



Somerset VCSE State of the Sector Report 2020

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Executive Summary

The Somerset VCSE State of the Sector report for 2020 is the second report of this nature commissioned through the Somerset VCSE Forum and builds on the work of the 2016 State of the Sector report. It is supplemented by two further surveys completed during the last twelve weeks to understand the impact of COVID-19.

As before, Somerset's VCSE sector continues to provide valuable services, activities and volunteering opportunities across the county and is characterised by the optimism, enthusiasm and dedication of its workforce. Over 80% of respondents to the initial survey represent micro to medium-sized organisations; 33% of which have an income under £10K, and 37% which work very locally within their village or parish.

The profile between respondents in 2016 and 2019 differs somewhat: there is an increase of 35% in the number of respondents (130 to 176), and this time fewer work beyond the Somerset border (14% compared to 25%). In addition, 37% work very locally compared to 22% previously. There are far more paid staff, volunteers and trustees represented via the responding organisations in 2019 which suggests a growth in this sector overall. 'Registered Charity' is the most popular structure for respondents for both surveys (approx. 50%), followed by 'company limited by guarantee' (approx. 20%); although informal and unregistered organisations are also well-represented.

Key findings emphasise the reliance on skilled volunteers that the VCSE sector in Somerset has, overall, for running social groups and activities, and for delivering frontline services and support for diverse projects including counselling, peer support, advice, and campaigning. In addition, Somerset's VCSE is adept at accessing 'hardly reached' and vulnerable groups; able to advocate on their behalf and provide practical and emotional support – particularly for those whom respondents felt were under-served by statutory services.

There has been an increase in demand for services and groups for 67% of respondents – up 8% from 2016. Of note is the high number of respondents who identified an increase in direct referrals from other agencies, and cuts in statutory funding and service provision as reasons for the increase. It is encouraging to see that 80% of groups and service providers felt able to respond adequately to meet the challenge of increased demand by expanding their workforce and securing funding to manage this increase. For others, this challenge has been met by increasing workload and risking the wellbeing of their teams. One third of respondents also noted a change in the nature of the query or characteristics of the people accessing their group or service, with more complex situations and increased mental health concerns for young people and adults most often identified.

As 'demand and need' increase, so too does the need for commensurate funding. Financial resilience and confidence for the future are challenging in an environment where one quarter of responding VCSE organisations have unrestricted financial reserves of three months or fewer, and where 65% regard funding and sustainability as a key challenge. Key funding challenges centre upon salaries, project costs and office/IT costs – necessary components to sustain an organisation, yet 'full cost recovery' is notoriously difficult to secure. The need to secure several small, time-limited funds to cover core costs (with associated time to complete bids) is the norm for many organisations. So too, is securing ongoing costs for existing successful projects, as 'new and innovative' seem to hold wider funding appeal. In addition, significant changes in funding have been identified by 27%, with respondents painting a mixed experience of opportunities and challenges.

With nationwide cuts in statutory services and support in recent years, some charities have experienced significant cuts to county council-funded programmes and services. At the same time, increased opportunities to engage with social prescribing schemes have seen VCSE organisations working more closely with each other and with health and care services. This brings challenges, with increases in referrals and obtaining funds to build capacity identified as key concerns. There is also a degree of uncertainty for the sector in relation to the UK's drawn-out departure from the European Union. Future funding opportunities and policy implications are still unknown, and this situation will continue for the foreseeable future.

Despite these challenges 57% of respondents are planning to increase the type or level of service or activity they provide and 42% feel well equipped to face future challenges. Partnership working is well established in Somerset, with 68% of respondents teaming up with a diverse range of partners to add value to their programme, share expertise and workloads, and develop innovative ways of working.

What was not anticipated when this report had been largely written was the impact of COVID-19 on communities globally, and the government's efforts to contain the virus. This has brought new challenges to the sector as well as opportunities. Two smaller follow-up surveys shared in mid-March 2020 and April-June 2020 show a strong and skilled response from Somerset's VCSE sector. Whilst some groups have been forced to close and furlough staff, others have adapted their services to provide ongoing support to their customers and members. Over 80% of survey respondents thought they might be able to offer support to people most affected by COVID-19 by, for example, extending telephone services or coordinating community efforts to meet essential needs. What was clear early on to responding organisations was the likely negative effect on people physically, mentally and emotionally as social interactions were prohibited, and our lives moved online.

By early June, 71% of survey respondents had adapted their services in response. This included staff and volunteers working from home, advisory and counselling services expanding online support, welfare calls, digital delivery of workshops and courses, and meeting immediate community needs through collaboration with grassroots organisations and statutory services. Responding to these unprecedented circumstances brings clear challenges across the sector as a whole – not least loss of usual funding routes and income alongside an increase in demand for a number of services. Some organisations have resorted to reducing or withdrawing their service altogether at a time of greater community need. Others are dipping into reserves to cover staff and fixed costs with no clear financial pathway ahead at this time of writing.

While adapting to online working is possible for some, organisations have observed the psychological impact of withdrawing regular social meet-ups from members who are socially (physically) isolated much of the time. There are also numerous challenges currently, in addition to loss of funding: support with adapting to digital working, retaining and training volunteers, and managing social distancing/safe practices were identified. Similarly, funding was highlighted by 62.3% of respondents as support needed in the future, with recruiting volunteers and developing new services also identified.

The response to COVID-19 confirms the sector's reliance on a strong, skilled and adaptable workforce able to deliver activities and frontline services. Challenges regarding funding, building capacity and volunteer recruitment are especially poignant in the face of COVID-19.

This report concludes with a range of recommendations in light of these findings, which are also available here:

- **Financial instability** is a chronic issue facing many organisations in the sector. Region-wide cuts to funding combined with a tendency to short-term approaches by funders and commissioners undermine the continuity of proven projects. There is a tendency by funders to overlook core costs associated with project delivery, and yearly funding cycles absorb organisations' staff time and effort and weakens their confidence in a sustainable financial future.

A broadening of the funding landscape to accommodate core costs more readily and a commitment to longer term funding would enable VCSE organisations to plan ahead more effectively. In light of COVID-19, funding is especially precarious. It requires commitment to a long-term vision from funders to support the sector at this time.

Availability of additional funding solely for core costs in the short term would be a pragmatic approach to support organisations which have experienced significant COVID-19 related losses to usual income sources.

- **Building capacity sustainably** is key to ensure staff and volunteers can provide community-based support to the best of their abilities, with the right tools and knowledge, and without becoming overwhelmed or over-worked.

Public sector services are developing new models of care and working ever closer with community-based groups and services. For new initiatives to grow in a healthy and sustainable way and at the speed of trust, it is crucial that the VCSE sector has a strong voice to share concerns, is able to contribute strategically as equal partners, and is funded adequately.

- **Infrastructure support** and training organisations continue to have a key role in supporting the VCSE sector with various aspects, such as recruiting and training volunteers, developing supportive networks, supporting organisations to develop new ways of working in light of COVID-19, and advocating on behalf of the sector at a strategic level within the county and nationally.
- **Partnership working** is well established in Somerset within the VCSE sector and across sectors. It is a way to share resources, staff and ideas, yet barriers remain. For partnership working to flourish, funding models need to reflect the time taken to collaborate and invest in longer-term projects. Organisations also need to work together in the spirit of collaboration over competition.
- **A supportive VCSE culture** is key to providing an environment in which organisations feel able to reach out for support, share information and ideas freely, champion each other and speak with a strong voice. This is especially relevant considering the impact of COVID-19 on community organisations and future uncertainty.
- **Community social action** has been mobilised in response to COVID-19. How might the VCSE sector, funders and local councils extend longer-term support and guidance to newly established groups and volunteers working at the grassroots level?

*Researcher and Author: Victoria Sullivan MSc, Spark Somerset www.sparksomerset.org.uk
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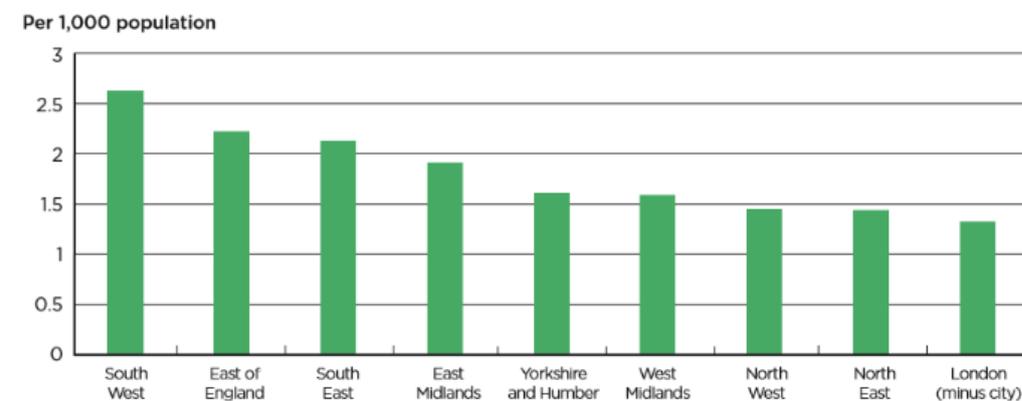
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Supporting Somerset

Somerset has a strong tradition of volunteering and community action, with a diverse range of charities, community groups and social purpose enterprises working across and within its districts, towns and villages, and neighbouring counties. It is a county with a population of 560,000 dispersed across a large geographical area, and one of the most rural in England.

The South West region of England has the highest density of charities by region and one of the highest rates of volunteering, with estimates that 71% of adults engage in any form of volunteering. In addition, one in four are thought to volunteer formally at least once a month (Community Life Survey 2017/2018). Equating this last figure to Somerset sees approximately 115,000 regular volunteers in the County (Somerset Intelligence). The act of volunteering has been shown to have a vast array of benefits – for those doing the volunteering but also the substantial contribution it makes to the various sectors and specific causes that are supported.



In addition, there has been a marked increase nationally in organisations registering as social enterprises (not for private profit) which are primarily driven by social and/or environmental objectives (Mendip DC, 2020). But what do we know of those organisations which make up the voluntary and community sector of Somerset? This report seeks to understand their state of 'health', vital statistics and ways in which they have responded to opportunities and challenges.

Somerset State of the Sector Report for 2020

Aim of the 2020 report

There is a clear interest within the VCSE sector and across other sectors to generate insights and data to better understand the sector county-wide. To this end, this report seeks to:

- Build on the findings of the 2016 sector report
- Provide accurate intelligence for VCSE organisations, partners and commissioners
- Increase our understanding of how best to support existing and new organisations and groups.
- Inform the development of targeted services or support
- Explore key topics which have emerged since 2016, such as Social Prescribing and plans for the UK to leave the European Union.
- Expand the focus of this report to incorporate recent insights regarding the impact of COVID-19 on the sector and its response.

2016 State of the Sector report – key findings

Key findings included the following:

- a diverse sector providing a wide range of support and activities
- a sector with primarily part-time staff reliant on a volunteer workforce
- reduced funding and financial instability
- an increase in volume of demand and complexity of issues of service users
- difficulties funding staff salaries, core costs and IT equipment
- sector-wide need for support with fundraising capacity, skills development, volunteer recruitment, marketing and communications.

Responding to findings of 2016

The 2016 survey has proven invaluable to funders and commissioners in better understanding the challenges faced by the sector and informing commissioning activity, including:

- focusing efforts on developing the training offer and support available to voluntary sector charities and groups from local VCSE infrastructure organisations
- raising awareness of the sector's diversity
- supporting the case for ongoing investment in the Somerset VCSE Strategic Forum as a mechanism for collaboration, and to address key sector challenges
- using the research to inform practice and improve decision-making
- informing the Somerset Intelligence Team and their analysis
- supporting the VCSE Annual Leaders Conference

Wider Picture and Context

National and regional charity sector

According to Charity Commission statistics, the charity sector of England and Wales has 183,298 currently registered charities, with a total income of £77 bn for September 2018 (most recent). The range of small to large charities can be categorised by income, with micro charities earning up to £10K per year, small charities between £10K and £100K, and medium, large and super large charities between £100K to £5M plus. These micro (39%) and small (35%) charities make up the largest proportion of charities (74%), based on 2018 figures (The Charity Commission 2020).

In Somerset, there are 2,760 registered charities – a reduction of 43 from 2016 when the previous sector report was researched. However, this figure does not represent the diverse number of social purpose organisations, unregistered and informal voluntary groups and meetups, which collectively are Somerset's VCSE sector.

Hyperlocal level support

Research exploring the distinct contribution of small and medium-sized VCSE organisations highlights their critical role in addressing socio-economic issues and creating social value. Embedded within their communities, they tend to work at the 'hyperlocal' level as first responders and promote inclusion and belonging. Decision-making is generally quick as their organisational structures are more likely to be flat and responsive to immediate need, and volunteering opportunities pull in local people who understand their communities (Dayson et al., 2019). According to the Lloyds Bank Foundation small and medium sized charities are more likely to rely on government and local council grants, and a move towards awarding contracts to larger organisations is affecting the financial viability of these vital initiatives.

Funding climate for VCSE Sector (prior to COVID-19 Pandemic)

It is estimated that 31% of the voluntary sector's income is from the government. This is the second largest income source for the sector, with money from the public estimated to be 45% (NCVO, 2020). Nationally, austerity policy has seen a sustained reduction in public spending which has negatively affected front-line services. Further, a review by Marmot (2020) claims that between 2010/2011 and 2015/2016 a sum of £802 million was cut from the voluntary and community sector by local government. In Somerset services affected in recent years include mental health provision, employment support, advisory services, learning disabled support, homelessness and housing support, young people, and older people's support among others (private report). These cuts have impacted a number of Somerset VCSE organisations which deliver council-funded services.

There is, however, a range of grants available from county and district councils which VCSE organisations can apply for. The 'Improving Lives in Somerset grant scheme', for example, aims to "empower communities and groups to take responsibility for local action, help people to become better integrated in their own communities and to reduce pressure on local services" (SCC, 2019:1). There is also a Somerset Social Enterprise Fund to support and develop social enterprises in Somerset. Established by SCC, the fund is coordinated by the

Somerset Community Foundation. There has also been an increase in opportunities for the VCSE sector to work more closely with statutory health and care services to deliver support and services at the community level.

Working with Health and Care Sectors

In recent years changes in how health and care are managed and delivered in our communities have altered the landscape in which some VCSE organisations operate. A key development is the reorganisation of primary care services into Primary Care Networks (PCN), and the development of social prescribing. At its broadest level, social prescribing is about connecting people to community groups and statutory services for practical and emotional support, and the concept has been mainstreamed throughout England via the NHS Long-term Plan (2019). PCNs now employ link workers, generally in partnership with a local VCSE organisation, to increase community referrals. Social prescribing is regarded as especially useful for people with long-term health conditions and people who are considered 'socially isolated' (NHS, 2020). In Somerset, thirteen PCNs are working with community-based or GP practice-based organisations to develop social prescribing services.

The VCSE sector has a long history of supporting community health and wellbeing, delivering services, mitigating the effects of the wider determinants of health and providing a diverse range of local activities and groups. However, developing social prescribing as a model brings challenges. Insights by the charity Power To Change (2019) suggest there is an assumption within NHS and Care services that community groups and charities have the capacity to absorb an increase in referrals. In addition, there seems an absence of money to fund the supporting community organisations beyond funding for the link worker role. This is an emerging area of research, and this report seeks to explore social prescribing and how it is perceived and experienced within Somerset's VCSE.

The impact of UK leaving the European Union

Since the referendum to leave the EU in 2016, there has been a degree of uncertainty for the VCSE sector, (among others) regarding its potential impact. Whilst the UK continues to negotiate during the transition period this year, some VCSE organisations have found planning for the future a struggle. Key areas include EU funding streams, workforce capacity, and legislation and policy (3SC, 2019). Of note is research by the Foundation for Social Improvement which suggests 91% of small charities questioned are unconfident that their views will be represented by the government during the Brexit process (2016). Although not all charities will be affected in the same way, this report seeks to identify key challenges (if any) for Somerset's VCSE sector.

