

Somerset VCFSE State of the Sector: report summary

Based on a report commissioned by Spark Somerset
and produced by Quay Research

October 2024

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1 Introduction

Commissioned by Spark Somerset and independently conducted and produced by Quay Research, the research and resulting report provides detailed insights into the size and shape of the Voluntary, Community, Faith and Social Enterprise (VCFSE) sector in Somerset and the challenges it faces.

It is hoped that the findings will be instrumental in amplifying the voice of the VCFSE and demonstrate how, together, we are supporting healthy, happy, and flourishing communities in Somerset.

It is also a celebration of the resilience, flexibility, and responsiveness of the VCFSE sector and its enduring optimism and enthusiasm.

The shifting landscape of public services in England, shaped by systemic shocks and budget cuts, has intensified structural inequalities and health challenges. These challenges underscore the need for financial stability, strategic thinking, and continuity of service provision from a diverse range of service providers.

In Somerset, creating robust public sector-VCFSE relationships is critical for community resilience and maintaining, supporting and developing a successful and sustainable VCFSE sector for the future.

Location of survey respondents



The report is based on insights from



A desk-based review



3 group interviews



32 one-to-one interviews



An online survey completed by 318 organisations

2 Key Findings

Based on survey responses

Voluntary Sector in Somerset



1,902 voluntary sector organisations registered as charities or CICs plus many more community groups



Nearly 60% of VCFSEs are micro or small



Over 64% operating more than 10 years

Supporting Communities



Volunteers contribute **9,283** hours a week



Over 40% run social and community groups



Nearly 65% of VCFSEs work in partnership with each other

Demand



68% report increased demand for services



79% have met that demand



over 50% report developing new services and activities

Finances



67% thought expenditure would match or exceed income this year



Nearly 62% have fewer than six months reserves

Top cost of living impacts:

1. increased demand
2. increased premises costs
3. decreased funding

The Future



60% predict funding and sustainability the most important challenge for the next 12 months



69% hope to grow their activities in the next year

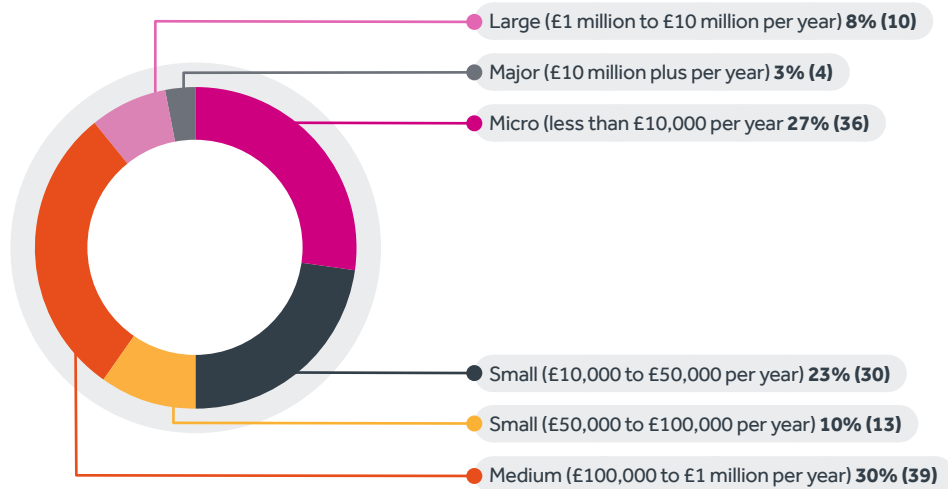


69% feel optimistic about the future

3 The Somerset VCFSE

1,902 registered charities and Community Interest Companies, plus **many** more community groups. **Over 50%** have been operating for **15 years or more** which showcases a wealth of experience.

