

TALK COMMUNITY

**THE STATE OF THE
VOLUNTARY,
COMMUNITY
AND SOCIAL
ENTERPRISE
SECTOR
IN HEREFORDSHIRE 2021**



FOREWORD

This 'State of the Sector' research celebrates the incredible contribution made by the 2,300 Voluntary, Community and Social Enterprises (VCSEs) across Herefordshire. The VCSE sector makes an annual social and economic contribution to the county of £355 million, bringing with it enormous value in terms of those who directly benefit from its activities and services, volunteers, employees, donors, the wider community and society as a whole.

Independent VCSE organisations, including small, 'micro' and volunteer led groups, which make up the majority of the sector in Herefordshire, play vital roles in understanding and meeting local needs, building social capital, promoting social inclusion, driving positive change, developing trust, cooperation and addressing inequalities. The sector contributes greatly to community well-being and resilience, as well as offering individual support to some of the most vulnerable people in society. The sector also provides employment and training opportunities, delivers essential services (such as transport and housing) and brings people together to participate in many social, cultural and recreational activities.

Herefordshire Council, in partnership with hvoss (Herefordshire Voluntary Organisations Support Service) commissioned this research to quantify the immense size, breadth and diversity of the local sector, ensuring that it captured the impact of local and informal community groups which are responsible for many of the activities which go on in all communities across the county.

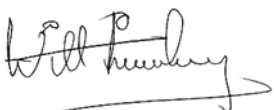
The sector's contribution continues to be significant in ensuring local communities are healthy, safe, cohesive and resilient. During the COVID-19 pandemic, one of the biggest social and economic challenges facing the world, the local VCSE, in great numbers, worked brilliantly in partnership with other sectors as part of a well-coordinated response to provide essential community support.

This research also identifies key needs and challenges that the sector now faces. Reduced levels of funding and resources as well as fewer opportunities to generate income are major issues for the sector. This is even more so at this time when it is supporting those with increasingly complex needs. The research findings and its recommendations, along with the learning experience we have all gained from COVID-19 now provide opportunities for us all to work together in new and different ways to capitalise on the skills, assets, ability, capability and capacity within the VCSE sector. It is essential that the local VCSE sector is now supported to maximise its value and the broader contribution it makes to the county, whilst safeguarding the unique characteristics that set it apart from other sectors.

We recognise that this research was undertaken during the pandemic and at a time when there were considerable challenges and pressures affecting the ability of many to respond. With this in mind, a commitment has already been made to repeat the 'State of the Sector' survey in 2023 in order to ensure ongoing information is available about the local VCSE sector and to monitor progress made by all partners towards this report's recommendations. This will ensure the work of VCSEs continues to be highlighted and acknowledged and that together we respond as a county to the challenges and opportunities in the years ahead.

We would like to acknowledge everyone who has contributed to the research, and in particular local VCSE organisations for their insight and continued contribution to thriving communities across Herefordshire.

SIGNATORIES -



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KEY FACTS FROM THE SURVEY

2,304

VCSEs are based or operate in the county, of which 1,325 are registered with the Charity Commission.

VCSEs contribute

£355 MILLION

per annum to Herefordshire's economy.

£60 MILLION

is spent on staffing in the VCSE sector per annum.

If volunteer hours had to be paid for this would equate to at least

£17 MILLION

per annum.

The Herefordshire VCSE sector has a combined income of

£278 MILLION

In Herefordshire there are **4,275** paid VCSE employees, comparatively, the public sector employs **9,020** people and the private sector employs **60,474** people.

6% of all employees work in the VCSE sector, compared to **3%** nationally.

79% of VCSEs have a turnover of less than £100,000

41% MICRO
(less than £10k)

and **38% SMALL**
(between £10-£100k).

32% of 18+ adult population volunteer in Herefordshire, with **23%** doing so at least monthly.

FROM THE SoS SURVEY

108,850 residents in Herefordshire used the services offered by the 281 VCSEs responding to the survey, this ranged from organisations supporting people on a one-to-one basis to housing associations offering several thousand tenancies.

HALF of all respondents to the SoS survey operate in just one locality (Primary Care Network Area or below).

73% think demand for their service will increase over the next 2 years, particularly those providing cultural and recreational activities and health, social care and well-being support.

41% of VCSEs are providing health, social care and well-being services.

40% of VCSEs rely on grants for at least half their income.

Marketing and communications support came out as the **HIGHEST AREA OF NEED**

NATIONAL COMPARATORS

In Herefordshire the income generated by charities in 2018/19, was equivalent to

£0.5 MILLION PER 1,000 POPULATION

compared to the UK total which was

£0.84 MILLION PER 1,000 POPULATION

In 2018/19 there were

4.32 CHARITIES PER 1,000 HEAD

of population in Herefordshire

compared to

2.43 CHARITIES PER 1,000 HEAD

of population in the UK

2. INTRODUCTION

This report outlines the findings of research, commissioned by Herefordshire Council in partnership with Herefordshire Voluntary Organisations Support Service (hvoss), to assess the 'State of the Sector'.

The purpose of the research is to:

- Provide insight into the size and diversity of the voluntary and community sector in Herefordshire and how it compares nationally and with neighbouring counties.
- Demonstrate the contribution the sector makes socially and economically.
- Highlight how the sector is supported and works with others.
- Identify the key issues facing the sector locally.
- Provide recommendations to strengthen the sector.

The intention is that a follow-up study will be undertaken in 2023 to monitor and track the changes and trends in the data.

RATIONALE

The State of the Sector research was commissioned to highlight what the VCSE (Voluntary, Community and Social Enterprise) sector in Herefordshire does and to demonstrate the value and diversity of the work it undertakes. The aim is to demonstrate to all stakeholders how the sector plays an essential role in providing services that support many of the most vulnerable in our communities, how it contributes to the economy of the county and is an essential part of the fabric of society.

This report is intended to support VCSEs to demonstrate their impact and to be read by those outside of the sector to increase their understanding and awareness of the breadth and depth of the sector and the vital contribution that VCSE organisations make to all areas of life in Herefordshire.

SCOPE OF THE RESEARCH AND HOW DATA WAS GATHERED

The scope of the research was to undertake a comprehensive assessment of the VCSE sector across Herefordshire. This was to include all voluntary organisations (registered charities), community groups (un-constituted), the community work of faith groups, and social enterprises. A key focus of the research was to try to reach the smallest, volunteer-led, un-constituted organisations working at a neighbourhood level that may operate 'below the radar' and have limited engagement with the wider sector.

A mixture of both qualitative and quantitative methods of data collection were used:

- **VCSE Sector Database:** A database of all VCSE organisations located or delivering services in Herefordshire was created using information publicly available through the Charities Commission website, Companies House, Registered Societies and Herefordshire Council's Contracts Register.
- **On-line survey:** An on-line survey was created and disseminated via infrastructure organisations and thematic sector networks. The survey (see Appendix A) consisted of 28 questions and was designed to collect detailed information from medium to large organisations, (including financial information), and higher level information from micro and small organisations to encourage completion. 281 survey responses were received representing a response rate of approximately 12 per cent of the estimated number of VCSEs in Herefordshire.
- **Interviews:** Six interviews were undertaken with the Chief Officers from Local Infrastructure Organisations (LIOs) that provide a range of services and development support to the VCSE sector in Herefordshire and a further three with relevant stakeholders in the county e.g. the Clinical Commissioning Group and Herefordshire Council.
- **Focus groups:** All VCSE organisations that completed the survey were able to register to attend the focus groups. Nine groups were held in total, five of these were thematic; micro-organisations, social enterprises, large organisations, health & social care organisations and infrastructure organisations and four were based on Primary Care Network (PCN) areas (Hereford City, East, North and West and South and West). These were attended by 42 representatives from the sector.

Triangulation of qualitative and quantitative data was undertaken to assess the 'State of the Sector' in Herefordshire in 2021.

3. CONTEXT AND BACKGROUND

The estimated population of Herefordshire is 193,600¹. Herefordshire is a rural county with the fourth lowest population density in England (89 people per square kilometre). It has pockets of deprivation, some of which score highly on the Indices of Multiple Deprivation (IMD), and is ranked 97th most deprived out of 151 county or shire council authorities. It is more deprived than the neighbouring counties of Shropshire and Worcestershire. The rural nature of the county masks the deprivation that many people experience in Herefordshire. Alongside this the rurality of the county presents challenges in terms of service delivery i.e. the cost of service delivery is higher as a result of a dispersed population, residents have to travel further to access services and it is more difficult to achieve economies of scale. With regard to the geographical barriers to services sub-domain of the IMD, almost two thirds of all Herefordshire Lower Super Output Areas (LSOAs), 72 of the 116, are among the 25 per cent most deprived in England in respect to geographical barriers to services with 53 being in the most deprived 10 per cent across England.

The contribution of the VCSE sector in Herefordshire is very apparent in many areas of civil society and in both urban and rural communities. The sector is often operating in areas of market failure, such as closure of local services due to low density population, which creates unviable models of service delivery. The sector is incredibly diverse, vibrant and effective, as the findings of the profiling data demonstrates. However, at the time of commissioning this research the operating context for the Herefordshire VCSE sector has become more complex and characterised by additional challenges, for example the pandemic and Brexit. The impacts on the VCSE of these challenges is constantly emerging.

COVID-19

The UK, as with the rest of the world, is still grappling with the fallout of the coronavirus pandemic which has had a significant impact on the ability of many VCSEs to carry out their work effectively, with many facing a substantial restriction in their ability to deliver services and support communities. The pandemic reinforced the indispensable role that the sector plays in supporting the most vulnerable and resulted in many organisations seeing an increase in demand for their services. However, the pandemic has significantly reduced the sector's ability to fundraise, which means that at a time when demand for support services is increasing, income for many has decreased. Whilst the pandemic has exposed some of the weaknesses of the sector, it has also demonstrated its strengths; it's strong connection with local communities, it's agility demonstrated through it's ability to respond to fast changing needs, and it's motivation to support and work with the most vulnerable in society. The experiences of responding to COVID-19 also highlighted to all sectors and across communities the value of collaboration.

OTHER MAJOR EVENTS

In addition to the economic and social impacts of COVID-19 the sector has also had to simultaneously deal with the uncertainty created by Brexit which has exacerbated an already complex operating environment and added challenges such as changing regulations and disruption of supply chains.

At a more local level, the extensive flooding in Winter 2019/2020 affected many individuals, businesses and VCSEs, for some over a period of many months, for example, due to ongoing road closures as a result of flood damage. Like the pandemic, this crisis saw the sector come to the fore coordinating local support services and mobilising the volunteer effort to support those most affected.

¹2020 MYE Herefordshire, ONS, Crown Copyright.

REDUCTION IN PUBLIC SECTOR FUNDING

Since 2010 the VCSE sector has experienced a significant reduction in public sector funding and commissioning opportunities. This was as a direct consequence of the 2010 budget set by H M Treasury, which announced the deepest ever spending cuts. Although for some parts of the sector this created fertile territory to develop more sustainable forms of income, for others funding cuts and the difficulties with securing funding mean that the operating environment is increasingly challenging.

It is probably fair to say that parts of the sector in Herefordshire have been under-resourced for many years – this has affected not only service delivery organisations but also infrastructure organisations that have an essential supporting role. Disinvestment has resulted in medium and large VCSE organisations working in a culture of competition rather than collaboration. Consequently, there is a need to develop a sense of cohesion and connectedness within the sector.

The financial challenges facing both the VCSE and public sectors need to be considered alongside the increased costs of service delivery in a rural county. In addition, Herefordshire has disproportionately higher population numbers in the older age categories (50+) than nationally. People aged 65+ currently account for approximately a quarter of the county's population and it is expected that this age group will continue to grow with those aged 85+ rising even more rapidly². To put this in context, the older population of the East Primary Care Network (PCN) area, for example, is 70 per cent higher than the national average³. The implications of this are increased demand for social care at a time when there are depleted resources to meet this demand.

INTEGRATED CARE SERVICE

The Health and Care Bill 2021, contained a series of measures to establish Integrated Care Systems (ICSs) that formally replaced Clinical Commissioning Groups (CCGs) in April 2022. The purpose of the ICS is to meet health and care needs across Herefordshire and to plan services to ensure that health is improved and health inequalities are reduced. Importantly the VCSE sector is seen as a key partner in achieving the aims of the ICS. The ICS utilises existing PCN areas to deliver its aims. The PCN areas are North and West, South and West, East and Hereford City. Within PCN areas general practices work together with a range of local providers including across primary care, social care, community services and the VCSE sector to offer more personalised, coordinated health and social care to local populations.

In Herefordshire the Community Partnership⁴ is also being developed to ensure communication between the VCSE sector and the ICS and to build understanding between the sectors of the contribution of all partners to the ICS agenda. This new partnership represents an important opportunity for cross-sector collaboration to address the needs of communities in Herefordshire.

²Ageing population - Understanding Herefordshire

³East Herefordshire PCN Profile – Midlands and Lancashire Commissioning Support Unit

⁴The Herefordshire Community Partnership was initiated in 2021 jointly by hvoos and Healthwatch and is an open forum for VCSE and public sector with a common goal of producing and designing health, wellbeing and care solutions together.

TALK COMMUNITY

Talk Community is an approach which aims to meet the community ambition of the Herefordshire County Plan, 2020-24, to; 'improve the sustainability, connectivity and well-being of our County by strengthening our communities' and also fulfils objectives of the Care Act 2014 (which places emphasis on a strengths and assets based approach to supporting individuals within communities). The approach, which gained strength during recent local emergencies (flooding and COVID-19) complements activity related to the development of the ICS and recognises that everyone in Herefordshire has a vital role to play in helping build strong and resilient communities. Talk Community operates at all levels, from neighbours looking out for each other, organised support such as the volunteer run Talk Community Hubs across the county that offer information and signposting to support residents' health and well-being, to partnership working at all levels, providing opportunities for collaboration within and between the sectors. This initiative is supported by a locality-based approach operating at the PCN level, which will become increasingly important with the implementation of the ICS.

NATIONAL POLICY

Central government policy also affects the operating environment of the VCSE sector. Over the next 2-3 years the government's focus on recovery from the pandemic, specifically responding to the significant health and social care impacts, and its drive to reduce regional inequalities through the 'levelling-up' initiative are likely to affect the VCSE sector. VCSEs potentially have a significant role to play in "levelling-up" as they often work with some of the most marginalised people in society.

Most recently VCSEs have been successful at accessing funding through the UK Community Renewal Fund, which demonstrates how VCSE organisations can mobilise and respond to a dynamic policy environment.

LONGER TERM CHALLENGES – CLIMATE CHANGE

In the longer term, responses to climate change are also likely to affect the operating context of the VCSE sector. Society must adapt to mitigate the worst consequences of climate change and this is likely to impact on all areas of our lives, for example how we move around, heat our buildings and feed ourselves. The economic consequence of change is likely to be hardest felt by those on lower incomes, leading to increase in demand for support services. In addition, economic consequences are likely to be felt by smaller organisations/enterprises many of which make up the VCSE sector in Herefordshire. Whilst a challenge there is also an opportunity for VCSEs to be part of the solution, and there are already many good examples of emerging projects and responses to the climate emergency in the county.

4. THE PROFILE OF THE VCSE SECTOR IN HEREFORDSHIRE

This section explores:

- The size of the sector, types of organisations and its main activities.
- Who the sector supports where and whether demand is being met.
- Who works in the sector (staff & volunteers).
- Income and expenditure.
- Gaps in service delivery

Analysis of the State of the Sector (SoS) survey and existing databases was undertaken to create a single Herefordshire VCSE register. The data sources used to create the register were:

- Charities Commission
- Companies House
- Registered Societies
- Herefordshire Council's Contracts register
- State of the Sector Survey (SoS) 2021

Wherever possible 2021 data has been compared with data from the last large-scale research done in the county, Third Sector Support Needs, undertaken by Herefordshire Council Research Team in 2010 and with data from other neighbouring counties. The UK Civil Society Almanac has also been used to draw comparisons with national data.

CAVEATS AROUND THE DATA

The VCSE register is a combination of data from various sources, with the majority of the data originating from the Charity Commission register. This shows charities that are based in Herefordshire, regardless of where they operate, and charities that operate in the county but are not based in the county. The Charities Commission data is the primary source of financial data, particularly income, however despite this being the most comprehensive single source, of the 1,325 records for Herefordshire approximately 17 per cent have no income data.

The Charity Commission data also provide for each charity in the county options to select 'Who', 'What' and 'How', which enables comparisons with other areas in a consistent manner. However, these are not mandatory fields so are subject to a lot of missing data. Analysis of this data shows that 31 per cent of Herefordshire's non-mandatory fields are incomplete.

The State of the Sector survey data is also part of the Herefordshire VCSE database. After removing duplicates and partial responses there were 281 responses. Based on there being an estimated 2,304 VCSEs in the county this represents a response rate of 12 per cent. Nb. For analysis purposes the duplicates were excluded from the quantitative analysis but included in the qualitative analysis to capture the full range of perspectives from respondents.

ESTIMATED STRENGTH OF THE SURVEY

The total number of individual survey responses for Herefordshire was 281. This response rate allows for a 5.4 per cent margin of error based on a 95 per cent confidence interval.

The SoS survey was designed by Impact Consultancy and Research, Herefordshire Council and hvoss. Where possible questions were asked in a similar way to either previous or nationally comparative surveys, to allow for comparisons. The survey was piloted by a number of volunteers from the VCSE sector before being launched electronically on the 19th October 2021. The survey was emailed directly to all charities registered on the Charity Commission database, and local VCSE infrastructure organisations were asked to circulate it via their own networks and through the Talk Community networks. The survey remained open, with multiple reminders being sent, until 28th November 2021.

Please note that graphs and tables are presented within the main report to support the findings but further graphs and tables are also included in Appendix 2.

4.1 THE SIZE OF THE SECTOR, TYPES OF ORGANISATIONS AND ITS MAIN ACTIVITIES

By analysing all available data a picture of the scale, scope and unique characteristics of the VCSE sector in Herefordshire starts to emerge.

Table 1. Sources and numbers of VCSE groups and organisations who work in, or operate out of, Herefordshire

	Number	Percent
Community Amateur Sports Clubs (CASC)	38	2
Charity Commission	1,325	58
Companies House (Companies categorised as VCSE) ⁵	169	7
HC Contracts register	17	1
Registered Societies	47	2
SoS Survey (organisations that did not appear on any other database)	129	6
BTR (Below the radar groups) NCVO	579	25
Total	2,304	

Source: Combined datasets

⁵According to the Social Enterprise Landscape in Herefordshire (2020), there are 240 known Social Enterprises operating in the county. This figure was arrived at following a review of local and national data sources.

4.1A ESTIMATED SIZE OF THE SECTOR

This section identifies the key characteristics in relation to the size of the sector. Key points include:

- At the time of the research it was estimated that there were approximately 2,300 VCSEs in Herefordshire.
- According to the UK Register of Charities in England and Wales (in 2020), there are 1,325 registered charities in Herefordshire.
- The SoS survey identified 129 VCSEs that were not previously recorded on any other database.
- It is estimated that there may be 708 below the radar (BTR) organisations in the county.
- 17 VCSE organisations were identified as being on Herefordshire Council's contracts register that were not previously identified from other sources.

BELOW THE RADAR (BTR) GROUPS

Identifying the total number of VCSEs in an area is a significant challenge due to the fact that many informal community groups operate without a constitution or any formal registering process. This means that they do not have to register with the Charities Commission or Companies House and are therefore operating below the radar (BTR). NCVO research conducted by Southampton University indicates that there will be around 3.66 BTR organisations per 1000 people⁶. Based on Herefordshire's population of 193,600 we estimate that there are 708 of these micro-organisations in the county. Assuming we reached 129 of these via the survey we estimate that there may be an additional 579 BTR organisations in the county.

HOW THE NUMBER OF VCSEs IN HEREFORDSHIRE COMPARES WITH NEIGHBOURING LOCAL AUTHORITIES AND NATIONALLY

When looking at the number of charities per 1,000 population in Herefordshire compared to geographical neighbouring authorities⁷, Herefordshire comes out second highest in terms of the number of charities. However, Herefordshire charities have the fourth lowest income per 1,000 population⁸. **This suggests that Herefordshire has a comparatively large charity base, but lower income generation compared to neighbouring unitary and district authorities.** For example, both Worcester and South Gloucestershire have lower numbers of charities per 1,000 population but have higher incomes.

Nationally there are 163,150 registered charities in the UK and of these 0.5 per cent are based in Herefordshire. In the UK there were 2.43 charities per 1,000 head of population compared to 4.32 charities per 1,000 head of population in Herefordshire⁹.

⁶(Mohan et al. 2010),

⁷Data was only available for geographical neighbours at a Local Authority level. County Councils used for comparison were Gloucester, South Gloucestershire, Worcester, Shropshire, Powys.