The impact of COVID-19

This report was due to be published in mid-March, just as the all-pervading effects of COVID-19 were being experienced across every facet of daily life in the UK and globally. Somerset's response to COVID-19 has been prompt, with communities mobilising to ensure residents most at risk are supported. Volunteering has increased with many informal coronavirus support groups emerging at the hyperlocal level to assist residents with essentials such as food and delivering prescriptions. Over 1300 people have registered as Corona Helpers across

Somerset to support these new groups which number over 100 (Spark Somerset, 2020a). Others have volunteered their time with existing charities and organisations which have had to adapt quickly to support their workforce, customers and communities. Somerset's VCSE sector has also worked closely with local and district councils, and with county council departments, the NHS and emergency services.

Nationally, the impact on the sector's financial resilience during COVID-19, has been cause for concern as usual modes of funding and income are interrupted. It has been estimated that the sector will lose £4 Billion in income between April and the end of June. This could affect not just the charities but the vital support and services they provide to marginalised communities (King's Fund, 2020). In May, the government pledged £750M to the sector (UK Govt, 2020). In addition, a range of emergency funds are now available at the national and local level to support charities through a challenging time (Spark Somerset, 2020b).

To capture the impact of COVID-19 on the sector, the ways in which it has responded, and the challenges faced, two additional online surveys have been shared with organisations across Somerset. Survey 1 was conducted by the Community Council of Somerset in mid-March to investigate the extent to which VCSE organisations might be affected by demands for their services, and how they might support the community response. Survey 2 was conducted by Spark Somerset. It was shared from mid-April to early June to ascertain the key challenges experienced by organisations and the type of support identified as needed in the future.

State of the Sector March 2020 Infographic

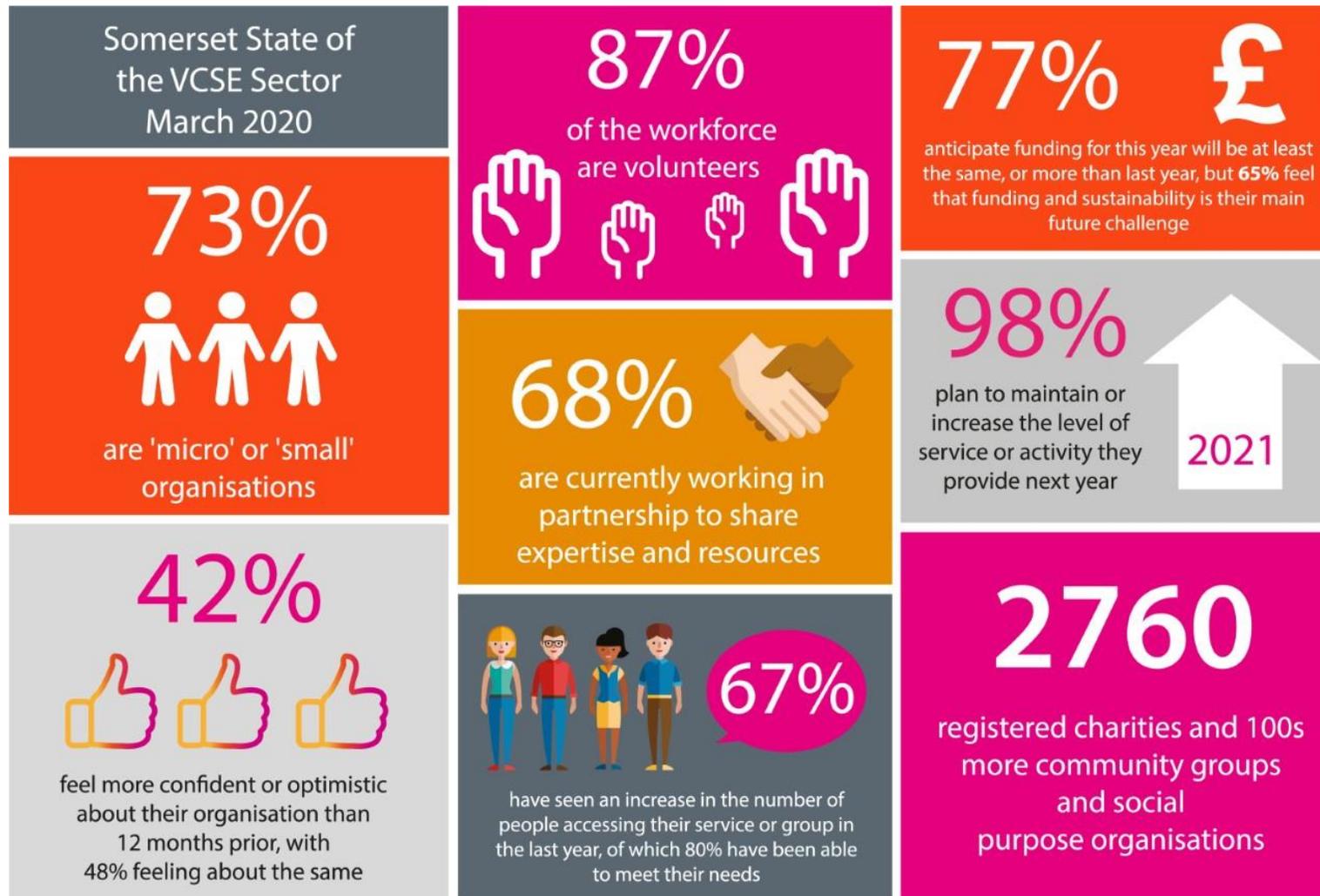


Figure 1 - State of the Sector Infographic 2020

Summary of Key Findings

Wide-ranging charities, enterprises and groups Meeting local community needs

- **176** organisations responded to this survey; **53%** of which are registered charities and **20%** which describe themselves as informal or volunteer-led groups.
- **50%** have been operating for over 15 years, and **17.5%** for between 5-10 years. Overall a good response from new and established organisations.
- **76%** are not part of another organisation, and **37%** work very locally within their parish town or village.
- **14%** work with neighbouring counties, or nationally.

An expanding workforce providing opportunities to contribute time & expertise

- An increase of **1,389** volunteers and an increase in paid staff of **170** across responding organisations since last financial year. However, several organisations have no paid staff.
- **87%** of the VCSE workforce are volunteers
- **10,334** volunteers contribute **19,463** work hours in an average week.
- **1,533** paid staff contribute **32,855** work hours in an average week.

A diverse range of support, services, groups, activities, education, welfare, and outreach

- **45%** (largest category) provide community activities such as lunch clubs, social meetups, and regular membership groups such as WI and men's sheds.
- **38%** provide volunteer opportunities or support; and
- **27%** focus on art/music/culture, or sport and physical activity.
- In contrast **1.9%** provide animal welfare or rescue services, **2.6%** provide criminal justice support, and **3%** provide community transport.
- **57%** of respondents said their customers or client group is older people, or volunteers. This was followed by people with mental health concerns or conditions (**56%**). There are just **12%** of groups whose customers are refugees seeking asylum, or from faith-based communities; and **15%** support ex-offenders, or people at risk of offending.

Responding to increased demand for services, and meeting people's needs

- **67%** have seen an increase in numbers of people accessing their group or service, compared to last year. Reasons include an increase in direct referrals and statutory cuts.
- Those able to respond have *increased workforce and workload; applied for funding; worked in partnership; provided phone/email support; diversified their offer; and expanded premises.*
- **80%** have been able to meet the needs of those accessing their service or group, although for some this was at the expense of the wellbeing of their team.

- **59%** felt there had not been a change in the nature of the query or advice sought, or characteristics of the person vs **33%** who thought there had. Those that had experienced a change described *an increase in level of complexity; increase in mental health concerns for adults/young people; and support for long-term health conditions.*

Working in partnership to connect, add value, and share resources and funding

- **68.2%** work in partnership with other VCSE organisations or sectors, e.g. health. Reasons include *adding value to own service; awareness-raising of a common topic; joint funding bids and shared expertise; and sharing resources and workload.*
- **55%** have not experienced barriers vs **20%** who have, with several obstacles identified: *competitive field; time constraints; lack of trust; funding cuts; project criteria; and practicalities.*

A high response from micro and small organisations, and varied financial resilience

- **61%** have an annual income of £50,000 or less, with **33%** up to £10,000.
- **61%** have unrestricted financial reserves of 6 months or less. **15%** 12-months plus.
- Low running costs for some is juxtaposed with others who 'exist hand-to-mouth' while supporting vulnerable groups of people.
- **47%** predict their income will be about the same next year; **30%** predict an increase.
- Short-term financial certainty is influenced by *contract lengths; successful track record; diversifying income; dependency on one-off fundraising events; and juggling contracts.*
- **49%** predict their income will match their expenditure; **22%** predict their income will exceed expenditure, and **19%** predict expenditure will exceed their income, for this year.
- Factors influencing current expenditure vary, with some *only spending what they have;* others *drawing on reserves to cover loss of funding; or one-off capital costs for premises.*

A mixed funding environment with significant changes and challenges for some

- **27%** said the way they are funded has changed significantly in the last three years.
- Key areas of change include *closer working with CCG with associated funding; increased opportunities for partnership with health and social care sectors; loss of funding from local authorities and County Council; managing several small and time-limited grants.*
- **Salaries 53%, project costs 47%** and **office/IT costs 28%** are top three funding challenges. Core costs are a perennial concern across the VCSE sector, along with property upkeep, and funding to maintain successful services vs creation of 'new' ones.

Future challenges and difficulties anticipated in key areas

- The top four future challenges identified were as follows:
65% funding and sustainability **35%** building capacity
34% recruiting frontline volunteers **30%** recruiting skilled board members

Facing the future with confidence: building capacity and managing challenges

- **57%** are planning to increase their provision next year, with **42%** staying the same.
- Reasons for increasing their service or group include *psycho-socio-economic need; increase in direct referrals; and approaches from other VCSE or statutory services.*
- **42%** feel more confident or optimistic about their organisation compared to 12 months ago, with **48%** feeling the same about their organisation.
- Confidence develops with *future financial security; a solid team/plan; restructuring strategic/operational practices; diverse income stream; and high profile with expertise.*
- **43%** feel well equipped to deal with future challenges and **47%** feel partially equipped.
- Supporting factors are: *strong skillset/enthusiasm of volunteers; intellectual capacity of trustees; a strong committee, financial reserves plus reputation; and in-demand service.* Capital spending and funding challenges affect how equipped they feel for the future.

Negotiating social prescribing, Brexit uncertainty and reputational challenges

- **50%** felt well equipped to respond to **social prescribing**, **14%** did not, and **36%** didn't know. Some organisations have established excellent relationships with statutory services. Key concerns are: *referral process/expectation of referrers; lack of associated funding and resources; capacity to manage increased numbers and complexity of needs.*
- **50%** anticipated no impact from the UK leaving the EU, **19%** said yes, and **32%** didn't know. *Ongoing uncertainty regarding future EU funding opportunities, and likely changes to environment, land, and immigration laws* may negatively impact some charities.
- **59%** felt that the recent negative reporting of charities in national media had not impacted their charity, with **20%** who didn't know. Working at the local level, with a good reputation seems to protect smaller charities from wider, nationwide issues.

COVID-19 Survey 1: How might COVID-19 affect VCSE organisations as the pandemic progresses?

Recognising COVID-19's impact at the community level, responding quickly to adapt services, diverting workforce and offering support

There were **195 responses** to this online survey delivered in mid-March 2020. The organisations were from across Somerset and represented a range of interests and sectors of the population. Thirty-seven percent operated community buildings – some of which also provide support and services such as food banks, social activities, and transport.

- **20%** anticipated an increase in demand for their normal services as a result of the virus, vs **56%** who anticipated a decrease. *The need for members and volunteers to self-isolate was likely to reduce group-based activities and services.* Increased need for helpline support and mental health and wellbeing support anticipated.
- **80%** thought they would be able to offer support to people most affected by COVID-19. Suggestions included *extending email and telephone provision, moving services and activities online, coordinating community efforts, offering premises as hubs.* Some organisations were already putting their response in place.
- **Funding 40%, volunteers 32% and partnership working 29%** were the top three areas of support likely needed to help people affected. **29%** felt no additional support was needed. A better knowledge of what is available locally was key for **27%**.
- **Anticipated risks** to groups or organisations were a reliance on older volunteers who are at increased risk **56%**, impact on funding **53%**, and restrictions on travel **35%**. *Loss of fundraising events and supporting members not online were key concerns.*
- **Ideas to lessen impact on organisations** included *home working for staff and volunteers, increase telephone support and advisory services, support people online, hygiene measures and Public Health messaging, and discuss situation with funders.*
- **24%** of responding organisations were willing to provide support/capacity to others, **21%** were not willing and **52%** were not sure. Support offered included *telephone or online support, vehicle deliveries, use of buildings, working with local community response, funding applications.*

COVID-19 Survey 2: adapting to the COVID-19 pandemic

A responsive sector providing ongoing support and services in challenging circumstances, but with an uncertain future

There were **166 responses** to this online survey between mid-April to early June 2020. The organisations represented a wide range of interests and sectors of the population; including but not limited to services and support for all ages, mental health support, social inclusion, day centres and hospices, and counselling services.

- **71%** have adapted their services in response to COVID-19 vs **25%** who have not. Adaptations include *digital technologies: home working, moving services/activities online, welfare calls; increasing capacity; responding to immediate community needs through collaboration and partnership working with grassroots organisations.*
- Some have suspended all activities, closed premises, & furloughed staff during COVID-19.
- **Key challenges** organisations currently facing include *loss of funding/income; loss of face-to-face/group working; adapting to digital working; retaining and training workforce; shielding customers/clients and future uncertainty and developing new services for COVID-19 circumstances.*
- The top five areas of future support needed, as identified by respondents were:
 - **62.3%** funding
 - **38.9%** recruiting volunteers
 - **38.9%** developing new services
 - **25.3%** going digital
 - **25.3%** managing staff /volunteers.

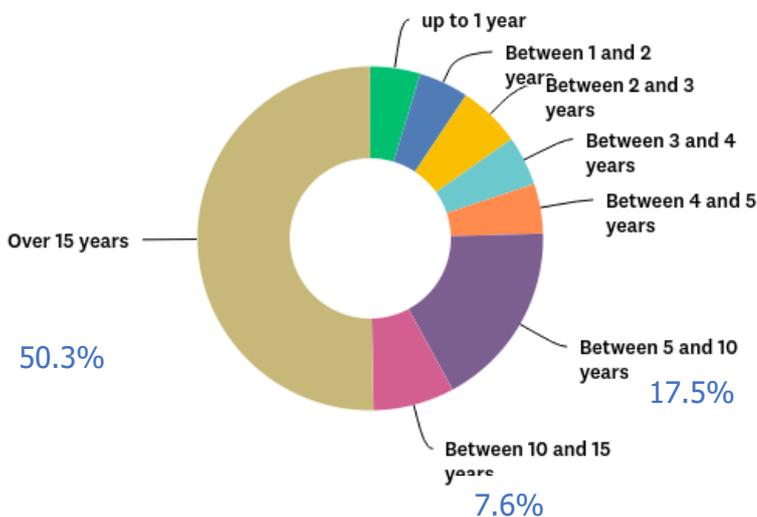
Somerset State of the Sector Survey 2020 - Results

Context

This survey was completed during the winter of 2019/2020. There were 176 responses compared to 130 responses in 2016. Of these, 19% also completed the survey in 2016, and 20% were established after the 2016 survey. Due to the variability in responding organisations between the two surveys direct comparisons of data are limited, however general trends and common concerns across the sector can be observed.

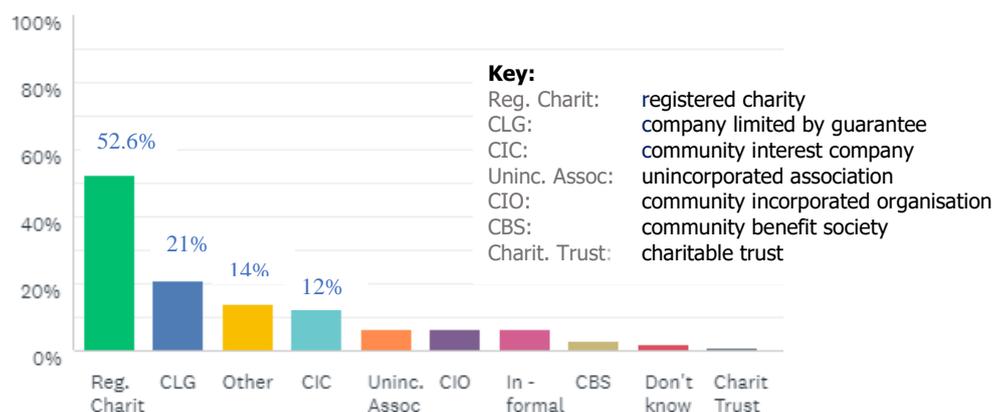
Organisational Profile

Length of time operating



The greatest number of survey respondents (50.3%) had been operating for over fifteen years. This was followed by 17.5% for those established between 5 to 10 years. Overall, there was a good response from those charities which are well established, and those new and becoming established.

