social Care (2025) Billions to be redirected back into patient care with NHS reform (Press release, 11th November) https://www.gov.uk/government/news/billions-to-be-redirected-back-into-patient-care-with-nhs-reform; but these decisions were made apparently without regard to other core policy objectives of improving public health through preventative measures and instigating well-accepted rationale from the Marmot Review of investing more heavily in poorer areas; Marmot, M., Allen, J., Boyce,

across the country who worked hard to build positive relationships with the local voluntary sector and between other health providers within the NHS and the private sector.

As Figure 6.2 indicates, about half of VCSE sector organisations are very unlikely to engage directly with ICS policies at a strategic level. Indeed, many may not recognise, nor be interested in articulating how their work adds value to public health. That may not matter to them, but it does not mean that their contribution should be not valued in holistic terms. And in some cases, they may have a more direct role to play, if they are enticed to do so, by – for example, an effective link worker with their ear to the ground on new avenues for social prescription. That work cannot be done effectively in the context of dramatic cuts to local ICB budgets and the government's current unwillingness to invest substantively in preventative health initiatives.

Figure 6.2 **The contribution of the VCSE sector to public health**



T., Goldblatt, P. and Morrison, J. (Health Foundation (2020) *Health Equity in England: the Marmot Review 10 years on,* London: Institute of Health Equity: https://www.health.org.uk/publications/reports/the-marmot-review-10-years-on?psafe_param=1&gclid=Cj0KCQjwr82iBhCuARIsAO0EAZwSgDf6T2TZPnb8NZx3gzniFTM1VhUHsJtsc_vlzHwugnMWJCJI4bEaAq6aEALw_wcB. Other commentators have taken a different perspective: Launder, M. (2026) *'ICB cuts an "absolute shit show", say leaders', Health Service Journal* (10th March): https://www.hsj.co.uk/integrated-care/icb-cuts-an-absolute-shitshow-say-leaders/7041248.article

6.3 Next steps

The findings presented in this report represent a first step in Essex Community Foundation's ***Community Listening Project*** which has subsequently explored sector dynamics and interactions at a qualitative level over the past few months.

Much of that work involved debate and discussion, including a wide range of agencies and organisations in Greater Essex and involved people in local communities of place and interest, together with influential individuals and stakeholders such as local politicians and philanthropists – all of whose interests help to shape voluntary sector purpose, activity and impact.

To assist in that process, this report concluded in June 2026 with six issues arising from Third Sector Trends research nationally and within Essex which were used to frame further consideration and debate.[55] The emphasis was placed on the 'anticipation' of aspects of change so as to help put the VCSE sector on a good footing to influence policy and be prepared for new arrangements – rather than to find itself left in a position only to 'respond' to decisions already made by others. These points are made not just to ask 'others' to do things differently; but also that the VCSE sector itself thinks about how it too should change to accommodate profitably to new circumstances.

- **Local government reorganisation – anticipating risks surrounding boundary hardening and procedural fragmentation for the VCSE sector**

  When local government boundaries are radically redrawn, as may be the case in Essex, this generally produces a good deal of cultural disturbance as councillors and officers from former districts, the county council and unitary authorities are re-distributed and have to accustom themselves to new arrangements. The process is often fraught because productive and well-established inter-personal relationships are disturbed, undermined or eradicated. Furthermore, as new authorities are established, there is often an eagerness to distinguish themselves in policy terms and in procedural practice from neighbouring areas. The consequences for the VCSE sector can be severe – especially for those VCSE organisations which worked at scale across wide geographies and/or were engaged by a previous authority to deliver public services under contract.

  There is risk, in Essex, that public sector procedural arrangements fragment and result in leaders of VCSE organisations having to forge new relationships and accommodate to new bureaucratic systems. The VCSE sector, and those organisations that support them need to enter into debates with newly established authorities now, so as to minimise disruption in areas of activity which were running successfully prior to reorganisation and seek to improve arrangements where they were not. That process has already begun, of course, supported by Essex Community Foundation but needs to build momentum.[56]

- **New boundaries for NHS Essex Integrated Care Board – an opportunity to establish, consolidate and embed existing good practice**

  While local government reorganisation may disturb established understandings and arrangements with the local VCSE sector in unpredictable ways, the redrawing of NHS Integrated Care Board boundaries could present an opportunity to consolidate aspects of effective practice that

[55] These observations remain as written in June 2026 and do not, therefore, take into account findings from subsequent qualitative work; nor have they been amended in response to a Government pause on previously agreed local government reorganisation arrangements.

