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# Picking Up The Pieces: Nottingham CVS's State of the Sector Report 2014

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# Foreword: An introduction from the Chief Executive

Welcome to our third annual state of the sector report, 'Picking Up The Pieces.' Having toyed with a number of titles and looked at all the details from our respondents, it soon became clear from our survey responses that the voluntary sector is picking up the pieces, doing more work with vulnerable clients as the state continues to shrink.

The voluntary sector is currently under a dual threat to its ability to provide services. Firstly, aggressive welfare reforms from the coalition government are driving more people to the voluntary sector, as the state reels back the support it offers those in need. Secondly, the cuts to local authority budgets, which traditionally fund the voluntary sector, are hurting the sector's ability to support increasing demand.

Some of the pieces we're picking up have sharp edges: the Work Programme has hurt our sector and seen organisations the length of the country fold. In a bid to blunt the edges of this, we are working with groups to prepare them to generate income in new ways which have fewer financial risks.

Our job as a CVS is to support the local voluntary sector to help its beneficiaries, to help people get in to volunteering, and to speak up for groups that are struggling, or when unfairness arises. Our role at the moment, then, feels like putting together a mosaic: taking the fragile pieces of the sector, and using the resilience of the sector as the cement which holds it together.

More groups are seeing an increase in demand for their services, and our role as a CVS is to help them meet that, as well as supporting more people to get in to volunteering who are passionate about helping people, and by working even harder to map and relay the difficulties the sector is encountering to those who can make a difference. In helping with these issues, the chain reaction continues and increases the demand for our

services.

It is at times like this, with demands upon the sector ever increasing and with funding cuts hitting not just the voluntary sector but the public sector too, that we need to come together as public and voluntary sectors and work together to meet the needs of our citizens. The true measure of strength is how we rise to master moments that require it when they arrive. We are stronger together with our unique resources than we are divided. Our sectors want the same thing: to help citizens of Nottingham who need our support most.

We can and must work together, as a voluntary sector and across all the sectors. Working separately on issues as big as we currently face would shatter to pieces the efforts of our sector and of Nottingham CVS who have been supporting our sector since 1875.

This isn't the way our city works. We can't afford to do that when there is so much already affecting vulnerable people, so many individual reforms hurting so many people like a barrage of punches leading up to a knockout blow.

Such an approach damages communities. It would be a tragedy if the same were to happen to the support they rely on. In the same way, if Nottingham CVS is not providing support and development services, as is the role of a CVS, who will the sector rely on?

Evidence from our surveys of years gone by, and indeed this one, you'll find the answer is that no one else can do what we do.

*Helen Kearsley-Cree*  
Chief Executive  
Nottingham CVS



# Who Answered Our Survey?

## The services organisations provide

Advice and information	46%
Advocacy	32%
Befriending / mentoring	24%
Campaigning	12%
Carer support	12%
Children and youth	37%
Community development / neighbourhood	39%
Consultancy	7%
Crime and safety	2%
Domestic abuse	7%
Education / training	39%
Employment / Worklessness	22%
Environment / Green	10%
Equalities / Human Rights	5%
Family / Parent Support	22%
Health & Wellbeing	39%
Housing / Homelessness	17%
Infrastructure Support	12%
Self Help	10%
Substance Misuse / Drugs / Alcohol	5%
Transport	2%
Volunteering	44%

## Areas organisations work in

Arboretum	20.0%	Dunkirk & Lenton	32.0%
Aspley	22.0%	Entire City	51.0%
Basford	24.0%	Gedling Borough	20.0%
Berridge	24.0%	Leen Valley	20.0%
Bestwood	24.0%	Mapperley	20.0%
Bilborough	29.0%	National	15.0%
Bridge	29.0%	Nottinghamshire	39.0%
Broxtowe Borough	27.0%	Radford & Park	22.0%
Bulwell	24.0%	Rushcliffe Borough	15.0%
Bulwell Forest	22.0%	Sherwood	17.0%
Clifton North	20.0%	St Ann's	22.0%
Clifton South	22.0%	Wollaton East & Lenton Abbey	20.0%
Dales	20.0%	Wollaton West	17.0%

## Client groups organisations work with

Asylum seekers / refugees	20%
Black and minority ethnic	29%
Carers	15%
Children (under 18)	29%
Disabled people	15%
Faith community	12%
LGBT / sexuality	12%
Men	20%
Mental health	32%
Offenders / ex-offenders	12%
Older people (over 55)	27%
Parents / families	42%
People with learning difficulties	20%
Residents / tenants	22%
Women	32%
Young adults (18-24)	32%

## Annual Income

Under £5,000	5%
£5,000 - £19,999	10%
£20,000 - £49,999	7%
£50,000 - £250,000	37%
£250,000 or more	19%
Unknown	17%
Prefer Not To Say	5%

The nature of our survey is that it's anonymous and optional, so that groups can be brutally honest without the fear of being identified and potentially lose out on future projects because they were over critical of something.

What we do ask for, though, is details about who the group works with, where, and what services they provide. The criteria is based on the criteria NCVS uses on its searchable database online.



We ask for details to make sure that the survey is broadly representative of the local voluntary sector, allowing us to contact groups under-represented while the survey was live to fill any gaps.

As the graphs show, this survey is as representative as possible across the sector. Every service, client group and area of the city has had at least one respondent in this survey. What is surprising to us is the range of clients voluntary sector organisations are working with, and the range of services delivered: it's fair to suggest that the sector has gone far to deliver "more with less."

The range of incomes also suggest that the issues outlined in this survey are felt across the entire sector, not just the smallest organisations across the city. The issues facing the sector – greater demand, variable staff numbers, insecure income and turbulent future prospects – hit big and small relatively similarly, unlike the welfare reforms many of the sector's service users face.

The working life of the voluntary sector hasn't been an easy ride over the last few years, and we would not be surprised to see organisations working with more and more different service users as organisations shrink and services close, leading to less specialism and more demand.

# Sampling – How We Gather Our Data

Sampling is the most time effective way to obtain results, and results from our survey reflect the intelligence and stories our staff pick up talking to groups about the issues and concerns they face on a daily basis, often leading to NCVS working with them in the first place.

One criticism occasionally levelled at this survey is that because of the low numbers, it isn't representative of the city's sector who, according to some, are broadly doing well. This was the assertion of one Member of Parliament last year, who claimed the sector was actually doing OK from what they understood, and that our report – based on evidence – was wrong.

A survey which spoke to the 2,000 plus organisations on NCVS's internal database would, at a conservative estimate, take 30 minutes per survey, data entry included, meaning the survey would take 1,000 hours. As a full time job, this would take over six months to do, not including analysis and writing time, by which time circumstances could have changed at an organisation you spoke to halfway through the survey. It would require one full time member of staff doing nothing but this, while demand for a variety of services increases across the sector.



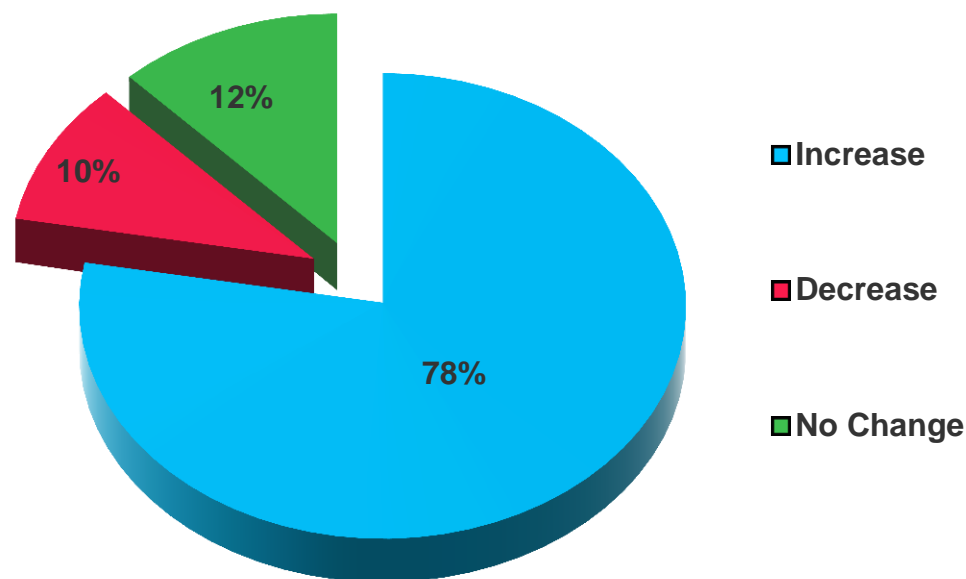
In the same way voluntary sector advocates sitting on strategic partnerships take the views of the voluntary sector to partnerships based on their experience of the sector, so too do we present these results and findings based on a mixture of cold hard stats and intelligence we gather through the year. This comes from organisations we support, volunteering development we assist and conversations with groups at events and networking opportunities.