Micro and small (£10k–£50k) organisations account for 50% of respondents to the 2024 survey



Proudest achievements

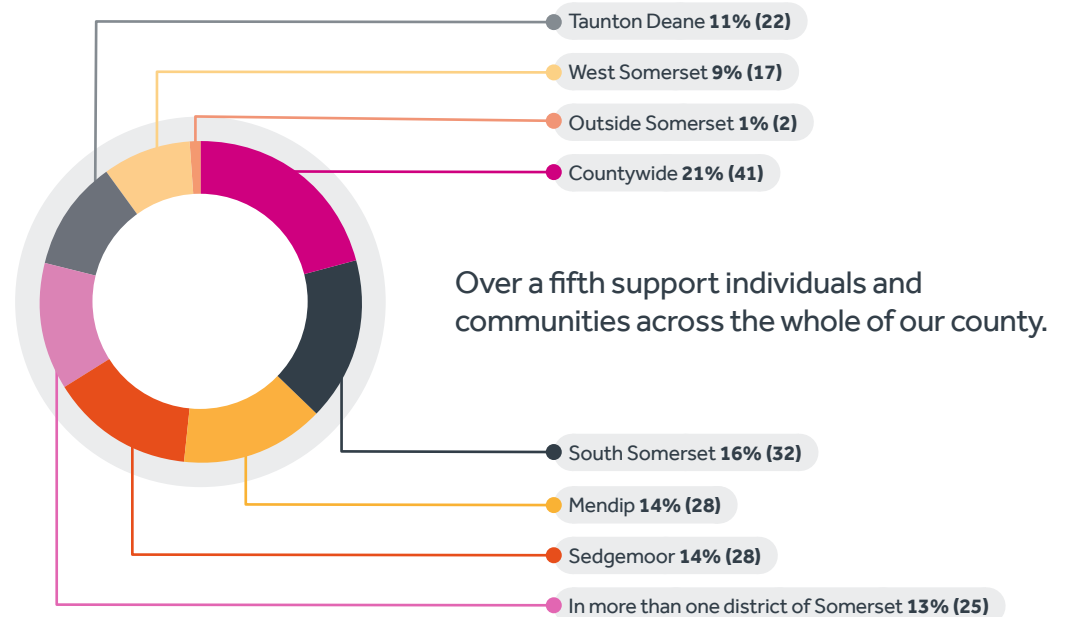
“Being able to support an autistic child who hasn’t been able to attend school, doesn’t communicate and has a variety of needs.”

“Recently we have seen two of our service users set up a woodwork shed and make and sell their produce... it [has] become part of their recovery journey.”

“Our ability to remain supporting children, young people and adults impacted by cancer, at such a difficult time in their lives, despite enormous income challenges.”

“Providing ongoing support for people in fuel poverty and residents in need of advice on energy efficiency in their homes.”

The majority of VCFSEs operate at local level within specific areas of Somerset



4 Workforce

Trends in employment

From 2014–2020, the number of full-time and part-time employees in the sector increased significantly.

However, by July 2024, these numbers had declined for full-time staff (-15%) and part-time staff (-13%), likely influenced by external factors such as the cost-of-living crisis.

There have been noticeable changes in both volunteer numbers and hours. Based on this insight, additional research is currently underway to better understand volunteering in Somerset.

"I blame the change in the pension age, because we used to get a lot of women of 60 to 65, who were still very active. And now they're working, so we don't get any of those. And when you get to 66, which I am, you can't do what you could do six years ago. And their husbands are retiring around the same age. And it's a real struggle to find active volunteers."

Proudest achievements

"Having over 30 youth workers across Somerset trained to at least Level 2."

"We are delighted to now have more volunteer session leaders – 40% are volunteers and 60% are freelance self-employed. This supports our sustainability greatly."

"Increasing volunteer drivers back up to 200 plus."

Based on survey responses...