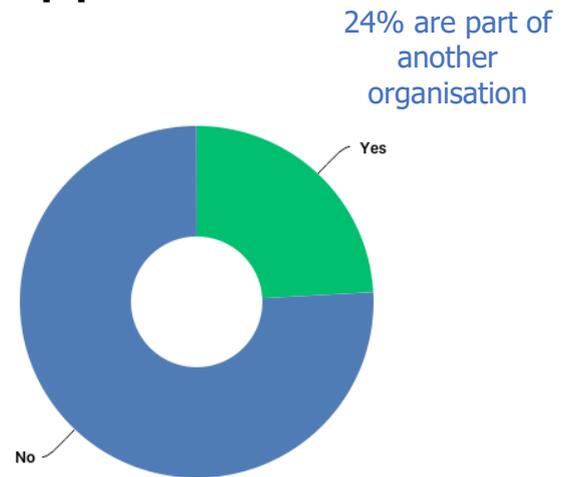
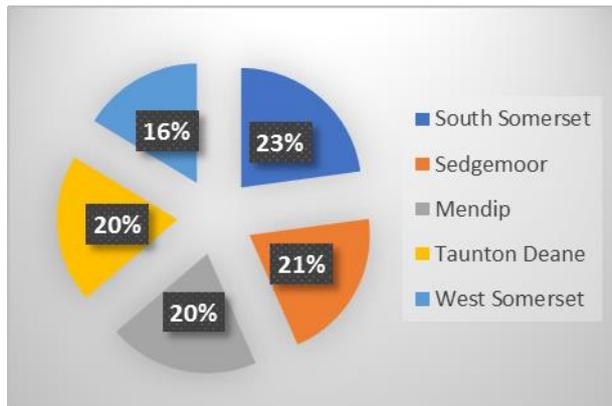
Organisational structure



Most respondents selected just one option to describe their organisational structure. At 52.6% 'registered charity' was the most common structure, followed by 'company limited by guarantee' at 21%. Twenty percent described themselves as 'other' or 'informal' which

covered a wide range of groups. This included those working towards CIO or CIC registration, church-based groups, volunteer-led groups with a bank account and a constitution, and groups affiliated with another organisation such as a health-specific charity, youth group or sports group. The vast majority (76%) of organisations were not part of another organisation.

Geographical coverage of service or group provision



Survey respondents indicated a similar number of services and groups available across most districts of Somerset, with fewer responses from services and groups which covered West Somerset where there is a much lower population in this area. (approximately 6.2% of total population). In 2016, 25% of responding organisations also operated with neighbouring counties, Cornwall or nationally. This contrasts with 14% of respondents 2019/2020. In addition, 37% of organisations worked very locally within a village, parish or town – demonstrating a good response from those working at a very local (hyperlocal) level.

Workforce

Workforce composition

Workforce composition for April 2018-March 2019 and April 2019 onwards suggests an increase in total workforce numbers across responding organisations between last financial year and this year to date, from 10,250 people to 11,867 people. Volunteers continue to make up the highest percentage of the VCSE workforce by far at **87%**, which is not surprising for this sector. Several groups have no paid staff at all, and the vast majority of volunteers are part time. The number of volunteers working full time has decreased overall between these time points. The total number of paid staff – both full time and part time, has increased across responding organisations.

Table 1 - Workforce composition

Workforce	April 2018-Mar 2019	April 2019-Jan 2020
Total responses	162	166
Working full time paid (35+ hrs p.w.)	569	652
Working part time paid (less than 35 hrs p.w)	788	881
Total paid staff	1364	1533
Volunteering full time (35+hrs p.w.)	1305	97
Volunteering part time	6958	9177
Trustees or Management Committee (volunteers)	1026	1060
Total volunteers	8945	10,334
Total workforce	10,250	11,867

Twenty percent of responding organisations work with four or fewer volunteers, and another 20% work with between five and fifteen. However, there is a wide range with some organisations working with a large number of regular volunteers who work several hours a week, or who work several hours per month. For example, one organisation which supports young people into volunteering has over 600 volunteers who contribute 30 hours per year through community volunteering. Other organisations describe working with a high number of volunteers once a year for a special fundraising event.

Workforce hours

Respondents were asked to estimate the total number of hours worked by staff and volunteers in their organisation in an average week.

Workforce	Responses	Total number of hours worked in average week
Volunteers	160	19,463
Paid staff	158	32,845

Paid staff have contributed an estimated 33,000 hours per week to the VCSE sector in Somerset since April 2019 to January 2020 – the vast majority of whom have done so on a part-time basis. Some organisations have no paid staff at all – relying solely on volunteer workers. Volunteers have contributed an estimated 19,463 hours per week this financial year so far, mostly on a part time basis.

Service Provision

Services, groups and activities provided by respondents

Respondents indicated the range of services and activities they provide; selecting more than one option where appropriate to convey their breadth of work – see Table 2.

There is a diverse range of services, groups and activities provided by the respondents, including the following:

- providing local activities, clubs and social meetups 45%
- volunteering opportunities and support 38%
- arts/music/culture, and sport/physical activity 27%

counselling services, support for adults, and accommodation/housing/homelessness support were provided by 10% or fewer organisations.

The lowest numbers of respondents (less than 4%) included those providing community transport, criminal justice support, and animal welfare or rescue services.

Respondents who commented under 'other' highlighted support and services for families and young people in relation to education, skills development and mental health support; raising awareness of local community events to encourage activities and social connections; and niche services such as working with horses for skills or confidence development.

Table 2 - Range of services, groups, activities provided by respondents (153)

Options	Percentage	Count
Community activities – lunch clubs, talking/chat cafés, WI, Men’s Sheds, gardening, social meet-ups	45%	69
Volunteering opportunities and support	38%	58
Arts/music/culture	27%	42
Sport or physical activity: clubs/dancing/exercise classes/walking groups	27%	41
Peer support: health and/or social support for health or social work	25%	38
Youth work: e.g. youth clubs, activity-based groups	25%	38
Older people/elders advice and support	24%	35
Adult education or learning, careers advice or support	22%	34
Community development, community building	22%	34
Community venue/building use	21%	32
Health: e.g. advice or support for physical or mental health conditions such as dementia, Parkinson’s, diabetes, or sensory impairment	20%	31
Other (see below)	20%	31
Employment/skills/training	18%	28
Environmental protection, conservation, sustainability, recycling.	16%	24
Advice: e.g. financial, debt, legal, welfare, civil rights	15%	23
Carers support – those caring for adults	15%	23
Food: e.g. education, cooking classes, food security	13%	20
Supporting other VCSE organisations	13%	20
Advocacy: e.g. for vulnerable or minority groups such as BAME, victims of crime, group with protected characteristics	12%	19
Learning difficulties advice/support	11.50%	18
Counselling services	10.50%	16
Care for adults/adult social care	9.50%	15
Accommodation, housing, homelessness support	7%	11
Campaigning organisation: e.g. environmental justice, policy changes, discrimination, poverty	7%	11
Economic development/regeneration	7%	11
Funding: e.g. individuals/organisations/projects	7%	11
Heritage organisations/activities	7%	11
Rights organisation: e.g. equalities, human rights, LGBTQ+ rights, civil rights	6.5%	10
Childcare	5.8%	9
Immigration support, refugee and asylum support	5.8%	9
Addiction: e.g. drugs, alcohol, gambling, gaming, substance use, recovery	3.9%	6
Community safety: e.g. Neighbourhood Watch	3.9%	6
Faith-based advice, support, activities	3.9%	6
Community transport	3.3%	5
Criminal justice support organisations: e.g. for victims of crime, reducing reoffending, supporting offenders	2.6%	4
Animal welfare, rescue, assistance animals	1.9%	3

People, customer, client group accessing respondents' service or group

Respondents indicated the characteristics of the people accessing their service or group; selecting more than one option where appropriate to convey reach – see Table 3.

The top five groups of people most provided for by survey respondents were as follows:

- older people and volunteers 56.5%
- people with mental health concerns or conditions such as depression or PTSD 55.8%
- families and parents 55.2%
- socially excluded, isolated or vulnerable people 50.7%

The groups with fewer services or activities were people who were victims of crime/anti-social behaviour (16.8%), those with addiction concerns (16.2%), prisoners and ex-offenders (14.9%), faith-based communities (12.3%) and refugees/people seeking asylum (11.6%).

Several respondents who commented under *other* stressed the “community inclusive” aspect of their activity or service where ‘anybody’ could access their group, service, or hub, or stated they “did not enquire about our users’ circumstances”. Other respondents highlighted specific characteristics including the following:

- those with eating disorders
- domestic violence survivors
- people with unmanageable debt
- people with a stoma
- theatre, dance and carnival
- playing an instrument
- those seeking outdoor activities

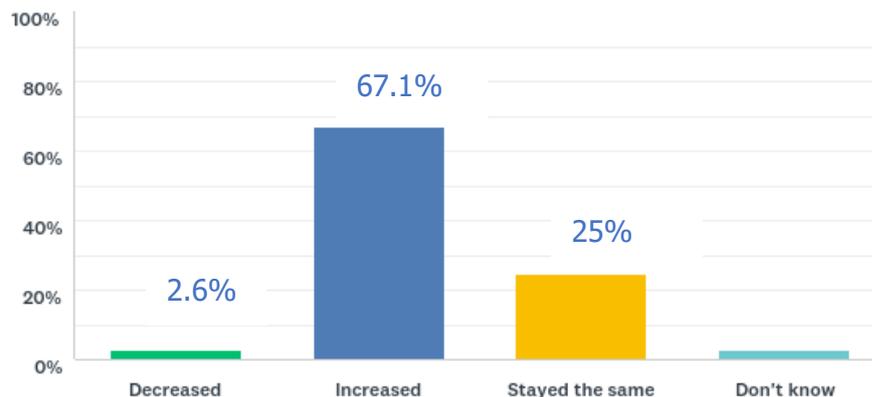
Table 3 - People, customer, or client group accessing respondents' service or group (154 respondents)

Options	Percentage	Count
Older people	56.5	87
Volunteers	56.5	87
People w. mental health concerns or conditions e.g. depression, anxiety, stress, low mood, PTSD	55.80%	86
Families/parents	55.20%	85
Socially excluded, isolated or vulnerable people	50.70%	78
Young people and children	50%	77
Other charities and organisations/groups	44.20%	68
People who consider themselves physically disabled, with mobility problems, sensory impairment	42.20%	65
People with learning difficulties and/or autism	41.60%	64
People with physical health conditions e.g. diabetes, heart disease, arthritis, cancer	39%	60
Carers (not employed as a carer) looking after adults	35.70%	55
Unemployed/low employed and seeking info/support	33.10%	51
People seeking healthier lifestyles	30.5	47
People with dementia (any form)	27.90%	43
Other (see below)	26%	40
Black, Asian and minority ethnic communities, including gypsy, traveller, Roma, Irish	24%	37
Carers (not employed as a carer) looking after children or young people	23.40%	36
People from LGBTQ+ community	23.40%	36
Homeless, vulnerably housed people	22.70%	35
Victims of crime or anti-social behaviour	16.9%%	26
Addiction concerns: e.g. drugs, alcohol, gambling	16.20%	25
Prisoners, ex-offenders, people at risk of offending/criminal justice issues	14.90%	23
Faith-based communities	12.30%	19
Refugees, people seeking asylum	11.70%	18

Needs and Demands

Volume of demand for services

Respondents were asked to **compare the number of people who accessed their service or group last year, to this year**. Of 155 respondents the majority described an increase (67.1%). Twenty-five percent reported no change, and 2.6% described a decrease in numbers.



An opportunity to comment identified a number of reasons for this increase in demand. Several organisations sought to increase their numbers by securing funding which allowed them to provide more facilities, improve their buildings, extend their reach, or employ part-time engagement workers. Word-of-mouth, and awareness-raising around specific concerns (e.g. dementia) also saw increases in group attendance and were actively encouraged.

For many organisations an increase in numbers was related to an increase in direct referrals from other agencies:

"This year we have seen a 22% increase in referrals to our service. This is a continuing trend over the last few years. Referrals have more than doubled over the last five years" *respondent*.

Similarly,

"We have seen a huge increase in referrals for our counselling service over the last 18 months. When our numbers waiting exceed a certain amount we have to close our books to new referrals" *respondent*.

"Increasingly via [established social prescribing service]" *respondent*.

"Significant increase in referrals from younger and older age groups" *respondent*.

In addition some respondent felt they were providing services or support to people who previously would have been supported by statutory services:

"As statutory support systems for people disappear the demand for our services increases."

Others felt increases were linked to wider societal issues:

“The number of young people requesting support for mental health and emotional resilience is increasing, as is the number of sources the requests are coming from, e.g. medical centres, parents” *respondent*.

“Young people’s mental wellbeing issues are complex and escalating” *respondent*.

“Some of our service has increased but we have seen an increase in ethnic minorities, low income – hungry children, and other social, emotional and welfare concerns” *respondent*.

“More people in the elderly and disabled group seem to be vulnerable” *respondent*.

Some respondents sought to address these issues by changing their approach:

“We are getting more referrals with people with mental health issues exacerbated by loneliness or isolation. We are now making a conscious effort to be more inter-generational” *respondent*.

Funding was also a concern for several respondents who stressed the challenges of managing increases in demand with the necessary funds to provide the service adequately:

“Demand for funding to support disadvantaged and vulnerable children is growing rapidly. Our need to continue applying for funds that will offer ongoing and consistent activities has never been greater” *Respondent*.

“It completely depends on the funding as to how many children we can help in a year” *respondent*.

Responding to increased demand

Respondents were asked to comment on ways in which they have responded as an organisation to see, or manage more people. Answers fell broadly into six categories: increase workforce and workload of both paid staff and volunteers; apply for additional funding; partnership working; increase phone/online support; diversify or change the offer; and expand premises – see Figure 2.

Responding to demand remains an issue for some, with a common refrain that 'demand outstrips capacity':

"Not as well as we would have liked, the extra work and management as well as funding needs remain challenging" *respondent*.

One respondent claimed:

"We had to stop growing the organisation, and have changed the model of the organisation slightly."

Several commented that they were writing new strategies, creating new structures to ensure sustainability, or changing their criteria for support as ways to manage an increase in demand.

Reallocating professional staffing time to areas of need whilst "empowering volunteers in the areas we are doing less" (respondent) was a pragmatic response to what has been experienced by some as a somewhat challenging funding environment.

Increasing the pool of volunteers and administrative and frontline staff were also regarded as essential for project expansion and sustainability, whereas others were able to absorb an increase in demand well and had structures in place to manage this.

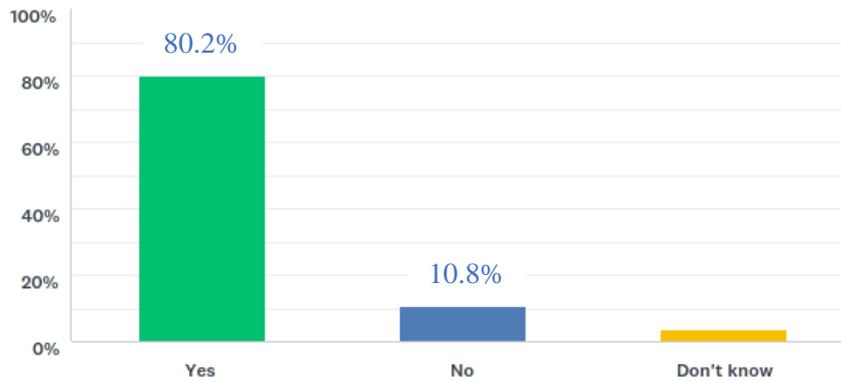
Other organisations have managed without expanding their volunteer or staff teams; instead they have "asked residents to help us a little more" or "encouraged group members to be welcoming and supportive to their peers".