# Part One: The Last 12 Months



# Have you seen a change in demand for services in the last 12 months?

While the government speaks of recovery and its economic plan working, this is not being seen by those in society who still rely on the voluntary sector, or the sector itself. This is the third year in a row we have seen an increase in demand on the voluntary sector, with nearly 4 in 5 charities reporting demand for their services increasing this year.

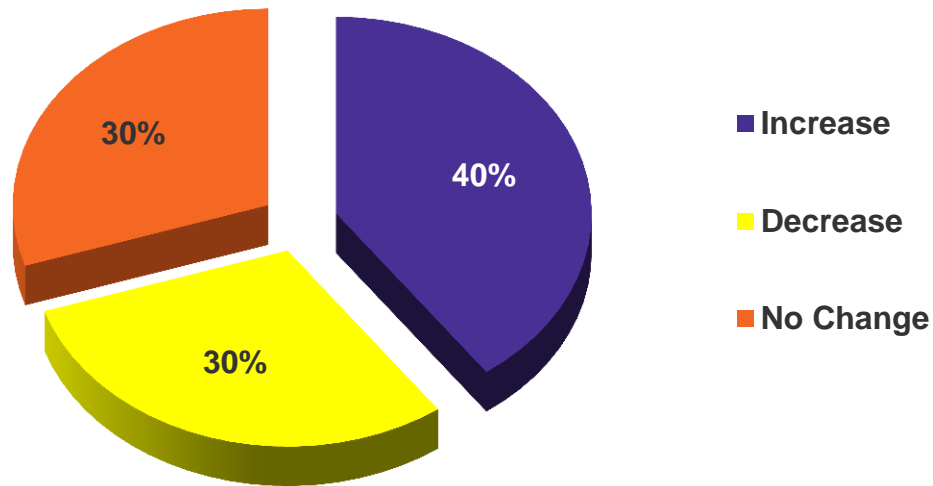


This sector comprises of organisations and people working with some of the most vulnerable in society, from children to the elderly, from newly emerging problems to long standing issues, and from every corner of the city. The sector, like a crisis, does not discriminate, and helps those in front of it where the state can't help – or indeed has caused that person to come to their door.

The velocity and aggression with which austerity, welfare reform and cuts have been pursued has gradually worn away at the worst off, and those who were surviving, forcing more and more of them to the doors of charities and community groups set up to help those who need it. Every indication from this survey, and from the comments from organisations and Nottingham City Council through the year, indicates that governmental reform is driving more people to seek the support of the voluntary sector.

These people might well be discarded by the state, off the jobless list and welfare claimant statistics – but they are being driven in to the arms of charities, who see them as people needing help and not another successful person weaned off welfare.

# Have you seen a change in staff numbers in the last 12 months?



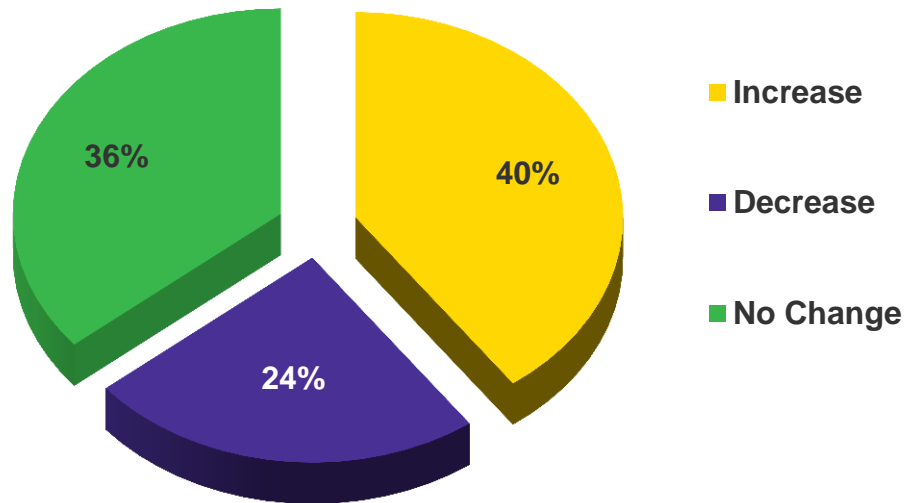
For the first time since we started State of the Sector, it's pleasing to be able to report that an increase in demand is being met by an increasing or steady staff. Consistency is so important for service users, who build up relationships and trust with people in the voluntary sector, so it's promising that we appear to be keeping and recruiting more staff to our talented sector.

The pace of recruitment isn't as high as we'd hope, so there remains a concern that some organisations won't be recruiting at the same pace as demand increases. Moreover, there must be time for staff to bed in and be trained to be able to deal with the clients the voluntary sector works with – long term, these results are promising.

There is a note of caution, though. Additional information in this survey indicates services are still closing, and intelligence from the year says organisations are closing too. There is the potential, then, that organisations are taking on more staff even with the prospect of services closing and to meet increasing demand with no prospect of increased funding.

This is not sustainable for the sector, especially considering funding from central government is shrinking, the city council still has serious budget cuts to make, and that large funding pots like EU funding can't be a cure-all.

# Have you seen a change in volunteer numbers in the last 12 months?



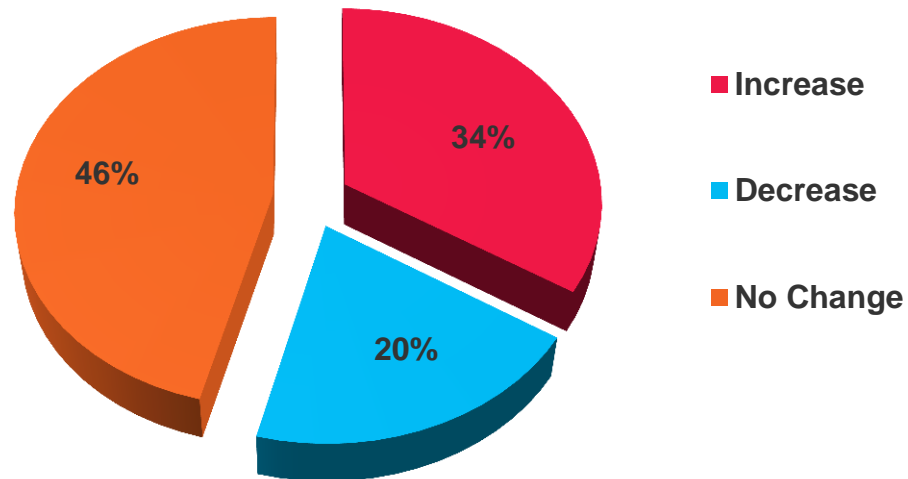
Internal surveys conducted by NCVS in our Volunteer Centre show that we see 56% of people using our drop in service are unemployed. Volunteering is now seen as a viable option whilst looking for work, helping job seekers build confidence and gain new skills.

This willing volunteer force is clearly being utilised by our sector. 40% of organisations surveyed have said they have seen an increase in the volunteer numbers this year, down slightly from 53% last year. Volunteers are used in a variety of ways in an organisation, helping out to keep groups going so staff can deliver core services.

However, we have seen an increase in groups telling us they are using fewer volunteers, at 24% this year from only 10% last year. This may be due to a number of factors; they may not have the resources to continue supporting volunteers, the roles might be full up, or the push towards new services means there are fewer roles suitable for volunteers.

Broadly, though, our survey shows that with so many organisations using volunteers, they really are the heart of an organisation.