⁸2018/19 figure from The UK Civil Society Almanac 2020

⁹2018/19 figure from The UK Civil Society Almanac 2020

SIZE OF VCSEs BY TURNOVER

This report categorises VCSEs size based on income bands. These categories are consistent with those used in the Civil Society Almanac, which uses 6 income bands as outlined in Table 2.

Table 2. Proportion of VCSE groups and organisations by size (annual turnover) in Herefordshire and the UK

Name	Size by annual turnover	Herefordshire per cent (2021)	UK per cent (2018/19)
Micro	Less than £10,000	41	44
Small	£10,000 to £100,000	38	36
Medium	£100,000 to £1m	12	16
Large	£1m to £10m	6	3
Major	£10m to £100m	1	0
Super-major	More than £100m	0	0

Source: Hereford SoS, 2021, Herefordshire Council, and UK 2018/19 figure from The UK Civil Society Almanac 2020

The majority (79 per cent) of Herefordshire's VCSEs are micro and small (less than £100k turnover) - 41 per cent micro (less than £10k) and 38 per cent small (between £10-£100k). This is similar to the national proportions, with the majority also identifying as micro and small. This profile is replicated across the county, with primarily micro and small VCSE groups and organisations making up the majority in each of Herefordshire's Primary Care Network areas.

4.1B THE TYPES OF ORGANISATIONS IN HEREFORDSHIRE AND HOW THIS COMPARES TO 2010 AND TO UK DATA

The majority of VCSEs who responded to the SoS Survey 2021, identified as a Charity (56 per cent), following on from this 12 per cent identified themselves as a Community Organisation and 10 per cent as a Social Enterprise.

The profile of SoS survey respondents is similar to the profile emerging from the combined data set, with the largest majority being charities. **It is therefore reasonable to estimate that the majority of VCSEs in Herefordshire are registered charities¹⁰.**

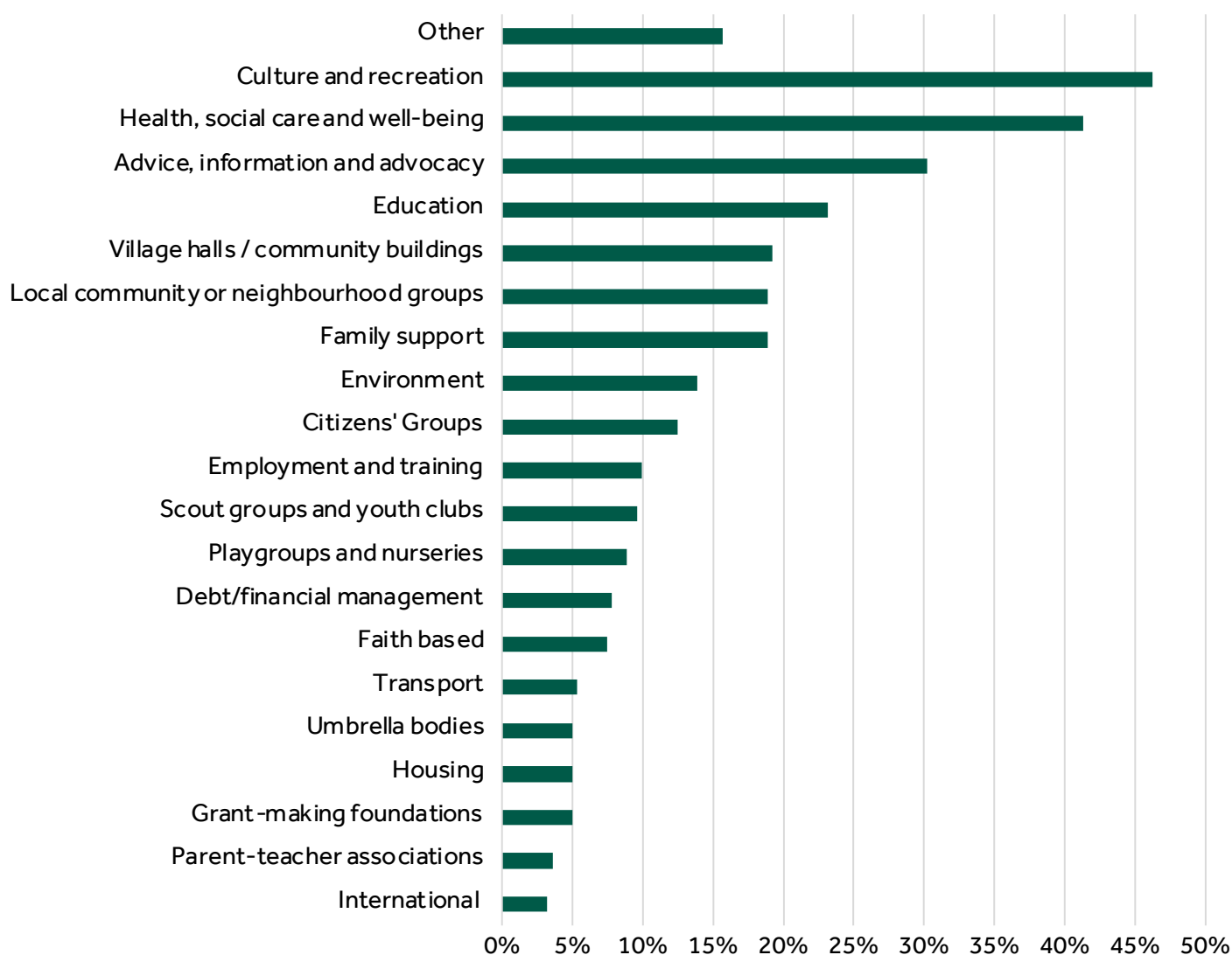
¹⁰Charities with a turnover of less than £5,000 do not have to register with the Charities Commission, however in the 2020 data, 369 out of 1,325 registered charities were registered despite an income of less than £5,000 (28 per cent).

4.1C THE MAIN ACTIVITIES OF VCSEs IN HEREFORDSHIRE

Graph 1 illustrates the broad range of services delivered by VCSEs in Herefordshire, as identified by the SoS Survey 2021.

Graph 1: Proportion of VCSEs by type of service they offer, Herefordshire 2021

Proportion of VCSE groups and organisations by what type of service they offer in Herefordshire (main and other areas of activity)



Source: SoS Survey, 2021. Herefordshire Council.

Further analysis of the different size of organisations shows that, in Herefordshire, the 'major' organisations are offering services around housing, health, social care and well-being and faith based.

The micro groups and organisations are primarily:

- Environmental groups
- Local community or neighbourhood groups
- Village halls and community buildings
- Citizen groups

Play groups and nurseries, parent-teacher associations, and transport services were typically classed as small with between £10k-£100k turnover.

Further comparison with the national VCSE profile can be made by analysing the Charities Commission data, particularly by analysing how they deliver services and activities, as compared to what they do shown above.

This reveals that Herefordshire has higher proportions of charities compared to the UK as a whole that:

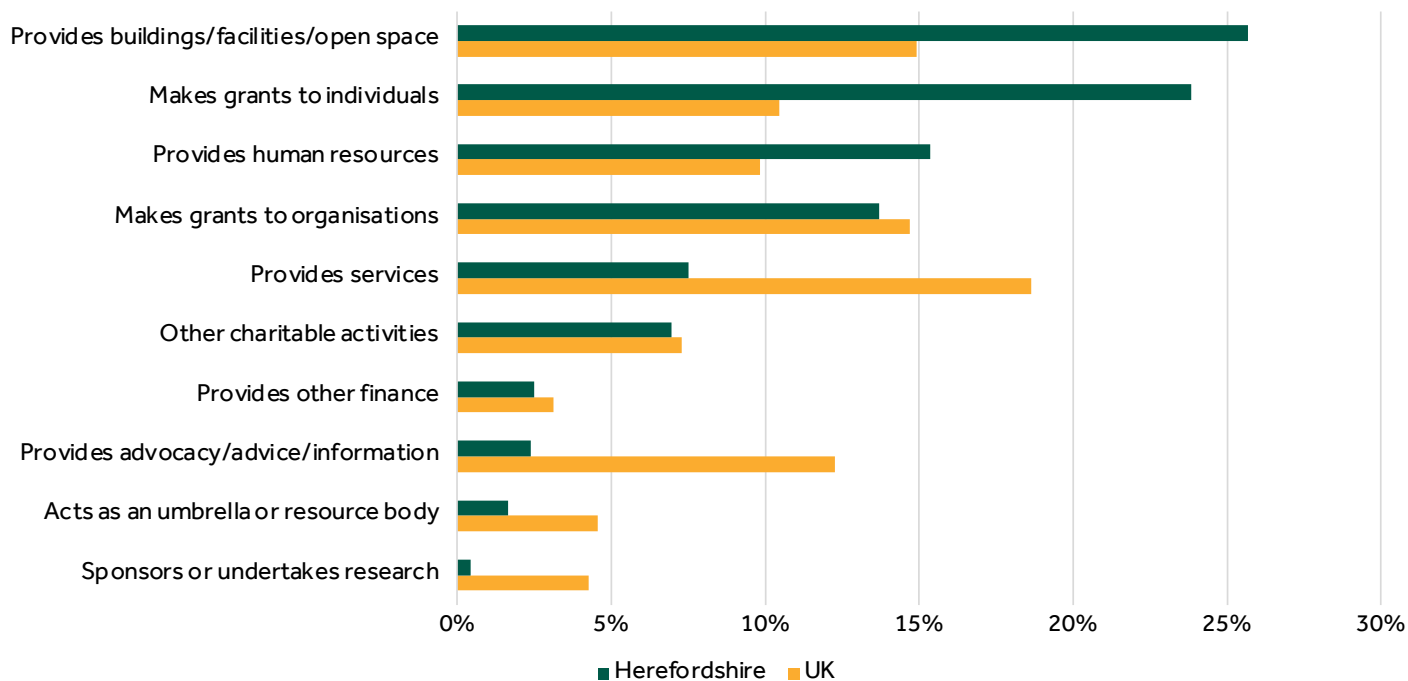
- Provide buildings/facilities/open space (this may reflect the high number of village halls in the county)
- Make grants to individuals
- Provide human resources

Comparatively Herefordshire has a much lower proportion of charities that:

- Provide services
- Provide advocacy, advice and information
- Sponsors or undertakes research
- Act as an umbrella or resource body

Graph 2: Proportion of VCSEs (charities only) by activity, UK, 2018/19 & Herefordshire, 2021

Proportion of organisations (Charities only) by activity, Herefordshire, 2021, UK, 2018/19 and proportion on UK income by activity



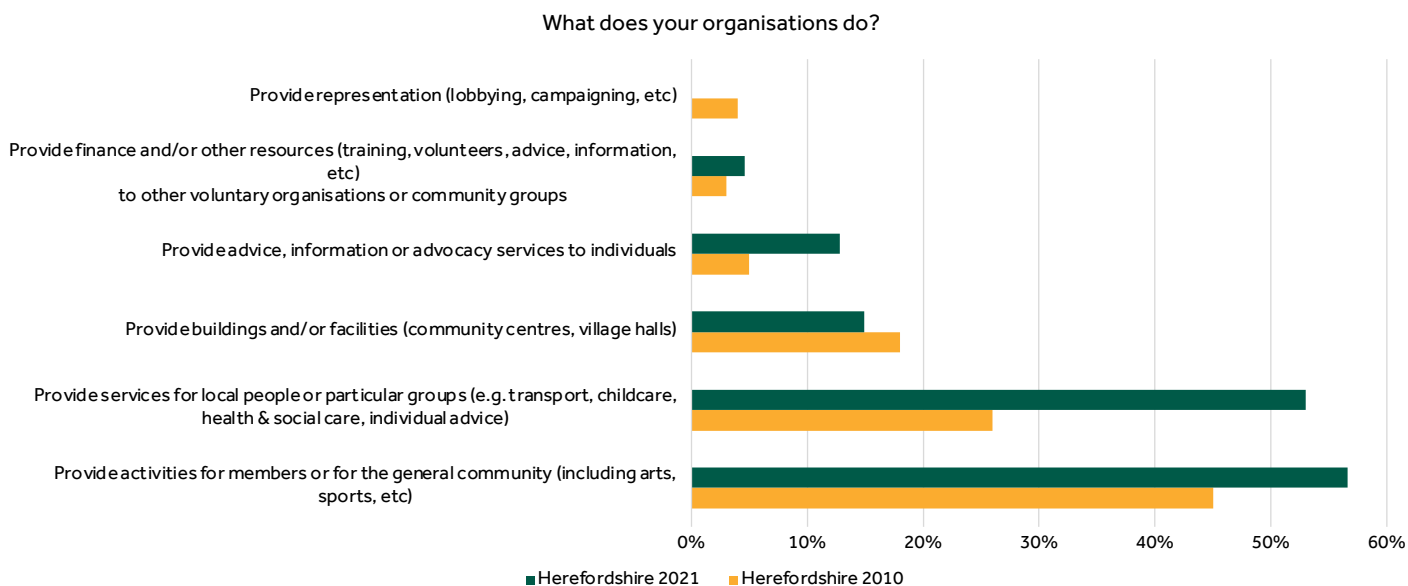
Source; Charity Commission, 2021

Comparison with the 2010 survey data shows there has been an increase in the proportion of VCSEs providing:

- Activities for members or for the general community
- Services for local people or particular groups

However, some caution should be applied as the categorisation of services/activities in 2010 and 2021 are not directly comparable.

Graph 3: Proportion of VCSEs by what they do, Herefordshire, 2010 & 2021



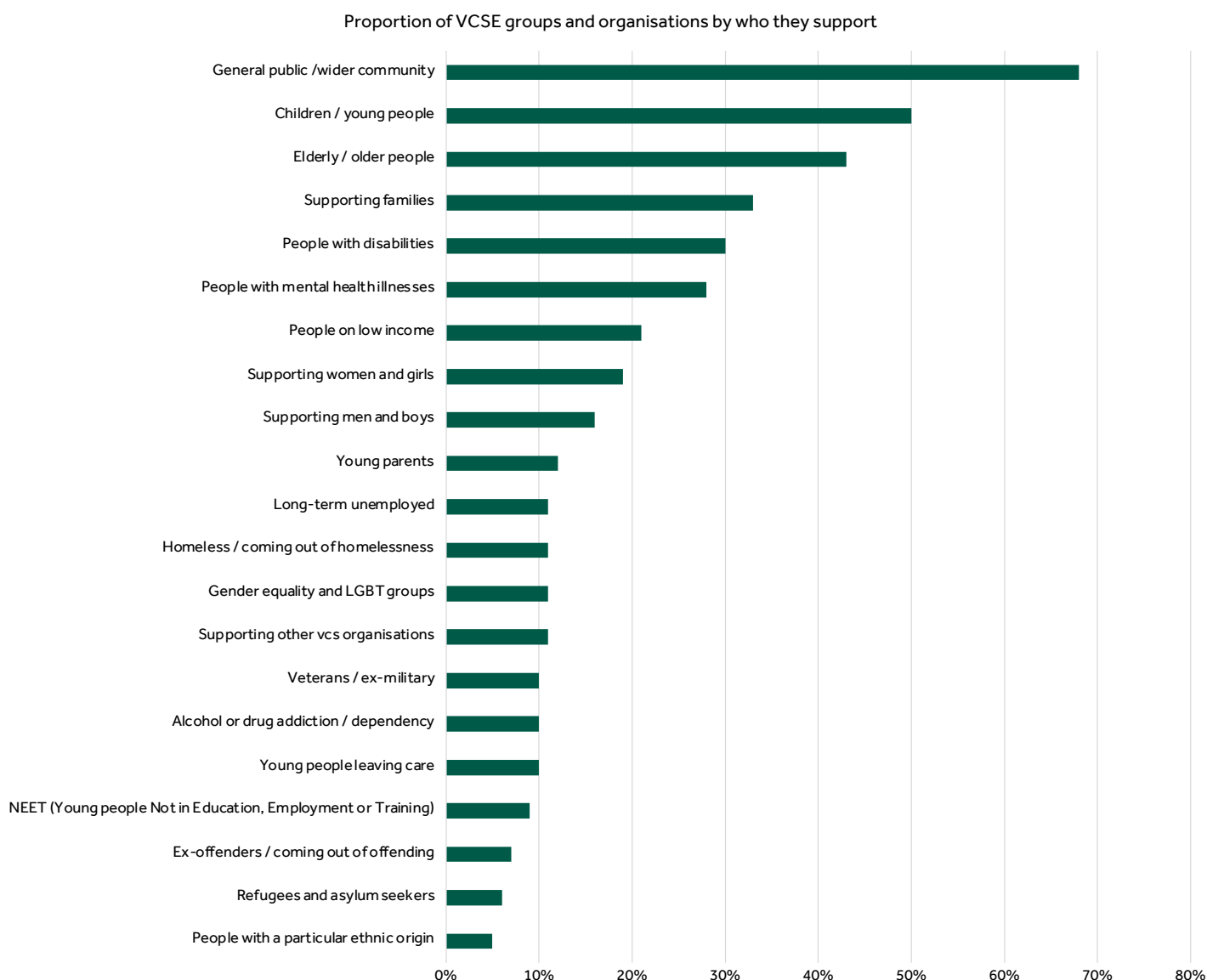
Source: Third Sector Support Services Needs Survey, Herefordshire Council, 2010 & SoS Survey, Herefordshire Council, 2021

4.2 WHO ARE THE VCSE SUPPORTING; WHERE, HOW MANY AND IS THE DEMAND BEING MET?

4.2A CATEGORIES OF PEOPLE SUPPORTED

Analysis of the SoS survey shows the people supported in the county by VCSEs. Two thirds of VCSE survey respondents provide services to the general public and the wider community. The next largest portion of VCSEs were those supporting children and young people and then older people.

Graph 4: Proportion of VCSEs by who they support, Herefordshire, 2021



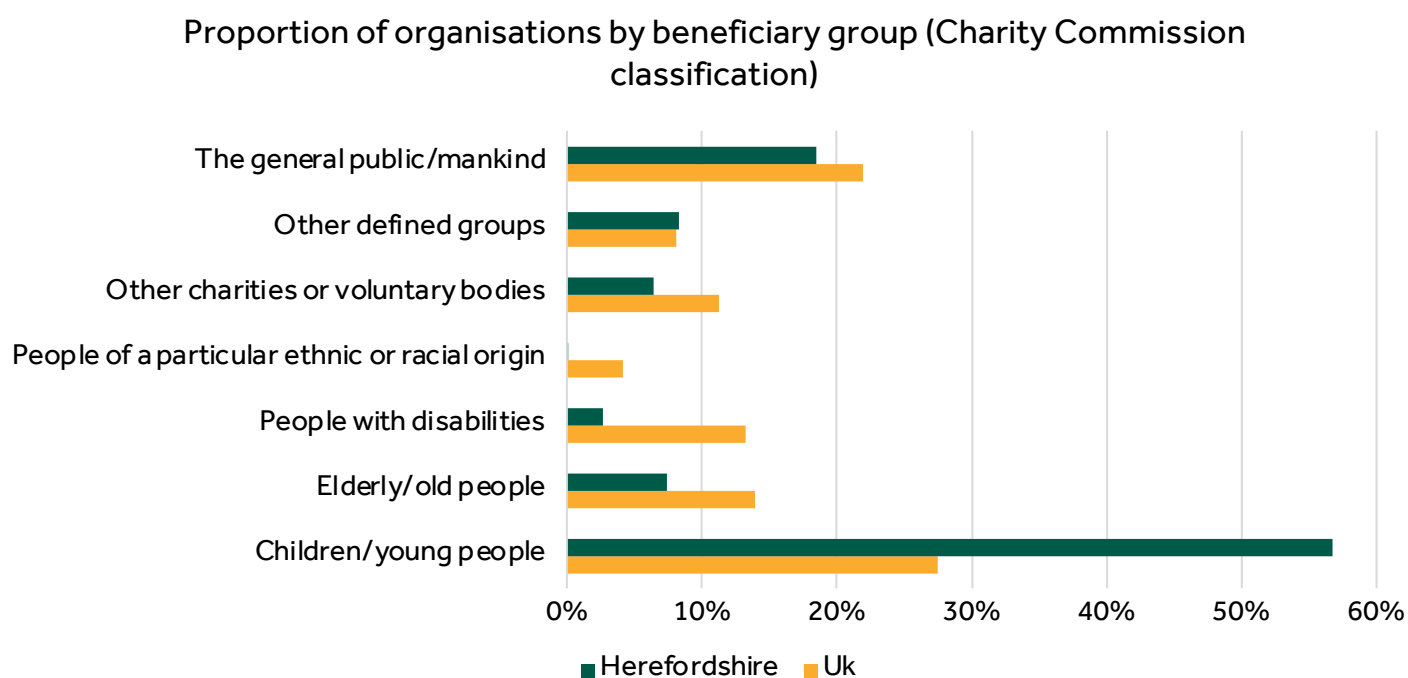
Source: SoS Survey, 2021. Herefordshire Council.