9283

hours contributed each week by volunteers

25702

hours worked each week by paid staff

Respondents reported:*

543

full-time employees

766

part-time employees

73

full-time volunteers

4055

part-time volunteers

928

Trustees or Management Committee Members

* Based on April – July 2024

5 Services What services are provided?

VCFSEs in Somerset offer a broad range of services. Most common are social activities like lunch clubs, chat cafes and Men's Sheds which are provided by 42% of organisations. The range of support has broadened over the years to include diverse services like educational workshops, community ladders, and cancer support.



"We're still finding people who haven't been out of their house since COVID because they're still scared. So we're finding people with massive anxiety."

5 Services

Who are we helping?

Who accesses services in 2024?	Response
Older people	61% 92
Families/parents	59% 89
People with mental health concerns or conditions	58% 87
Socially excluded/isolated/or vulnerable people	50% 76
Other charities and organisations/groups	48% 73
Volunteers	48% 73
People with learning difficulties and/or autism	46% 69
Young people and children	46% 69
Physical disability/mobility problems/sensory impairment	43% 65
Physical health conditions (e.g. diabetes, heart disease, arthritis, cancer)	42% 64
Carers (not employed as a carer) looking after adults	38% 57
People from LGBTQ+ community	36% 55
Unemployed/low employed and seeking info/support	34% 51
People seeking healthier lifestyles	32% 49
Black, Asian and minority ethnic communities including gypsy, traveller, Roma/Irish	31% 47
Addiction concerns (e.g. drugs/alcohol/ gambling)	26% 40
Carers – (not employed as a carer) looking after children or young people	26% 40
Homeless/vulnerably housed people	24% 36
Other (please specify)	24% 36
People with dementia – all forms	23% 35
Prisoners/ex-offenders/people at risk of offending/criminal justice issues	20% 30
Refugees/people seeking asylum	19% 29
Faith-based communities	16% 24
Victims of crime/anti-social behaviour	15% 23

Proudest achievements

“Setting up a peer support group for deaf people and setting up the Hearing Loss Champions project to break down barriers for D/deaf people within organisations/services.”

“Opening our Free Youth Drop-In supporting over 30 young people and dealing with issues from addiction and trauma to self-harm and eating disorders.”

“Supporting the setup of a new youth football team (after there have been none in Woolavington for many years) and seeing over 40 children from the community getting involved in football.”

“An 83% improvement for client’s mental health over the course of their therapy.”

6 Demand

Increased demand

Demand for VCFSE services in Somerset has risen, with 68% of respondents reporting some increase.

Changing support needs

Alongside the rise in service users, 28% of respondents have observed changes in the types of support sought, indicating an evolution in the sector to meet complex and emerging community needs.

“I feel sometimes now, that statutory intervention doesn’t happen because we’re [VCFSE] here. And there’s a kind of “oh well, we [statutory] don’t need to worry about anyone who lives there, because now, we’ll [VCFSE] sort them out”. That’s an issue of capacity and demand on the statutory services. And money, obviously ... there’s definitely been a shift.”

Unsustainable trends

The current trend of rising demand across the sector, especially in medium to micro-sized organisations, is unsustainable in the long term. Meanwhile, some smaller organisations are also seeing a decline in demand, indicating a need for expansion and adaptation to maintain service delivery.

Response strategies

Despite increased demand, 79% of respondents feel capable of meeting service needs. Common responses include seeking new funding sources, offering new services, recruiting more volunteers, and developing new partnerships. However, challenges such as waiting lists, funding shortages, and staffing issues remain significant.

Changes in service demand

Size of organisation	Increased	Stayed the same	Decreased
Major	2	1	0
Large	8	2	0
Medium	32	5	2
Small (£50k–£100k)	10	2	0
Small (£10k–£50k)	18	6	3
Micro	20	10	4

7 Working in Partnership

High partnership engagement

Nearly 65% of VCFSEs in Somerset work in partnerships to deliver services.