# Have you had to change the level of support you can offer your volunteers in the last 12 months?

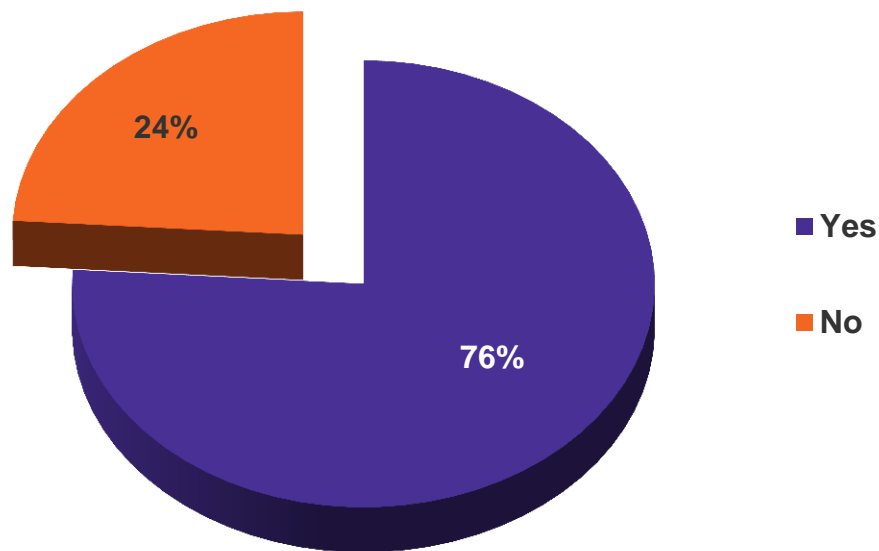


34% of groups have had to increase the amount of support they give to their volunteers. This is down from 51% last year, 20% of groups have decreased the amount of support they offer volunteers, down from 25% last year.

This could be that the cuts to organisational budgets have finally hit volunteer services, meaning time for managing volunteers simply couldn't be cut any more. As we said last year, this may have gotten to the point where there simply is no more resource to continue to support volunteers in the city. Organisations will especially struggle to continue to support volunteers with complex needs, whilst still meeting the increase in demand for services.

On a positive note, 46% of groups have maintained the level of support offered to volunteers, which has increased from only 24% last year. This may be, as above, that this support can't be cut any more, strengthening the argument that there are no more resources to carry on supporting volunteers in the same way.

# Has the Welfare Reform agenda affected your organisation's clients?



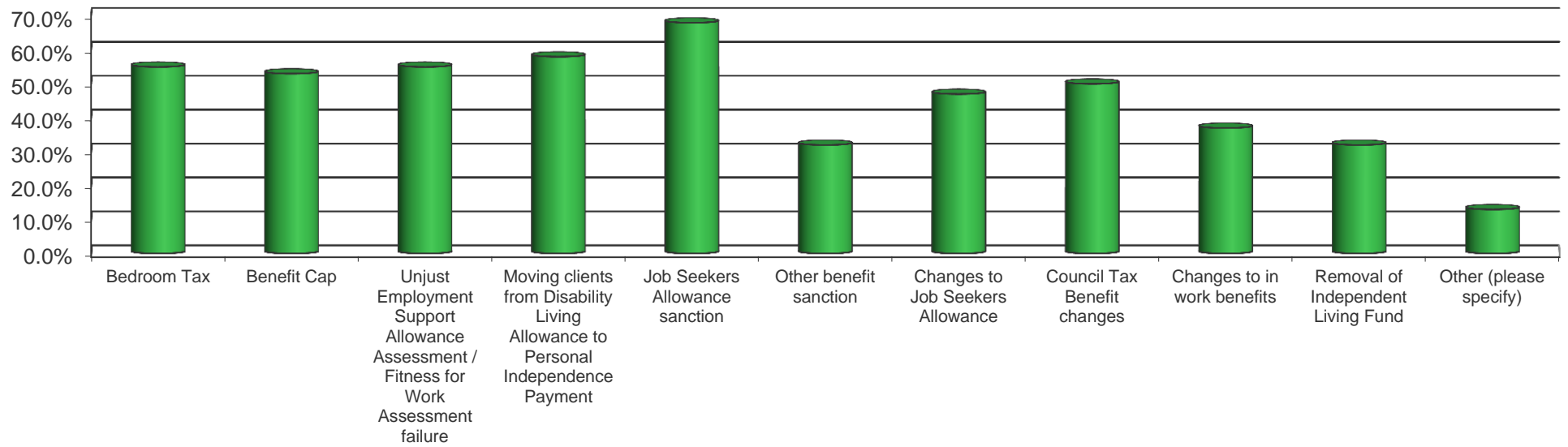
Over three quarters of the sector reporting that welfare reform is affecting their clients is the pinnacle of our evidence that the government's welfare reforms are unfairly affecting the worst off in society. This isn't just people visiting foodbanks and their local Citizens Advice Bureau – this is disabled and ill people wrongly assessed as fit for work, or children confined to poverty as benefits no longer keep up with the cost of goods in the shop, or those with chaotic lifestyles having their problems compounded by a Job Seekers Allowance sanction.

While the government strives to cut the annual amount spent on benefits, it damages society. By increasing narrative around 'scroungers' and accusing those on benefits as the reason the country has been in financial trouble, the government is creating enemies within communities whilst simultaneously continuing to talk of a "Big Society." It is damaging the local relationships people have and making it harder for people to get in to work, as long term unemployment is portrayed as a choice and not the result of an economic downturn.

The government doesn't appear to be finished with its welfare reforms either. Proposals remain to ask intimate details of people with mental health problems to assess if their Employment Support Allowance is legitimate, and the government is still exploring new ways to cut the bill and claimant numbers.

It's easy to cut the bill when you don't see those who are claiming as those who need help.

## If yes, which reforms have affected your clients?



What has been most striking about the benefit reforms imposed upon Britain is the range of reforms, and how multiple reforms can hit the same people, creating a whirlwind of cuts to income and support.

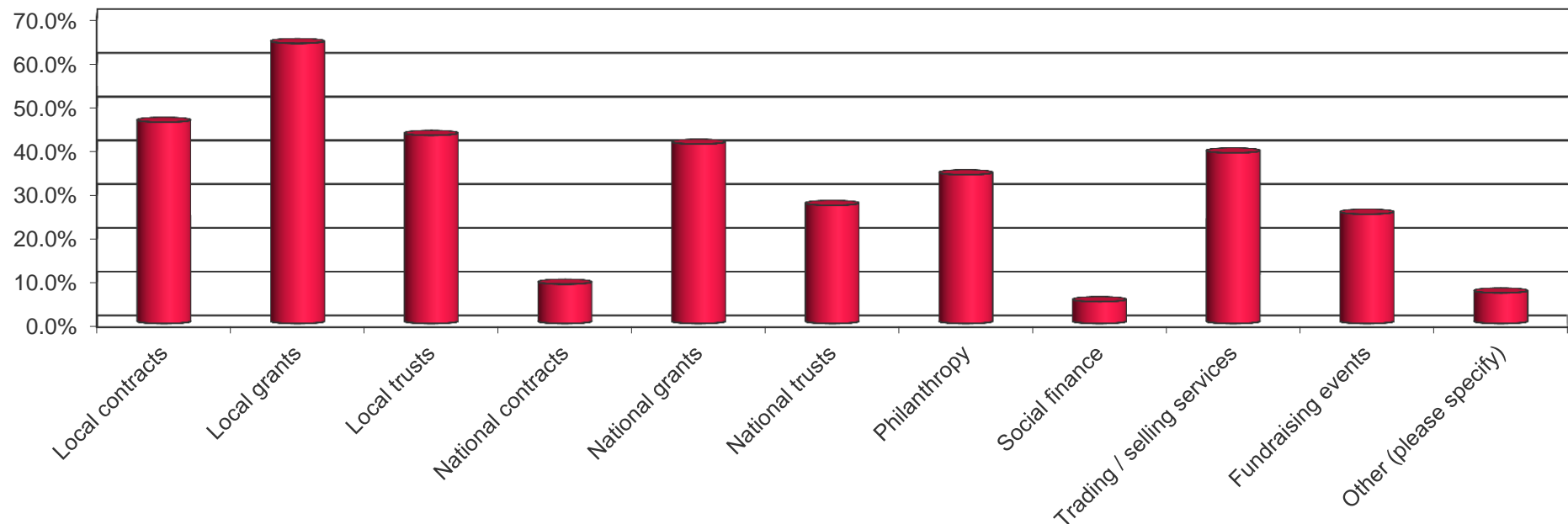
These statistics are startling. We were expecting a few responses per reform, but to see that every element of welfare reform is hitting those the sector work with in significant numbers is a major cause for concern. The number of people sanctioned in particular is alarming: where are these people turning for support? What are they meant to rely on? And why are they being sanctioned when there is the potential that they need support from the local voluntary sector?