Figure 2 - Strategies to manage increasing demand on services or groups



Meeting needs

When asked if those who had experienced an increase in demand on their service or group **had been able to *meet* the needs of those accessing/attending**, of 102 responses 80.2% answered 'yes'.



Being asked to comment further elicited a mixed response in terms of meeting needs fully or partially, as well as the sustainability of their engagement. Some respondents felt very much 'at capacity' and that they were 'unable to meet all demands in a timely way'. A change in the nature of the people's needs for one group resulted in stepping back from providing support:

"We are less able to work with [another charity] because mental health and addiction issues have become greater, so it has become unsafe for us to integrate their clients into our regular group...so we have stepped back from offering places...short term funding means we lose momentum and we are not able to meet that need" respondent.

Another respondent felt they were meeting current needs but at a cost to the wellbeing of their team:

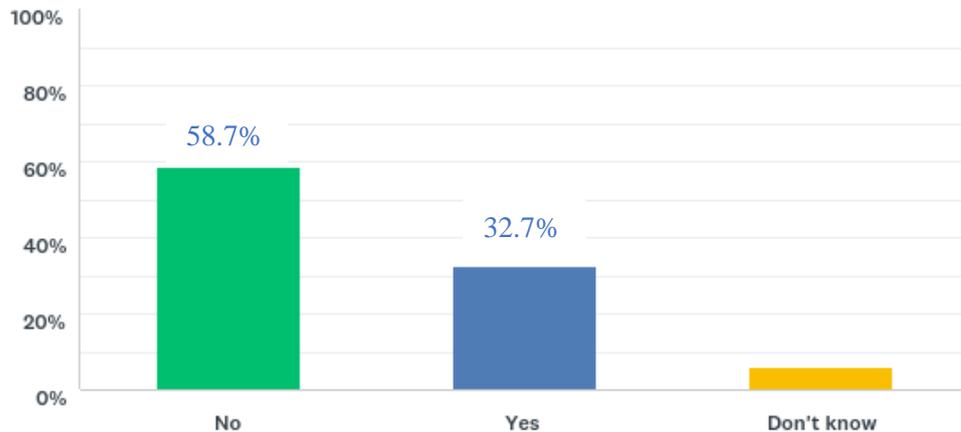
"We are meeting need but under tremendous pressure and capacity is an issue for us if the upward trend continues and if we are not able to secure projects or core funding to expand our team or our service" respondent.

Another highlighted how the flexibility and adaptability of working in this sector and collaborating with others can result in a timely and responsive service:

"We are approached a lot by other organisations to submit bids for health-related projects which require partnership working. We are also well respected in our sector, so our input is often sought. We also have a diverse team with lots of experience who can pull projects together at short notice to respond to needs" respondent.

The changing nature of queries or advice sought

Respondents were asked **whether, compared to last year there had been a change in the nature of the query or advice sought, or a change in the characteristics of the people who are accessing their service or group.** Of 150 respondents, 58.7% answered 'no', and 32.7% answered 'yes'.



There were fifty-seven supplementary comments to this question. **These related broadly to three key areas:**

Complexity

For those organisations which did experience a change in the nature of the queries and characteristics of the people using their services and groups a common expression was 'complexity of issues', where respondents described an increase in the level of complexity:

"We are finding a lot of the people we are working with have more complex situations than they had in the past. A lot of the people have mental health problems such as anxiety, depression and panic attacks. Also more people are at crisis point by the time they call us" *debt support service.*

Several organisations felt statutory services were not doing enough to support people in vulnerable situations:

"People are more desperate, their situations are worse, and the response of the statutory sector less acceptable" *advocacy respondent.*

Mental health as a key issue in adults was frequent – in combination with poverty, loneliness and isolation:

"More complexity with a wider range of issues. More mental health issues and more people in poverty and unable to cope with daily life. Increased awareness of and incidences of hate crime" *community support organisation.*

Long-term health conditions

Complexity in relation to health conditions was also observed, and the impact that living with multiple conditions can have on an individual's health and care needs as well as their family:

"People want more info for themselves if they have been diagnosed...with dementia. Families want more info about how to care for someone with dementia, local services and support for people living with dementia" *dementia support organisation*.

Young people

Support for young people over a wide range of topics was another key area – particularly in relation to mental health and emotional wellbeing:

"The nature of young people's mental health and emotional issues presented to us remain at a 'needs help' level, with many self-harming, being bullied and some with suicidal tendencies" *young people's mental health support organisation*.

"More self-harmers and children on the border of exclusion" *respondent*.

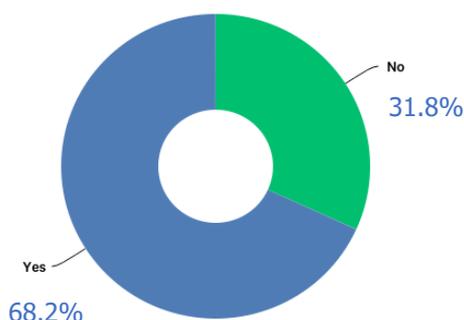
There has been an increase in queries relating to educational and support services for children with autism as well as for young people with learning or disability needs:

"We are getting more queries about activities and groups for people with learning difficulties as their service are closed or restricted" LD service provider.

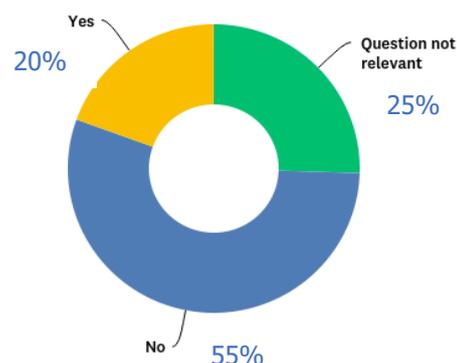
Partnership working

Working in partnership

Do you currently deliver services or projects in partnership with other organisations?



Have you experienced any barriers to partnership working?



Of 151 respondents, 68.2% said they were working in partnership with other organisations vs 31.8% who were not. When asked to comment further several reasons for working this way were given. These reflected the following broad areas:

- **work with those in a similar field to add value to own programme**

"We deliver a community education programme with [two sexual and domestic abuse charities]. We share similar values yet have distinct specialisms which offers the programme value" *respondent*.

- **Work with partners to raise awareness about a specific subject and provide support at a local level**

“With the help of volunteers from the church we run a memory café every month. With [town] Dementia Action Alliance we are setting up a singing group for people with dementia and their carers at the hospital. We work closely with a dementia day centre and a mental health charity, local care homes, carers groups, carers assessment workers and Avon and Somerset police” *respondent*.

- **Joint funding and shared expertise for larger projects**

“Working as partners with several other specialist VCSE organisations across Somerset has provided us with an opportunity to apply for CCG funding to develop community-based mental health support. This involves collaborative working both across our sector and with NHS partners” *volunteer support organisation*.

- **Sharing resources and workload**

“Since attending a [voluntary sector] event in town, we have been working with a forest school to collaborate on projects and funding, trying to cut down on workload, but diversify and maximise on what we can offer our local community” *community food and health organisation*.

There were numerous examples of both formal and informal partnerships flourishing within the VCSE sector, as well as between VCSE and the following: district and parish councils; Somerset County Council across departments – especially Adult Social Care, children and young people’s services, and Public Health; Somerset Clinical Commissioning Group; primary care and secondary care services such as GP practices, mental health services and local/regional hospitals; schools; police; and private sector businesses. It is clear that many VCSE organisations have the flexibility to work with a diverse range of partners which fit with their aims and ethos. For some, these arrangements are casual and informal, and for others there are formal and contractual obligations.

Barriers to partnership working

Of 150 respondents, 55% said they had not experienced any barriers to partnership working, 25% said the question was not relevant to them, and 20% of respondents said that they had experienced barriers to partnership working. Thirty-nine respondents commented further when asked. For those who found partnership working was going well, establishing trust was seen as key:

“We have volunteers who have experience working with the GP practices in their day job, which has helped facilitate communication, trust and support for our events” *community wellbeing project*.

Experience of navigating the complexities of partnership working, as well as establishing a reputation over time also facilitated working with partners across sectors:

“We are well respected in the business and civic communities and supported by local churches who also value what we do” *church organisation*.

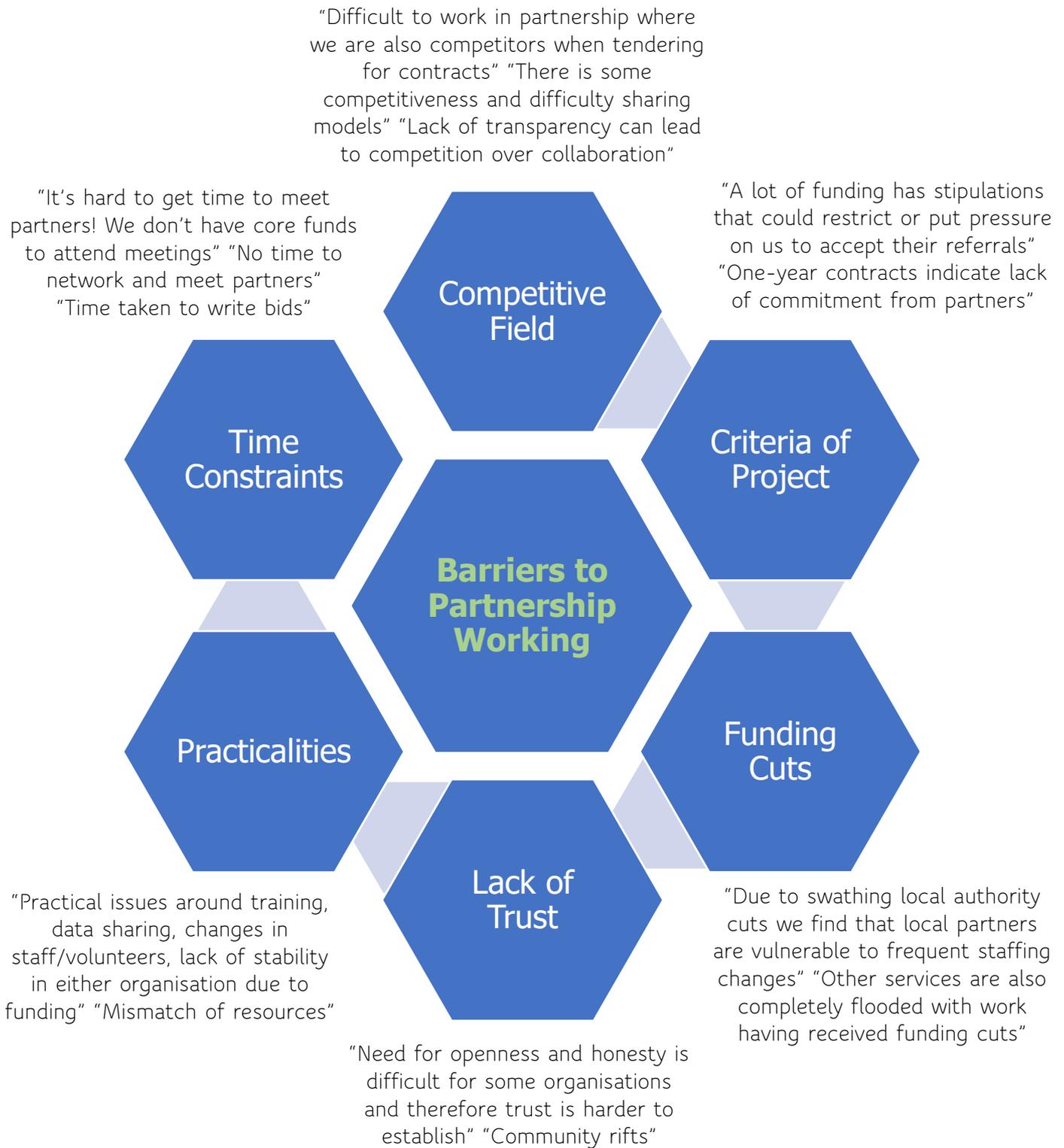
For those respondents who had experienced barriers to working in partnership, comments related to six categories: time constraints; competitive field; funding cuts; lack of trust; criteria of project; and practicalities – see Figure 3.

Funding cuts referred to cuts within local authority services and the resultant pressures on VCSE sector support, as well as reduced funds from local authorities to VCSE sector projects.

One respondent gave a detailed answer which encapsulates several tensions highlighted, but ends on a more positive note:

“Partnership working within the VCSE sector feels generally easier in terms of sharing resources, staff, mutual aims, and power balance. But sometimes it can feel that we are in competition with each other for contracts being given out by County or CCG. Especially with the more short-term nature of contracts these days. Sometimes there’s a lack of transparency too. However, we have seen a real will recently for the power balance between funders/commissioners and VCSE orgs to be addressed – particularly for projects which recognise how central the VCSE is to their overall aims/delivery as a statutory service” *community support organisation*.

Figure 3 - Summary of barriers to partnership working



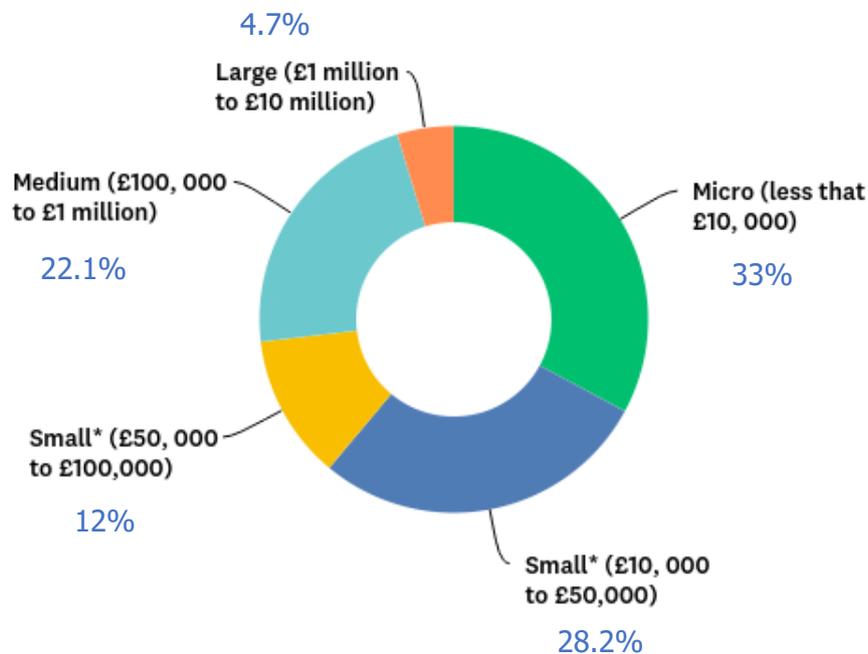
Financial Situation

Income Category

Respondents were asked to categorise their organisation using the following income bands: *micro* less than £10K; *small** £10K-£50K; *small** £50k to £100K; *medium* £100K-£1M; *large* £1M-£10M; *major* £10M+.

Generally, the category *small* refers to a charity with an income anywhere between £10K-£100K. For a clearer picture of the VCSE incomes, this category was divided into two. There were 149 responses, and some organisations were not operating in the financial year 2018-2019.

What is your organisation's total income and category for the financial year 2018/2019?