Benefits to partnership working:

- increased service reach
- access to new knowledge and expertise
- new funding sources
- improved diversity of those being supported

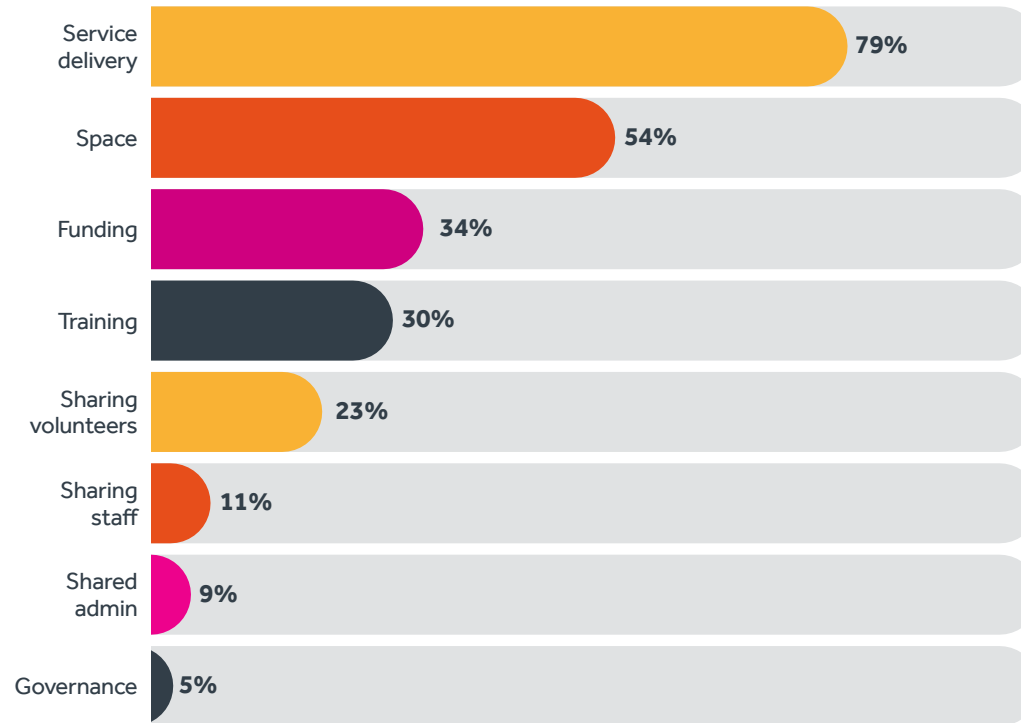
Barriers to partnership working:

- lack of time
- stringent funding conditions
- extra responsibilities
- bureaucratic processes

Additional challenges include:

- finding appropriate partners
- balancing demands with organisational capacity

In what ways are you collaborating or working together?



“Sometimes when I’m talking to colleagues who are coming from a statutory perspective, they use the word collaborate, well, actually, they actually mean as a partnership, or a contract, where they’re the commissioner, and you’re doing what they want you to do.”

Proudest achievements

“Building even stronger relationships with VCFSE colleagues in the area, working well together through the SPOC, and sharing volunteer recruitment campaigns.”

“Agreeing MoU with Oake Village Hall Community Emergency Team and Agreement with Wessex Water in the provision of emergency communications at times of need.”