The sector is picking up the slack from the state, and having to find solutions to problems created by what appears to be short sighted reform. These are people clearly in need of support: they're not getting it from the state, so they're turning to charities of all shapes, sizes and services, whose funding hasn't increased to deal with the increased demand.

## Part Two: Funding



# What has been the nature of the funding streams you've received in the last year, and potentially over the next year?



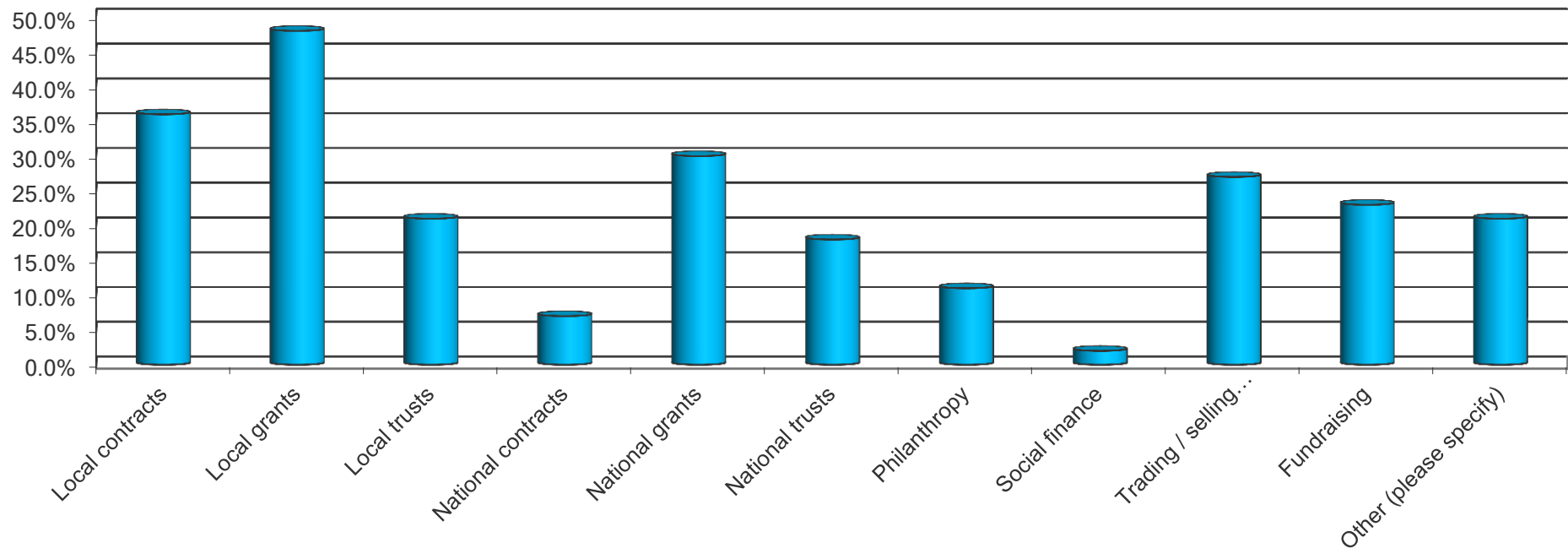
The results presented generally echo the situation that we reported last year. The nature of the funding streams accessed is comparable, though there has been an increase in the volume of locally awarded grants and income from local trusts

With the continued shift in the arrangements for funding the voluntary and community sector in the city adopted by the public sector, we are still seeing a reliance on local funding and contracts rather than national funding and contracts.

What we haven't seen is a significant increase in the volume of trading activity undertaken by respondents. This is despite the opening up of market opportunities both directly with the public sector and individual consumers, particularly in health and social care arena. However in excess of one-third of the sector reports trading as a source of income from them, which can only be a good start.

Interestingly we have seen a fall in the take up of social finance products by the sector, a tool intended by government to promote the sustainability of the VCS. This may indicate a continued risk aversion by the sector to loan finance as a method of supporting themselves or an inability of social finance providers to effectively build awareness and understanding of their products in the sector.

# What funding streams do you have secured for next year?



Issues that service users of voluntary sector organisations face are rarely overnight fixes. Long term support is often needed, particularly in building up relationships and trusts with service users who might be vulnerable.

The main way to build up trust is through staff or trade on your organisation's name, which requires a careful marketing strategy. Neither of these things come for free, and both need long term plans in place for them to be effective.

So we see a worrying picture here in terms of long term planning. We gave respondents as many choices as they wanted for this question, but no single type of funding suggested is supporting a majority – that is, over 50% - of respondents.

The best way to achieve effective social action is through having long term solutions to social problems, and that means organisations need to know their activities will be funded into the next year. This suggests that a number of organisations don't have these long term plans in place, and that has implications for how service users are being supported: are organisations having to resort to short term fixes rather than long term solutions?

Has the type of funding you receive changed in the last 12 months? E.g. have you moved from grants to social enterprise, or from contracts to philanthropy?

We have expanded our paid for services, and created more services groups would have to pay to use.

Yes and [the] organisation has downsized due to reserves and [a] lack of grant support

Yes - moving from grants to social enterprise

No just less funding and more work and less staff!

No we have continued to apply for small grants to cover staff costs and fundraise for other costs

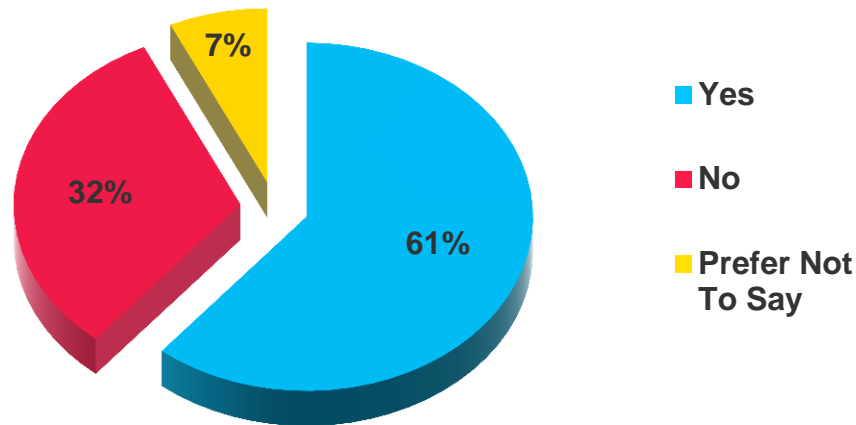
Most responses were a fairly resounding “No”: in fact, over 50% of those responding to this question said no. This is worrying, as grant funding is shrinking and commissioning is becoming more of the norm.

We are pleased to see more organisations embracing social enterprise as a means of generating income, and will continue to support the sector and those interested in doing so to develop their ideas and services.

What is concerning is the talk of downsizing and more work with less staff, which is more prevalent than the quotes suggest above. More organisations are doing more with less, but can only do so much before services become watered down, staff become over-stretched and the sector’s ability to work with their clients becomes compromised.

NCVS is committed to promoting a broad range of funding opportunities for the voluntary sector. Grants are almost becoming a dirty word because everyone wants to see their outcomes met, which is reducing the sector’s ability to flex and adapt to local need, which grants often afford.

# Are you facing reduced income?



The majority of respondents reported that they have not changed their funding base over the preceding 12 months. The majority of income continues to be grant in origin. A consequence of this is that a number of groups have told us that they have been unable or unsuccessful in filling the shortfall in grant income with other types of finance and as a consequence have reduced their services. This is clearly going to have a negative impact on the individuals and communities they serve.

While a small number of groups have reported that they have diversified their funding base by moving to developing trading activities and delivering contracts, overall there is not a demonstration of a significant move toward developing traded income as a source of finance for groups. This is despite the continued policy shift toward increased delivery of public services and the creation of contracting opportunities.

A consequence of the need to diversify funding is the negative impact it has particularly on small, resource poor groups. We know that this is having an impact on them by diverting staff and trustee resources to sourcing and pursuing funding opportunities rather than developing and delivering services to citizens.