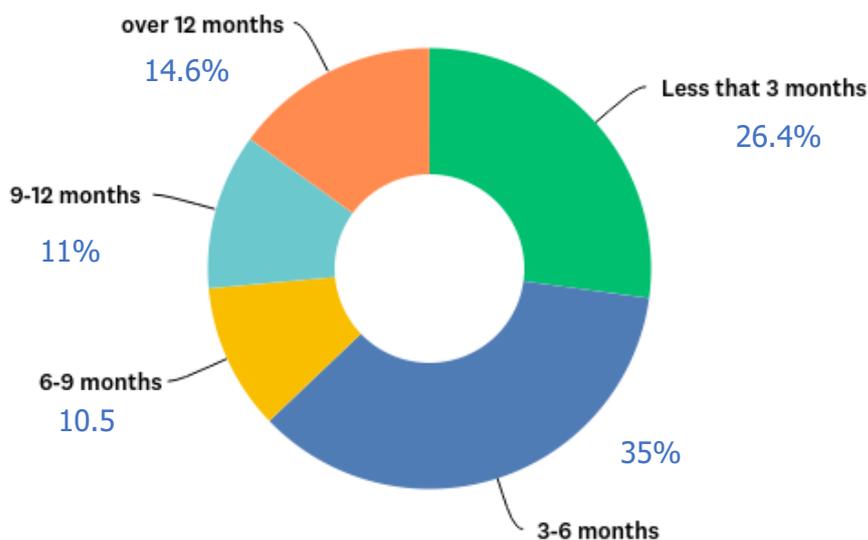


Over 61% of respondents were from organisations with an income of £50K or less, with 33% of respondents from *micro* organisations.

Financial resilience – unrestricted reserves

An organisation's unrestricted reserves for average running costs is regarded as an indicator of financial resilience and its ability to carry on its activities in the future in the event of financial difficulties (The Charity Commission, 2016). Respondents were asked to indicate how many months of unrestricted reserves their organisation held.

How many months' average running costs do your unrestricted reserves represent?



Of 149 respondents 61% held reserves of less than six months, and 26% less than three months. A review of additional comments indicates that whilst some organisations had reserves policies in place, others were reliant on the goodwill of volunteers or members. Some required minimal costs to cover yearly expenditures such as insurance and websites. One organisation had reduced reserves due to funding cuts, and another which works with young people highlighted the seriousness of insecure funding in relation to the type of support they provided:

"Hand-to-mouth funding for a potentially life-saving a young person's future."

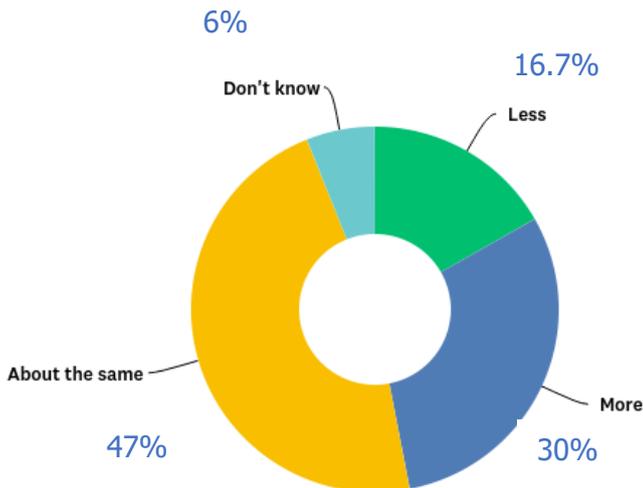
Unforeseen circumstances can impact heavily on organisations which are reliant on fundraising and sponsorship through one-off events. For example, an event which was cancelled in 2011 has affected the reserves of a community organisation for eight years:

"As our event was cancelled in 2011 due to [an incident] we lost all our reserves and have just about built back up to enable us to feel confident that we can cover the cost of next year's [event], so long as we can raise funds by way of sponsorship/fundraising activities"

Income comparison

Respondents were asked to compare last year's income to this year.

Compared to last year, do you expect this year's income to be about the same as the previous year, more, or less?



Of 150 respondents, 47% predicted their income would be about the same, 30% felt it would be more than the previous year, and 16.7% expected it to be less. Various factors were identified which affect how income is managed by organisations – see below.

Factors regarding this year's income

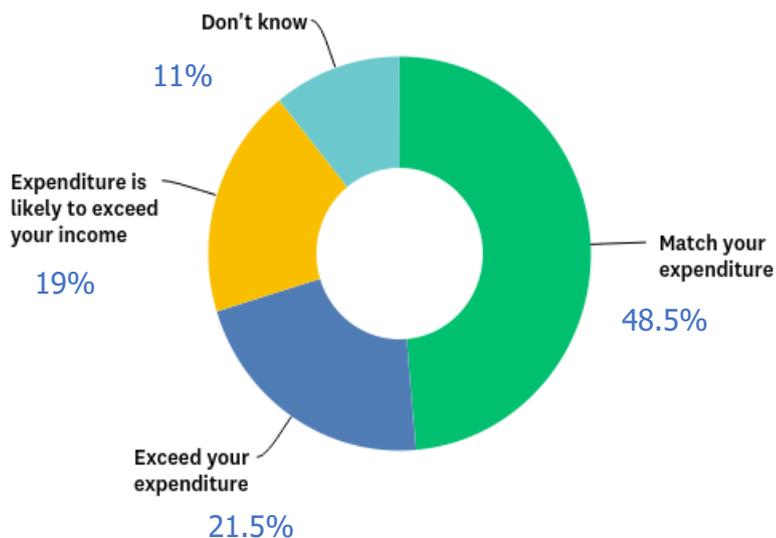
- income certainty as a result of securing contracts of several years' duration
- juggling old and new contracts
- successful track record attracting partners and funding so income will increase
- seeking funding only when current funding is due to finish
- uncertainty based on success or failure of ongoing funding applications
- diversifying income streams as fewer grants are received
- dependency on one-off festival work for a proportion of funding:

"We have a team of thirty-six volunteers who work at Glastonbury Festival each year for us - they usually earn around £4,000 for the charity. If there is no festival, we do not receive this funding!" *youth project.*

Expenditure

Respondents were asked to consider whether the expenditure for the current financial year was likely to match their income.

In the current financial year is your income likely to match your expenditure, exceed your expenditure, or your expenditure to exceed your income?



Of 149 respondents, 48.5% thought their income was likely to match their expenditure, 19% thought their expenditure was likely to exceed their income and 21.5% predicted their income is likely to exceed their expenditure. Various factors were identified which affect expenditure in relation to income – see below.

Factors regarding expenditure:

- only spending what is available
- strategic draw on reserves to overcome the loss of core funding expenditure vs income viewed in terms of years, rather than year-to-year
- one-off large purchases of land or premises development
- increased operational costs, such as venue hire, insurance, equipment and fuel
- rising costs outstrip increases in contracted income
- building up reserves over time:

"We have reserves built up over a number of years that we are endeavouring to spend" learning difficulties charity.

Funding

Changes in funding

Respondents were asked to comment on whether the way they were funded has changed significantly in the last three years (e.g. source, amount, criteria). Of 123 respondents 26.6% said there had been a significant change. Key areas of change identified in comments centred on the following – see Figure 4.



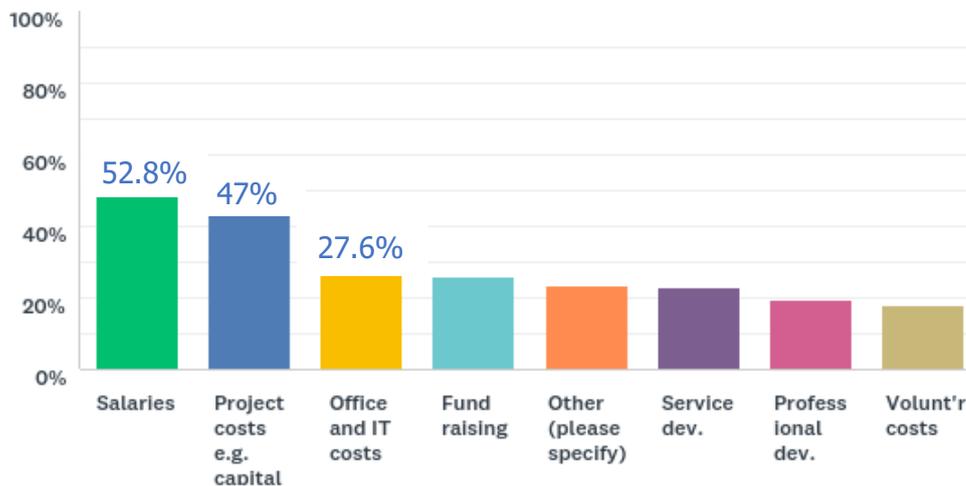
Figure 4 - Summary of changes in funding as experienced by respondents

As commissioners reorient their priorities, there have been opportunities for some organisations to secure longer-term funding and contracts from statutory organisations; particularly with health and social care services. Others have found the need to apply for more grants for core costs previously covered by statutory organisations. One charity whose aims and ethos align with current County priorities regarding health and wellbeing has experienced significant cuts to funding in recent years:

"Somerset County Council withdrew funding covering salary for service manager, admin, IT provision and mobile phones. Our [district council] 3-year funding ends this year" long-standing charity promoting social inclusion.

Funding challenges

Respondents were asked to **consider all areas of their work and identify the top three which are the most challenging to secure funding for** (if applicable).



There were 123 respondents to this question. The top three funding challenges were identified as salaries (52.8%), project costs (47%) and office and IT costs (27.6%).

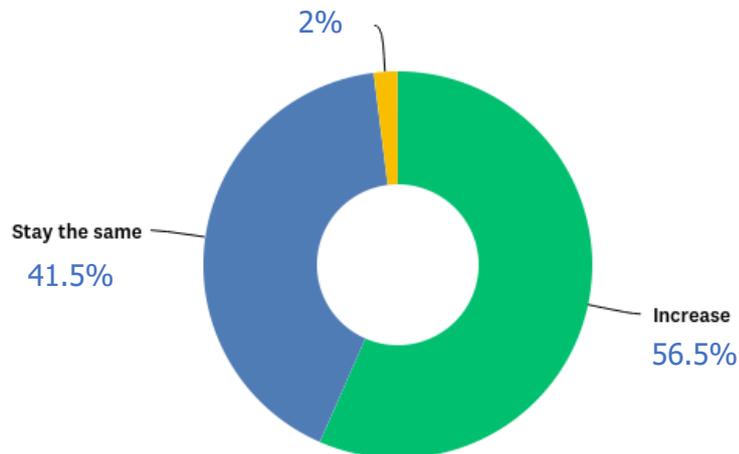
The need for core costs such as salaries for managers, office and IT costs, mileage costs, and basics such as insurance cover seem perennial concerns for many VCSE sector organisations. In addition, maintaining properties, general running costs of venues and developing infrastructure to provide for expanding groups are essential, but not popular with all funders. Small groups with no formal structure described difficulties accessing community grants due to funding criteria. Maintaining a successful and established service, rather than creating a new one is also a challenge for a charity which provides counselling:

"We struggle to fund our "core" service, the one-to-one counselling as this has been running for many years. Many funders want to find new and innovative pieces of work and to see the work "fixing" a problem. In our area we continually support new people diagnosed with cancer, so the problems remain and are getting bigger! Funding overheads can also be more challenging with particular funders."

Looking to the future

Level of activity

Respondents were asked to comment **regarding their future plans to increase, stay the same, or reduce the type or level of service/activity they provide next year.**



Of 152 respondents, 56.5% were planning to 'increase' their provision, and 41.5% to 'stay the same'. Numerous reasons were given for expansion which broadly fell into the following categories: identified psycho-socio-economic need in the community; increase in referrals; enthusiasm, and availability of volunteers and premises; approached by other VCSE or statutory organisations; increased appetite for type of activity or sport in the community – see Figure 5.

Of note was the high number of organisations who described *increased need* and *responding to demand* as their primary reasons for expansion; highlighting recent 'health and social care sector research', 'poverty and low employment' in their communities, the impacts of 'social isolation', 'mental health provision for children and young people', 'support for families', and 'community mental health support'.

Those aiming to maintain existing provision identified **several reasons for not expanding** at this time, including:

- reduction in paid staff
- require more trustees
- new organisation with plans to grow in time
- at capacity – need more volunteers and funds to expand

Three organisations plan to 'decrease' their provision next year. The primary reason cited was 'reduction in funding'.

Figure 5 - Summary of key reasons for expansion of service or group

- **Identified psycho-socio-economic need**

“Poverty indices and think tanks suggest that poverty and austerity is going to increase in the next four years” *family support organisation.*

- **Increase in referrals to service**

“Referrals to our service continue to grow, and we want to be able to support more people, therefore we are driving forward an ambitious strategy” *health charity.*

- **Enthusiasm, volunteers and suitable premises**

“Our aim is to ensure that we are in the best possible shape, with the lifeblood of performing arts, film, live screening and the enthusiasm of 200 volunteers” *Theatre and film collective.*

- **Approached by VCSE orgs & statutory services**

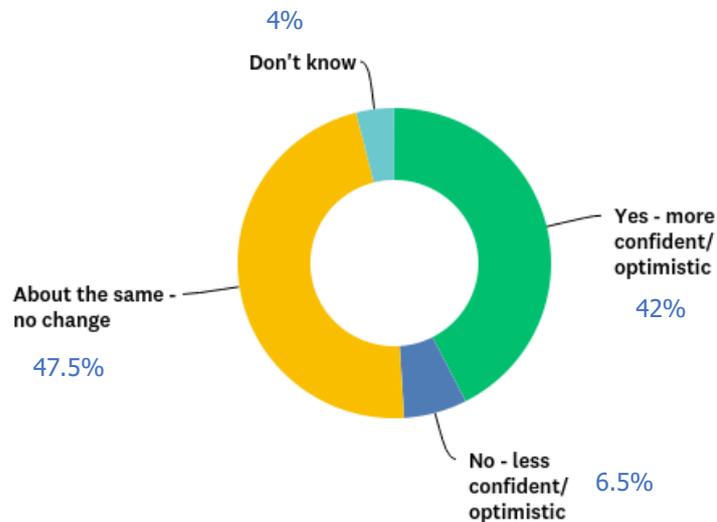
“We’ve been asked to get involved with some bigger infrastructure projects with longer term funding attached” *volunteer support charity.*

- **Appetite for type of activity/sport**

“Changing needs and interest in wider sporting activities from across the local community. Much has been identified by our associations with [other water sports] organisations” *water sports.*

Confidence about their organisation

Respondents were asked **whether they feel more confident in, or more optimistic about, the state of their organisation than 12 months ago.**



There were 153 responses, of which 47.5% felt 'about the same', and 42% felt 'more confident or optimistic'. Reasons given for 'more confident or optimistic' included:

- future financial security
- a solid team with a clear plan and opportunities
- restructuring strategic and operational practices to emphasise growth
- increased pool of volunteers
- diversified income stream
- have worked to raise profile and expertise in specific area
- interest in project has exceeded expectations

Although some organisations had experienced cuts to funding, and recognised future challenges, they were nevertheless optimistic about the future:

"We have a massive task to grow having lost funding, but we are also putting things in place to action this. We are under no illusions as to the challenges going forward"
social inclusion charity.

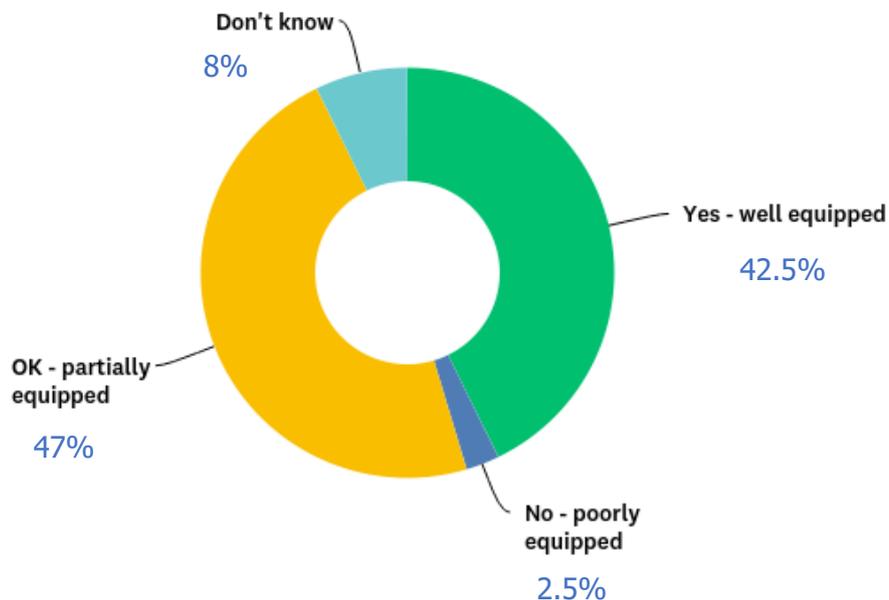
For those feeling 'about the same' in terms of the future, or feeling 'less optimistic', difficulty attracting volunteers and competition for funds were common themes. One small environmental charity described the following situation:

"We have seen the cycle of funding come and go and we know not to be complacent. As a small charity there are almost always challenges around the corner! As much as we strive to increase our independence we still rely on a range of other funds to support our core costs."