Information based on Charities Commission data compares the national and local picture (Graph 5), shows that Herefordshire has a much higher proportion of charities supporting children and young people than the UK as a whole.

In addition, this data for Herefordshire suggests that there are lower proportions of charities supporting:

- People of a particular ethnic or racial origin
(Given the relative lack of ethnic diversity in the county this is not unexpected).
- People with disabilities
- Older people – *(This is surprising given that Herefordshire has an ageing population. It is also at variance with data from the SoS survey that shows 43 per cent of organisations providing support for older people.)*
- Other charities or voluntary bodies.
(This may suggest that there is a lack of infrastructure support in the county)

Graph 5: Proportion of VCSEs by beneficiary group (charities only), UK 2018/19 & Herefordshire, 2021



Source; Charity Commission, 2021

Comparisons by PCN area

Below county level, each of the PCN areas have broadly the same population profile as the county as whole, Hereford City PCN area data suggests that there may be a slightly lower proportion of people aged 65 years and above.

The South and West PCN area has a slightly higher proportion of VCSEs supporting older people than other PCN areas.

Hereford City PCN area has slightly more VCSEs supporting children and young people compared to other areas, however this is in line with the slightly higher proportion of young people living in the Hereford City PCN area.

4.2B NUMBER OF PEOPLE SUPPORTED BY THE VCSE SECTOR

In the Herefordshire SoS survey, respondents were asked 'how many people engaged with the group' or use the service to estimate the size of the VCSE groups and organisations in terms of their reach. Data indicates that approximately 108,850 people engaged with the 281 VCSEs that responded, this ranged from organisations supporting people on a one-to-one basis to housing associations offering several thousand tenancies. It is worth noting that respondents may have interpreted 'engagement' differently therefore responses to this question may be inconsistent. Additionally, it is not possible to estimate how many people engage with more than one organisation or how many interactions they may have with them.

From those who were able to indicate how many people engage with their service, there were fewer VCSEs that engaged with larger numbers of users in the three rural PCN areas: North and West, South and West and the East. VCSEs who have larger numbers of service users that engage with them were primarily located in the Hereford City PCN area. This likely reflects the rurality of the county and the fact that Hereford City is the most densely populated PCN area.

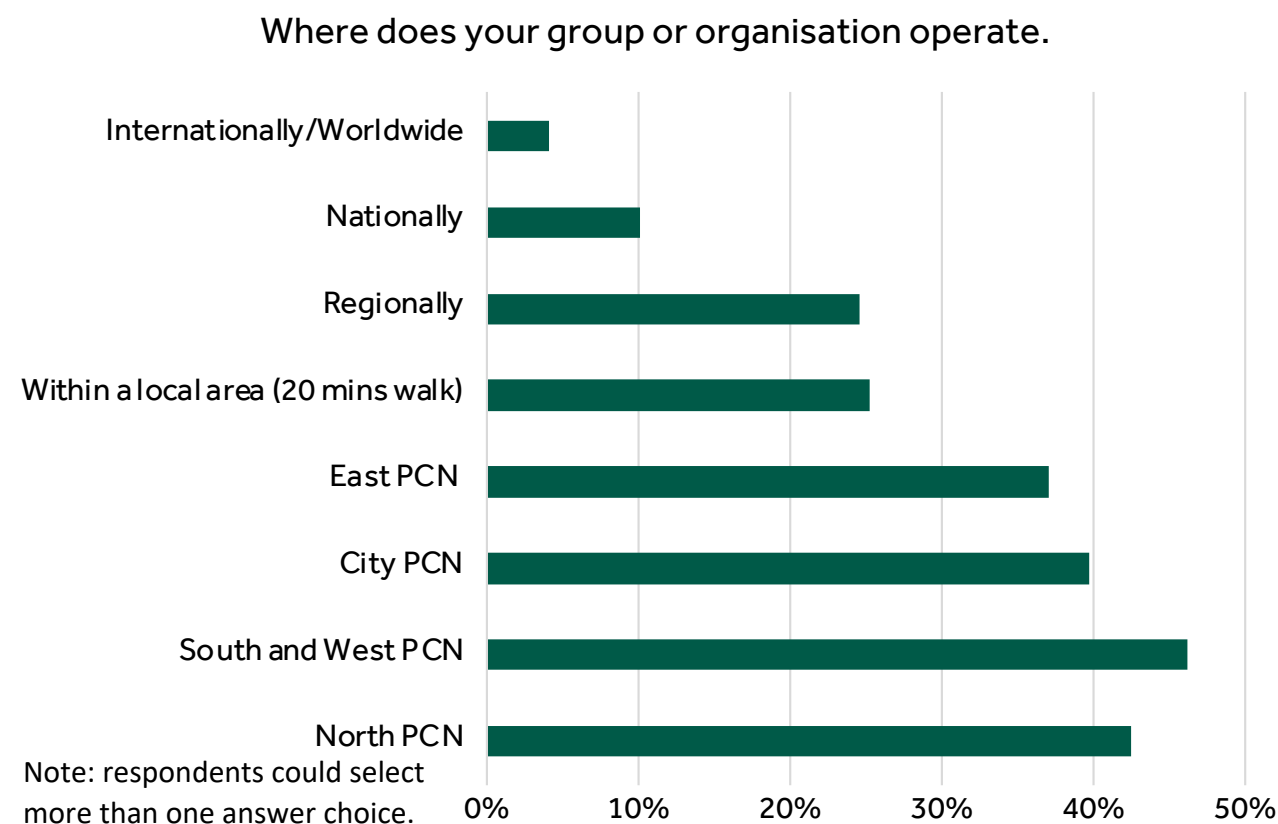
4.2C WHERE DO VCSEs OPERATE IN THE COUNTY?

79 per cent of all VCSEs operate within the county of Herefordshire only. (SoS Survey, Herefordshire Council, 2021)

Approximately half of all respondents to the SoS survey operate in just one locality (PCN area or below), and approximately 27 per cent of these operate within a local area (defined as within a 20 minute walk). A further 27 per cent operate regionally. Only 15 per cent of organisations operated nationally, internationally and worldwide.

This highlights that a significant majority of VCSEs in the county are rooted in their locality, which means they are likely to have good levels of local intelligence about the communities they serve.

Graph 6: Proportion of VCSEs by where they operate, Herefordshire, 2021



Source: SoS Survey, Herefordshire Council, 2021

There were comparatively lower SoS survey responses from VCSEs in the North and West PCN. Conversely, comparatively, there was slightly higher responses from VCSEs in the Hereford City PCN area.

Table 3. Proportion of VCSE organisations by PCN area by source.

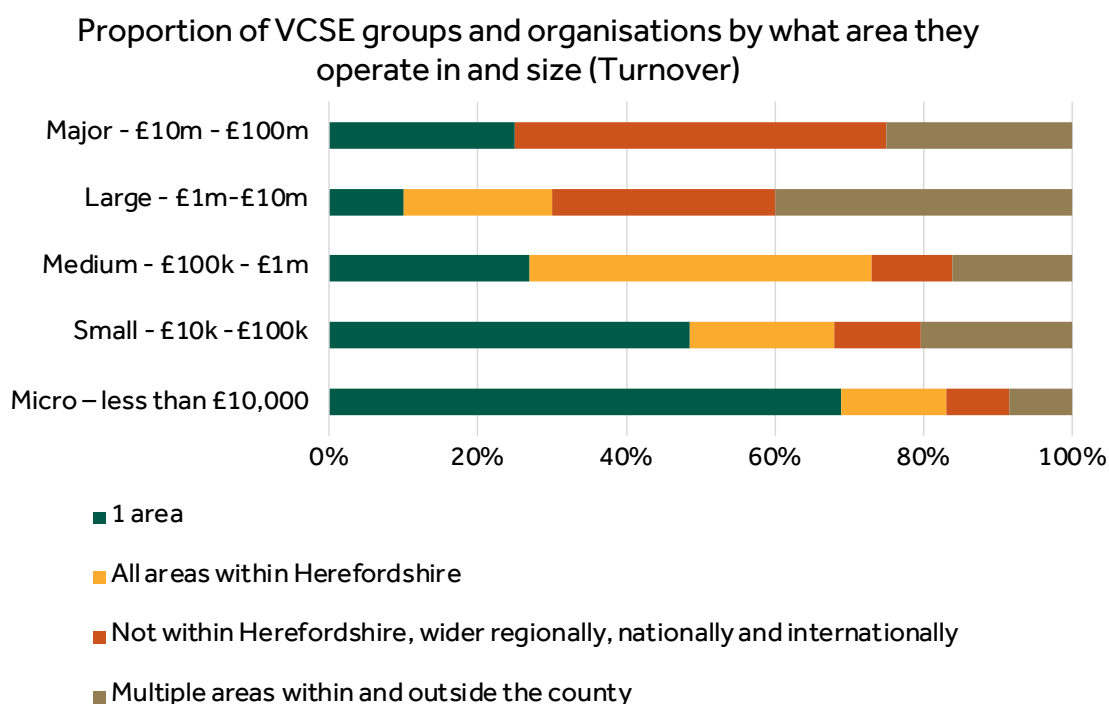
	East	Hereford City	North and West	South and West	Herefordshire
Total	17%	31%	29%	23%	1,175
Charity Commission	17%	29%	28%	26%	806
SOS Survey	12%	42%	19%	28%	113
Other	17%	31%	38%	14%	256

Source: Combined datasets

The East PCN area had the lowest response rate to the survey, whilst the table above also illustrates it has the lowest proportion of VCSEs in the county.

Through cross tabulating area of operation by size of organisation this reveals more about where VCSEs are operating

Graph 7: Proportion of VCSEs by what area they operate in and size (turnover), Herefordshire, 2021



Source: SoS Survey, Herefordshire Council, 2021

Note: Caution should be applied when looking at proportions of size of organisations as they are based on low numbers (very low in the case of 'major', with only 4 responses in this category.)

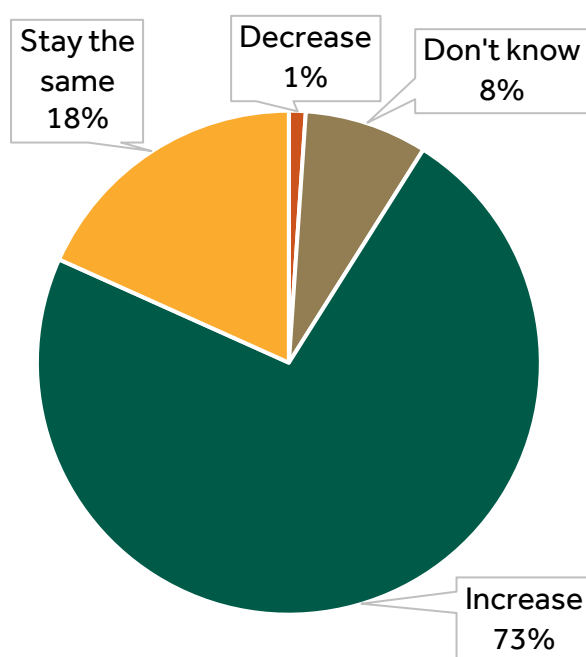
Unsurprisingly, the majority of micro and small VCSEs operate in only one area within the county. Comparatively, large and major VCSEs have a larger proportion that operate in areas within and outside the county.

4.2D DEMAND FOR SERVICES

Graph 8 shows how SoS survey respondents predict that demand for services will change over the next two years.

Graph 8: Proportion of VCSEs by perceived change in demand, Herefordshire, 2021

Over the next 2 years do you think demand for your service/activities will...?



Source: SoS Survey, 2021. Herefordshire Council.

The majority of VCSEs expect to see an increase in demand for their services over the next 2 years. On the whole this is positive with an optimistic view that 'people are coming back out' after regaining confidence following the impacts of COVID-19. However, there is concern that increased demand without increased resources will place already stretched VCSEs under pressure, particularly for those offering mental health and debt support.

It is evident that COVID-19 has had a significant impact on changing demand.

"Following Lockdown people want to socialise again."

"As more families are struggling with continued restrictions and decreased resources in family support, we anticipate more people reaching out for help. Our services are under capacity at the moment. We have the capacity to support up to 200 families per year."

"Because Young People have been isolated and disregarded for 3 years, are desperate to catch up with their childhood and make friends. We are forming new partnerships and securing new delivery spaces to reach the unreachable."

Increases in demand were particularly expected in the following two areas¹¹:

- Culture and recreation
- Health, social care and well-being – in particular the need to support vulnerable groups who have been most impacted by COVID-19 and may be experiencing the following:
 - decreasing mental health, particularly affecting older people and younger people
 - increasing levels of domestic abuse and violence
 - a decrease in physical activity levels
 - increase in poor financial situations
 - negative impact on education, particularly meeting demands of those with additional needs not having access to specialist support
 - increases in unpaid care
 - increase in the inequalities around deprivation and children

Many VCSEs highlighted what they are doing, or how they were adapting, to meet this demand. The most common responses were increasing recruitment, expanding projects, and applying for additional funding to increase capacity.

4.3 WHO WORKS IN THE VCSE SECTOR? (STAFF & VOLUNTEERS)

The VCSE workforce in Herefordshire

This section describes the workforce of the VCSE sector. The calculation of the number of paid employees and estimated the size of the volunteer workforce is based on ONS data, Charity Commission data, the findings of the SoS survey and the Community Well-being Survey 2021. Current data has also been compared with that collected in 2010.

N.B. The economic contribution of the workforce is explored in section 5.

4.3A PAID STAFF

ONS data from 2019 shows that there was a total of 909,088 people working in voluntary and community organisations in the UK which represents 3 per cent of the total UK workforce. It also estimates there to be **4,275** VCSE employees in Herefordshire which accounts for approximately 6 per cent of the county's total employees¹². More recent data from the Charity Commission (2021) suggests that this figure is higher with 4,633 employed in the sector. These statistics illustrate the important contribution the sector makes to the workforce of Herefordshire.

SoS survey data (2021) shows that for the 281 VCSE groups and organisations, there are 1,442 employees, of which 46 per cent were full time, and 24 per cent worked less than 17 hours per week. This indicates that Herefordshire may have a higher percentage of part time employees in comparison to the national profile¹³ (63 per cent full time and 37 per cent part time).

¹¹Since the research was conducted, cost of living has become an increasing concern for households, however this was not prevalent during the period of the research.

¹²The data contained in this analysis are produced from a snapshot of the Inter Departmental Business Register (IDBR) taken on 15 March 2019. ONS, Crown Copyright.

¹³Labour Force Survey 2019

4.3B VOLUNTEERS

Herefordshire has a high proportion of VCSEs that have no paid staff which reflects the high level of micro and small organisations which make up the sector. Charity Commission data suggests that this is as high as 81 per cent of the county's charities. This figure drops to 59 per cent based on the SoS survey. This emphasises the sector's reliance on unpaid, voluntary support and the vital role that Local Infrastructure Organisations (LIOs) play in supporting the recruitment and training of volunteers and also the role that LIOs play in providing advice, information and support to volunteer-led groups.

Data from the Charity Commission register suggests that there are 6,415 trustees and 17,733 volunteers making a total of **24,148** people providing unpaid support to the sector in Herefordshire. It is worth noting that organisations on the Charity Commission register only represents 58 per cent of the sector and not all the organisations provided volunteer figures.

The SoS survey asked respondents to indicate how many volunteers provided time for their groups and organisations, with responses indicating a total of **9,863 volunteers**. Of these 5,923 are regular volunteers and 3,940 are casual. Given that this is based on 281 out of a potential 2,304 organisations in the county it would suggest that the actual number of volunteers in the county is significantly higher. It is worth noting when considering volunteering statistics that data does not take into account people who may volunteer for more than one organisation.

According to the Community Wellbeing Survey (Community Wellbeing Survey, April 2021, Herefordshire Council) 23 per cent provide unpaid help to any group(s), club(s) or organisation(s) in the last 12 months at least monthly and a further 9 per cent volunteered less often than monthly. Assuming this is an accurate reflection of the population, this would equate to approximately **50,432** residents 18 years and over. This figure does not take into account the fact that some people will volunteer for more than one group or organisation.

The variation in the above three figures highlights the challenges of providing a definitive estimate of volunteers in Herefordshire, however what it does show is that they are a significant asset to the county, as explored in the 'Value of the VCSE' sector (section 5).

We also asked SoS survey respondents to estimate the total number of volunteer hours per week. Survey findings suggest that volunteers in Herefordshire provide over **13,529 hours per week**.

The total numbers of hours provided each week by volunteers based on the size of organisation¹⁴ are estimated below:

- 2,744 volunteers in micro-organisations provide 1,136 hours per week, representing 17 per cent of the total hours of volunteers in the VCSE sector.
- 2,505 volunteers in small organisations provide 2,505 hours per week, representing 46 per cent of the total hours of volunteers in the VCSE sector.
- 1,699 volunteers in medium organisations provide 1,912 hours per week, representing 29 per cent of the total hours of volunteers in the VCSE sector.
- 2,815 volunteers in large organisations provide 498 hours per week, representing eight per cent of the total hours of volunteers in the VCSE sector.

¹⁴Note: volunteer figures do not sum to 9,863 as not all respondents identified the size of their organisation.

4.3C HOW HAS THE SIZE OF THE WORKFORCE CHANGED?

A comparison of 2010 and 2021 local data suggests that Herefordshire has seen a decrease in paid staff, significantly for part time staff, but a large increase in volunteer numbers. This would appear to buck the national trend given that nationally the paid workforce has grown by 17 per cent since 2010¹⁵, and that the COVID-19 tracker¹⁶ from NCVO shows more VCSEs reported a decline in volunteer numbers than those who reported an increase.

Table 4: Numbers of VCSE sector paid staff and volunteers in Herefordshire 2010 & 2021

	Herefordshire 2010	Herefordshire 2021
Paid staff – full time	799	553
Paid staff – part time	2,206	651
Regular volunteers	4,996	13,471
Total workforce	8,001	14,675

Source: Third Sector Support Services Needs Survey, Herefordshire Council, 2010 & SoS Survey, Herefordshire Council, 2021

4.4 INCOME AND EXPENDITURE (EXCLUDING MICRO-ORGANISATIONS)

The following income and expenditure data is obtained from the SoS survey, excluding those groups who defined themselves as micro-organisations who were not asked to complete this section of the survey.

4.4A SOURCES OF INCOME

The SoS survey results show that 61 per cent of VCSEs (excluding micro-organisations) derive less than half of their income from 'Earned Income', e.g. delivering contracts, trading goods or services, investment'. They therefore rely on fundraising, e.g. individual donations, fundraising activities, legacies and grants from central government, local authority, lottery, trusts. This indicates the sector is significantly reliant on unearned income.

Medium and large organisations are more reliant on public sector income through grants and contracts (approximately a quarter of medium and large organisation receive more than half their income from public sector grants and contracts, compared to small VCSE organisations, 12 per cent). As such public sector spending cuts are likely to have a greater impact on these organisations compared to small VCSEs.

¹⁵2018/19 figure from The UK Civil Society Almanac 2020

¹⁶May 2021

There is a higher proportion of medium sized VCSEs that are mostly reliant on earned income (75-100 per cent of their income), than small and large organisations. Medium sized organisations (turnover between £100k - £1m) were most financially resilient with lower proportions reliant on grant funding.

Over a quarter of small VCSEs rely heavily (75-100 per cent of their income) on income generated from grants (e.g. central government, local authority, lottery, trusts). Smaller organisations are more at risk as a result, with 55 per cent of them only receiving up to a quarter of their income from earnings.

When looking at how reliant the sector is on various income sources by size of organisation (turnover), the key points to note are:

- The majority of organisations (70 per cent or higher) generate less than half their income from fundraising
- Across all sized organisations 40 per cent of them earn more than half their income from grants
- There is a higher proportion of medium sized organisations where more than half their income is generated from earned income

4.4B HOW EXPENDITURE IS BROKEN DOWN IN THE VCSE SECTOR

When considering these figures, it is important to take into account the impact of the pandemic on expenditure. In order to survive the financial impact of the pandemic, many charities were forced to make major changes to their operating models. 42 per cent¹⁷ reduced spending on services. This resulted in significant cost savings but as a consequence, many charities have managed financial risks at the expense of operational capacity at a time when demand for their services was increasing. This may account for why spending on project costs appears relatively low.

Over 40 per cent of VCSEs spend at least half their expenditure on staffing costs (e.g. salaries, NI, Pensions). N.B. Non-project staffing (e.g. CEO, Finance Officer, Administrator) costs would usually be rolled into core costs.

Core costs are a larger proportion of expenditure for small VCSEs compared to those that are medium and large.

It is important to review these statistics in light of the challenge of securing funding for core costs that many VCSEs reported.