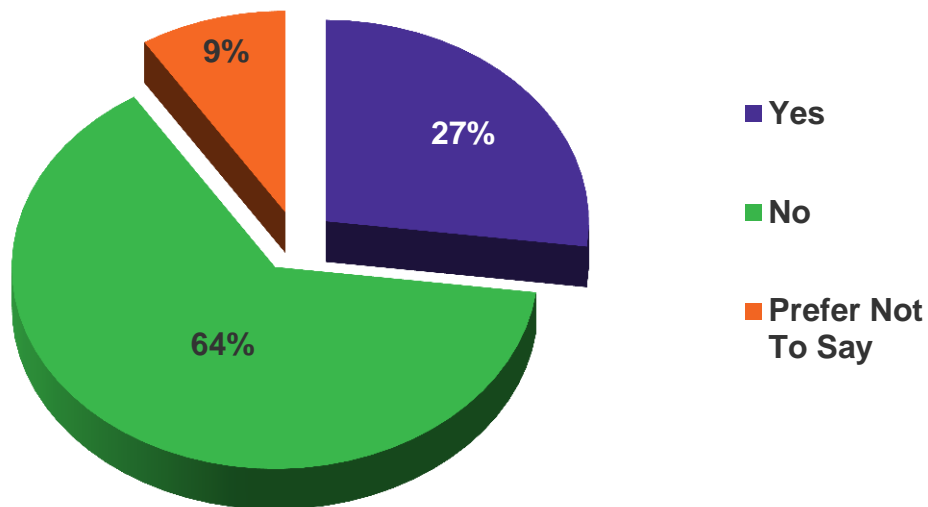
# Does the funding you have now cover all of your costs?

The economy is recovering, there are more people in work and house prices are rising again. So while the country appears to be putting money back in people's pockets, this doesn't appear to have trickled down to the voluntary sector yet.

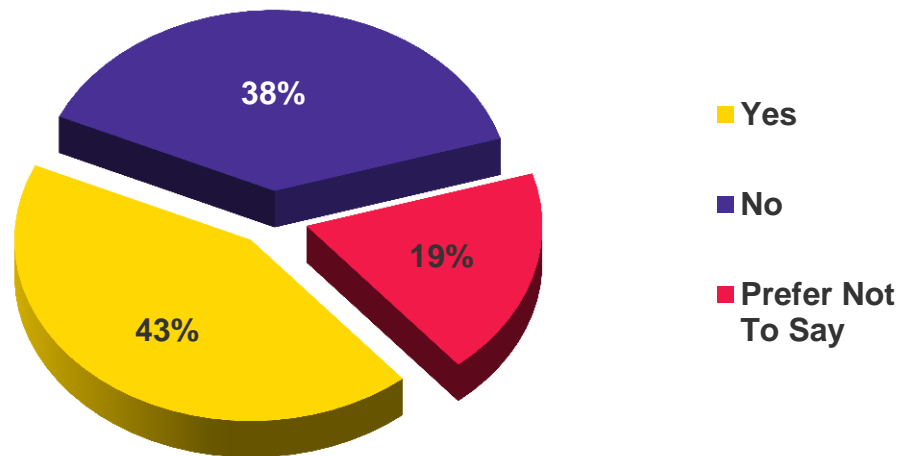
The British are always extremely generous donors to charity, even in times of hardship. As one income stream, donations are extremely welcome and funds some charitable activities: but the charities which tend to benefit from direct donations and sponsorship tend to be national charities, as seen by initiatives like Race For Life, the Alzheimer's Society Memory Walk and the Poppy Appeal, or even social media trends like the #NoMakeUpSelfie and #ALSIceBucketChallenge.

Local charities looking to fundraise have to be innovative, like the Nottingham Women's Centre, whose manager has taken part in boxing matches and skydives to raise money. Even then, this taps into the generosity of family and friends.

The point here is that services can't be delivered on donations alone: a broad range of funding streams, like grants, contracts, legacies and earned income, all contributes to the running of local groups. These are dwindling though, and it's putting more pressure on the voluntary sector to support its service users and to use charity reserves to supplement the shortfall in funding, meaning in some cases, charity reserves are paying for public services.



# Would you describe your organisation's funding as "stable"?

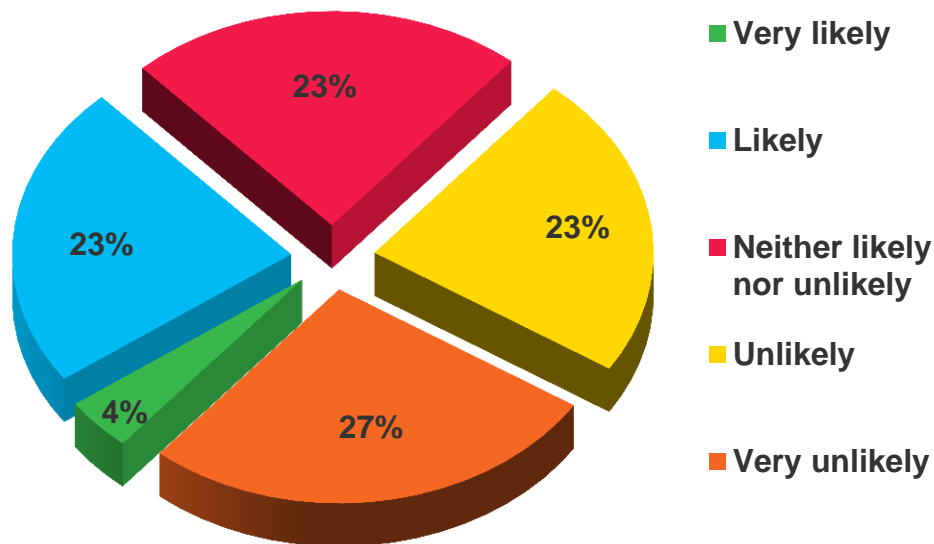


Instability in funding makes it harder to make long term plans for tackling problems, retaining staff to deal with organisational and social issues and to see what else an organisation could potentially support or address.

This is why over a third of respondents reporting instability is bad news. Problems that the voluntary sector work to address are not short term problems: working with disabled clients, children at risk of exclusion, environmental issues, crime and anti-social behaviour and many more all take time to understand the depth of the problems and to build up trust. If all the voluntary sector feels it can offer is short term solutions, then more voluntary sector organisations will be needed longer term to tackle recurring social issues.

Longer funding arrangements, closer relationships with those setting strategic objectives for the city and aligning this with commissioning intentions for the city would make for a better coordinated, better resourced and more effective voluntary sector. Without this, staff will continue to leave, their expertise will be lost, and gaps in services will create more problems.

# What is the possibility of your organisation taking on a payment by results contract, like those proposed in the Transforming Rehabilitation proposals, in the next 12-18 months?



We noted last year that public services were being opened up to Payment by Results contracts, and having seen this approach trialled with the Work Programme and the forthcoming Transforming Rehabilitation reforms, we were curious as to whether the sector would be interested.

With just over a quarter comfortable enough to take the risk on, it seems pretty clear that Payment by Results, something meant to help the voluntary sector deliver, is not an option for most local voluntary organisations. The failure of the Work Programme to get enough voluntary organisations involved, and for them to make enough money for it to be sustainable, has been a warning for most groups, as prime providers cream off the easy clients and leave the hardest cases to the voluntary sector.

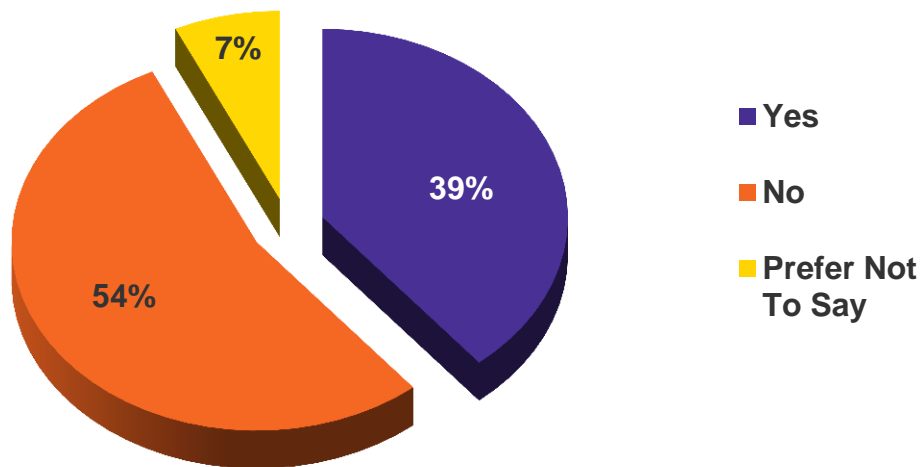
The problem is we don't know how big of a warning this actually constitutes: confidentiality clauses inserted into contracts mean organisations can't learn from one another's experiences, so organisations are taking a prudent route in avoiding them altogether.