In addition, reliance on grant funding was described as "challenging in terms of sustainability".

Equipped for the future

Respondents were asked **whether they feel their organisation is generally well equipped to deal with the challenges that lie ahead.**



Of 153 respondents, 42.5% felt they were 'well equipped' as an organisation to deal with future challenges, with 47% feeling 'partially equipped'. Responses from those organisations which felt well equipped identified the following strengths of their organisation:

- strong skillset and enthusiasm among volunteers
- intellectual capacity and enthusiasm of trustees
- strong committee
- feel able to ask for support and seek solutions
- financial reserves combined with good reputation
- providing an in-demand service

Those who felt partially or poorly equipped for future challenges highlighted various issues:

- capital spending for refurbishing or adapting buildings
- ongoing challenges of adequate funding
- loss of elder membership through infirmity or death

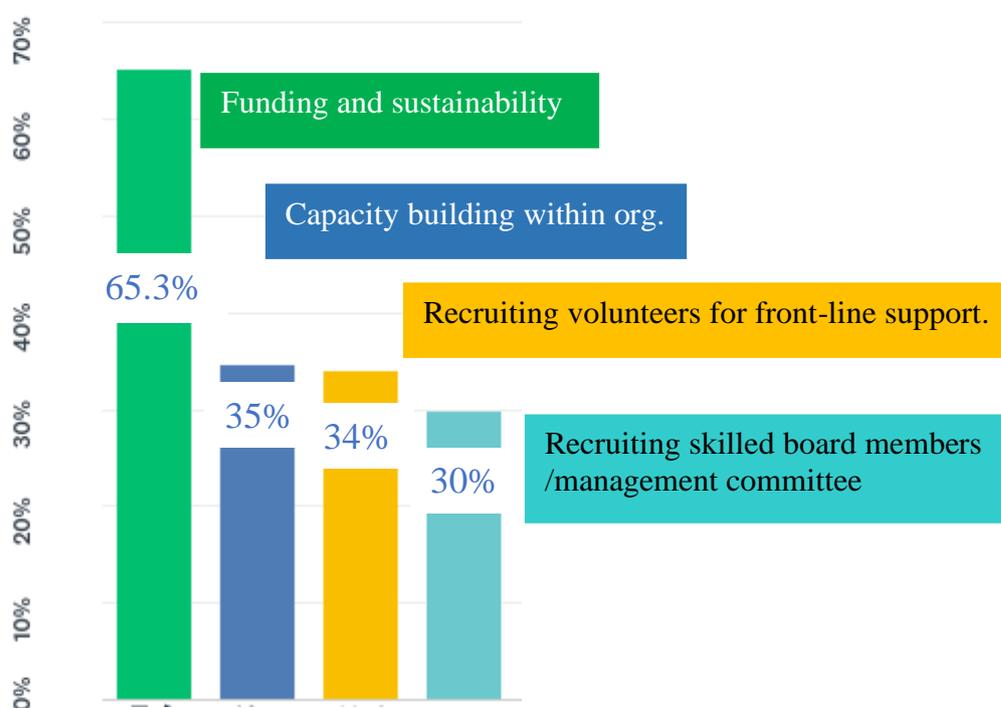
One respondent who answered 'don't know' highlighted uncertainty in relation to social prescribing (community referral):

"Other than continued uncertainty about the landscape of funding for 'social prescribing', I don't know what challenges lie ahead – as they emerge, hopefully so will a strategy to deal with them" *nature-based activity organisation.*

Future challenges

Respondents were asked **whether there are any challenges or difficulties their organisation is likely to face in the next two years, and to select the top four that apply** (if any). Of 147 respondents to this question, by far the most challenging area organisations were likely to face was 'funding and sustainability'. This was selected by 63.3% of respondents. Second was 'capacity building within organisation' (35%). Recruitment for volunteers for front-line support was third (34%), and fourth was recruiting board members or management committee with the necessary skills (30%). Areas considered least challenging were 'environmental impact/footprint' (6%) and 'equality and diversity within organisation' (4%); however it is unclear whether these are the least challenging because adequate practices/policies are in place, or whether they are not considered a priority area by the majority of organisations.

Top four future challenges identified by respondents



Ten percent of respondents selected 'other'. Additional comments concerned sustainable funding challenges faced by charities supporting specific groups of people:

"Funding and sustainability of women services will always be a challenge for us. Some grants are 12-month one-off grants which means we are seeking new funding to sustain services once implemented" *established women's support charity.*

Another charity highlighted several areas which relate specifically to supporting the learning disability community, and some of their unique challenges:

"Essentially we would like to recruit more paid staff with a learning disability, and make sure that we have enough funding so that staff can be paid to support individuals properly. Ensuring sustainability of the charity of course will always be a challenge, and we will be working over the next two years to develop our efforts in this area, with

support from [a foundation]. Measuring impact and social value can be difficult, in particular with people who have a learning disability – to absolutely be sure that a particular project is having a demonstrable effect on an individual’s life” *learning disability charity*.

Measuring impact and demonstrating social value was a key challenge identified by a charity supporting NHS-funded community projects. On whose terms, is the success of a project ‘measured’?

“As we work more formally with NHS services the need to demonstrate impact is ever present. Finding a way to do this that shows our strengths as a community sector does not always fit the outcomes that the specific organisation might be after. Just counting referrals for example, is a bit reductionist and misses the nuance” *community support charity*.

The full list of options, along with the percentage of organisations which selected them as a future challenge are displayed in Table 4.

Topic	Percentage Selected
Funding and sustainability	65.3%
Building capacity within organisation	35%
Recruiting board members/ management committee with necessary skills	30%
Time constraints	28%
Working with funding providers	26.5%
Measuring impact and demonstrating social value	25.8%
Recruiting volunteers to provide back office support	18.4%
Organisational development and management	15%
Technological/digital change	13.6%
Leadership	11.6%
Business planning	10.2%
Influencing public policy	10.2%
Other	10.2%
Financial management	9.5%
Recruiting paid organisation staff	8.8%
Managing people/HR (incl. staff skills/professional development)	8.1%
Partnership working/collaborating	8.1%
Environmental impact/footprint	6.1%
Equality and diversity within organisation	4%

Table 4 - Future challenges identified by respondents

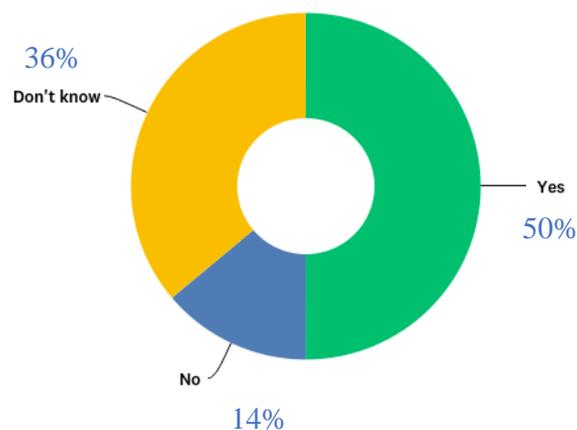
Topical Issues

A series of questions were asked which were considered to reflect some current areas of discussion and debate, and to explore whether these areas were impacting the VCSE sector in Somerset, and in what ways.

Social Prescribing

The term *social prescribing* (SP) is an increasingly used term within health and social care sectors to describe a process of community referral. This is where people are referred to community-based health and wellbeing support, services or activities mainly by NHS or Social Care services (Kings Fund, 2017).

Respondents were asked whether they **felt well equipped to respond to the opportunities and challenges of social prescribing.**



Of 146 respondents 50% felt 'well equipped', 14% 'did not', and 36% 'didn't know'. There was a wide range of views regarding social prescribing, from those organisations already working in this area – describing "excellent relationships and collaboration with NHS organisations"; those actively seeking engagement with NHS services and other statutory services to offer venues, or to increase the numbers coming to their group; those with no experience currently but planning to in the future; and those who felt social prescribing was not relevant to their organisation.

Concerns regarding social prescribing centred on the following key issues: how people are referred; funding and resources to support the groups and services being referred to; expectations of the VCSE organisation from referrers; and capacity of organisations to manage an increase in numbers and/or specific needs of those being referred. There was also a degree of scepticism regarding transparency of statutory funding opportunities for VCSE organisations:

"Only if commissioners seek the best solutions for Somerset and not go to favoured organisations with no strategic plan of how the big picture looks" *elders support charity.*

Figure 6 provides a summary of key areas discussed by respondents regarding social prescribing. A focus group was carried out with four Somerset VCSE organisations explore this topic in more depth. See Figure 7 for a deeper exploration of this topic.

Figure 6 - Summary of insights regarding social prescribing



Figure 7 - Social prescribing focus group

Exploring people's experiences of social prescribing regarding their charity or community group

Attendees: three men and one woman involved as volunteers and employees.

Organisations involved:

- Men's (primarily) charity focused on practical activities together
- Charity supporting young people to volunteer
- Trust supporting adults into employment, volunteering or training
- Patient participation group active in the community

Key messages:

Appropriate referrals really work:

"it's welcome, it's our mantra, providing a place for people to go...we've had several people come regularly who have been recently widowed and they don't know what to do."

Not all referrals are appropriate:

"We are not carers, we are just old blokes wanting to do some woodworking and chat socially, so we have been turning down more (referrals) than we have been taking, which is a shame

Establishing 'rules of engagement' is sometimes necessary to assert independence from statutory services, and maintain boundaries:

"We have to tell the Job Centre they can't make attending our service something a person has to do. We don't want people to come here under duress and that not what we are about."

Not fully disclosing details of the person being referred can be problematic:

"We avoid working with statutory services because they are not equal partners. We've had people in the past referred to us who are physically dangerous to others."

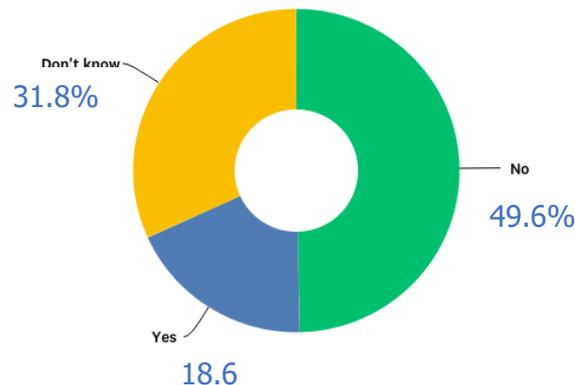
Rewriting policies is sometimes necessary to protect workforce:

"We now have a declaration we make the referral agency sign that they've given us information about the individual. We need to know we are capable of supporting them."

The UK leaving the European Union

The United Kingdom has been making plans to leave the European Union for several years. The UK's exit took effect on 31st January 2020. In light of the negotiations and plans to leave, respondents were asked the following question:

If the UK leaves the European Union in the near future, is this likely to impact your organisation or client group in any way? (e.g. this might be in a positive way or in a way that presents a challenge)?



There were 151 respondents, of which 49.6% answered 'no' to this question, 31.8% answered 'don't know', and 18.6% answered 'yes'. When explored further, the majority of those who commented were unsure how their organisation might be affected – reflecting a degree of uncertainty within the sector which has prevailed for several years since the EU referendum in June 2016. Most of those who commented further were not able to state with certainty what those effects might be, but several speculated that funding might be affected, either directly, or indirectly through partners:

"We are currently funded by the European Social Fund: this may impact this funding stream" *women's support charity.*

EU environmental regulations were regarded as "incredibly important to rivers" for one conservation group. Other respondents highlighted likely changes to land and countryside management and potential negative impacts, such as an increase in rural isolation. One charity which had explored likely impacts of leaving the EU concluded that:

"As a UK charity dealing only in this country, we have ascertained that there should be negligible impact on our day-to-day operations" *sensory loss charity.*

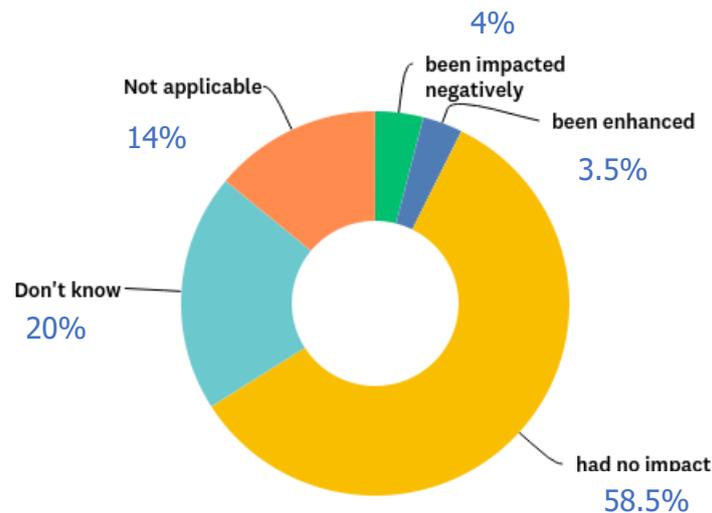
Another charity which works with young people from BAME communities claimed: "an increase in race hate crime has been evident since 2016", and those working with people from the EU have seen an increase in advice sought, and were concerned.

In the main, those who chose to comment referenced increasing austerity and economic uncertainty with likely reductions in charitable donations and funding opportunities, difficulties re negative impacts on the health and social care sector, and a sense of anxiety about the future. Time will tell.

Negative reporting of charities

In recent years high profile charities have received criticism for issues relating to fundraising, safeguarding, and the delivery of overseas aid projects. The following question explores whether VCSE organisations in Somerset felt that their reputations had been affected by the reporting of wider charity sector issues:

In light of negative reporting of charities in national media, do you feel that the reputation of local charities like yours has been affected in any way?



There were 150 respondents to this question – the majority (58.5%) answered 'no impact', 20% 'don't know', and '14%' answered 'not applicable'. Just 4% said they had been 'negatively impacted' and 3.5% said the reputation of small charities had 'been enhanced'. Many respondents to this survey are 'micro' or 'small' organisations, which work very locally – a point emphasised in several additional comments:

"I feel the media reporting related to very specific charities and behaviour, and hasn't had an impact on smaller, local charities such as ourselves" *environmental education charity*.

A medium-sized charity working with members of the learning-disabled community, described this as hard to measure, and had not noticed a "huge amount of change". However, they noted that:

"One or two funders are a little more nervous about how they want us to report and certainly the due diligence when applying for grants has stepped up for some funders."

A sound reputation was also considered to diminish the effects of negative reporting and was mentioned by several respondents. In addition, a presence both locally and nationally was considered by one charity to provide some resilience in this regard. This charity, which supports blind and partially sighted people, commented further:

"Charities are as different as companies 'the private sector' etc. So while we are aware of negative reporting we are proud to work for a small and effective charitable organisation."

COVID-19 Follow-up Research

Context

This report was due to be published in mid-March 2020. At this time Covid-19 and its effects on every aspect of people's lives was being experienced first-hand by communities across Somerset. The Community Council of Somerset conducted a short online survey to explore how COVID-19 might affect VCSE organisations. The aim was to investigate the extent to which VCSE organisations may be affected by demands for their services as the pandemic progressed, identify potential challenges and see which organisations might be able to provide support/capacity to other organisations/community during the crisis. The survey was shared with organisations across Somerset between 16th and 22nd March 2020. There were 195 responses. Twenty-five percent of respondents also completed the State of the Sector survey for 2019/2020.

Spark Somerset conducted a short online survey to find out how VCSE organisations were adapting in response to the COVID-19 pandemic. The aim was to understand how organisations adapted their services, ascertain the key challenges and clarify future support needed. The survey was shared with organisations across Somerset between mid-April and early June 2020. There were 166 responses. Forty percent of respondents also completed the State of the Sector Survey for 2019/2020.

Thirty-one organisations completed both these later surveys.

Follow-up Survey 1: how might COVID-19 affect VCSE organisations as the pandemic progresses?