N.B. Core costs include:

- Governance costs (e.g. trustee expenses, accountancy and HR costs)
- Premises costs (e.g. rent, building maintenance, electricity, insurance)
- Support costs (e.g. computer costs, printing and stationery)

4.5 POTENTIAL GAPS IN VCSE PROVISION

A review of all data sources provides an indication of potential gaps in provision, which is explored in more detail in Appendix 3 by PCN area. However, it is important to note that despite reviewing secondary data sources e.g. the Community Wellbeing Survey and the Joint Strategic Needs Assessment (JSNA) for Herefordshire, there is an incomplete picture across Herefordshire of the needs of communities. Therefore, it is difficult to assess the extent to which lack of provision equates to a 'gap' in relation to need and demand.

The growing need for mental health and well-being services (which has increased even more as a consequence of the pandemic) was repeatedly mentioned by focus group participants and survey respondents. There is therefore a strong likelihood that this could be a significant area of unmet need.

¹⁷ PBE Tracker survey (May 2021)

5. VALUE AND IMPACT OF THE VCSE SECTOR IN HEREFORDSHIRE

This section estimates the 'value' of the VCSE sector in Herefordshire by exploring the economic contribution of income, staff and volunteers and also discussing the social value of the sector.

5.1 CONTRIBUTION OF VCSE INCOME TO HEREFORDSHIRE ECONOMY

In 2021, there were estimated to be 2,304 VCSEs in the county of Herefordshire, with the majority of them being micro and small. If you apply the average income figures from the Charity Commission and the related proportions of size recorded in the county, we can get an estimated value of the VCSE sector for Herefordshire.

The following assumptions underpin the estimated value of the VCSE in Herefordshire:

- The proportions of the VCSE sector are representative of charities registered in Herefordshire.
- The income reported by Charities according to size can be generalised to VCSEs that are not charities i.e. CASCs, CICs, and community groups.

It should also be noted that, only charity figures from those who are based in Herefordshire have been included.

Taking these factors into account, the estimated value of the VCSE sector per year in Herefordshire is £355 million.

The calculations for this value are shown in Appendix 1.

In Herefordshire the income generated by charities in 2018/19 was equivalent to £0.5 million per 1,000 population, compared to the UK total which was £0.84 million per 1,000 population¹⁸.

Analysis shows that the organisations that bring in the most income in the county are those working within the following sectors:

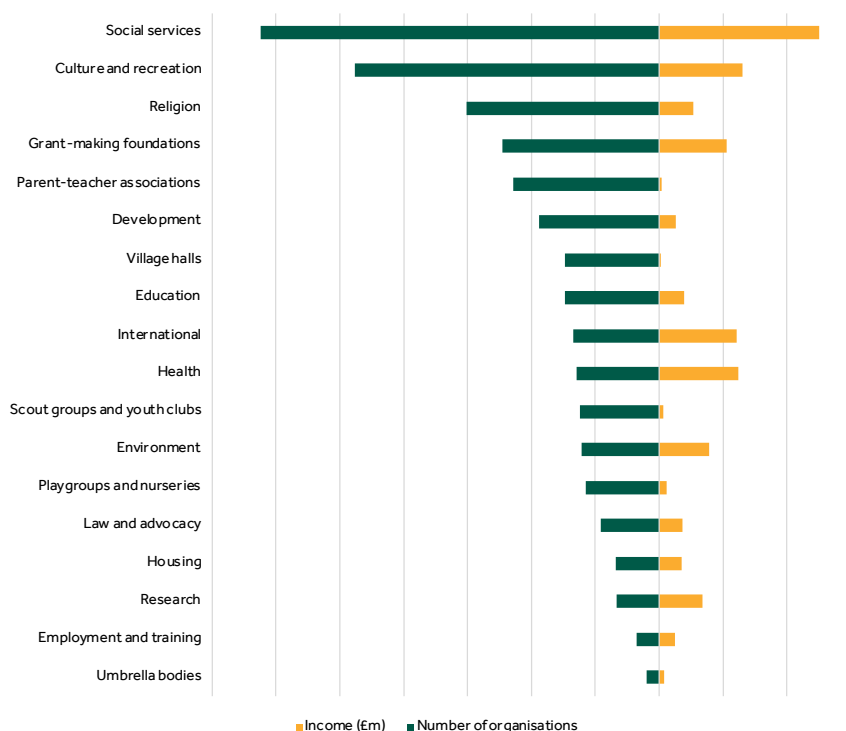
- Faith based
- Health, social care and well-being
- Housing

Comparatively in the UK, the largest income is from the health sector, but also from culture and recreation, grant making foundations and international sources.

¹⁸Source: Almanac, NCVO, 2021; 2020 MYE, ONS.

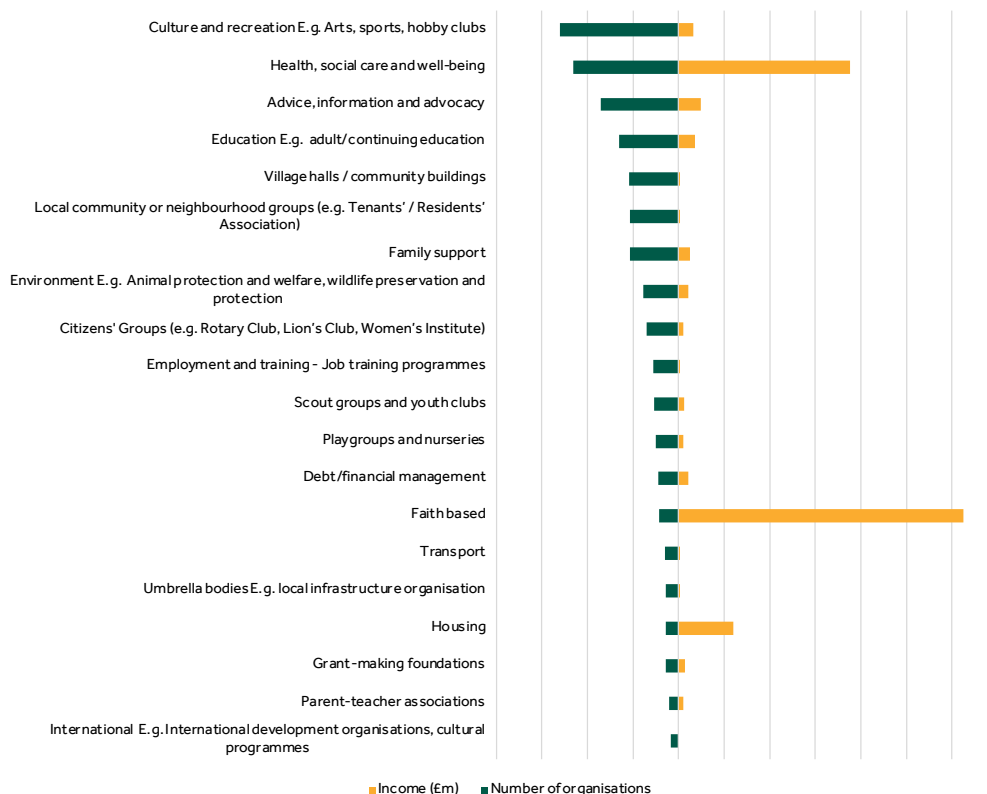
Graph 9: Number of organisations and income by subsector, UK, 2018/19

Number of organisations and income by subsector (£m), UK, 2018/19



Graph 10: Number of organisations and income by subsector, Herefordshire, 2021

Number of organisations and income by subsector (£m), Herefordshire, 2021



Source: Almanac, NCVO, 2018/19; SoS Survey, Herefordshire Council, 2021.

5.2 ECONOMIC CONTRIBUTION OF THE VCSE SECTOR WORKFORCE (PAID AND UNPAID)

An economic contribution of the sectors workforce (both paid and unpaid) can be estimated based on the current UK Living Wage.

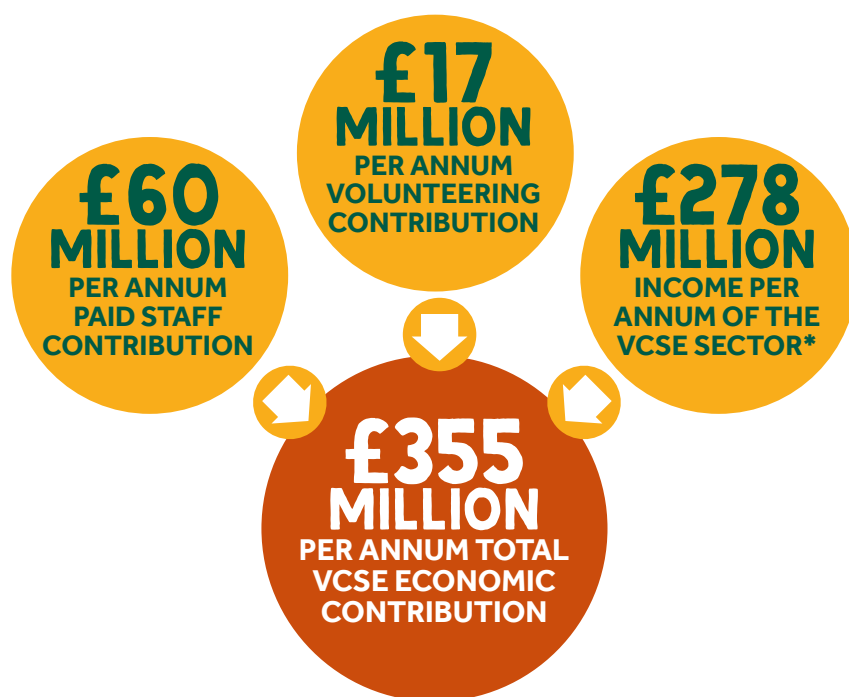
Paid employees: In the SoS survey, respondents were asked to indicate how many paid employees, both full time and part time, were employed in their organisation. This has allowed us to calculate FTE (full time equivalent) proportions to apply to ONS data to estimate the number of paid employees (Employment in public, private and non-profit sectors - Office for National Statistics ons.gov.uk)¹⁹.

The ONS data suggests that there are 4,275 paid employees in the Herefordshire VCSE sector equating to 3,012 FTE employees. Based on an average 40 hour week and the living wage of £9.50 per hour, this means that the contribution of paid staff in the VCSE is a minimum of £60 million per annum²⁰.

Voluntary workforce (unpaid): The proportion of the adult population of Herefordshire who volunteer for any group, club or organisation was obtained from the Community Wellbeing Survey 2021, which when applied to the 2020 population estimates suggested that 50,432 adults in Herefordshire volunteer. The average volunteer hours reported in the SoS was approximately 36 hours per year, so extrapolating that 50,432 volunteers worked an average of 36 hours per year at the national living wage (£9.50 per hour), the volunteer contribution to the economy would be £17 million per annum²¹.

Taking account of both staff and volunteers the economic contribution of the sectors workforce in Herefordshire is £77 million. It is the view of the report authors that this is a very conservative figure, and that the actual figure is likely to be far higher.

In summary the economic value of the VCSE sector in Herefordshire is:



* Excluding the £60 million required for paid staff.

A further breakdown of how the above figures have been calculated can be found in Appendix 1.

To provide further context, the Herefordshire and Worcestershire CCG's budget for the financial year 2021/22 was £1,369.9 million, and Herefordshire Council's budget was £381 million.

¹⁹ Source: ONS, Inter Departmental Business Register (IDBR) taken on 15 March 2019. ONS, Crown Copyright

²⁰ 3,012 FTE employees x an average 40 hours a week x hourly pay of £9.50 x 52 weeks of a year to give an annualised figure = 3,012 x 40 x £9.50 x 52 = £59,526,490

²¹ 50,432 x £9.50 x 36 average annual hours from SoS = £17,247,744

5.3 THE SOCIAL VALUE OF THE VCSE SECTOR

Whilst there is value in being able to measure the economic contribution of the sector as this allows us to consider its worth alongside the public and private sectors, a more rounded assessment of its impact needs to consider the social value it creates. This is where its strength and uniqueness lies, however it is much more complex to measure as it affects so many different aspects of society.

This research reaffirms the significant contribution the sector makes to addressing health and social care inequalities, supporting the most vulnerable groups in society, helping the unemployed to get closer to or into employment, providing employment and training opportunities, delivering essential services such as transport and housing and bringing people together to participate in cultural and recreational activities.

In this respect the sector's contribution has, and continues to be, increasingly significant in terms of ensuring our communities are healthy, safe, cohesive and resilient. In addition, their value is in their connection to the localities within which they operate which enables them to identify and respond to local needs. This enables them to act as a trusted intermediary, to bring people together and to advocate on behalf of the most vulnerable.

"Charities are the eyes, ears and conscience of society. They mobilise, they provide, they inspire, they advocate and they unite." (House of Lords, Select Committee on Charities, "Stronger charities for a stronger society" (March 2017)

As community groups and voluntary organisations proved through the pandemic, they have been well placed to respond to one of the biggest social challenges facing the world; they are grounded in their communities and able to respond in numbers to support the most vulnerable and organise a local response working with volunteers, local businesses and community leaders. The value that this brought through collaborative working between the VCSE and public sector organisations as part of the COVID-19 response has been recognised and needs to be part of the building block for future partnership working.

When considering the value of the sector it is essential to consider this beyond the services organisations deliver and to take into account its value in terms of direct beneficiaries (people who engage with /are supported by the sector), volunteers and employees, donors, the wider community and society as a whole²².

- **People who use the services** – For the users of services the primary benefit is the value of the service itself.
- **Volunteers** - There is significant evidence to support the enhanced well-being and health benefits of volunteering. In addition, it provides the opportunity for people who have support needs or who are marginalised to develop skills, increase their employability and encourage them into paid work.
- **Employees** - Whilst many of those working within the sector may earn less than their public or private counterparts there is also evidence to suggest that employees in the charity gain greater satisfaction from their work²³.
- **Donors** - Those who donate to the sector often derive intrinsic benefits from donating, including an increase in happiness. For businesses it also contributes to their Corporate Social Responsibility and makes good business sense to support the local communities in which they are based.
- **Society in general** - The sector contributes to fostering economic and social cohesion at the community level. Charitable activities build social capital in the form of increased trust and cooperation and promote social inclusion. All activities undertaken by the sector generally contribute to individual and wider well-being.

Given the significant economic and social value of the sector it is essential it is supported to maximise its value and the broader contribution it makes to the county whilst safeguarding the unique characteristics that set it apart from other sectors and make it such an intrinsic part of society.

²² The value of the charity sector report undertaken by the Charity Commission and Frontier Economics (September 2019)

²³ A comparison of the values and commitment of private sector, public sector, and parapublic sector employees. Public administration review, 66(4), 605-618. Lyons, S. T., Duxbury, L. E., & Higgins, C. A. (2006)

6. LOCAL INFRASTRUCTURE SUPPORT FOR THE VCSE SECTOR IN HEREFORDSHIRE

This section specifically assesses the state of the sector's infrastructure and the value of the support it provides. Data from the SoS survey and Focus Groups is used to assess the perceived value of Local Infrastructure Organisations (LIOs) and the Talk Community approach. Gaps in current support available are also identified.

6.1 OVERVIEW OF LOCAL INFRASTRUCTURE ORGANISATIONS (LIOs) IN HEREFORDSHIRE

LIOs play an essential role in supporting locally based frontline VCSEs of all sizes to:

- attract funding and generate income
- operate good governance
- recruit and manage volunteers
- influence public service commissioning
- network with relevant statutory bodies and each other

The national picture shows that many infrastructure organisations have been especially vulnerable to reduced funding over the last decade, with funding focussed on delivery of services and community activities and less on building the infrastructure capacity of VCSEs to support local social action.

Herefordshire has a number of countywide infrastructure organisations; **hvoSS** provide information, guidance and support to volunteers, charities and voluntary and community groups in Herefordshire. This includes representation and engagement in county strategic developments, volunteering and activity supporting the Talk Community approach, part funded by Herefordshire Council. **Community First** operate across Herefordshire and Worcestershire and in Herefordshire primarily provide support to the village halls' network and grants administration, including on behalf of Herefordshire Council. **Herefordshire Community Foundation** generates and distributes funds to support individual and groups' needs and community development across the county and administer grants locally on behalf of Herefordshire Council.

Herefordshire Council also provides infrastructure support to the sector, through Talk Community, grants administration and specialist support for specific interest areas. There are also a number of other organisations that provide countywide support to thematic VCSE groups. These include Herefordshire Green Network and Active Herefordshire and Worcestershire. In addition, there are local infrastructure organisations that operate at a market town level, for example Ross-on-Wye Community Development Trust which amongst other activities promotes local volunteering opportunities.

As part of this research interviews were undertaken with each of the countywide infrastructure organisations to understand the support they provide and their perspectives on the sector locally; its strengths, challenges, potential and how it might be best supported. A focus group was also held with those organisations that identified themselves primarily as an infrastructure organisation when they completed the survey to discuss how they might best address the findings highlighted through the SoS research.

6.2 WHERE DO VCSEs ACCESS SUPPORT FROM?

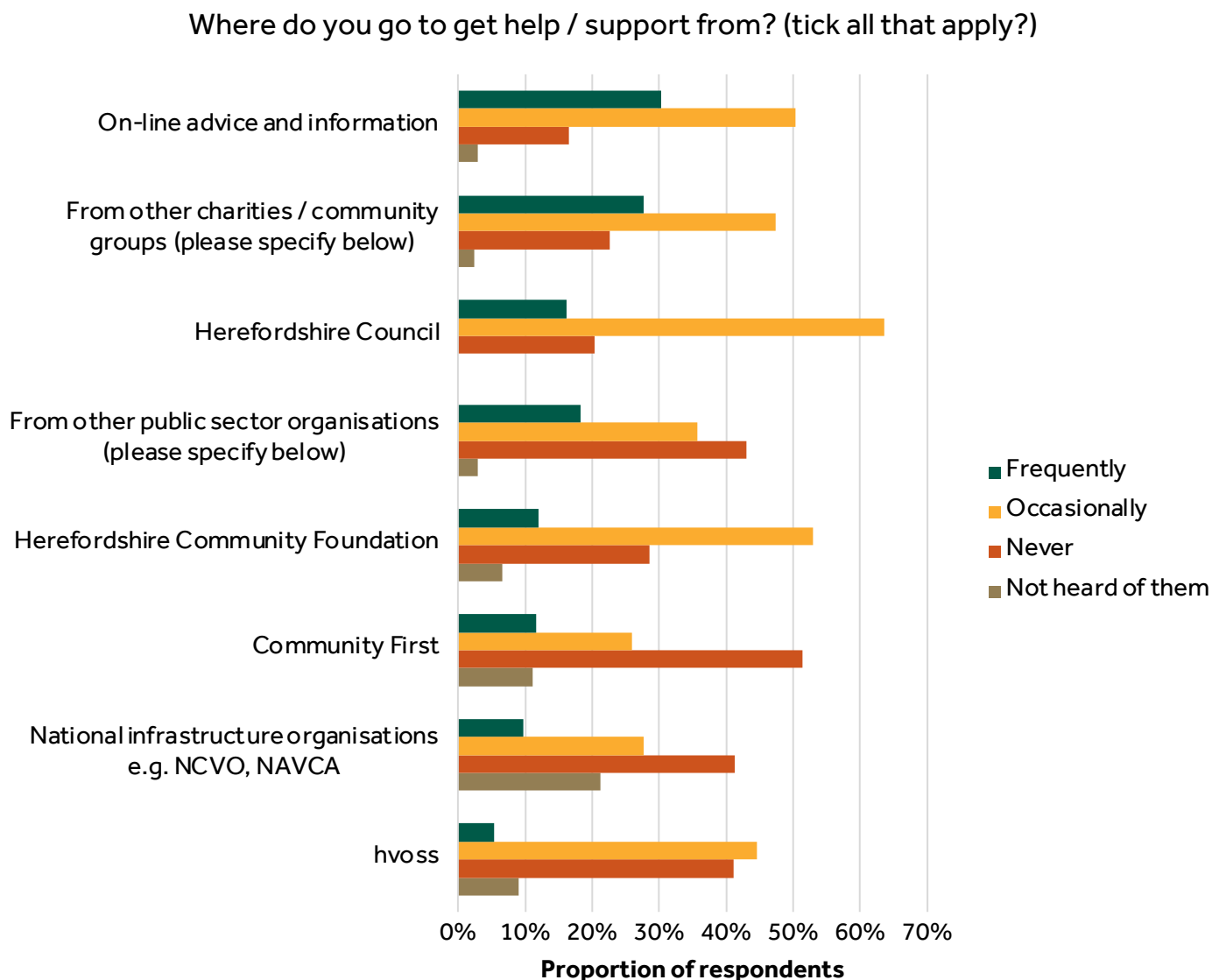
Responses to the SoS survey show that the most commonly accessed sources of support for the county's VCSEs are **on-line advice and information, Herefordshire Council, and peer support from other voluntary organisations**. The most frequently mentioned and highly valued sources of support raised during focus groups were grant funding advice and specialist social enterprise support provided through Herefordshire Council. In addition, VCSEs re-affirmed the value of support from their peers and emphasised how important it was to have opportunities to share experience and best practice.