[56] See: Essex Community Foundation (2026) *A joint vision for civil society in greater Essex* (April), https://www.essexcommunityfoundation.org.uk/wp-content/uploads/2026/04/A-Joint-Vision-For-Civil-Society-in-Greater-Essex-5.pdf.

already exist in most of the county. Previous arrangements crossed and cut across county and local authority boundaries and as a consequence limited the scope to develop Essex-wide arrangements to work effectively.

The new NHS Essex ICB (though levels of funding will be lower than for previous incarnations due to severe government cuts) will have an opportunity to learn about and build new relationships with the whole of the VCSE sector in Essex. Assisting with this learning is important so as to recognise that many aspects of VCSE sector activity contribute to public health directly (and may be funded by NHS contracts) and 'intangible' ways (generally supported by trusts and foundations rather than relying upon public money).

NHS England extolled the virtue of ICBs because they helped to show that health bodies acted as 'anchor organisations' in areas – contributing the local economy, employment, skills and labour force development. As a potentially influential force across Essex, the ICB could extend its influence as a core county-wide stakeholder to encourage other funders such as trusts and foundations (including newly established local authorities) to invest in those parts of the VCSE sector that support public health even though they are not under the direct control of health institutions. VCSE stakeholders might consider debating the use of evidence from this report to inform and persuade the new ICB to rethink aspects of previous practice so as to strengthen and widen links with local voluntary organisations.[57]

- **Challenging times for local infrastructure organisations – anticipating and shaping change needs to happen now**

  There is a large number of VCSE sector local infrastructure organisations (LIOs) currently operating within Essex. Many of these organisations have built productive and financially beneficial links with local authorities at unitary, district and county council levels to sustain their operations. These arrangements may be subject to renegotiation or cessation due to local government reorganisation and will clearly be a cause for concern for LIO boards, chief officers and staff.

  There are also, however, some wider advantages to be gained from new local government arrangements to consolidate aspects of infrastructure support and reduce unnecessary replication of services. Similarly, there may be an argument to support (either at county level working with the NHS Essex ICB or within and *across* the five new unitary authorities) the establishment of a single LIO to secure sector intelligence, produce uniform guidance on funding opportunities and to provide a county-wide representative voice for the VCSE sector to encourage a rationalisation of procedural arrangements with local government and NHS bodies across the county.

  This does not mean that a county-wide 'umbrella' organisations should tackle every aspect of infrastructure provision. As this report demonstrates, localities need different kinds of support depending on local demographic, cultural and economic considerations. Whether the current configuration of infrastructure support across geographies can be sustained will, almost inevitably, now become a focus for debate – not least amongst those agencies which currently provide financial support. Those debates may be quite awkward diplomatically and require sensitive negotiations with stakeholder agencies which have an interest in sustaining VCSE infrastructure activity. The Community Foundation's *Community Listening Project* could be a useful

[57] For further discussion and guidance, see Third Sector Trends (2018) *How to work effectively with the Third Sector.* Durham: Institute for Local Governance: https://www.stchads.ac.uk/wp-content/uploads/2018/02/ILG-How-to-work-effectively-with-the-third-sector-discussion-paper-March-2019-.pdf

starting point to initiate what may be quite a complex and politically difficult process.

- **Building the base of small-scale philanthropy and rekindling relationships with private business**

  This, and related reports from Third Sector Trends have demonstrated that support from the private sector has declined to some extent over the last few years. It has not been argued that recent decline is a 'trend', but rather, it has been interpreted as a 'blip' because in some areas – where active engagement between business and VCSE organisations is strong – no such decline in support has occurred.

  Most engagement between businesses and VCSE organisations is occasional rather than regularised. And when ideas are struck up on how businesses might help – they generally emerge due to happenstance, not strategic planning. In those parts of the country where VCSE sector and business relationships are strongest – intermediaries have 'courted serendipity' by creating opportunities for people to meet in non-threatening, attractive and welcoming environments where the only expectation is that 'something might happen' which would not happen otherwise. As a strategy, this sounds a little woolly – but it works.