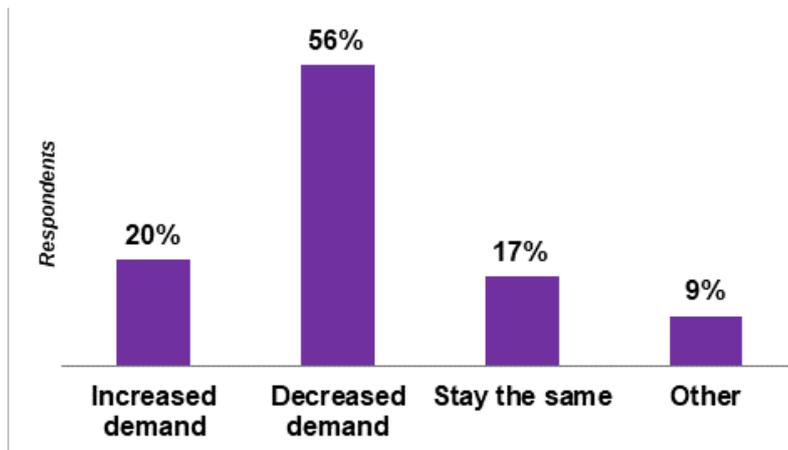
Characteristics of responding organisations

There were 195 responses to COVID-19 survey 1. Twenty-five percent of responding organisations also completed the State of the Sector 2019/2020 survey. The organisations were from across Somerset and represented a range of interests and sectors of the population. Thirty-seven percent operated community buildings – some of which also provide support and services such as food banks, social activities, and transport. Organisations also provide support across the ages, including for older people in vulnerable situations, outreach, mental and physical health services, counselling, peer support, advice and advocacy. There was a range of incomes and size represented – from large, well established charities to those working at the very local level within their neighbourhood.

Anticipated effects of COVID-19 pandemic

- Anticipated level of demand

Respondents were asked **whether they anticipated an increase or decrease in demand for normal service(s) as a result of COVID-19.**



Of 193 responses, 56% anticipated a decrease in demand for their normal services as a result of the virus, 20% anticipated an increase in demand, 17% anticipating it staying the same, and 9% selected other.

Those who commented further suggested the need for members and volunteers to self-isolate from the virus due to age or vulnerability, which would lead to a decrease in group-based activities and services. Some organisations had already closed services, and others anticipated supporting their members differently, e.g. providing welfare checks and helping with shopping or coordinating/assisting the wider community response. One service expected a change in emphasis within their existing support:

"We do issue food vouchers and give out food parcels and essential items. We predict a drop in young people's services and a gradual rise over the months of our other services" respondent.

Some of the larger organisations which anticipated an increase in demand predicted an increased need for helpline services and mental health and wellbeing support relating to COVID-19. Some organisations were unsure what the impact might be in mid-March, when the survey was conducted, and were waiting to see how the situation developed.

Supporting people during COVID-19

Respondents were asked **to share if and how they thought their organisation could support people, particularly the most vulnerable, affected by COVID-19.**

Of 177 respondents, over 80% indicated they would be able to offer support, in particular the larger organisations with more resources than perhaps some of the smaller, local organisations. Suggested ways to support included the following:

- extend telephone provision for information and advisory services
- move services online with email, face-to-face Apps and telephone support
- mobilise support at county, regional and local levels for people in vulnerable situations including older people, those with health conditions, mental health support, homeless people, those socially isolated, and not online.
- coordinate community efforts to deliver food parcels, prescriptions, shopping
- develop partnerships with local organisations, parish councils and charities to respond effectively to community need
- offer premises as community hubs for use by police, NHS public services
- adapt courses, activities, and topics to online e.g. nature, art, physical activity
- stay in regular contact with members via email, telephone and social media
- maintain physical access to services (day centres or woodlands) to support health and wellbeing throughout the pandemic

Some organisations were already putting their response in place:

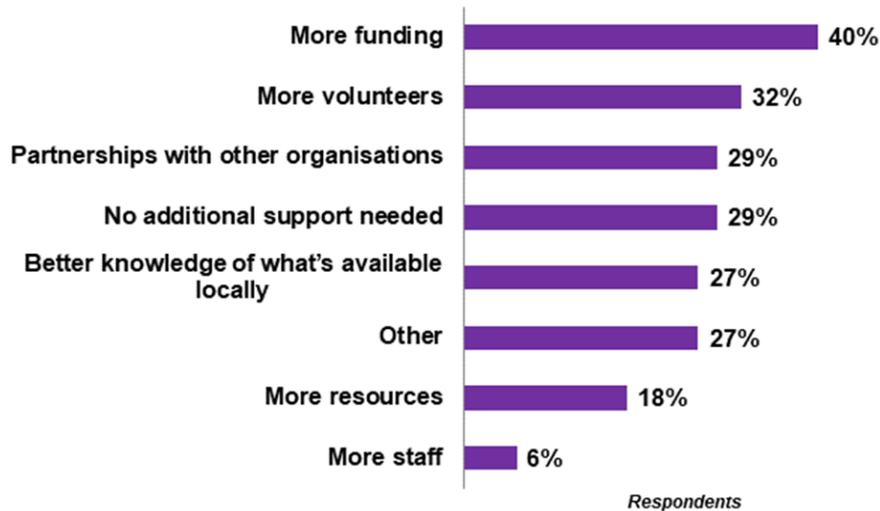
“We provide face-to-face counselling services to young people with poor mental health. We have offered to counsel them via phone and through Zoom. The level of need could increase with the uncertainty” *youth support charity.*

In mid-March several organisations were planning to remain open. One activity centre/lunch club for older people expected to “remain open, as safely as possible, so that [members] can continue to receive the support, stimulus and friendship they need”. In addition some organisations with outdoor-based activities anticipated remaining open and offering mental health services, as “people can distance themselves and still feel safe.”

Organisations working with people in vulnerable situations, with learning difficulties, health conditions, or who experience anxiety were especially concerned how the COVID-19 pandemic would affect their customers. Withdrawing their usual face-to-face services would impact social connectedness, mental and emotional health, and structure and routine. Ways in which they could continue to provide continuity of support were being explored. Those organisations not in a position to provide ongoing support generally relied on volunteers who were also likely to shield because of their age or health condition.

- **Type of support needed to help people affected by COVID-19**

Respondents were asked to select from a list **what support, if any, are they likely to need to help people, particularly the most vulnerable, affected by COVID 19.**



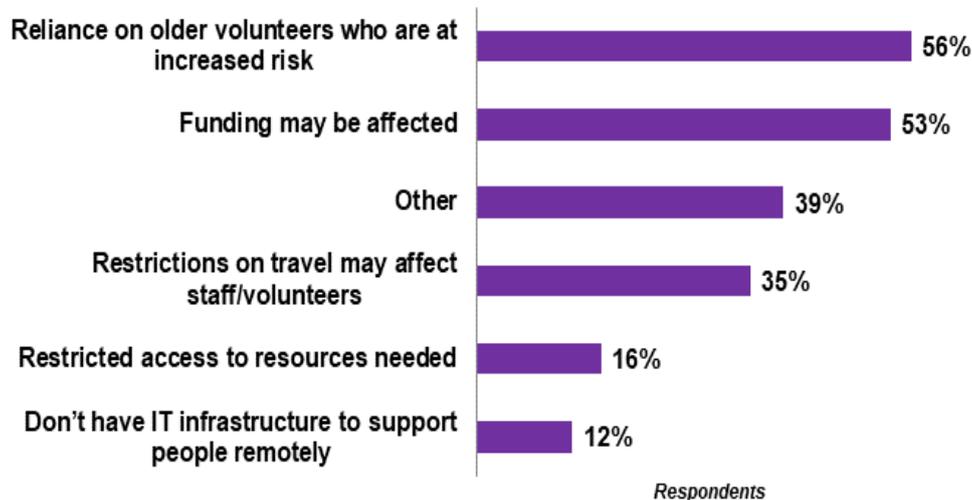
Of 188 respondents, 40% identified 'more funding' needed to help people affected by COVID-19. In second place was 'more volunteers'. 'Partnerships with other organisations' was next at 29% along with 'no additional support needed'. Twenty-seven percent would like 'better knowledge of what's available locally' along with 'other'. 'More resources' was identified by 18% of respondents, and 6% suggested 'more staff'.

Additional comments regarding funding included potential impact on staff retention with the loss of Direct Payments for services, support to delay paying back loans, and "support and flexibility of our funders to help us weather the storm".

Other comments included support with the following: COVID-19 testing available for customers; cleaning materials/hand sanitisers; safeguarding support; increasing donations to food banks, availability of fresh food for shielding community members; communications and promotion of service; and safe and affordable modes of transport.

- **Identifying the main risks**

Respondents were asked to select from a list **what they thought were the main risks to their group or organisation.**



Of 188 responses, 56% selected 'reliance on older volunteers who are at increased risk'. This was closely followed by 'funding may be affected' (53%). 'Other' (including 19% of respondents who did not answer) was 39%, and 35% selected 'restrictions on travel may affect staff/volunteers'. Sixteen percent selected 'restricted access to resources needed' and 12% selected 'don't have IT infrastructure to support people remotely'.

The impact on funding is keenly felt by numerous organisations. One charity which supports children fears that funders will be reluctant to commit to "future spend" that includes working in a group setting:

"There is a real risk that the charity will fold as we will be unable to pay our staff. We have more than [several hundred] children in ..., many socially and physically isolated, who are registered users of our service" *children's support charity.*

Other comments regarding risks to their group included staffing uncertainty; being forced to close; potential of committee members dying of COVID-19; reduced income through cancelled events/room hire but fixed building costs and/or staff costs; not knowing how long restrictions will be in place; depleting financial reserves; impact on fundraising events; unable to plan ahead financially; impact on self-employed councillors; managing hygiene to reduce virus spread; reaching/supporting members who are not online; vulnerability of volunteers and members; and impact on the mental health of members/clients and carers.

• Ideas for lessening the impact of COVID-19

Respondents were asked **what ideas they had for lessening the impact of COVID-19 on their group or organisation.**

There were 166 respondents. Some ideas have already been implemented (see 'supporting people with COVID-19', page 52). Key ideas included the following:

- home (remote) working – for paid staff and volunteers
- provide necessary IT equipment to work from home
- increase provision of telephone support and advisory services
- reinforce Public Health and government guidance to clients, staff and volunteers
- enhance prevention via cleaning and use of masks and gloves
- recruit more volunteers from those at reduced risk from COVID-19
- support community response to pandemic
- talk situation through with funders and sponsors
- make contingency plans re finances and future events
- work in partnership with local groups
- provide online activities, socials, and meetings
- support people online, e.g. counselling, instead of in a physical setting
- set up a telephone befriending service
- provide consistency in approach to supporting vulnerable people
- encourage public bodies to fund and make better use of local radio stations to connect with communities

Numerous organisations had closed their premises and activities indefinitely at the time this survey was completed.

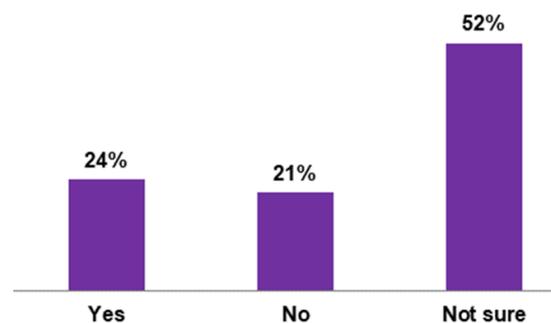
• Supporting other organisations or the wider community

Respondents were **asked if they provided a service which was likely to see a fall in demand, would they be willing to provide support/capacity to other organisations or the wider community who need it.**

Of 178 responses, 24% were willing to offer additional support/capacity, 21% were not willing and 52% were not sure.

Types of support offered included the following:

- Telephone, online support and mentoring
- vehicle deliveries of food parcels
- use of building for community hub
- prepare meals for local residents
- support with funding applications
- work with local community response



Some organisations were expecting demand for their service to stay the same or increase, so were wary of offering further help. Others had already offered to provide support locally.

Follow-up survey 2: How have VCSE organisations adapted to COVID-19?

Characteristics of responding organisations

There were 166 responses to COVID-19 survey 2. Forty percent of responding organisations also completed the State of the Sector Survey 2019/2020. The organisations represented a wide range of interests and sectors of the population; covering services and support for all ages, mental health support, social inclusion, day centres and hospices, counselling services, carers support, health and wellbeing, advocacy and outreach, people in vulnerable situations, peer support, sport and leisure, music and arts, and nature/conservation. There was a range of sizes, with large, well-established charities contributing alongside much smaller charities and organisations.

All districts in Somerset were represented by responding organisations, and several also provided services Somerset-wide, across the South West region, or nationally. This contrasted with several organisations working at the hyperlocal level – within a specific postcode or parish. Whilst the vast majority were established charities or community groups, three were new organisations formed specifically to respond within their communities to the effects of COVID-19.

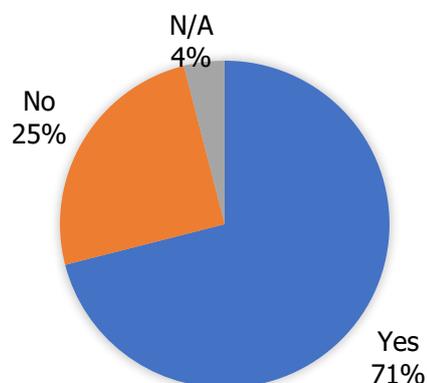
Adapting to the COVID-19 Pandemic

Participants were asked a series of questions regarding their response as an organisation to COVID-19.

- **Service adaptation**

Has your organisation **adapted its services in response to the COVID-19 pandemic?** If so, how?

Of 166 responses 71% of organisations said they had adapted their services in response to COVID-19 and 25% said they had not. Four percent said this question was not applicable – including three organisations which have set up specifically in response to COVID-19.



Digital technologies

Organisations able to adapt their service or activities described a swift shift in the way they operate. The majority of staff and volunteers were

required to work from home with immediate effect of government lockdown guidance, and in some instances staff have been furloughed. Online technologies and telephone support have been utilised as the primary means to stay in touch with staff and volunteers, and for delivering usual face-to-face services, activities and support.

Video, telephone and email service for counselling, welfare and advisory organisations

This has proved key for providing one-to-one counselling services, advice and support in lieu of physical appointments across a range of topics and situations. Dementia support workers, for example are providing welfare calls, and many day centres and social clubs for older people check in with their customers on a regular basis. Not all age groups, however, have been able to access remote counselling support from their usual providers:

“Offer people telephone or video calls. Ceased working with under 10s as unable to do this via video or telephone calls, not deemed ethical” *mental health charity.*

Online activities and social meet-ups

Some sports and activities-based groups have developed comprehensive online resources which can be downloaded, created activity packs for home delivery and managed to maintain “online mentoring for our most vulnerable children.” Youth groups such as cadet forces and scouts who now zoom on a regular basis, and online singing and activity sessions have been developed to replace usual physical contact for those with online access.

Educational courses, workshops and training

Courses such as cancer rehabilitation, mental health training courses, volunteer induction courses, children’s cooking sessions and youth engagement programmes have moved to online. This can change the nature of the interaction, for example, if the physical location is a key feature of the programme. The way the programme is delivered can also be affected as the host may need to take a more central role, as well as presenting a challenge for reaching all clients:

“We have moved the majority of previous face-to-face programmes online. This has involved adapting them to a more presenter-led programme and engaging activities, as well as identifying how we can best support our most vulnerable, at risk and hard to reach service users” *youth support and advice charity.*

Responding to community needs – collaboration and partnership working

Several organisations have responded to the immediate needs of their community during COVID-19. This might involve turning away from their usual activities which have been suspended and developing new services, adapting their existing service to incorporate COVID-19 content, and/or responding to an increased demand for an existing service. An environmental education centre switched from delivering onsite workshops to increasing food production:

“to supply good quality food to people who use food banks, soup kitchens, living in isolation due to infection, or made destitute by the coronavirus’s economic fallout.”