This appears to be another route closed to the voluntary sector.

# Does your group have reserves? That is, enough money to keep the organisation running for 6 months to a year if all funding finishes?

Reserves are essentially savings or rainy day money for voluntary sector organisations, and it has been a rainy few years. So to see a slight increase last year in organisations with reserves was good news.

However this year has seen a worrying reversal of the picture with more organisations reporting that they do not have reserves.



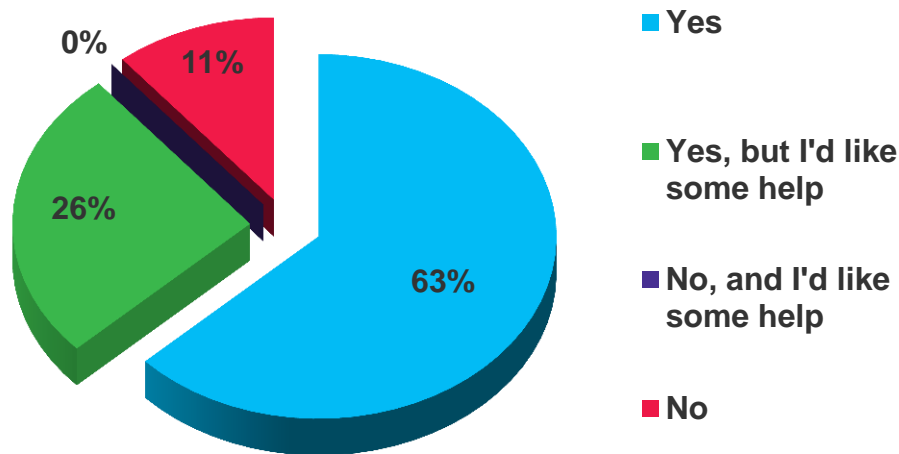
Over 50% of organisations reported that they are not able to manage their finances in accordance with suggested good practice for charities. While voluntary sector organisations should spend their income to benefit their beneficiaries and not hold large amounts of money in reserve, the maintenance of reserves is an important tool for mitigating risk and supporting organisational continuity. Most importantly it provides a resource that can be dipped in to cover gaps in funding.

It is therefore of concern that a large number of organisations do not demonstrate the financial capacity to secure their viability beyond the immediate future. In order to be able to provide reliable services over the longer term, organisations must be able to absorb setbacks and to take advantage of change and opportunity. A lack of reserves may therefore have a significant impact on the continuity of service delivery to citizens.

## Part Three: The 2015 Elections



# Are you confident speaking to electoral candidates in 2015 about your concerns and priorities?



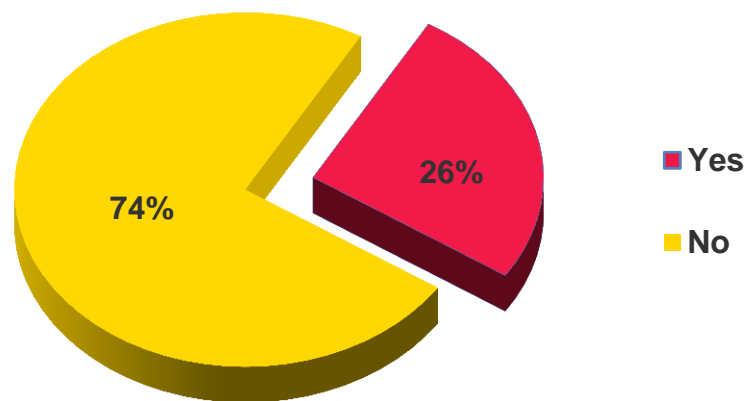
In spite of concerns about the Lobbying Act, local groups are confident that they can approach their prospective local politicians with concerns. This should suggest to those advocating the need for the Lobbying Act that issues affecting local people rise above partisan politics, as voluntary sector organisations look to solve problems in partnership with politicians.

The nature of the issues the sector works with means that approaching politicians is paramount in resolving them, as the sector can deal with issues on the ground and early intervention, but the ultimate responsibility of resolving the problem lies with local councils and Westminster.

NCVS will continue to try to link voluntary organisations with decision makers, to make approaching politicians easier for those confident doing so, and to support those organisations who either need a nudge or who need help raising their issues.

# Do you know what the Transparency of Lobbying, Non-party campaigning and Trade Union Administration Act 2014 (Lobbying Act) means for your organisation in the lead up to the election in 2015?

The Lobbying Act was rushed through Parliament, and debate was cut short, so it's inevitable that understanding its impact is limited. This is especially true given that the Electoral Commission, the organisation charged with forming guidance on how the Act is implemented, is still under pressure to make changes to its guidance.

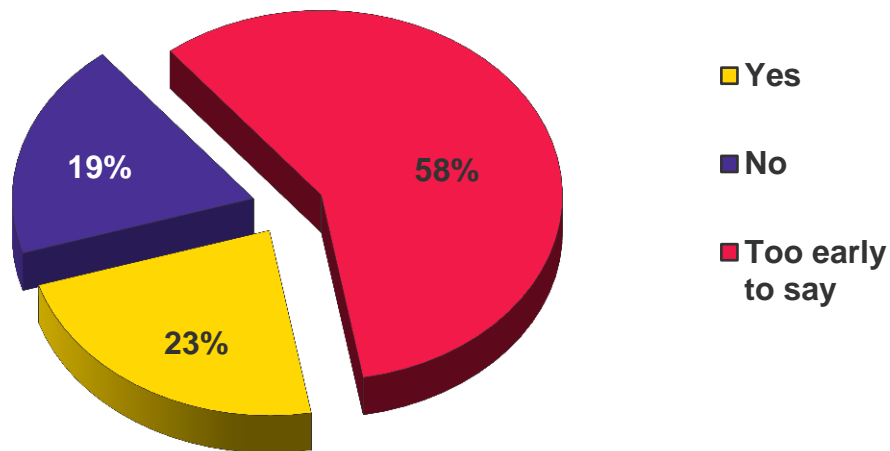


Inevitably, organisations in Nottingham just want to know whether they are likely to be fined, challenged or prosecuted if they raise issues relating to their work or service users. Initial guidance indicate that the guidance is more likely to affect larger, national and international organisations.

This is still problematic. These organisations feed on information from smaller organisations, just as MPs feed on issues that their constituents raise to take to Parliament. Larger organisations have more scope to challenge and influence those who can make the necessary changes to prevent any further harm coming to service users, but the current government sees this as unnecessary charity bullying.

Quite where concerns and solutions about those who need most help go in lieu of the national arena of political debate is a mystery.

# Is the election in 2015 likely to affect the way you do your work or your priorities for 2015?



For some groups, it seems to be too early to be thinking about how to work with MP candidates. We were interested in this to see how far ahead groups tend to think when it comes to shaping agendas and changing issues.

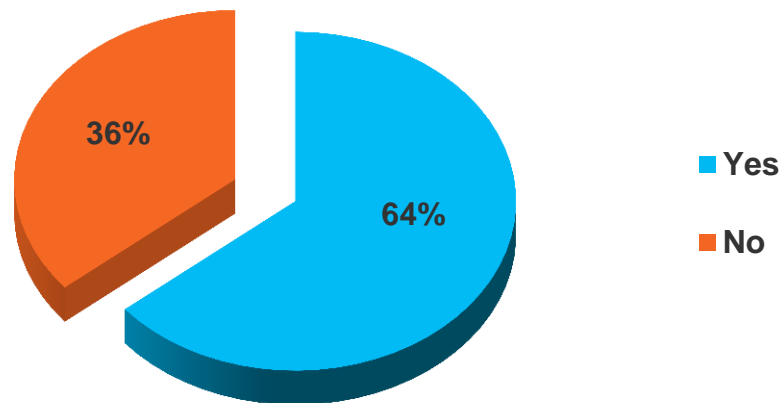
The fact is that a lot of groups are caught up in day to day work, and lobbying, campaigning and political engagement fall down the priority list when the pressure's on, despite a change in government potentially fundamentally changing the landscape of the work they look to do as a voluntary sector organisation.