  Philanthropy on a small scale can be grown too, when reasonably well off local people in (or retired from) business and the professions are exposed to the work of the VCSE sector. Local trusts (and especially community foundations) can help them to contribute by making small-scale philanthropic giving easy to do by offering to manage funds. This can produce a 'virtuous circle' where more people get involved, making a 'quiet' contribution to philanthropy. This is happening now in Essex, led primarily by the Community Foundation; but there may be considerable scope for more of it in future if this element of VCSE sector work is woven into wider debates in the coming months about the contribution of voluntary organisations to local society.

- **Not all money is 'good money', leaders need to invest in themselves and their organisations to make good financial decisions**

  The voluntary sector is full of committed people who feel driven to support areas of social need or social activity that would not happen without their investment of energy and time. Enthusiasm and ambition are important elements in the mix of creating a powerful and effective voluntary sector – but these factors alone do not guarantee successful outcomes. People need to be sufficiently skilled and knowledgeable so that they know what they are doing in practical terms – and make the right decisions as leaders on where to seek financial support to invest in viable social action.

  In terms of its statutory expectations of training and development, the VCSE must meet its obligations. But this report shows, many VCSE organisations neither prioritise nor seek support to address other aspects of their development needs. It is, perhaps, a cause for concern that the least favoured and sought after aspect of investment in development is trustee and leadership support. That may be a mistake. The current top priority for VCSE organisational support in Essex (as is the case elsewhere) is fundraising. That is not surprising because leaders of voluntary organisations worry about how to keep their ship afloat financially in a competitive environment. But this report raises concerns that focusing too heavily on finance as an end in itself may distract leaders from more fundamental questions about what that money is for.

  Not all money is 'good money' for VCSE organisations. For example, if voluntary organisations accept a grant or contract to undertake work which will cost more to deliver than the value of the award – then they are inviting trouble. Similarly, if staff and volunteers are ill prepared to do the work in training terms or worse, are not convinced that the work is 'worthwhile' or

'achievable' – then, even with the best intentions, leaders can find themselves in hot water. If not all money is *good* money for voluntary organisations – that means there should be more debate within VCSE organisations, and perhaps in the wider sector, about how to assess which funds are worth bidding for, and which should be left alone.

- **Looking after volunteers is a top priority: should the emphasis of the debate be shifted from 'recruitment' to 'retention'?**

  For years, policy and funding initiatives on volunteering have focused primarily upon recruitment. Often this is underpinned by assumptions that there is a reservoir of untapped talent bursting to volunteer if only they were asked or could find out where to access opportunities. Such beliefs are often mistaken – many people do not want to volunteer for good reason - because they give their all by going the extra mile in other aspects of their lives as teachers, shopkeepers, emergency service workers, medical staff, hairdressers, and so on.

  Volunteer recruitment policy is often misdirected because of false assumptions that in poorer areas, there can (or *should*) be proportionately as many volunteers as in rich areas. As this report has argued, such views can be both naïve and unfair for people whose lives are constrained by aspects of critical need and for whom it is too much of a stretch to divert their attention to voluntary work.

  This report has shown that there is an inherent preference in VCSE organisations to take on volunteers who are skilled and require limited supervision, provide regularised and reliable support. That is understandable, as – with an effective group of volunteers - organisational leaders can plan their practice effectively. And while ephemeral volunteers can be useful in certain contexts – such as marshalling at events or fundraising – regular contributors are the most highly valued.

  Striking an effort bargain with volunteers is not one sided, as government and think tanks so often seem to assume. To be productive, volunteers need training and continual support and encouragement so that they are not pushed too hard (and driven away) nor feel undervalued and insufficiently challenged (and driven away). Some volunteers are much more 'autonomous', 'reliable', 'productive' and 'effective' than others. But many VCSE organisations see it as their duty to include those who benefit personally from being volunteers even if they consume more energy than they produce. Such voluntary organisations are often the only places providing such opportunities for people whose problems might otherwise intensify and leave them personally and socially adrift.

  Volunteers are not a 'free resource' who turn up and serve like clockwork. They need support, care, training and management – and that is costly for VCSE organisations. So why do debates on volunteering in policy circles so rarely concentrate on these issues and instead focus upon recruitment and of totting up the numbers of 'ready-to-go' volunteers? Debate on such issues need to be taken more seriously right across the country. In Essex, this could be a particularly good time to do so, so as to help educate and inform public bodies to think again about how to invest in public engagement in voluntary action.

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