One community church-based organisation has sought to adapt their usual programmes to online, whilst at the same time meeting community need:

“The food bank has become a central operation from the building, trebling its output in response to need. Blood donors are using the building weekly. Teams involved in community support are working from homes and have set up a volunteer team of thirty to help with food shopping, medicines, collections and drop-offs, listening ear and prayer. Most pastoral support programmes are now online with additional volunteers to meet the need.”

In addition, informal working relationships have flourished as local groups have worked together and with support for parish, town or district councils:

“We have worked with partner organisations in the Village to develop a community hub where volunteers man a phone line. Our community then calls for grocery deliveries, prescription deliveries, dog walking, gardening etc. Our partners are ...Charity Shop, and ...Coffee Shop and our ID badges are made by the parish council” *community shop.*

Some larger organisations have had the means to expand their telephone and online advice services, and work directly with people who might be in a vulnerable situation regarding their health, housing, or debt concerns, and the impact of isolation on mental health. Further, close working with food banks, local partners and recruiting volunteers has helped provide a timely response to some of the key issues experienced by people staying home:

“We are working with local agencies to ensure that vulnerable households do not get missed. Referring to Corona Helpers groups for shopping and medication...and to alleviate isolation we have established a new group of volunteers with the right skillset to form a calling circle to chat and spark ideas of things to do with your time for those who are not online” *advisory and support service.*

Several charities have been able to provide additional services and support to their customers with extra funding from local funding organisations. For example, a nature and wellbeing-based social enterprise has used additional funds to provide telephone support to their mental health clients and run online groups for parents and young children.

Suspending services and closure

A number of organisations have been forced to suspend activities or close their premises and furlough all staff during COVID-19. Numerous outdoor activity and exercise groups have been hit hard, with “all activities put on hold”, and many not providing/not able to provide online alternatives. Drop-in centres, theatres and arts-based organisations have also closed or cancelled events. Organisations providing activities for older populations are especially affected:

“We have had to close until lockdown on the over 70s is lifted. As most of our volunteers and members are over 70 years of age and a good number of volunteers have underlying health issues themselves” *lunch club*.

Membership-based groups which have closed have generally maintained regular contact with their members via email or telephone – particularly if members are older, in poor health or socially isolated. Loss of income has also informed decisions to close premises, stop activities, and furlough staff where possible.

• Key challenges your organisation is currently facing

Respondents were asked to **comment on the key challenges their organisation is currently facing**. There were 164 responses. Several key areas were identified in response to this question: loss of funding/income; loss of face-to-face working; adapting to digital working; retaining and training workforce; shielding customers/clients and future uncertainty; and developing new services to fit COVID-19 circumstances. These are discussed below and summarised in Figure 8.

Loss of funding and income

Usual fundraising routes have diminished for many charities. Charity shops have closed, sponsored activities and fundraising events have been cancelled or rescheduled, and income generated by providing teams of staff and volunteers at summer fetes and festivals (e.g. Glastonbury Festival) is not available. In addition, income from building hire has ceased, charity shops have closed, and the selling of goods and services has diminished or ceased for the vast majority of respondents. Some organisations are considering new ways to raise funds, including via online challenges.

Subscription-based activities have also been affected. Men’s Sheds projects, with a generally older clientele, tend to rely on yearly subscriptions and session fees to manage ongoing costs such as insurance, safety inspections and rental/upkeep of premises. An uncertain future also impacts the viability of these community-based activities and ways to sustain them financially:

“Our principle target demographic is the older retired male, often living alone with a dependent partner. Many have long-term underlying physical and mental health issues. As such about 90% of our members are in the male ‘high risk’ category. Accordingly, we have temporarily closed our Shed and ceased operations there until exit from lockdown commences. The way forward is uncertain” *men’s shed charity*.

Organisations providing location-based services such as farm workshops, or residential courses for large groups of children or adults have taken big financial hits with long-term implications:

"We will lose somewhere between £80K to £280k, depending on when schools are allowed to come back to us for school trips. Coronavirus will put us very deeply into debt. Assuming things go well for us after lockdown ends, we will spend up to 10 years servicing debts, which will prevent us making service improvements in that time" *residential nature centre.*

There is also uncertainty for the funding of existing projects as well as planned future projects. Some charities have successfully applied for emergency government funding or received local community foundation grants, and others have renegotiated terms with their funders. Some funders or commissioners, however, have suspended funding projects which are temporarily halted, or refocused on supporting COVID-19 community projects. As services are put on hold it can be difficult to plan for the future:

"All our income is from [a selection] of communities and Parish Councils. All decided to cease requiring services until face-to-face youth services can be resumed. If that doesn't happen and the furlough scheme is not extended new funding will be needed for the organisation to survive" *youth project.*

Adapting to digital working

Moving from office-based working and face-to-face project delivery, to home working and online delivery has proved challenging; especially given the speed at which the sector has had to adapt. There are associated IT costs with equipping a staff and volunteer team with the means to work effectively from home, as well as training to increase digital skills. Developing new ways of working as an organisation to ensure staff and volunteers are managed and supported effectively requires thought and careful planning. In addition, rural Internet broadband speeds are slow in some areas, and not all customers are accessible via online means. Some organisations have struggled to reach their members:

"Reaching the community, particularly those on the wrong side of the digital divide and suffering social isolation, is extremely difficult" *creative arts project.*

Whilst some projects and programmes adapt well to online delivery, it also takes time to recreate online content. Some organisations are staying in touch with members with online platforms such as Facebook, WhatsApp and through email. This is regarded as a short-term solution but as time goes on, some organisations are finding it a challenge "to keep participants engaged and active".

Loss of face-to-face working

Switching service delivery from face-to-face to online has diminished aspects of the customer experience in some cases. Counselling services have described difficulties providing "safe work at emotional depth" and how personal contact with bereaved parents is "crucial for our support". A community outreach programme also described the frustration of not being able to provide support in their usual way:

"Frustration that we cannot exercise our normal care for the community by undertaking our regular patrols and engage face-to-face with many people who have become good acquaintances if not friends."

The impacts of not meeting socially for those groups most at risk of Coronavirus are likely to be felt for some time to come. Those in older age groups and with long-term health conditions are no longer attending day centres for peer support and social activities – exacerbating social isolation and experiences of loneliness. It is difficult for organisations working with people with health conditions and their carers to maintain the same level of engagement and support at a distance:

“The isolation and loneliness of our frail, vulnerable members and carers. Many of whom have memory loss/ are physically frail. They are missing the interaction and stimulation they receive at [our day] centre” *day centre for older people*.

Retaining and training workforce

Some organisations have seen a reduction in both staff and volunteer numbers, due to self-isolating or shielding from Coronavirus. This has led to an increased workload in some instances, especially for those organisations where demand for their service has increased. Others are concerned about keeping their volunteers engaged “and [them] not viewing the lockdown as a time to consider something else”. The recruitment, training and induction of new staff and volunteers has also been problematic.

Shielding customers and future uncertainty

Organisations and groups which specialise in supporting older people and those with health conditions in a physical setting face extended uncertainty in the face of government shielding guidance for those as higher risk of Coronavirus. Often the staff and volunteers engaged with activities for older people are also of an older age which may affect their future availability.

Several groups described a “lack of clarity” regarding when it will be safe to reopen which is affecting their ability to plan – often with additional challenges to juggle:

“Trying to forecast how long we can survive without additional fundraising for staff and building repairs” *performing arts venue*.

Developing new services to fit COVID-19 circumstances

Whilst some organisations have explored adapting their existing services to online, those which rely on physically bringing people together are evaluating what their projects might look like in the long term, adjusting for social distancing measures and responding to anticipated community needs. One woodland-based mental health support organisation is developing new services with an eye on the future:

“Our model has been to contract freelance staff to deliver sessions and now we are having to ask them to help invent new things...we want to use the £10K government grant to invest in developments that will enable us to provide new services for the next few years.”

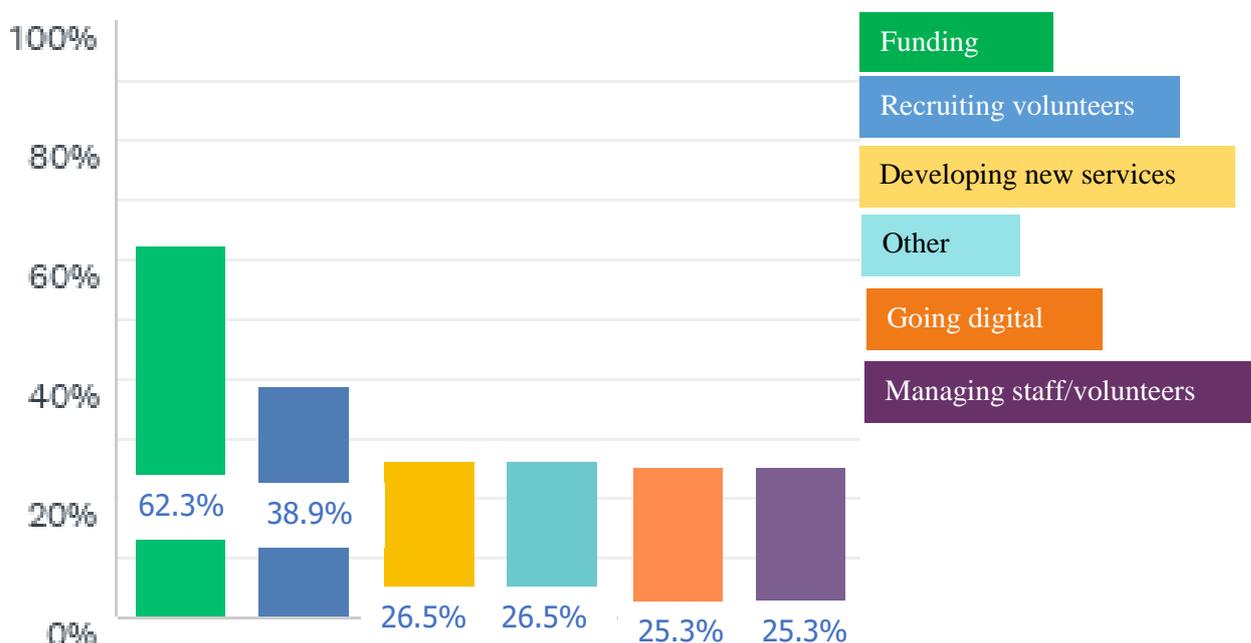
Figure 8 - Summary of key challenges currently facing regarding COVID-19



• Areas of future support

Respondents were asked **what areas they think they will need support with over the next year** – choosing from a list of twelve key topics. Of 162 respondents, the area identified most as needing future support was 'funding' (62.3%). This was followed by 'recruiting volunteers' (38.9%). 'Developing new services' and 'other' were selected by 26.5% of respondents, with 'going digital' and 'managing staff and volunteers after the crisis' at 25.3%. The area identified the least as requiring future support over the next year was 'governance' at 8.6%.

Top six areas of future support needed identified by respondents



Additional options selected as future challenges included 'training staff and/or volunteers' (24%), 'partnership working' (22.8%), 'business planning' (14.2%), 'mental health in the workplace' (14.2%), and 'finance and budgeting' (11.1%).

Under 'other' the following additional issues were identified:

- recruiting new group members and trustees
- safe working guidelines re COVID-19 e.g. social distancing, PPE.
- ongoing support for shielding members
- volunteer training which reflects impact of COVID-19 e.g. mental health
- adapting course content to online, and using social media
- re-evaluating service

Report Conclusion and Recommendations

Conclusion

Somerset's VCSE sector continues to build on existing good work, drive innovative practice, collaborate between and across sectors, and provide ongoing community-level services, activities and support. The sector is reliant on the commitment and passion of a skilled paid and volunteer workforce, and adequate funding. It connects people and strengthens community ties, steps in where traditional services and support are diminished, and campaigns for a more just society. It sees and responds to the impact of 'a prolonged period of austerity' (HOC, 2019) and associated cuts to statutory funding.

This ability to respond in a timely way brings its own challenges. Devising a sustainable funding model and building capacity at a speed which matches increasing demand and direct referrals is already problematic for some. As public sector services across England and Wales reach out to the VCSE sector through formal health and care strategies, the range, speed and scale of collaboration are increasing. How do we work together effectively to ensure a balance of power and build capacity in a sustainable way? Fortunately Somerset has a firm foundation on which to collaborate further.

The effect of COVID-19 on people and communities across Somerset further illustrates how in touch local groups and charities are with the wants and needs of their communities. The response has been swift and effective, with citizens, volunteers, informal groups and charities working together and alongside statutory services. Skills, resources, premises and ideas have been shared to support those most at risk of COVID-19, and emergency funding has been made available to support various new and existing groups. Somerset's VCSE sector also anticipated and has helped to mitigate the impact of shielding on the mental and physical health of its customers – adapting services to online, and maintaining telephone or social media contact with members where possible. The necessity to shield, however, has also highlighted a reliance on older volunteers to provide services and support; particularly for activities and clubs aimed at bringing people together socially.

The financial implications of COVID-19 have been felt across the sector. Some organisations have been forced to close and furlough paid staff. Group-based activities have been hit hard, with uncertainty felt most by those whose customer base is shielding indefinitely. Usual fundraising routes such as sponsored events are no longer available and income-generators such as hall hire, charity shops or subscriptions are on hold. Support with funding was the number one issue prior to COVID-19 and the current situation and future uncertainty is likely to exacerbate this issue as organisations eat into their financial reserves.

Moving to online service delivery brings its own set of challenges. Nearly half of the respondents to the State of the Sector survey provide local activities, clubs and meet-ups and meeting online is no long-term substitute. For the many organisations unable to provide engaging online alternatives, closure beckons. In addition, equipping the workforce with digital skills and IT equipment is necessary to provide effective online services. This has financial implications.

Somerset's VCSE sector will continue to do what it does best – strengthening communities. What COVID-19 has achieved is to shine a spotlight on the vital local knowledge, adaptability, and timely response to community needs that the sector is known for. It has also reinforced the necessity to ensure the sector is funded in a sustainable way.

Recommendations

- **Financial instability** is a chronic issue facing many organisations in the sector. Region-wide cuts to funding combined with a tendency to short-term approaches by funders and commissioners undermine the continuity of proven projects. There is a tendency by funders to overlook core costs associated with project delivery, and yearly funding cycles absorb organisations' staff time and effort and weakens their confidence in a sustainable financial future.

A broadening of the funding landscape to accommodate core costs more readily and a commitment to longer term funding would enable VCSE organisations to plan ahead more effectively. In light of COVID-19, funding is especially precarious. It requires commitment to a long-term vision from funders to support the sector at this time.

Availability of additional funding solely for core costs in the short term would be a pragmatic approach to support organisations which have experienced significant COVID-19 related losses to usual income sources.

- **Building capacity sustainably** is key to ensure staff and volunteers can provide community-based support to the best of their abilities, with the right tools and knowledge, and without becoming overwhelmed or over-worked.

Public sector services are developing new models of care, and working ever closer with community-based groups and services. For new initiatives to grow in a healthy and sustainable way and at the speed of trust, it is crucial that the VCSE sector has a strong voice to share concerns, is able to contribute strategically as equal partners, and is funded adequately.

- **Infrastructure support** and training organisations continue to have a key role in supporting the VCSE sector with various aspects, such as recruiting and training volunteers, developing supportive networks, supporting organisations to develop new ways of working in light of COVID-19, and advocating on behalf of the sector at a strategic level within the County and nationally.
- **Partnership working** is well established in Somerset within the VCSE sector and across sectors. It is a way to share resources, staff and ideas, yet barriers remain. For partnership working to flourish, funding models need to reflect the time taken to collaborate and invest in longer-term projects. Organisations also need to work together in the spirit of collaboration over competition.
- **A supportive VCSE culture** is key to providing an environment in which organisations feel able to reach out for support, share information and ideas freely, champion each other and speak with a strong voice. This is especially relevant in light of the impact of COVID-19 on community organisations and future uncertainty.
- **Community social action** has been mobilised in response to COVID-19. How might the VCSE sector, funders and local councils extend longer-term support and guidance to newly established groups and volunteers working at the grassroots level?

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Spark Somerset
Monks Yard
Horton Manor
Horton Cross
Ilminster
Somerset, TA19 9PY

Tel: 01460 202970
Email: support@sparksomerset.org.uk
www.sparksomerset.org.uk
facebook.com/sparksomerset
@sparksomerset