We're pleased that nearly a quarter are already thinking about how to shape their work to show the most value to their MP candidates – and NCVS will work with those not yet ready to start raising issues to make sure their voices are heard by the people who could soon represent them.

# Part Four: The Future



# Is there a possibility of your organisation having to close a service it provides?



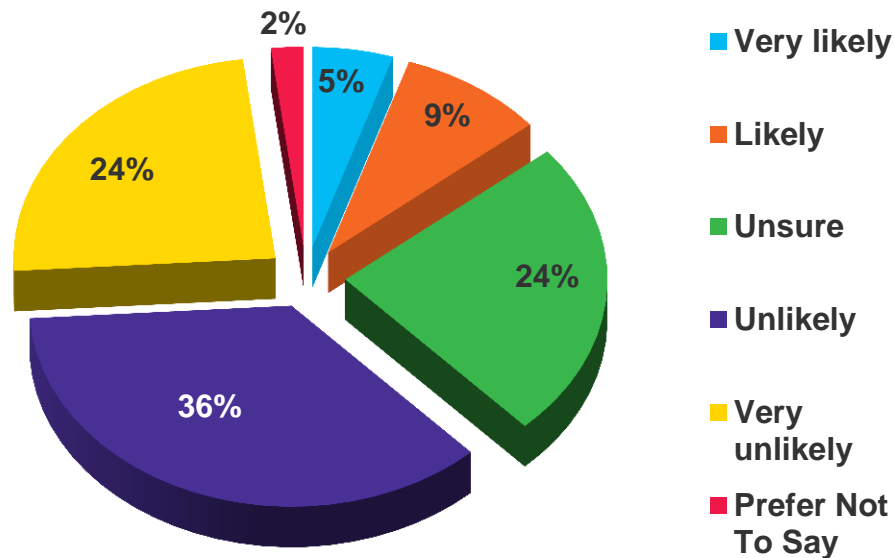
It seems in the year since we last asked this question, the situation for the sector has gotten worse. Last year, 54% of groups reported the year before that they could close a service: this year, it's up to 64%.

This is especially concerning as everything so far indicates there will be a rise in demand, and particularly specialist services for groups dealing with the fall out of Welfare Reform. If more services close, more demand is placed on existing services and with staff levels not rebounding yet, it places more onus on staff than ever before, and leaves more people in crisis waiting longer for support.

In the three years we have conducted this survey, we have consistently seen that the sector predicts it will have to close services. Over the last three years, the safety mechanisms for people using services the voluntary sector provide have been dismantled. Cuts to organisational, and even the voluntary sector as a whole's budget will leave more and more people with fewer places, and eventually nowhere, to turn.

# What is the possibility of your organisation having to close altogether?

These statistics broadly match the statistics from last year. Groups are still unlikely to close – at 60% this year – but a slight decrease on last year's 63% who were confident they wouldn't close.



A quarter of groups are still unsure about their existence a year from now. This insecurity still rankles within the sector, as funding which has previously been secure dwindles or disappears or as bigger commissioning isolates smaller groups across the city.

Some groups have closed this year: Young Potential, working with at risk young people across Nottingham; Disabled People's Advocacy, working with disabled people across the city; and MUNDI Global Education, who worked around equality and social justice. Other organisations have come close, but have worked with NCVS to survive and thrive in Nottingham in 2014.

We are not immune from the possibility of closing services, though. If our sector development team were to lose its funding, then you could see more closures across the city as there would be less or no capacity to step in and help.

# If you can't provide your services, who will end up picking up your work? What problems will they face?

Copying what we do, the information and nuances about working with our clients, and the trust that has been built up over the years will be difficult to replicate. Organisations could try and copy our work but it's quite technical and could cause more problems than it solves.

There will be less refuge spaces and ultimately our service users could face death at the hands of their perpetrators if they cannot escape when needed.

There is no one organisation who can carry out what we do.

One in five organisations say that no one would be able to support their clients, saying they're already a last resort, their specialist knowledge will disappear, or the clients will become isolated with deteriorating mental health.

**A&E acute services, police, GP's, social services, crisis teams, family carers**

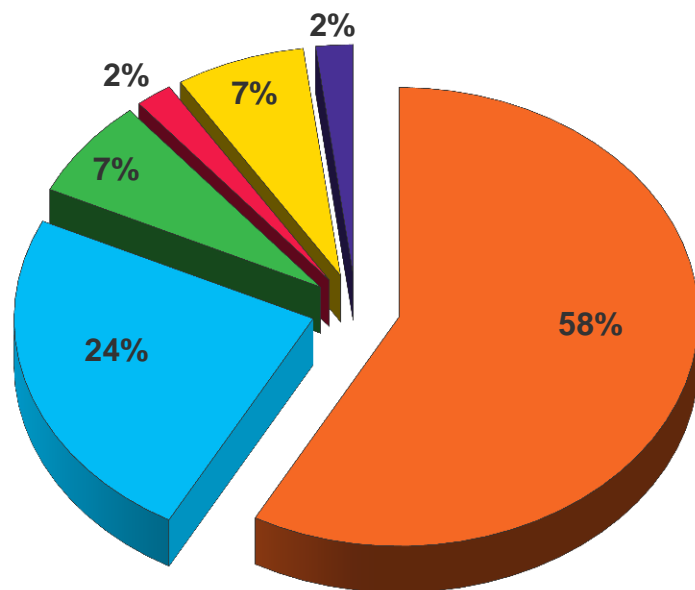
Other organisations suggest that their disappearance would create more work for the public and health sectors, as the clients currently reliant upon them would have to go somewhere. Inevitably, these interventions at the point of crisis will cost more to fix than the early intervention work so innate to the voluntary sector.

Good question, services and being shut down frequently and there are limited places to signpost clients to compared to 5 years ago.

Some organisations suggested that if they disappear, their work would be copied but without the trust and technical knowledge, which suggests continued investments in voluntary sector organisations will continue to reap benefits locally. This is especially poignant, as per the final suggestion that there are less places to signpost than five years ago: has the sector finally been cut so far that cutting any more would actually cut away some people's final hope?

# What impact do you think recent and coming welfare changes will have on your service users?

89% of respondents from across the voluntary sector report that the welfare reform agenda will affect their clients in some way, which will inevitably have a knock on effect to the voluntary sector.



■ **High Impact**

There are two possibilities here. One is that the welfare reform agenda is hitting the worst off hardest: those already receiving help, advice or services from voluntary sector organisations.

■ **Moderate Impact**

■ **Slight Impact**

■ **No Impact**

■ **Unsure**

■ **Prefer Not To Say**

The other possibility suggests that these people have turned to the voluntary sector because the state is no longer supporting them, pushing the burden on to a sector equipped, but not necessarily funded, to care for them. The welfare reform agenda hasn't funded the voluntary sector in the event that more people need the help of the voluntary sector: if anything, the austerity agenda has indirectly cut the sector's budget, as the cuts targeted local authority spending, where the sector used to receive a lot of its funding from.

What's clear is that the sector is having to work with people the state, through its welfare system, is meant to be helping. Instead, it is driving them to the doors of charities, leaving the voluntary sector to pick up the pieces and help people whose lives are being changed by the welfare reform agenda – and rarely for the better.