The survey responses show that hvoss and Community First are less commonly used for support. For Community First this may be attributed to the fact that they are not funded to deliver infrastructure support locally apart from providing specialist support to village halls in the county which is funded by DEFRA. It is worth noting all the village halls that responded to the survey said they accessed support through Community First frequently. Further analysis shows that of those accessing hvoss for support, 40 per cent were based within Hereford City PCN area, and that they were more likely to be micro and small organisations (70 per cent combined). Whilst hvoss are the primary LIO in the county and are well regarded, they are emerging from a period of being under resourced which may be reflected in the survey findings. Feedback from the focus groups highlights the need for hvoss to communicate their offer better.

National infrastructure organisations such as the National Council for Voluntary Organisations (NCVO) and the National Association for Voluntary and Community Action (NAVCA) were the least used sources of support and were the ones that most people had not heard of. This is unsurprising given that these national bodies are more aligned with larger voluntary organisations and that the majority of respondents to the survey were micro / small organisations (89 per cent of SoS respondents who had not used them nor heard of them were micro and small organisations).

Of the 93 'other' sources of support specified the majority of these were funding bodies such as Awards for All, National Lottery, or national bodies/trusts working in the same field such as Social Enterprise UK, Sport England, and Girlguiding UK.

Graph 11: Proportion of VCSEs by where they seek help/support from, Herefordshire, 2021



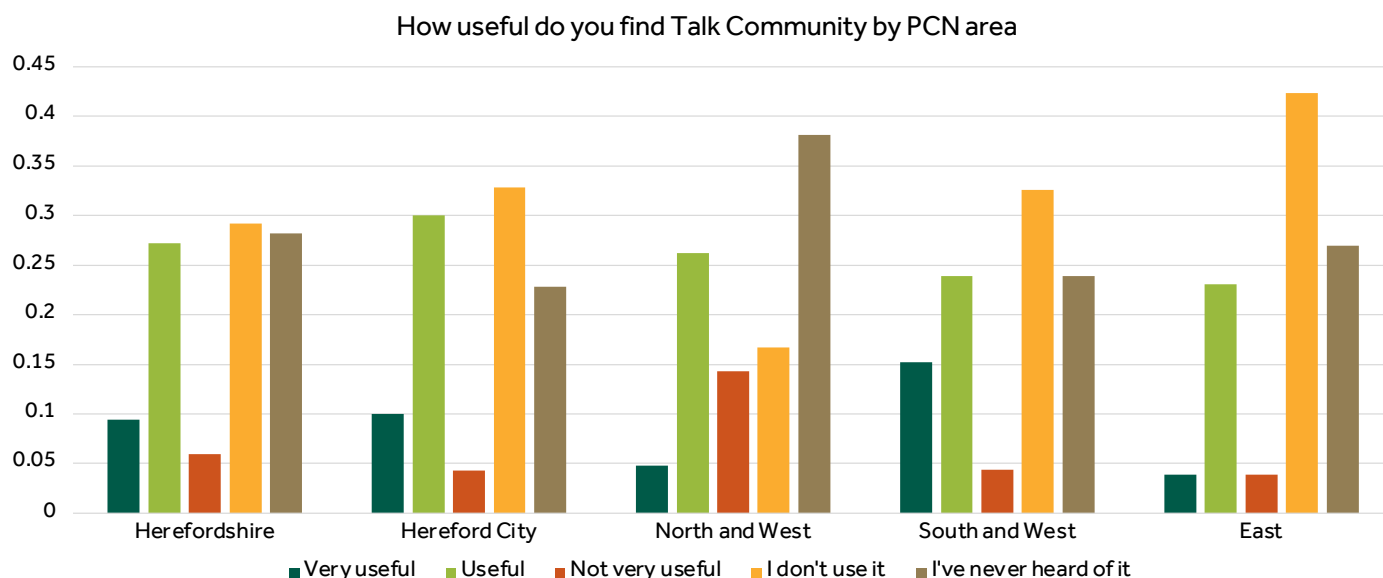
Source: SoS Survey, 2021. Herefordshire Council.

6.3 PERCEPTIONS OF TALK COMMUNITY

Due to the significance of the Talk Community approach in Herefordshire and the potential it has to improve cross sector collaboration and bridge the gap between communities and strategic decision making, Herefordshire Council were keen to use this research as an opportunity to seek views on Talk Community .

Just over 200 VCSEs answered the question, "How useful do you find Talk Community?" The chart below shows many find Talk Community "very useful" or "useful". Responses also highlight the need to promote the initiative more widely especially in the North and West.

Graph 12: Proportion of VCSEs by how useful they find Talk Community, Herefordshire, 2021



Source: SOS Survey, 2021. Herefordshire Council.

SoS survey respondents were also asked to provide comments about Talk Community.

There were many positive comments made:

“Brilliant concept and most needed”

“Useful organisation that helps us market ourselves”

“It’s great to see how much there is going on around the county, and we’re very glad to have our services listed on Talk Community as a part of it!”

Survey respondents also identified some areas where further clarity was needed in terms of the overall purpose and impact of Talk Community. The need for clarity of purpose and remit was also identified during focus group discussions with some people feeling that they were not clear about the overall purpose of Talk Community or the added benefit of the approach.

“I think it could be a very helpful tool/framework for the county. My concern is that as it is developing it is feeling more like it is heavily Council weighted rather than a partnership tool/approach with the communities. For it to work really well it needs that ‘buy in’ from communities and they need to feel part of it. I see lots of council information but it would be good to hear how it is working with and for communities, stories/news from them etc.”

It was much more likely that survey respondents and focus group attendees who had been directly involved with Talk Community were able to appreciate its value and potential. It is also important to note that many organisations participating in the research had not heard of Talk Community.

These findings suggest that clearer messaging outlining the aims of Talk Community together with the support available would be beneficial as part of a wider marketing strategy for Talk Community to increase its reach.

6.4 GAPS IN SUPPORT AVAILABLE TO THE SECTOR IN HEREFORDSHIRE

SoS survey respondents were asked about support that would be most useful to their organisation or group. Marketing and communications support came out as the highest area of need, followed by information sharing opportunities. Marketing and communication support was particularly needed in relation to re-engaging people following the pandemic.

In comparison to 2021, when marketing and communication support was the highest need, in 2010 this (marketing and communications inc. consultation & user involvement) came out as one of the areas where VCSEs were least likely to need support. This demonstrates how support needs in the sector are changing. As suggested above and discussed in section 9 this may be in response to the impact of the pandemic. However, the Social Enterprise research undertaken in 2020 (pre-pandemic) also identified the need for marketing and communication support²⁴, as such this may be indicative of a longer-term trend.

Demand for opportunities to share information between VCSEs and network were identified in both the Social Enterprise research undertaken in 2020 and the SoS Survey in 2021. This may illustrate a sector that currently feels dis-connected but has some appetite for working together more in the future.

The need for marketing and communications support and information sharing opportunities was further corroborated in the Focus Groups. Attendees expressed that they often feel as though they are working in isolation and are unaware of the activities and existence of other organisations which reduces the likelihood of collaboration.

“It is fairly lonely being a charity here. Fortunately, there are moves afoot to try to bring the sector together with Talk Community, hvoss and so on. Communications in this county are difficult.”

Research suggests that marketing and communications support and ways to increase information sharing opportunities and networking should be prioritised to ensure that the support needs as identified by the sector are being met.

²⁴The Social Enterprise Landscape Herefordshire, 2020, Herefordshire Council

Graph 13: Proportion of VCSEs reporting support needs, Herefordshire, 2021

If you do need support, which of the following would be useful to you? (Please tick all that apply)



Source: SoS Survey, 2021. Herefordshire Council.

The recent investment in Talk Community and the partnership between Herefordshire Council and hvoss signifies a positive step-change in support for local infrastructure. Set against the background of COVID-19, the increased demand for welfare related services and the pivotal role that the sector will play in the recovery process, this underlines the need for sufficient long-term funding for local infrastructure support. It also emphasises the need for the county's LIOs to work more closely in partnership with each other in order to develop strategic approaches to key functions such as volunteering and strategic influence and engagement. The potential of Herefordshire Community Partnership to build a collective voice for the sector and develop partnership approaches with the public sector should also help to create an environment where collaborative responses to the needs of the community and people who live there are more easily facilitated.

7. ENGAGEMENT AND PARTNERSHIP WORKING

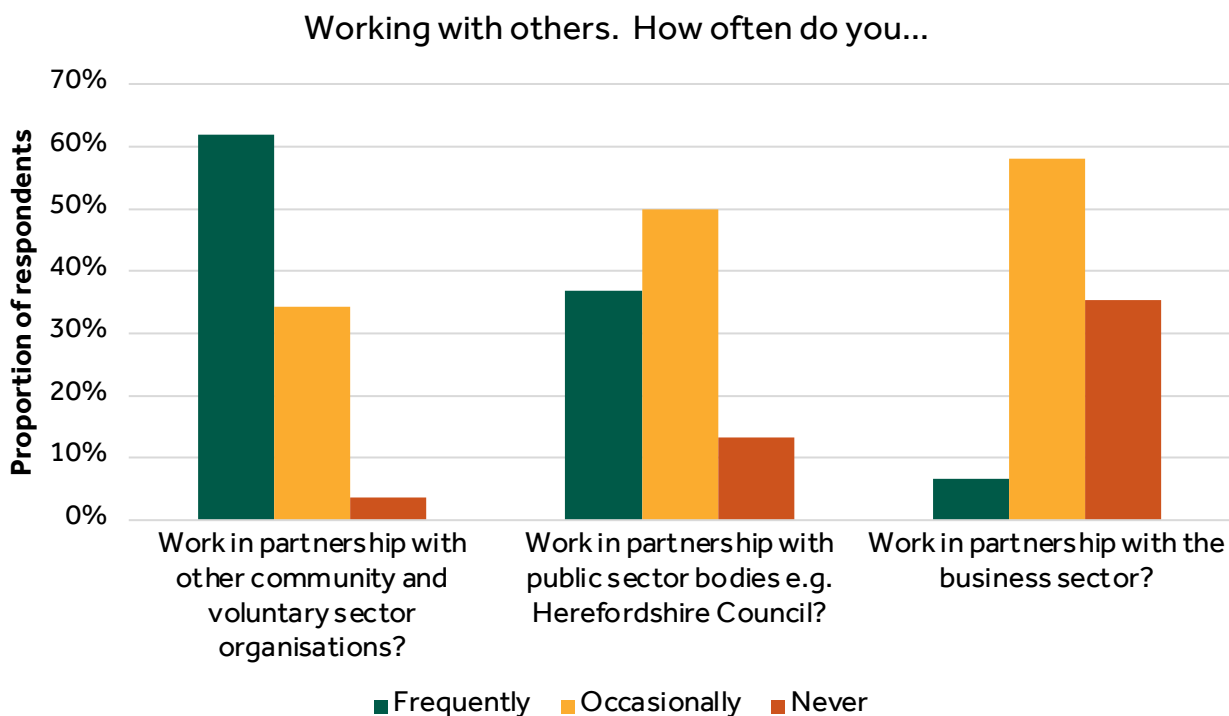
At a time when demand for services is increasing and resources are stretched, effective collaboration is essential if the VCSE sector is going to continue to meet the growing needs of people, communities and organisations. Whilst there is evidence that VCSEs work in partnership with a range of organisations, including private, public and others in the VCSE sector, the extent to which this happens varies. This section reports on the nature of those partnerships and looks at what sectors VCSEs work with most commonly. The findings have been drawn from the SoS Survey and focus group discussions.

7.1 WORKING WITH OTHER VCSE ORGANISATIONS

In terms of working with others, the most common partnerships are with other voluntary and community sector groups and organisations, with 62 per cent of survey respondents saying they frequently work with other VCSE organisations. Focus group discussions highlight these 'partnerships' are most likely to be informal and are focused on delivery of services e.g. joining up or coordinating services. Despite there being some evidence of partnership working across the sector, there is also a sense that some VCSEs work in competition with each other and can be 'territorial' in their approach. This is perceived to be as a result of increased competition for funding, volunteers and participants.

"We used to work in collaboration and now we work in competition."

Graph 14: Proportion of VCSEs by how often they work with others, Herefordshire, 2021



Source: SOS Survey, 2021. Herefordshire Council.

Looking in more detail at which VCSEs work with which partners show that:

- Medium sized organisations are more likely to frequently work with **other VCSE organisations** than smaller and larger organisations
- Medium sized organisations are more likely to frequently work with **public sector bodies**
- Smaller organisations are more likely to 'never' work with **public sector bodies**
- All sized organisations were more likely to occasionally work with the **business sector**
- Smaller organisations were less likely (never) to work in partnership with the **business sector** than other sized organisations.

7.2 WORKING WITH THE PUBLIC SECTOR

A lower proportion (37 per cent) of VCSEs frequently work in partnership with public sector bodies such as Herefordshire Council and the Clinical Commissioning Group (CCG). This is likely to reflect that a larger proportion of respondents to the survey were micro and small organisations.

Feedback on public sector partnerships was most commonly given in relation to Herefordshire Council, which is unsurprising given that they are a key funder and commissioner of the sector. Many of the positive comments related to partnership working that occurred in direct response to the pandemic (see below). Areas for concern were raised in relation to the power-balance of relationships, a lack of understanding and value of the VCSE sector amongst commissioners, and the lack of support and structure to facilitate tendering for commissioned services. Of particular concern was the award of contracts to large national organisations based outside of the county in preference to those that are rooted within the communities in which they serve.

"There is a real conflict in terms of commissioning regardless of all the social value. Things are always commissioned on the lowest cost basis and too often large organisations come in because they have the capacity to tender. They hit the County and then realise they don't know the County and can't deliver the service. Every time this happens, the service user is last on the list for the services they should be getting. This has a negative impact on us as a very local organisation but also on the people we aim to serve."

"What I feel is never considered when the contract is awarded is whether the service is fit for purpose, because the larger organisations are out to make a profit. In our field we do have competitors, but they come and go and it's the children's and families that don't get the same level of service. Whereas because we are local we are interested in them."

"Using local organisations is not a cheap and cheerful option but it is the best option because of the intelligence and understanding and penetration into local networks which is very hard to put a financial value on but is powerful in the way it works."

During the pandemic there were lots of examples of cross-sector partnerships coming together to provide support for the most vulnerable. Feedback from the sector was overwhelmingly positive about this approach and highlighted the benefits of taking a more flexible and agile approach to commissioning that enabled funding to be channelled to where it was needed and removed some of the restrictions that previously acted as barriers to delivery. This enabled the VCSE sector to target resources appropriately and respond to communities rapidly changing needs. However, focus group feedback raised concerns that beyond the crisis, this new way of working would be lost and pre-pandemic practices would return.

“COVID showed us what was possible and what we could all achieve through working together. The danger is now that we revert back to old ways of working, we have already started to see this, which would be a real missed opportunity.”

As we move into recovery there is an opportunity to review how these cross-sector approaches to commissioning of services can be embedded and sustained going forward. The Greater Manchester VCSE Commissioning Framework²⁵, 2020, offers a vision for a fundamental shift in culture, investment and process in commissioning, for the benefit of communities and offers a good starting point for any review.

7.3 WORKING WITH THE BUSINESS SECTOR

The proportion of VCSEs that work 'frequently' with the business sector is low, less than ten per cent, with a high proportion (35 per cent) reporting they 'never' work in partnership with the business sector. Feedback from the focus groups illustrates that previous attempts to facilitate greater engagement between the VCSE and business sector have been welcomed but have failed to result in any significant progress. This highlights the need to take a more strategic and sustained approach to building stronger connections with the business sector. There is undoubtedly great potential and an appetite for building productive relationships between private business and VCSE organisations, as demonstrated by the Connecting Business & Charities event in June 2021 and effective partnership working by both sectors undertaken in response to the pandemic. This requires resource to drive this forward and investment in brokerage programmes, along the lines of the National Business Response Network run by Business in the Community²⁶, for business and VCSE organisations to explore joint action and increase adoption of social value approaches.

7.4 COMMUNICATION METHODS BETWEEN SECTORS AND THEIR EFFECTIVENESS

The main issue in relation to communication between, and within the sector, is that it is often communicated with as a homogenous group. This means that the volume of communications is often significant and that much of the communication that is received is not directly relevant.

Feedback also highlights issues around the reach of communications with many organisations not being aware of the support and opportunities available to them.

²⁵[https://www.gmcvo.org.uk/system/files/publications/Greaterper cent20Manchesterper cent20Voluntaryper cent20Communityper cent20andper cent20Socialper cent20Enterpriseper cent20per cent28VCSEper cent29per cent20Commissioning%per cent20Frameworkper cent20andper cent20Deliveryper cent20Planper cent20FINALper cent20VERSION.pdf](https://www.gmcvo.org.uk/system/files/publications/Greaterper%20Manchesterper%20Voluntaryper%20Communityper%20andper%20Socialper%20Enterpriseper%20per%20per%20VCSEper%20per%20Commissioning%20Frameworkper%20andper%20Deliveryper%20Planper%20FINALper%20VERSION.pdf)

²⁶www.bitc.org.uk/national-business-response-network/

8. VOICE & INFLUENCE

This section uses the findings from the focus groups and interviews with stakeholders to explore the extent to which the sector in Herefordshire is engaged with strategic planning structures and decision making. Views and perceptions of the sector are also discussed.

8.1 THE ROLE OF THE VCSE SECTOR IN STRATEGIC PLANNING STRUCTURES, DECISION MAKING AND COUNTY STRATEGIES

Feedback from focus groups and in-depth interviews undertaken with partners indicates that the sector has had inconsistent involvement in the county's strategic planning structures, decision making and county strategies. Importantly this was a shared view across both the wider VCSE sector and public sector partners. However, there are some positive examples of VCSE sector involvement at a strategic level e.g. the Mental Health Partnership Board, the Project Brave strategy group, the local health partnership and the learning disability partnership.

The need for a co-ordinated approach that bridges the culture gap between sectors

VCSE organisations recognised that a lack of a co-ordinated and strategic response from within the sector meant that it was difficult to achieve impactful influence and engagement. Those attending focus groups expressed the need for an approach to co-ordinating the voice of the VCSE sector, such as an 'assembly'. It is hoped that this would:

- Improve opportunities for communication and collaboration within the sector
- Strengthen perceptions of the sector and help promote the breadth of activities and services delivered
- Increase opportunities for commissioning
- Create more of a 'level playing field' in terms of cross-sector working.

The need for a 'structured approach' to engagement was also highlighted by public sector partners. It is hoped that such an approach would:

- Make it easier to identify organisations to work within the sector
- Increase the quality of partnership working
- Improve the sector's ability to demonstrate impact and value
- Increase levels of engagement

"More support is needed (financial if necessary) for the VCSE at all levels to be represented at the statutory boards and committees if working in partnership is truly the aim. Capacity is tight and the VCSE is not a free resource that can afford to spend time at health and care meetings without consideration for this."

There was strong recognition, with public sector partners and with infrastructure organisations, that the Community Partnership and the ICS represents significant potential for the future in terms of achieving some of the 'hopes' and ambitions of both the public and the VCSE sectors.

"ICS provides a once in a generation opportunity for us (VCSE) to be an integrated partner in the solution"

Public sector partners are very hopeful that the Community Partnership will enable the sector to demonstrate its value and impact but also to articulate this in a way that resonates with the public sector. This also suggests that any approach needs to not only fulfil some of the 'hopes' identified above but also bridge the culture gap that exists between sectors.

There was also recognition from within the sector that they are equally responsible for ensuring the success of the ICS;

"I think what we need to be doing as a sector is to make sure that we are up there at the table and speaking loud and bold...and we use the NHS guidance that NHS England is putting out which is about stepping back from cheap wins to best wins. And bang the drum for this and make sure we are heard"

Role of Talk Community in engaging the sector

Perceptions of Talk Community from the SoS survey is described in section 6.

Of those organisations involved with Talk Community there was recognition of its potential to provide the infrastructure at the local level to improve communication and engagement across the VCSE sector. As more organisations engage with the Talk Community approach, there should be a growing recognition of the opportunities that it provides in terms of collaboration and partnership working at a local and countywide level.

The potential of Talk Community, and particularly the hubs is recognised by public sector partners and is seen as aligned with a direction of travel that aims to de-centralise and empower communities to identify and address local need.

Overall, this research has shown the function of VCSE sector 'voice and influencing' within Herefordshire has lacked focus and as such is potentially less impactful. However, there are two major approaches underway within the county that are trying to redress this balance; Talk Community and the Community Partnership. This research suggests that whilst these approaches are valued by the public sector and the VCSE sector with the capacity to engage, further work needs to be done to embed these new approaches within the VCSE sector, raising their profile and further enhancing VCSE ownership to fully realise their potential. It is evident that further investment is needed to achieve this and to build on and extend the significant work that is developing.