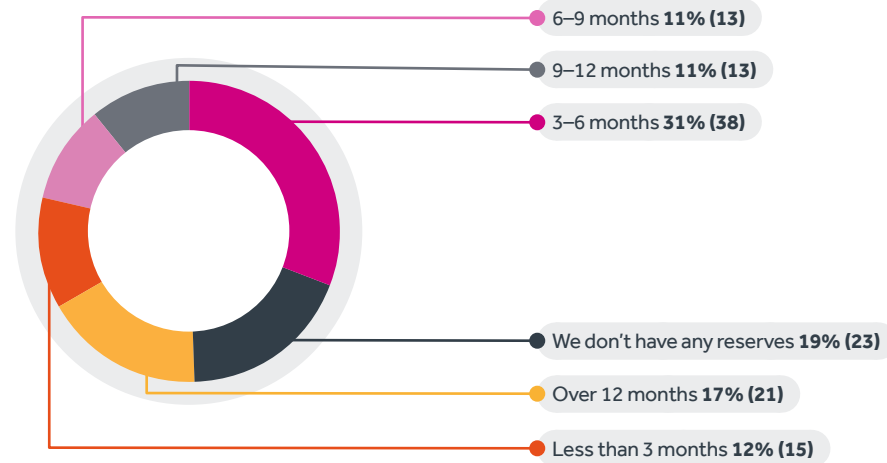


The extent to which funding and commissioning processes encourage or facilitate partnership working is unclear but VCFSEs report being put in the position of competing with each other for funding which is already scarce.

8 Finance and Funding

With the VCFSE sector in Somerset being so diverse, income varies greatly between organisations. Financial reserves are an alternative marker of financial viability and sustainability. Reserves help to cover salary, rent, utilities, and other costs during lean times. In extreme times, they are used to pay off creditors and settle final accounts when an organisation is winding up. Reserves therefore represent a 'buffer' for the sector.

How many months of operating costs are covered by reserves?



Income by size against reserves*

Size of organisation	No Reserves	<3 Months	3-6 Months	6-9 Months	9-12 Months	>12 Months
Large	0	0	5	2	1	0
Medium	3	7	15	5	4	2
Small (£50k-£100k)	0	2	9	0	1	1
Small (£10k-£50k)	7	4	6	4	3	6
Micro	13	2	3	1	4	10

* no major organisations responded to this question

Proudest achievements

"Keeping going, despite funding not being achieved, more need than we can handle, and burnout amongst our team."

"Being able to provide amazing sessions for the most needy children in the holidays"

"Having mental health clients say "this place changed my life" and having a longstanding volunteer say, "coming here as a participant and then as a volunteer has helped me to really be myself in the world." "

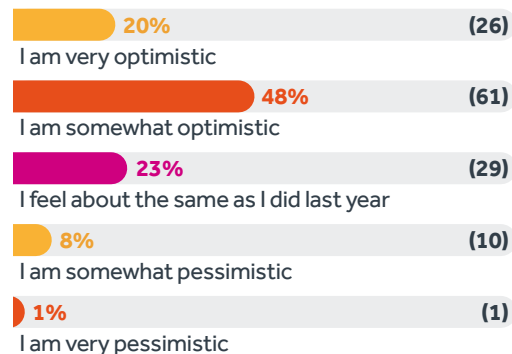
"Being able to financially support local groups, directly improving the wellbeing of women who have been affected by domestic abuse."

"Turning the organisation into a financially viable one without being reliant on grants and donations."

"Managing the income through the financial crisis. Staff still being productive and happy. Getting national lottery income."

9 The Future

Optimism about the future



Optimism

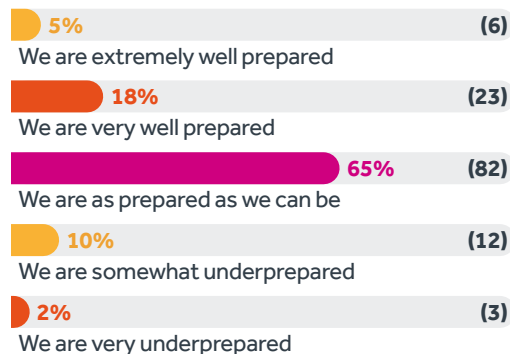
The majority of VCFSEs feel optimistic about the future, particularly medium, small and micro organisations.

Challenges ahead

Of the many challenges that VCFSEs might face over the next 12 months, funding and sustainability were ranked highest, followed by building capacity, leadership, financial management, and managing premises.

Despite this, only a small number of respondents (2%) felt 'very underprepared' for the next 12 months suggesting high levels of optimism within the sector.

