

**Economic Downturn
The impact on the Third Sector in North Yorkshire
York and North Yorkshire Infrastructure Consortium**

**Monitoring the impact of the recession on the third sector in York and North Yorkshire
December 2009**

1 Background

Funded through the Capacitybuilders Resilience Grant in March 2009, and led by Ripon CVS the members of the York and North Yorkshire Infrastructure Consortium undertook initial surveys with the voluntary and community sector regarding the impact of the recession in the sub region. A summary of the key findings of this initial work are detailed in below.

Ripon CVS on behalf of the Consortium is working with the North Yorkshire Partnership Unit so that information collected may be fed into the wider mapping of the impact of the recession on sectors across the sub region. Currently data is being collected by the North Yorkshire CABs and the hope is that through the activity detailed below further information will be provided regarding the impact of the recession on the wider third sector.

Ripon CVS have also liaised with the Regional Forum to support the development of the questions included in the Regional VCS Quarterly Confidence Survey. The first report published and a summary of findings is detailed below, however uptake in the sub region of this first survey was low and figures should therefore be treated with caution.

The Consortiums Annual Customer Needs Survey 2009 will also include the questions developed by Ripon CVS to assess the impact of the recession. The will be undertaken in December 2009 through survey monkey questionnaire sent to 1,700 organisations whose details are held on the Consortiums Common Database and which operate across the sub region. Results of the survey should be available at the beginning of February 2010.

It is intended the results of these surveys will be fed into of the economic impact assessment being undertaken by NYPU and support the work being undertaken by the Thriving Third Sector Steering Group reporting to the NYSP Executive.

2 Summary of trends to date and recommendations

As more data is collected from the sector a clearer picture will be developed particularly in the New Year following the results of the Consortiums Annual Customer Needs Survey. However from the information collected to date the following trends are beginning to emerge

- Many organisations are anxious for about future funding arrangements particularly from the public sector
- There is increased demand for some service provision with some organisations increasing staff numbers to meet this demand
- Some organisations are using reserves to met increased demand or increases in the cost of delivering services
- Mixed picture in volunteering with an increase in the number of volunteers in some areas

It is important that the public sector work together with third sector organisations and give clear messages regarding future funding and contracting arrangements. The members of the Infrastructure Consortium have a number of support services available across the sub region including Community accountancy, Funding and Employment Advice. Listening to the sector and providing up to date information and support should enable organisations to plan for the future and support long term sustainability.

3 Research and findings to date

Key findings Consortium members Surveys March 2009

York & North Yorkshire Infrastructure Consortium whose members include all Local Infrastructure Organisations (LIOs); the one independent VC; Rural Action Yorkshire and York Racial Equality Network undertook research with the sector in spring 2009 to gather intelligence, to begin the processes of assessing and monitoring the impact of the recession on third sector organisations in North Yorkshire.

Members of the Consortium undertook an initial survey of third sector organisations across the sub region, including the use of short questionnaire and a number of events held for the sector in the spring 2009. Led by Ripon CVS and funded by the Capacitybuilders Resilience Grant part of the Governments Real Help for Communities programme the summary of the findings of this work is detailed below.

Key findings

- 1) It is acknowledged that it is early days in terms of being able to categorically identify impacts or changes being specifically attributed to the economic downturn. There is no doubt however that demand for services around benefits, debt advice, homelessness and other individually focussed work has seen a significant rise across the whole sub region.
- 2) Where contracts are in place funding remains as agreed however utility and other costs have risen so in real terms funding has been impacted (lack of full cost recovery exacerbates this problem) Organisations relying on donations and particularly subscriptions or client payments have been hit already.
- 3) Organisations are already working at full capacity and although they can manage short term, resources will need to be addressed. There is concern that Voluntary Sector Organisations are having to eat in to their reserves.
- 4) VCS organisations would like support in terms of help to recruit more volunteers, funding support, commissioning and procurement advice as well as peppercorn/concessionary rents for empty premises.
- 5) There is a mixed pattern of what is happening regarding volunteering at this early stage. Some volunteer centres see a rise in unemployed people, others a decrease in numbers due to the volunteers needing paid work to support themselves in the recession. Some people are volunteering to increase their skills in preparation for possible redundancy while others are volunteering as they see the need for volunteers may grow in the recession. What is clear is that the crucial role of the volunteer centres and other organisations recruiting volunteers requires better resourcing if they are to address the volunteering agenda in the future

Regional VCS Quarterly Confidence Survey October 2009

The Yorkshire and the Humber Regional Forum met with members of each of the four sub regional infrastructure consortium in September 2009 to develop a regional survey of third sector organisations to collect data regarding the impact of the recession.

This will be an ongoing process with surveys undertaken on a quarterly basis. The first survey was undertaken in October 2009 and the results are detailed below. Whilst completion by groups in York and North Yorkshire was low this first time round, but members of the Consortium intend to promote the next survey more widely through their networks in the spring 2010 and anticipate a larger response.

Summary of findings

- More organisations in North Yorkshire than regionally believe that conditions for the sector will deteriorate in the next twelve months

- However a larger proportion state they will be increasing staff in the next three months which correlates to the number who will be increasing service provision.
- More organisations in North Yorkshire believe that the financial situation of their organisation will remain stable.
- A high proportion of North Yorkshire respondents' state they expect to collaborate more in the next twelve months but this is lower than the regional figure.

York and North Yorkshire Infrastructure Consortium Annual Customer Needs Survey 2009

Members of the Consortium have undertaken a joint Customer Needs survey of third sector organisations from across the sub region since 2006. The results of these annual surveys enable the Consortium to plan support activities to meet the needs of organisations in the sub region. In 2008 the results of the survey supported the development of Consortiums Business Plan and Infrastructure strategy for Capacitybuilders and the four successful bids to the Big Lottery Building Sustainable and Accessible Infrastructure Support (BASIS) programme.

This years which is to be sent out via survey monkey before Christmas will ask additional questions which seek to establish the current impact of the recession on groups in the sub region and have been developed by Ripon CVS working in with the NYPU. It is anticipated that the results of this survey will be shared with key public sector partners the NYSP Thriving Third Sector group to support monitoring of the sector in North Yorkshire.

4 Outcomes

The aim of this work is to provide strategic partners and stakeholders with details of the impact of the recession on third sector organisations and the communities and individuals which they serve. It is envisaged that this will support planning and service delivery of the members of the Consortium to ensure that support services are targeted to meet organisations needs and to enable Commissioners and public sector partners to identify potential areas of difficulty and support third sector organisations to thrive in the sub region.

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