8.2 AWARENESS OF THE SECTOR AND HOW IT IS PERCEIVED

Views from within the sector

Focus group discussions revealed that there was a common view from the VCSE sector that the public sector does not understand or value the sector. Generally, a lack of understanding on behalf of the public sector was perceived as being in relation to:

- The value driven approach taken by VCSE organisations
- A failure to recognise the reach of the sector
- Lack of appreciation of the impact that organisations have on the people that they work with
- Lack of appreciation of the essential role that the VCSE sector have in supporting people, groups and communities.
- A sense that the VCSE sector does not deliver 'professional' services

It was felt that this lack of understanding and awareness further exacerbates the working relationship between the sectors and at times inhibits the VCSE sector from participating in formal commissioning opportunities.

"You just think what is the point of trying to tender for a service when you know that our way of working is not going to be understood or valued."

Some organisations felt that this leads to a disjointed approach to service delivery with less people receiving the support they require that is targeted and responsive to their needs.

Views external to the sector

One public sector partner interviewed as part of the research perceived that whilst the sector provides invaluable reach to communities and individuals and delivers high quality services, it is fragile and disconnected. This affects both the confidence of the public sector to work in partnership and the equity of the partnership. In comparison to neighbouring counties it was perceived by this partner, that the majority of VCSE organisations exist very much 'hand to mouth', which has an impact on strategic interventions and strategic leadership within the sector. Whilst the ICS and the Community Partnership is seen as a potential 'game-changer' it is also recognised that this needs to engage all parts of the sector. The VCSE sector, including those that support it, needs to be adequately resourced which, in turn, will improve levels of strategic intervention and consequently increase confidence and trust of the public sector.

9. THE SUSTAINABILITY AND RESILIENCE OF THE SECTOR AND ITS ORGANISATIONS

This section explores how resilient and sustainable the sector is currently and also what some of the key challenges are facing the sector. Specifically, it explores:

- how established the sector is in Herefordshire
- changes in the sectors financial position
- other key challenges facing the sector

Throughout this section the impact of COVID is considered and comparisons are drawn with the wider national picture.

9.1 HOW ESTABLISHED IS THE SECTOR?

Information from all available data sets can show us the age of voluntary and community groups across Herefordshire. This may indicate how resilient the sector is. **Two thirds of Herefordshire's VCSEs have been running for 11 years or more.** 13 per cent of VCSEs were recently established, operating for between 1 and 3 years, and 4 per cent have been operating for less than a year.

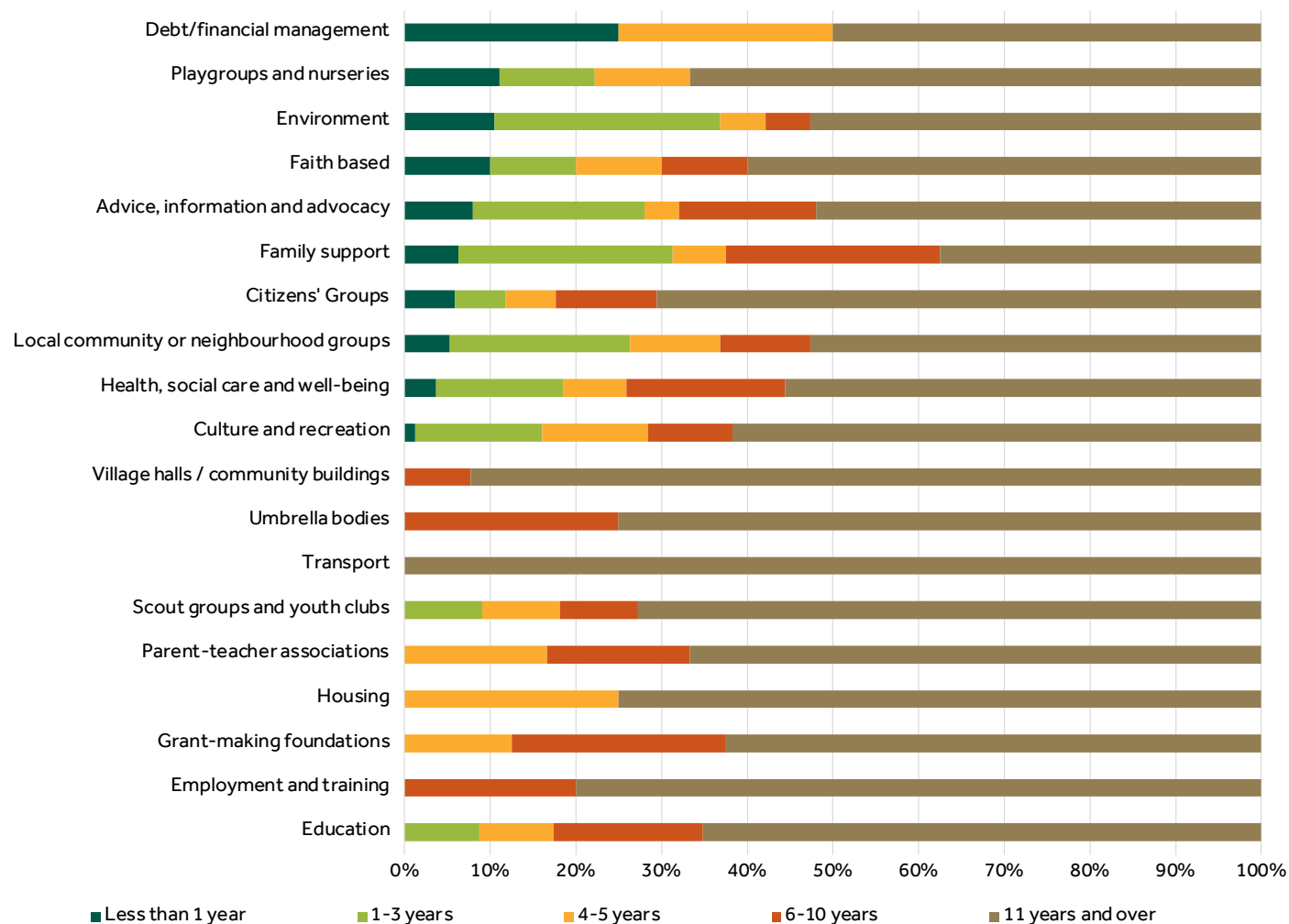
Table 5: Number and percentage of VCSEs by length of time in operation, Herefordshire, 2021

Table 8.	Herefordshire numbers	Herefordshire per cent
Less than 1 year	52	4
1-3 years	155	13
4-5 years	62	5
6-10 years	116	10
11 years and over	783	67
Total	1,168	100

Source: Combined datasets

Graph 15: Proportion of VCSEs by what they do and age, Herefordshire, 2021

Proportion of VCSE groups and organisations by what they do and age



Source: SoS Survey, Herefordshire Council, 2021

By comparing the age of the organisation with the type of organisation it is possible to identify that newer VCSEs tend to be providing:

- Debt/financial management
- Playgroups and nurseries²⁷
- Environment groups
- Faith based

This suggests that there may be increasing demand for service provision in these areas. The increase in organisations providing debt / financial management support is likely to be as a direct result of the pandemic with more people experiencing financial hardship, many for the first time. The growth in environmental groups reflects the local and global emphasis on the climate emergency. Whilst it is difficult to ascertain why there may be a growth in faith groups in the county one assumption could be that at times of crisis, in this case the pandemic, people turn to their faith as a source of support and comfort. It is also worth noting that during the past 3 years there has been a significant rise in the number of groups providing family related support. This indicates a move towards more integrated services and may reflect an area of growing need.

²⁷Although the numbers of births within the county began rising at the beginning of the last decade, the number in the year to mid-2020 was 1,500, a continuation of the trend in fewer births seen both locally and nationally over recent years. Source: Understanding Herefordshire, Herefordshire Council, 2020 MYE, ONS.

The long-established groups are most likely to be:

- Transport groups (*reflects the rural nature of the county and the challenges of accessing services for people who are rurally isolated and without access to their own transport*).
- Village halls/community buildings (*reflects the rural nature of the county and the important role that village halls play in providing a central focal point for communities*).
- Umbrella bodies
- Employment and training organisations

These areas represent some of the most traditional and long-standing areas of the VCSE sector and reflect the key role that the sector plays in a rural county in terms of increasing access to services and community cohesion.

The data points towards a sector that is both well-established and striving to meet the changing demands and needs of the county.

9.2 FINANCIAL POSITION

This section of the report looks at the financial position of the sector and how it compares nationally. It specifically explores how the pandemic has affected VCSEs in terms of their financial resilience and their ability to raise income.

The survey asked if the group or organisation's financial position had improved or worsened in the **past 12** months. 42 per cent of groups reported their financial position has remained the same, 30 per cent reported it has worsened and 27 per cent report an improvement. Amongst those reporting that their financial position had worsened there is a level of optimism with over 40 per cent anticipating that this was going to improve. In comparison with national statistics which show 49 per cent of organisations reporting a decrease in their income in the most recent financial year Herefordshire appears to have fared relatively well.

Receiving government COVID related funding was in the majority of cases a defining factor in whether the groups or organisations reported their financial position improved or worsened.

Table 6. Proportion of VCSE organisations by size according to how they reported their financial position changing over the past 12 months, Herefordshire 2021

	Improved	Stayed the same	Worsened
Micro – less than £10,000	24	44	32
Small - £10k -£100k	28	40	32
Medium, large and Major (£100k -£10m)	32	42	26

Source: SoS Survey, 2021. Herefordshire Council.

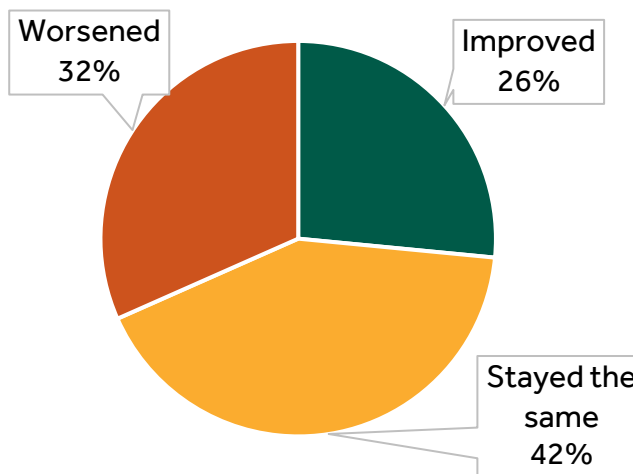
Table 6 shows the proportions of VCSEs by the size of the organisation (determined by their turnover), and how their financial position had changed over the past 12 months. The purpose of this was to investigate whether COVID-19 had a disproportionate impact on particular types of VCSEs. The indication from the data is that micro and small VCSEs may have been more adversely impacted financially than medium, large and major organisations. This is strongly reflected in national research that shows that small organisations have been significantly more impacted by the pandemic due to their inability to fundraise, lack of reserves and ineligibility for many of the grant schemes aimed at supporting organisations.

These financial challenges were also raised in the survey and focus groups in addition to:

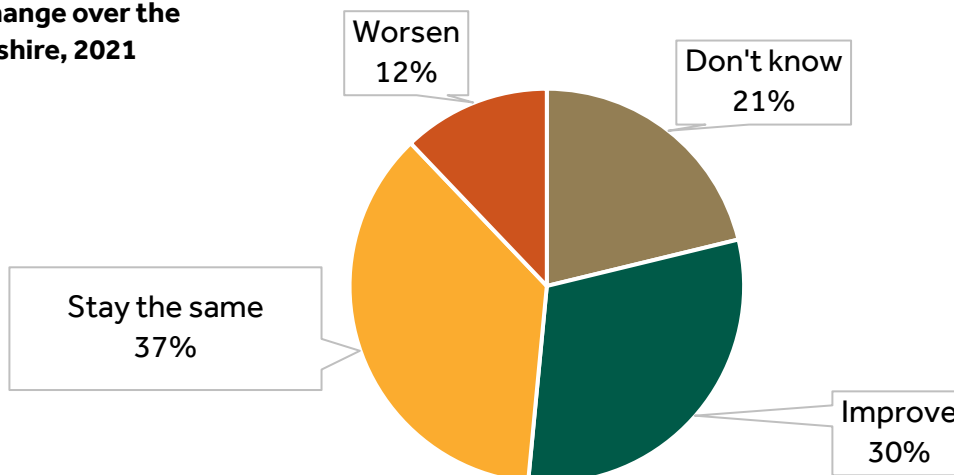
- loss of income from having to close or offer a reduced services during or after lockdown periods.
- additional restrictions still being in place, such as social distancing which has sometimes meant a reduction of visitors or limited capacity, which has resulted in loss of income.
- difficulty with encouraging people 'back in' to re-engage with services.

All of these factors have resulted in a much more challenging financial environment for the sector in Herefordshire. Despite these financial impacts, State of the Sector survey respondents still seem relatively optimistic about their future financial situation.

Graph 16: Proportion of VCSEs by how their financial position has changed over the last 12 months, Herefordshire, 2021



Graph 17: Proportion of VCSEs by how their financial position might change over the next 12 months, Herefordshire, 2021



In terms of the future there is a mix of views with many feeling their financial position will either stay the same (37 per cent) or improve (30 per cent) over the next 12 months. This illustrates a level of optimism from within the sector. However, there is also a sense of uncertainty with just over a fifth of organisations unclear about what the future holds, largely as result of COVID-19 and the impact this has had and an expectation that levels of income from government grants seen over the past 12 months will diminish.

This sense of optimism was shared by respondents of the 'follow-up' survey to Social Enterprises. Only 3 of the 21 organisations responding reported that their organisation was 'unlikely' to remain viable over the next 12 months and 16 predicted that their turnover would increase.

Organisations supporting 'young parents' were proportionally more likely to identify as being at risk financially (i.e. have experienced their financial position worsen and anticipate that this decline will continue).

The main activities / services delivered by organisations who reported a deterioration in their financial position and expect this trend to continue are primarily:

- Culture and recreation
- Advice, information and advocacy
- Health, social care and well-being
- Education E.g. adult/continuing education

The compounded, and on-going, impact of the pandemic on these organisations may mean that they face the most significant threat of closure. Given that many of the services that they deliver have an important role to play in supporting people to recover from the pandemic, and demand for many of these services is on the rise, it may be that these organisations should be targeted for additional support.

Obtaining grant funding

Historically it is well accepted that accessing grant funding has always been one of the most significant challenges facing the sector. Given the financial challenges presented by the pandemic it is unsurprising that 'obtaining grant funding' was highlighted as the most significant issue facing VCSEs in Herefordshire. 72 per cent identified this as the most significant challenge to their group or organisation's sustainability and/or growth. This is reinforced by the findings of both the Community Networks survey undertaken by Herefordshire Council in July 2020 and the Social Enterprise research (2020).

The SoS survey and focus groups also identified that the short-term nature of funding was a significant issue for many groups, specifically in relation to the lack of continuity it provides for both organisations and service users and the challenges it presents in terms of forward planning and retaining staff.

These funding challenges were further explored in the focus groups. Micro and small groups identified a lack of in-house application writing skills and knowing what funding was available as a specific challenge. Unconstituted groups without their own bank account highlighted this as a barrier to accessing grants. Larger groups raised the issues of funding being for new activity rather than funding core costs or the continuation of existing projects / services and the time required to complete applications for funding and to fulfil monitoring requirements.

This research reaffirms that the sector remains heavily grant dependant and that on-going investment is needed to both help the sector access grant funding and to support them to develop more sustainable sources of income.

9.3 FOCUS ON THE IMPACT OF COVID-19 ON THE VCSE SECTOR IN HEREFORDSHIRE

As with the rest of society the VCSE sector in Herefordshire has faced new and significant challenges as a result of the pandemic. In order to assess the impact of COVID-19 on the VCSE sector in Herefordshire the following additional research was reviewed:

- Talk Community questionnaire for Community Networks²⁸
- Follow up survey to identify the impact of COVID-19 with Social Enterprises who had responded to the 2020 Social Enterprise survey²⁹

A review of these data sources indicates that the key impacts of the pandemic on the VCSE sector in Herefordshire are in the following areas:

- Financial impact (see section 9.1 above)
- Volunteers
- Demand for services

9.3A VOLUNTEERS

Changes to volunteering and volunteers was a key theme identified in the focus groups relating to the impact of the pandemic and more generally. In the early stages of the pandemic many organisations experienced an influx of volunteers who were keen to get involved in the emergency response. The profile of these new volunteers was predominantly people of working age, many of whom had been furloughed or were working from home and found themselves with additional time to invest. As the world began to return to normal this new army of recruits returned to work, which reduced their capacity to volunteer.

This has been further compounded by a significant proportion of the pre-existing volunteer base being more reluctant to volunteer due to concerns about the pandemic, particularly for those who were more vulnerable due to age or health issues, as reported by focus group participants and SoS survey respondents. Many organisations reported difficulty in recruiting new volunteers and re-engaging long-standing volunteers. 34 per cent of respondents to the Community Networks questionnaire indicated that they expected the level of volunteering to reduce. This may reflect the high percentage of organisations responding that were set up in direct response to the pandemic. However, this trend was also reflected in the 'follow-up' survey with Social Enterprises.

Volunteer recruitment and retention

The focus groups identified a number of pre-existing issues relating to the recruitment and retention of volunteers which have been further exacerbated by the pandemic:

- A general difficulty **recruiting volunteers**, and specifically recruiting to **specialist skilled roles** and/or experience. Particularly those in leadership roles, such as committee members, chairs, secretary and treasurer, as well as some very specific roles for the organisation.
- **Training and experience** of available volunteers was highlighted as a challenge, which also caused difficulties with volunteers not always stepping up to run and organise the activities that are needed, as opposed to the parts of the role that they want to do.

²⁸ This research was conducted by Herefordshire Council's Intelligence Unit in July 2020 and involved sending out a survey to all community groups that had registered with the Talk Community voluntary response in the early stages of the Pandemic. 132 responses were received.

²⁹ The Social Enterprise Landscape Herefordshire, 2020, Herefordshire Council, was finalised in the early stages of the Pandemic. To explore the extent to which the Sector changed as a result of the Pandemic a follow up survey was sent to all of those that responded to the original mapping survey. 21 responses were received. NB: at the time of writing this report both of these research reports are unpublished.

- **An ageing volunteer** base is a concern to many organisations, which are actively looking to replace volunteers, in particular those still concerned about COVID-19 and those who have 'retired' from volunteering after 'taking their turn'.
- There was a general need for **more volunteers**, as well as highlighting the challenge of there only being so many volunteers to call upon, especially when there is increasing 'competition' for volunteers.
- There was acknowledgement that there are increasing **demands on people's time**, making it more difficult for people to commit to regular volunteering.
- There was also some acknowledgement of the challenge to find the **resources to manage** volunteers.

"Inability to manage volunteers adequately means we currently don't have any - previously they supported us with fundraising but we no longer have the staff member to support this as financial focus has had to be on service delivery."

"In a small community where 19 per cent of the population is retired and therefore ageing, the pool of potential volunteers decreases with time. The number of residents who have taken their turn at volunteering and feel no longer able to is also significant. There are three major community groups which use volunteers: the village hall, the community shop and the Eardisland in Bloom group. In a community of 502 this uses up the volunteer labour. Finally and significantly, the COVID-19 pandemic means many people are less willing to mix in public."

"We need more funded staff to manage and properly supervise a larger volunteer base, given the standards of volunteer management set by Age UK national service specs and CQS audit requirements."

"We haven't had a Treasurer for 2 years and desperately seek a suitable volunteer. Existing volunteers are wanting to do less and want to find a new generation to continue the Festival."

This significant decrease in the county's volunteer base at a time when demand for services is set to rise poses a significant challenge for the sector. In order to address this it is essential that **the work already being undertaken by hvoss on the production of a volunteer strategy, takes into account the findings from this research and is accelerated and supported by investment and a coordinated countywide approach.**

9.3B DEMAND FOR SERVICES

National findings from the PBE Tracker Survey (May 2021) show that 53 per cent of organisations experienced an increase in demand for their services in the past year. One-in-four (25 per cent) said they had seen demand rise by 25 per cent or more and 34 per cent expect to face an increase in demand that they do not have the capacity to meet. Initially in Herefordshire during the height of the pandemic many organisations delivering face to face services reported a reduction in demand for services, 83 per cent of respondents to the Community Networks questionnaire said that they had been forced to close or put on hold part or all of their services. However, SoS focus group participants felt that many organisations that had seen a decrease in demand at the start of the pandemic were now seeing both an increase in demand and a changing demand.