Levels of preparedness



Plans for growth

As a result of growing demand and more people needing support, VCFSEs in Somerset are planning to increase and develop their services. The most significant expected increases in provision are amongst the medium and micro organisations.

'The third sector has got a phenomenally powerful role to play in delivering public services in all the classic ways. We are agile with fleet of foot. We're responsive, grassroots, as a sector; wide, deep, long and tall... doing amazing things in communities.'

Do you have plans to increase or decrease the type or level of service/activities you provide next year?

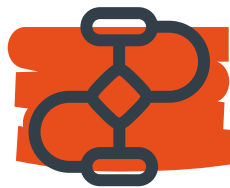
Size of organisation	Increase greatly	Increase slightly	Stay the same	Decrease slightly	Decrease greatly
Major	0	1	1	1	0
Large	1	5	4	0	0
Medium	10	17	9	1	0
Small (£50k–£100k)	4	6	3	0	0
Small (£10k–£50k)	6	14	6	0	0
Micro	1	19	11	1	1

10 Recommendations

In our other report, **Collaboration between the VCFSE and Public Sector in Somerset: challenge or opportunity?**, we set out a series of recommendations for developing the relationship between members of the Integrated Care System (ICS) in Somerset. Some of these recommendations are extended further in the full **2024 State of the Sector Report**:



'What is the ask of VCSFEs?' and 'what is the offer to VCSFEs?'
We need to ensure that the VCFSE voice is not only strongly represented but listened to, respected, and acted upon. Diversity of the sector is a key strength which must be embraced.



Commissioning processes must be inclusive and accessible to all VCFSEs who wish to participate.
Prioritising local knowledge and community connections should be key throughout commissioning processes. It should also value and harness the unique strengths of smaller, local organisations.



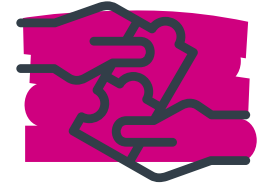
Long-term and flexible funding models for VCFSEs which recognise sector diversity and reduce barriers for collaboration where there is competition for funding. Longer-term funding will help to de-risk organisations and stimulate ground-up innovation.



Support the eco-system of small and micro VCFSEs.
Where VCFSEs are having people signposted to them, appropriate support and funding should be provided to ensure that the VCFSE has the capacity to help. A review of training needs, access to resources, guidance, and the role of peer support or mentorship will help target initiatives.



Recognise and mobilise the untapped potential amongst VCFSEs.
There is great deal of knowledge and expertise within the sector. Many organisations have been operating for over 10 years. Insight from these mature VCFSEs could support younger organisations through peer support, training and mentoring.



Reduce the administrative burden.
What are the possibilities of pooling demands through shared staff, admin, training or governance? In light of falling numbers of trustees and overall workforce, additional help with key business services is needed for VCFSEs, especially smaller organisations.

Thank you!

We would like to extend our thanks to the team at Quay Research for their valuable contribution to the research and reporting of the 2024 State of the Sector.

A heartfelt thank you also goes to everyone who participated in the surveys, focus groups, and interviews, generously sharing their insights and experiences to help shape this report.

This report was made possible thanks to the Shared Prosperity Fund.

Spark Somerset is the local infrastructure charity dedicated to supporting and championing voluntary and community organisations. Our mission is to help change lives and build healthy, resilient communities.

We achieve this by providing expert information and advice, delivering training and forums, sharing knowledge, fostering partnerships, inspiring social action, and advocating for the voluntary sector at both local and national levels. Learn more about our work at sparksomerset.org.uk.

[#SomersetVCFSEInsights](https://twitter.com/SomersetVCFSEInsights)

To find out more, you can access the full suite of documents [here](#):



The full 2024 State of the Sector Report



Lessons from the national picture



Collaboration between the VCFSE and Public Sector in Somerset: challenge or opportunity?