National research³⁰ shows that the combination of financial challenge and increased demand has resulted in many charities transforming the way they operate; 76 per cent tried new delivery models, 59 per cent improved the digital skills of their workforce and 48 per cent experimented with new approaches to fundraising and 47 per cent reported³¹ an increase in their range of services since the beginning of the pandemic. Feedback from the SoS and social enterprise follow up research reinforces this with many organisations referencing changes to the way services have been transformed; 71 per cent of respondents³² stated they had made changes to the way they were delivering their service. Half of these referred to moving services on-line whilst others stated they

³⁰PBE Tracker Survey (May 2021)

³¹Respond, recover, reset: the voluntary sector and COVID-19 (July 2021)

³²Herefordshire Council Social Enterprise follow up research, Impact Consultancy and Research (2020)

had adapted services and activities to take account of social distancing measures.

The experience of the pandemic on society and individuals; increased social isolation, greater financial hardship and the detrimental impact on health and wellbeing is reflected in the growing demand for services in these areas. Feedback from SoS focus groups and responses to the survey specifically highlighted demand for mental health support and those in financial crisis e.g. foodbanks and debt management support as being primary needs in the county.

9.4 OTHER CHALLENGES IDENTIFIED BY THE SECTOR

Prior to COVID-19 the sector already faced some serious challenges as a result of years of insufficient resources, an uncertain operating context as a result of Brexit, and other recent major events e.g. the flooding in 2019/2020. This section of the report explores the issue of capacity and looks at whether any of the challenges identified through the research are more significant for certain types of organisation.

Capacity

A lack of time linked to the capacity of the staff / volunteers running the organisation was a key challenge identified through the survey and an issue for all sizes of organisation. Focus group discussions highlighted that service delivery took up all available time. This meant that the time needed to secure funding, attend training, network, manage volunteers etc...was always stretched. In addition, respondents also identified that the skills and knowledge required to undertake the additional parts of their role such as marketing and managing staff and volunteers were often lacking. This was a particular issue for small organisations with very small staff teams who were required to be 'jack of all trades', compounded by limited resources to buy-in expertise. The 'time / cash poor' nature of the sector needs to be considered when developing solutions to increase the capacity of the sector.

"Being completely voluntary is hard in terms of having enough hours to attend meetings, do training, train volunteers, fill in forms, complete grant reports AND have time left to do the thing we are here for (and fit in a paid job)."

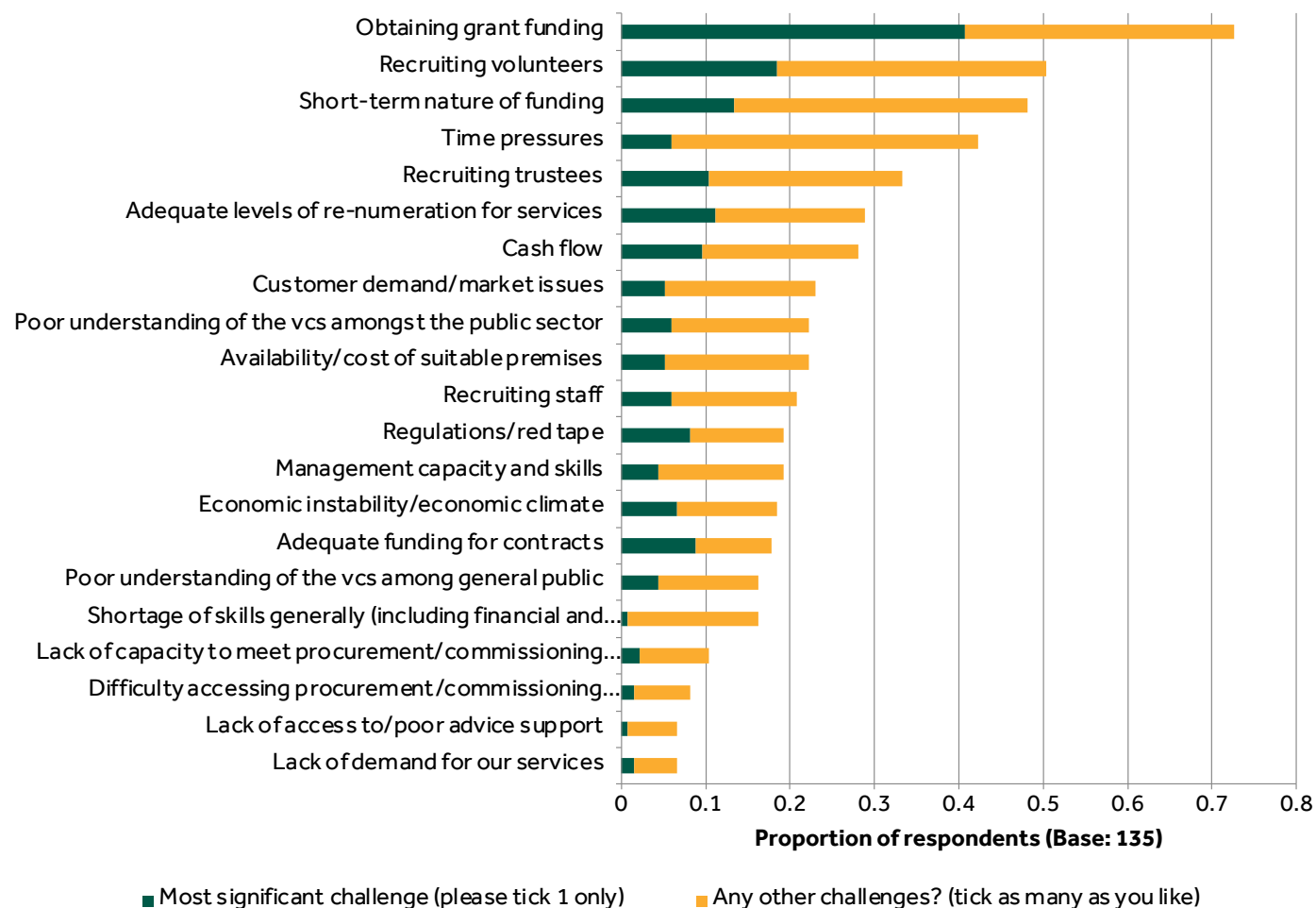
"My background is in children and family support which is why I applied for the job. I don't have a clue about social media or writing funding bids but there is no one else to do these things."

Challenges by size of organisation

- Obtaining grant funding was the most commonly reported significant challenge across all sizes of organisation.
- Both medium and small organisations stated that the recruitment of volunteers was a challenge. Small organisations identified that this was an issue both in terms of regular volunteers and trustees.
- Medium sized organisations highlighted the recruitment of staff as a significant issue.
- Small organisations specifically highlighted the short-term nature of funding, adequate levels of re-numeration for services and cash flow as challenges.

Graph 18. Proportion of VCSEs by the challenges to their sustainability/growth, Herefordshire, 2021

What are the most significant challenges to your group or organisation's sustainability and/or growth currently?



Source: SoS Survey, 2021. Herefordshire Council.

10. CONCLUSION

The data and intelligence drawn together in this report powerfully demonstrates the significant contribution that the VCSE sector makes to those living, working and visiting the county. Herefordshire VCSEs generate in excess of £338 million of income, creating a range of services and activities that respond to the needs of our communities. In doing so, VCSEs employ 4,275 people and mobilise 50,432 volunteers. The vast majority of VCSEs in the county are small, neighbourhood based groups rooted in their local communities and are heavily reliant on volunteer labour and income from grants and local fundraising.

VCSEs have always played a crucial role in preventing and addressing need, reducing hardship, driving change and enabling people to survive and thrive. Despite the challenges the sector has faced during the last twelve years, its size has remained fairly constant and it has demonstrated its resilience in the face of adversity. Many of the county's longest standing organisations continue to deliver essential services and new groups continue to be set up in response to emerging needs. The VCSE sector remains active across every aspect of the local economy including skills, employment and enterprise; housing and transport; environment and carbon reduction; poverty reduction with a wealth of health and social care and culture and recreation groups.

It is evident from this research that the VCSE sector makes a significant contribution socially and economically to the county and has an essential role to play in addressing many of the biggest social challenges facing our communities. The pandemic further reinforced the indispensable part that the sector plays in shaping and supporting grassroots activity. This role will become even more important as demand on services increases as the country slowly moves into recovery and the full impact of the pandemic is felt. As we look to the sector to adapt, diversify and expand services to meet growing and changing demands we need to recognise that the sector itself is also in recovery with depleted volunteer numbers and financial uncertainty. If the sector is going to ride the storm it will need to evolve, adopt new ways of working and develop more collaborative approaches to service delivery both within the sector and outside it. It will also need to be supported by a well-resourced and coordinated local infrastructure and be able to access long term sustainable funding that will allow it to plan, develop and innovate. Moreover, the need for mutual value and respect has never been stronger; the sector will need to be treated by other sectors as an equal and essential partner and be empowered and trusted to do what it does best. There are significant opportunities in supporting a thriving VCSE sector in Herefordshire, as well as serious risks to our social fabric, economic well-being and our ability to address inequalities and vulnerabilities within the county if we do not.

11. RECOMMENDATIONS FOR FUTURE AREAS FOR ACTION AND SUPPORT

The recommendations below are based on the findings of this research which have identified a number of areas to support the work of the VCSE sector to develop longer term sustainable solutions for a thriving sector.

1. To explore the options of developing and establishing platforms through which the voluntary and community sector can: share information with others; strengthen their voice and influence; and engage strategically with other sectors. This needs to take into account the development of the Herefordshire Community Partnership together with existing mechanisms, such as VCSE forums, wider partnerships and networks. Factors to take into consideration are:
 - Sufficient resources to ensure sustainability
 - How the approach could facilitate networking opportunities across the sector to help develop a culture of peer support, to include on-line networking (building on the learning and examples developed over the past two years)
 - How to strengthen relationships with the public and private sectors.
2. To build on work already underway to review and strengthen the infrastructure offer around volunteering to develop a county-wide, strategic approach to volunteer recruitment, retention, support and training, recognising the breadth of volunteer roles, and the value that volunteers bring to the sector, the community and the county. The opportunities to work closer with employers to develop volunteering schemes for their staff should be explored.
3. To review, strengthen and promote the infrastructure offer on income generation, including grant and funding advice, but also to consider how best to support the sector to diversify their income streams and develop a more enterprising culture.
4. To explore opportunities for the sector to benefit from tailored business support / expertise initially to focus on the following areas: marketing and communications, income generation opportunities.
5. To develop opportunities for cross sector working to address strategic and common issues. There are already opportunities for this at Primary Care Network level which are being explored as part of the implementation of the Integrated Care System. Best practice in terms of collaboration of resources, knowledge, skills and expertise should be shared to demonstrate the value that each partner offers. There also needs to be a mechanism for addressing these issues at countywide and strategic levels.
6. For infrastructure organisations to work collaboratively around an agreed set of common objectives, to develop complementary services and raise the profile of what is on offer to the wider sector.
7. To review the investment in LIOs to ensure that the needs identified through this research are being addressed and resourced to effectively support and build the capacity of the sector.
8. To consider clearer messaging outlining the aims of Talk Community and the support it can provide working in partnership with the VCSE sector. This would be beneficial as part of a wider marketing strategy for Talk Community to help increase its reach and broaden understanding of the approach.

9. To understand existing community-based mental health and wellbeing provision and support services across the county with the aim of developing an overview of the mental health and well-being offer within the county, to identify gaps in provision and explore how this offer can be collectively promoted.
10. To do further research to understand the issues faced by organisations supporting young parents, culture and recreation, advice, information and advocacy, health social care and wellbeing and education, as organisations delivering these services and activities disproportionately reported a deterioration in their financial position.
11. To work collaboratively across sectors to review commissioning approaches, informed by learning over the last two years and to look to future opportunities such as through the ICS. To promote collaboration not competition amongst VCSE organisations, improve longer term planning by investing in longer contracts and continually provide assurance that local commissioning and procurement frameworks reflect the importance of Herefordshire's VCSE. This should take into account:
 - How VCSEs are involved in all stages of the commissioning cycle and make co-design of local services the norm.
 - How procurement methods can be delivered in a way that ensures they are accessible to VCSE organisations.
 - The support and investment required by the sector to enable it to fully participate in the commissioning cycle.
12. To recognise the important role that the VCSE plays in the local economy. An information campaign based on the key facts from this research should be shared with politicians, leaders and influencers in all sectors. A wider promotional campaign would help raise awareness of the services provided by the sector, aiding recovery post COVID.
13. To drive forward opportunities for local businesses and VCSE organisations to work together for mutual benefit. The Connecting Business & Charities event in June 2021 demonstrated the appetite of both businesses and charities to collaborate. Resource needs to be secured for a longer-term programme and to develop more opportunities for embedding this approach across the business and VCSE communities.
14. Through Talk Community test out the emerging findings relating to the gap analysis at PCN level with partners and the wider community in those areas.
15. To undertake a follow up study in two years' time to assess the changes which have taken place, including with direct reference to the above recommendations and the degree to which they have been actioned.

Report References:

- The Health and Care Bill 2021, House of Commons, Session 2021-22.
- The UK Civil Society Almanac (2020) Data. Trends. Insights. NCVO, Sarasin & Partners.
- Third Sector Support Services Needs Survey, Herefordshire Council, 2010
- Below the Radar estimate (BTR) from NCVO (National Council for Voluntary Organisations)
- Social Enterprise landscape in Herefordshire (2020), Herefordshire Council
- Realist Evaluation of the State of the Wigan Voluntary, Community and Social Enterprise Sector 2021, Howarth, M., Martin, P., Sherriff, G., Hepburn, P. & Witkam, R.
- A comparison of the values and commitment of private sector, public sector, and parapublic sector employees. Public administration review, 66(4), 605-618. Lyons, S. T., Duxbury, L. E., & Higgins, C. A. (2006)
- A Talk Community questionnaire for Community Networks, Herefordshire Council's Intelligence Unit (July 2020)

APPENDIX 1. CALCULATION EVIDENCE AND DATA SOURCES FOR KEY FINDINGS

This appendix details how the figures that feature in the key findings were calculated and where the figures were sourced from.

2,304 VCSEs are based or operating in the county, of which 1,325 are registered with the Charity Commission.

Source: Combined data sets, Charities Commission, Companies House, Registered Societies, Herefordshire Council's Contracts register, State of the Sector (SoS) Survey 2021 and an estimate of Below the radar (BTR) groups from National Council for Voluntary Organisations (NCVO).

Calculation: All VCSEs that operate or are based in the county, nationally public data, locally collected data from the SoS Survey and calculations of those BTR groups who are not on any of the public or local databases.

VCSEs contribute £355 million per annum to Herefordshire's economy.

Source: Combination of the three sources below (2019 Office for National Statistics (ONS), 2021 SoS Survey, Community Wellbeing Survey 2021 and Charity Commission data 2021)

Calculation: This is the total of the following three figures:

£278 million income reported from VCSE sector + £60 million additional income used to pay staff in the VCSE sector + £17 million value of volunteer hours given.

£60 million is spent on staffing in the VCSE sector per annum.

Source: 2019 Office for National Statistics (ONS) data on numbers of VCSE sector employees, 2021 SoS Survey data to estimate the full time equivalent (FTE) figure for the ONS workers number, National living wage in 2021.

Calculation: 3,012 FTE employees x an average 40 hours a week x hourly pay of £9.50 x 52 weeks of a year to give an annualised figure = $3,012 \times 40 \times £9.50 \times 52 = £59,526,490$ or £60 million.

If volunteer hours had to be paid for this would equate to £17 million per annum.

Source: Community Wellbeing Survey 2021 proportion of the 2020 population estimates who volunteer regularly, 2021 SoS Survey data to obtain average hours worked by volunteers per year, National living wage in 2021.

Calculation: 32 per cent of 18+ adult population (157,600) = 50,432 x £9.50 x 36 average annual hours from 2021 SoS Survey = £17,247,744 or £17 million.

The Herefordshire VCSE sector has a combined income of £278 million.

Source: Charity Commission data 2021, 2021 SoS Survey data

Calculation: £338 minus £60 million taken off to pay to staff – to avoid double counting.

Table 1: Details of modelling and calculations to obtain a value of the VCSE sector in Herefordshire 2021.

% by size	Number by size	Size	Average income by size	Est income for size
53%	1220	Micro: less than £10,000	£2,859	£3,487,980
38%	876	Small: £10k - £100k	£26,459	£23,165,384
6%	138	Medium: £100k - £1m	£255,923	£35,378,796
3%	69	Large: £1m - £10m	£3,741,817	£258,634,391
0%	1	Major: £10m - £100m	£14,522,046	£14,522,046
A	B	C	D	E

A: Proportion of charities from the Charity Commission 2021 data according to the size of the organisation, to be consistent with the data source.

B: Estimated number of VCSE groups and organisations according to size based on the proportions of the Charity Commission data and the total estimated VCSE groups and organisations in the county (all sources of data).

C: Size of organisation based on their annual turnover from the latest year.

D: Average income for charities based on their size (source Charity Commission Database 2020).

E: Estimated income in Herefordshire by size of organisation (BxD).

The following assumptions underpin the estimated value of the VCSE in Herefordshire:

- The proportions of the VCSE sector are representative of charities registered in Herefordshire.
- The income reported by registered charities according to size can be generalised to those VCSEs that are not registered charities i.e. CASCs, CICs, and unconstituted community groups.

It should also be noted that, only charity figures from those who are based in Herefordshire have been included.

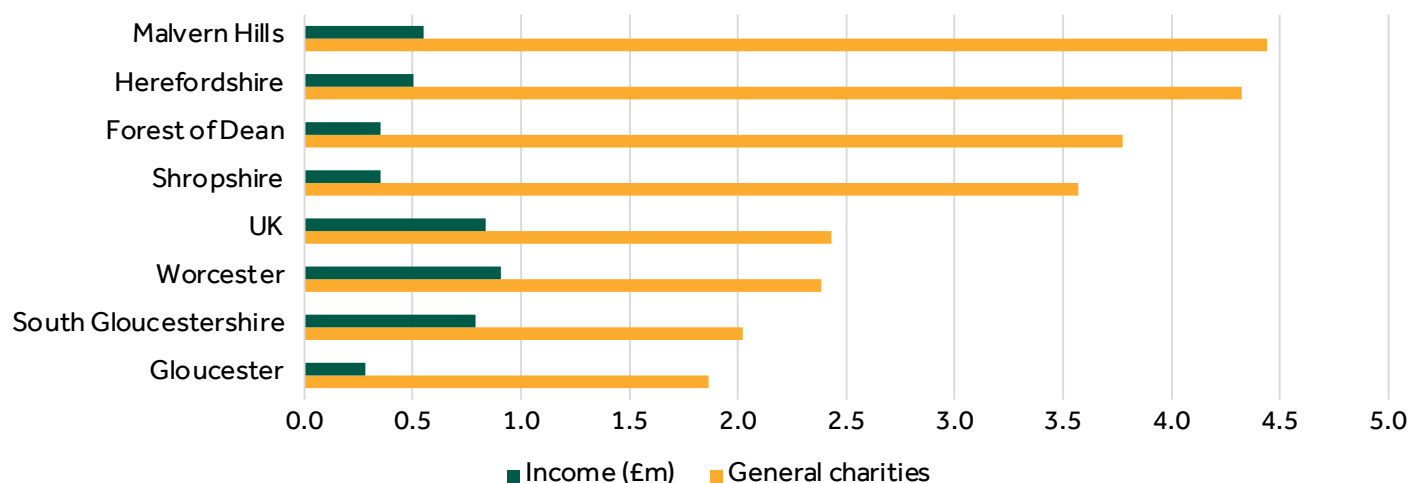
4,275 paid employees, 6 per cent of employees work in the VCSE sector. Comparatively, the ONS data shows that the public sector employs 9,020 people and the private sector employs 60,474 people.

Source: The data contained in this analysis are produced from a snapshot of the Inter Departmental Business Register (IDBR) taken on 15 March 2019. ONS, Crown Copyright. 4,275 is a mix of full time and part time - if you summed all the hours together you would get 3012 full time staff only.

APPENDIX 2. ADDITIONAL GRAPHS AND TABLES TO SUPPORT THE FINDINGS

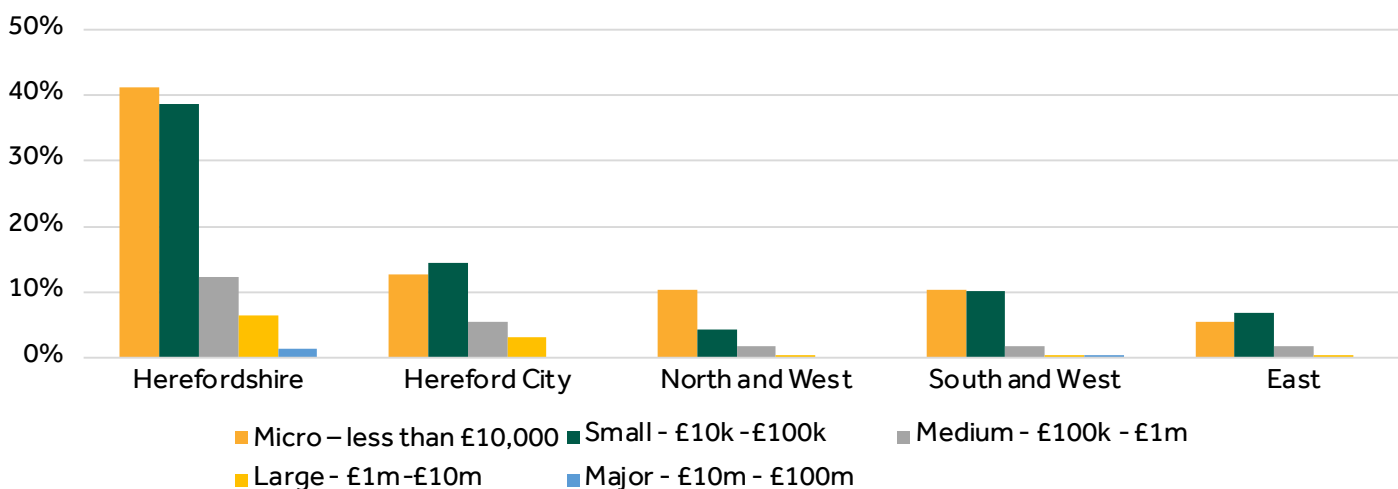
This appendix shows additional graphs and tables that provide contextual information about the state of the voluntary sector in Herefordshire. They may also show additional detail which have been used to inform some of the key statements made.

Graph 1: Number of organisations and income by Local Authority (per 1,000 in the population), 2018/19



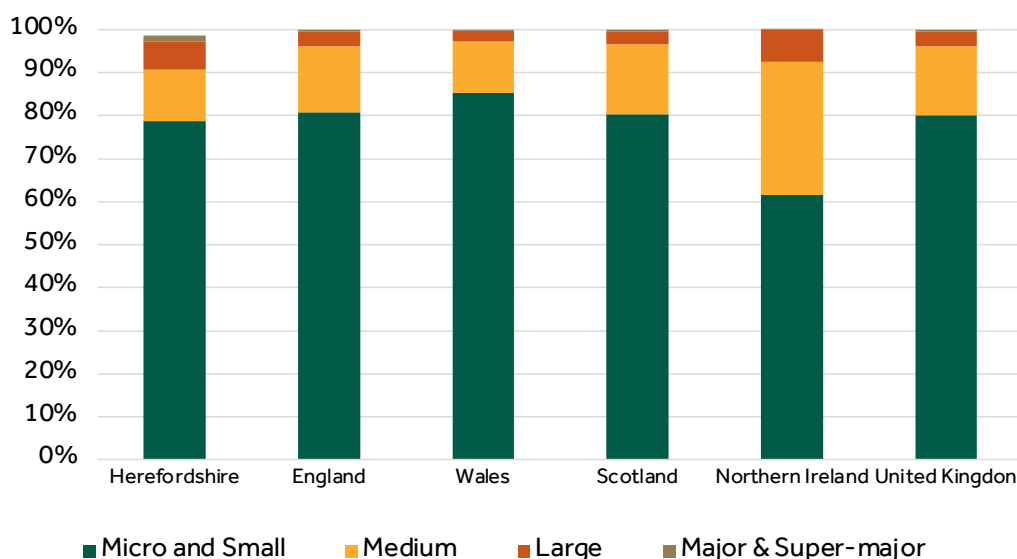
Source: NCVO, Charity Commission, 2018/19, Mid-Year Population Estimates, UK, June 2020, Office for National Statistics (ONS)

Graph 2: Proportion of VCSEs by PCN area by size (turnover)



Source: SoS Survey, 2021. Herefordshire Council.

Graph 3: Proportion of VCSEs by size of turnover by area



Source: NVCO, Charity Commission Almanac 2021, Herefordshire Charity Commission data, 2021

Table 1 shows how VCSEs classified themselves in 2021 and in 2010, however in 2010 respondents to the survey could select more than one answer, and in 2021, respondents could only select one, making it difficult to make direct comparisons over time.

Table 1: Number and percentage of VCSE groups and organisations by type in Herefordshire in 2010 and 2021.

	Herefordshire 2010		Herefordshire 2021	
	No.	per cent	No.	per cent
Charity	165	54	158	56
Voluntary Organisation	111	36	14	5
Community Organisation	101	33	34	12
Co-Operative	3	1	0	0
Community business/enterprise	10	3	0	0
Social enterprise	17	6	27	10
Umbrella group/development org	4	1	0	0
Partnership organisation	6	2	0	0
User led	22	7	0	0
Membership org	47	15	4	1
Housing Association	2	1	0	0
Social/hobby group	35	11	8	3
Community Amateur Sports Club (CASC)	-	-	5	2
Other	42	14	30	11
Total	306		280	

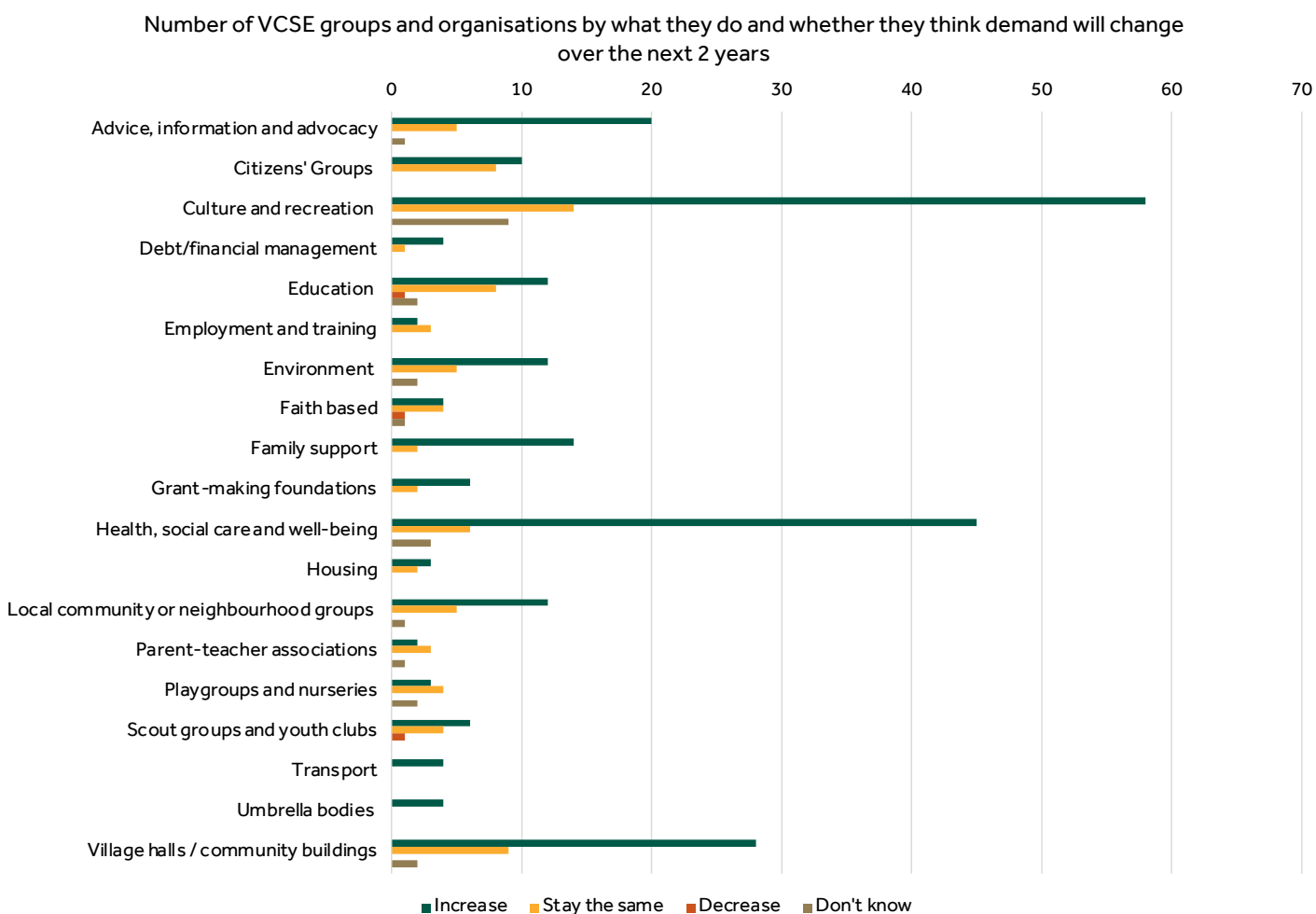
Source: Third Sector Support Services Needs Survey, Herefordshire Council, 2010 & SoS Survey, Herefordshire Council, 2021

Table 2: Number and percentage of VCSEs by type of service they offer, Herefordshire 2021

	Herefordshire Number	Herefordshire per cent
Advice, information and advocacy	85	30
Citizens' Groups including Rotary Club, Lion's Club, Women's Institute	35	12
Culture and recreation including arts, sports, hobby clubs	130	46
Debt/financial management	22	8
Education	65	23
Employment and training - Job training programmes	28	10
Environment	39	14
Faith based	21	7
Family support	53	19
Grant-making foundations	14	5
Health, social care and well-being	116	41
Housing	14	5
International	9	3
Local community or neighbourhood groups	53	19
Parent-teacher associations	10	4
Playgroups and nurseries	25	9
Scout groups and youth clubs	27	10
Transport	15	5
Umbrella bodies including local infrastructure organisation	14	5
Village halls / community buildings	54	19
Other	44	16
Grand total	281	

Source: SoS Survey, 2021. Herefordshire Council.

Graph 4: Number of VCSEs by what they do and perceived change in demand, Herefordshire, 2021



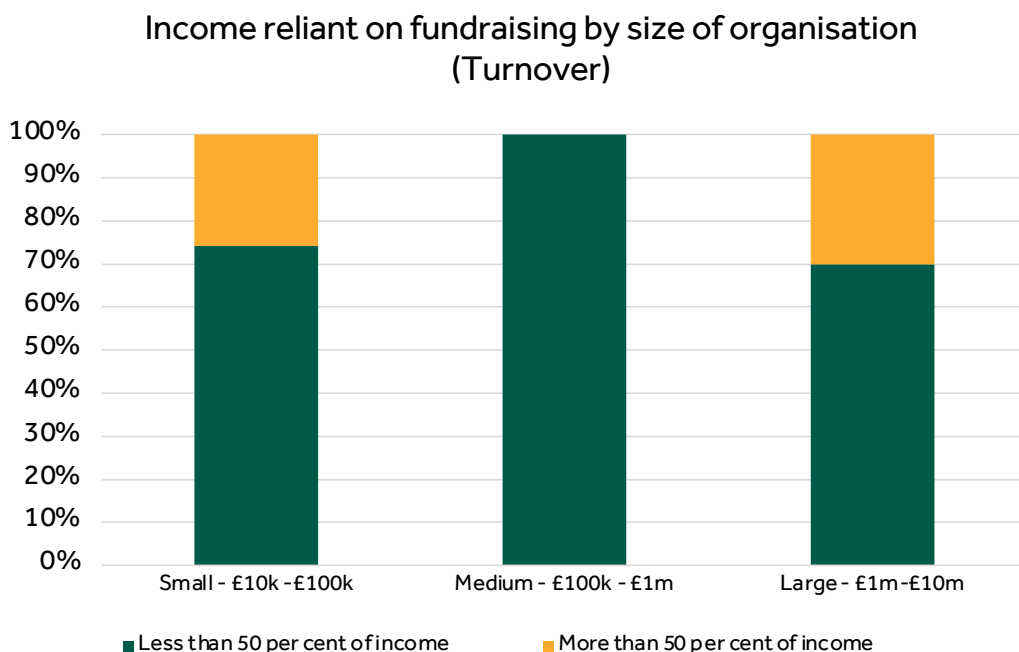
Source: SoS Survey, 2021. Herefordshire Council. Low numbers in certain categories make percentages difficult to interpret, therefore numbers are presented.

Table 3: summary of the local survey data of Herefordshire's Voluntary and Community Sector, Herefordshire 2021.

	Total number of VCSE groups/ orgs	Employees Full time	Employees Part time	Volunteers Regular	Volunteers Casual	Total weekly hours worked
Herefordshire	281	553	651	13,471	8,067	13,529

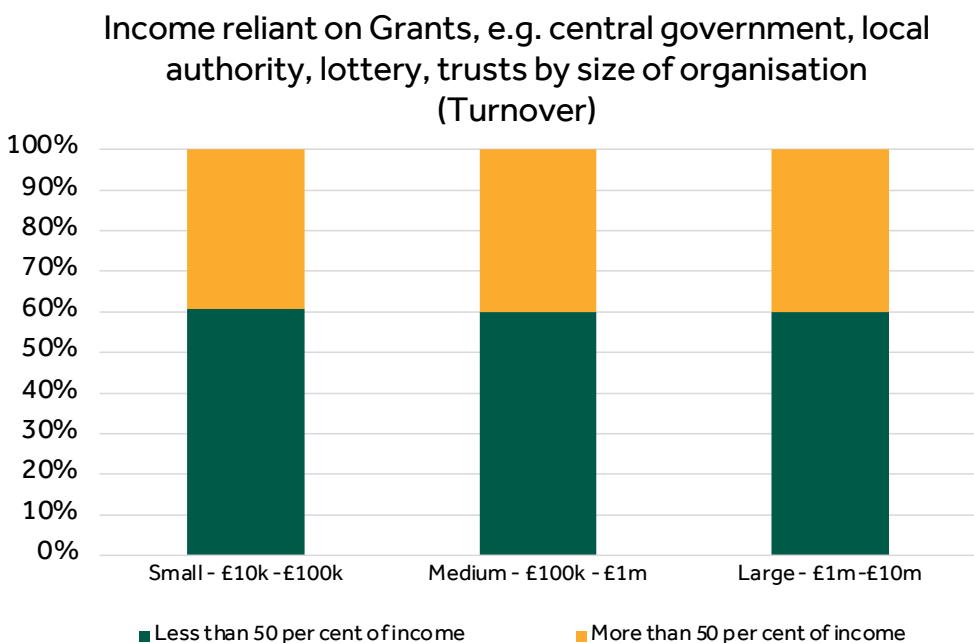
Source: SoS Survey, 2021. Herefordshire Council.

Graph 5: Proportion of VCSEs whose income is more or less than 50 per cent reliant on fundraising by size of their organisation, Herefordshire, 2021



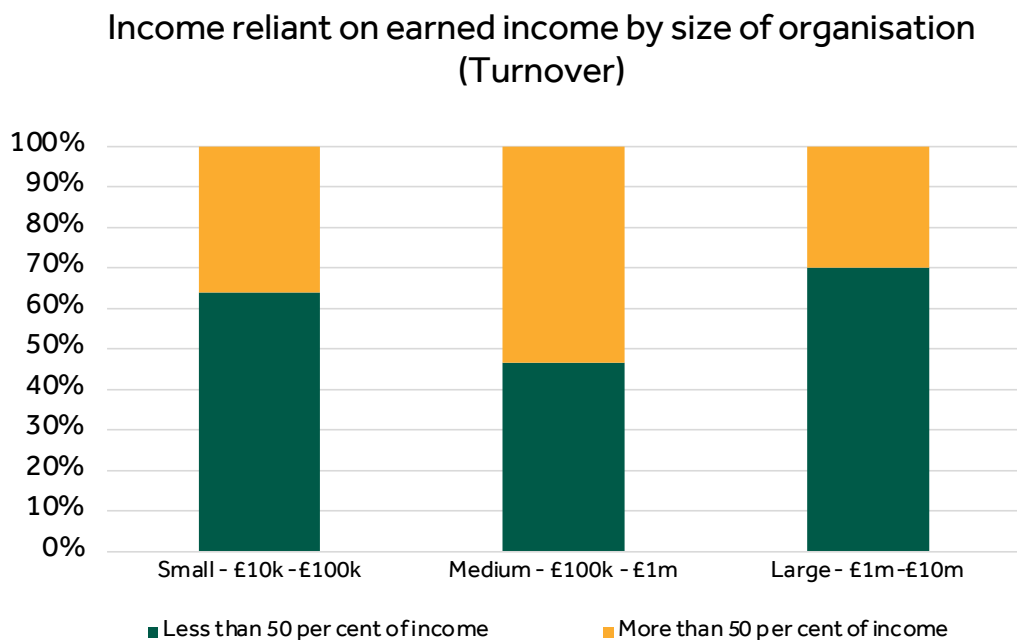
Source: SoS Survey, 2021. Herefordshire Council.

Graph 6: Proportion of VCSEs whose income is more or less than 50 per cent reliant on Grants by size of their organisation, Herefordshire, 2021



Source: SoS Survey, 2021. Herefordshire Council.

Graph 7: Proportion of VCSEs whose income is more or less than 50 per cent reliant on earned income by size of their organisation, Herefordshire, 2021



Source: SoS Survey, 2021. Herefordshire Council.

APPENDIX 3. GAP ANALYSIS BY PRIMARY CARE NETWORK AREA

This appendix provides an analysis of the data for each of the four Primary Care Network areas (PCNs); Hereford City, North and West, South and West and East. Looking at all available data to highlight where there were differences in that locality compared to the county as a whole or the other PCN areas. Details how the figures that feature in the key findings were calculated and where the figures were sourced from.

Hereford City Primary Care Network area

The Hereford City Primary Care Network (PCN) area has approximately 42 per cent of Herefordshire's population and is the location of just under a third (31 per cent) of all the counties VCSEs.

Data for Hereford City PCN area suggests that there may be a slightly lower proportion of people aged 65 years and above in this area. In line with this it has a slightly lower proportion of VCSEs supporting older people compared to other PCN areas.

Hereford City PCN area has slightly more VCSEs supporting children and young people compared to other areas, however this is in line with the slightly higher proportion of young people living in the Hereford City PCN area.

Hereford City PCN area also has a slightly higher proportions of VCSEs supporting women and girls and young people leaving care.

The majority of VCSEs in the Hereford City PCN area expect demand for their services to increase. In many cases they also highlight how they are changing and adapting their service to meet these demands such as actively recruiting workers and volunteers, improving and widening services to meet this increasing need and working more with partners. Areas where an increase in demand for services are particularly evident are: mental health, inequalities around deprivation and children, domestic violence and abuse, support for those providing unpaid care and those experiencing social isolation, particularly the elderly and people in rural areas. Many of these areas have been exacerbated as a result of COVID-19.

Talk Community Locality Development Officers identified the following issues as areas for attention in their PCN area:

- depression and anxiety

North and West Primary Care Network area

North and West PCN area has approximately 22 per cent of Herefordshire's population, with 29 per cent of the counties VCSEs.

The North and West PCN area has no VCSEs who provide grant-making foundations, housing and transport **based** in the area.

The area has lower proportions compared to the county as a whole of VCSEs that provide support to families, and men and boys.

Of the VCSEs that indicated how many people engage with their service, there were lower proportions of VCSEs that supported larger numbers of people (e.g. 1,000+ people) in the North and West PCN area.

The majority of VCSEs in the North PCN area expect to see an increase in demand for services, or at least stay the same.

Talk Community Locality Development Officers identified the following issues as areas for attention in their PCN area:

- obesity in all ages
- dementia
- depression and anxiety
- pre-frailty in older people.

South and West PCN area

The South and West PCN area has approximately 21 per cent of Herefordshire's population, and 23 per cent of the counties VCSEs.

The South and West PCN area has a slightly higher proportion of VCSEs supporting older people than other PCN areas.

The South and West PCN area has slightly less VCSEs providing advice, information and advocacy in the area compared with the county as whole. However, it has a slightly higher proportion of village halls and community buildings. There are slightly more playgroups and nurseries that operate in the South and West PCN area than other PCN areas.

The South and West PCN area has slightly higher proportions of VCSEs that provide services which engage with smaller numbers of service users, and a lower proportion that engage with larger numbers of service users.

The majority of VCSEs in the South and West PCN area expected demand for their services to increase in the coming 2 years.

Talk Community Locality Development Officers identified the following issues as areas for attention in their PCN area:

- adult obesity
- dementia
- depression and anxiety
- pre-frailty in older people

East PCN area

The East PCN area has approximately 15 per cent of Herefordshire's population and 17 per cent of VCSEs.

The East PCN area has a lower proportion of VCSEs than other areas, however this is in line with its population.

The East PCN area has a slightly lower proportion of VCSEs providing health, social care and well-being services than the county as a whole. It also does not have any umbrella bodies E.g. local infrastructure organisation in the area.

The East PCN area has lower proportions of VCSEs based in the area supporting people with disabilities and none that provide support for gender equality and LGBT groups.

The majority of VCSEs based in the East PCN area expect to see an increase in demand for their services.

Talk Community Locality Development Officers identified the following issues as areas for attention in their PCN area:

- adult obesity
- depression and anxiety
- pre-frailty in older people
- alcoholism in adults



**This research was undertaken by
Impact Consultancy & Research**