# If any impact at all, what? And which reforms?

**Increased poverty and crisis, increased mental health problems, increased debt. All of the reforms are having a negative impact on the most vulnerable.**

**The confusion about what counts as volunteering is jeopardising some of our volunteers claims for JSA and ESA, or force them to leave in case they're seen as capable of doing more than they're able to - which we can facilitate in a supportive environment.**

**Benefits reforms - our clients have intermittent health problems which do not tick the right boxes and they often lose benefits to which they should be entitled**

**Children perhaps arriving at school without breakfast - in essence suffering from the effects of poverty.**

**Longer sanctions may improve motivation to attend sessions. Where this isn't the case their affordability to attend will be reduced therefore consolidating a vicious circle of decline.**

**Care Act: As eligibility for care increases, more people will not be able to receive services. Lack of resources means social services will not be able to cope with the demand for assessments by people with dementia and their carers.**

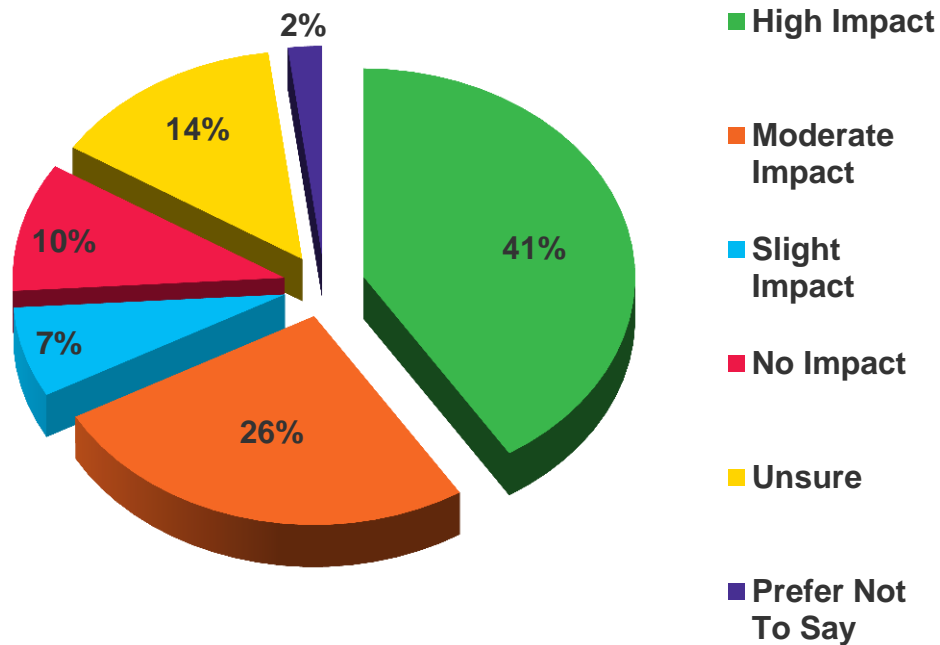
What is most striking here is that, broadly, the benefits themselves aren't highlighted, but the impact they have has been by respondents. It mainly focuses on how welfare, and particularly benefit, reforms are causing poverty across the population.

Our respondents claim welfare reform will hit a huge range of clients. Disabled people, job seekers, women fleeing domestic violence, parents, carers, even children. Our respondents indicate that no one in society is safe from welfare reforms.

What's frightening is how these people are impacted. Reports of child poverty, prophecies about the future of care, volunteering becoming a fluid term to benefit the state, insecurity around sanctions creating mental health issues – most worrying of all, changes to benefits making it harder for women to flee domestic violence. Combine this with Legal Aid changes and we may actually see government reform killing women.

All the while, the government want to cut deeper, seemingly without assessing the impact reforms are having on people's wellbeing. If they were to carry out such an assessment, and the respondents to this survey sent the same responses to the government, it would be a callous decision to carry on as normal once reading these stories.

# What impact do you think recent and coming welfare changes will have on your organisation?



41% of groups report a high impact on their organisation from welfare reforms up from last year's 35% . This isn't surprising, as welfare reforms are more complicated and often confusing for individuals, they will turn to groups to help. As more welfare reforms have come in to affect over the past year, and the cumulative effects of multiple reforms begin to hit households, voluntary sector organisations are now seeing the real impact this is having on demand for their services.

Our Volunteer Centre has seen a rise in the amount of people we are offering extra support to, along with signposting to other groups. So much so that we have collated signposting information, such is the variety of organisations we find ourselves referring people to.

At NCVS, we see a number of clients faced with more to do due to reforms to Job Seekers Allowance. More people are turning to volunteering as part of their job claimant commitment, people are looking for work placements and some are pushed in to "mandatory volunteering," distorting the way voluntary action is meant to benefit people and communities.

# If any impact at all, what? And which reforms?

Women literally have nowhere else to go. This affects our ability to plan services and cope with demand. It also means our clients become higher need - increasing demands placed upon staff. Privatisation leads to greater uncertainty about our ability to provide services in future.

More people need our help and support plus signposting and support to access appropriate specialist services to assist with debt, housing crisis, poverty

Sanctions impacting on residents' claims for Housing Benefit which impacts on viability of rents.

More demand for services, service users facing declining mental health owing to stress

More complex situations for our clients for which we will need to support

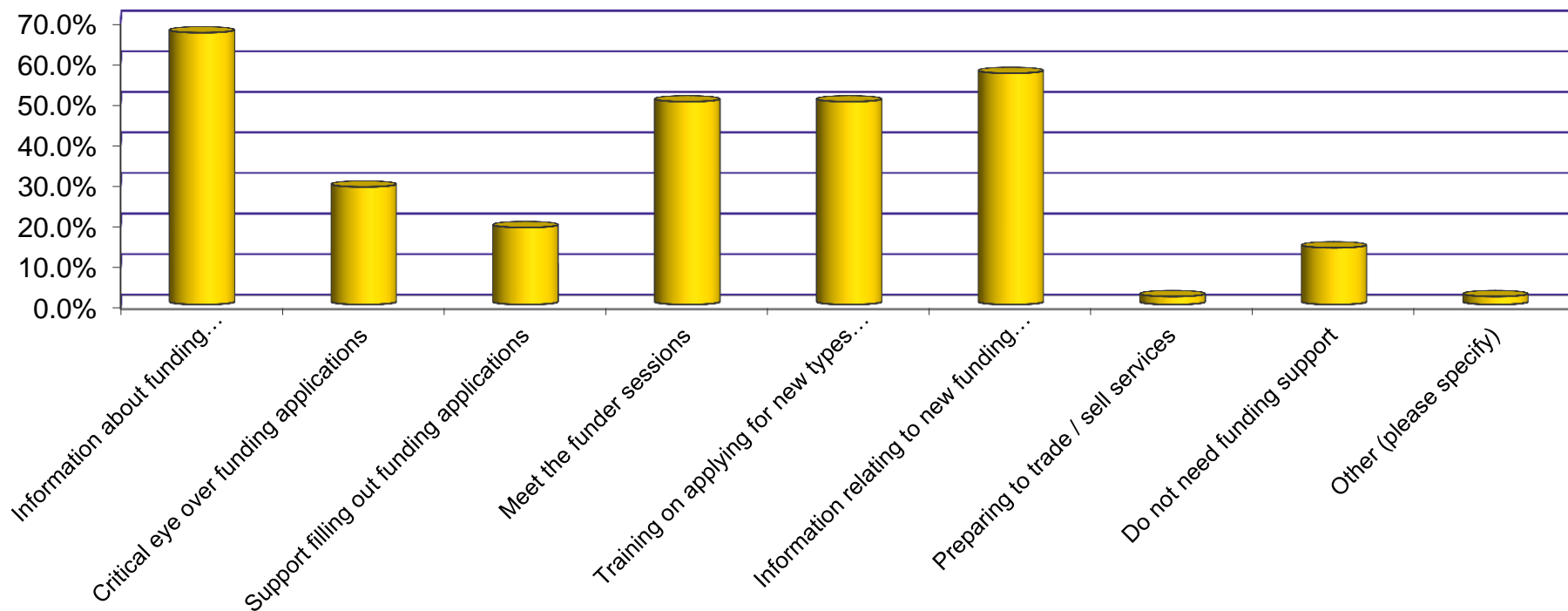
Among comments highlighting that the continuing welfare reforms will continue to increase demand on services, which is serious in itself, runs a current of commentary about reforms damaging the ability and viability of services voluntary sector organisations provide.

Comments about struggling to signpost people to other services because they no longer exist are worrying, especially as budgets are yet to be fully cut across the city which could actually mean a service disappears without realising how important it is to citizens.

What is especially concerning are the concerns about not being able to properly plan how to deliver services; that changes to housing benefit are damaging the viability of services; that the cuts are compounding upon people, creating more complicated problems for groups to help resolve – problems they might not be wholly able to help resolve as they become more complicated, but will muddle through anyway.

All of these very real, very serious problems are harming the sector's capacity to help people. With more cuts and streamlining inevitable, there is a danger that services are shrunk so much that they become overworked and unhelpful; that diversity is seen as duplicity of services; and that the interventions at the point of crisis that the sector currently makes become the normal way we help people whose problems could have been prevented.

# What funding based support are you likely to need in the next year?



These criteria were taken from the Independent Commission on the Future of Local Infrastructure, allowing us to start to understand where energy should be directed to help the sector in a world of increasing demand and closing services.

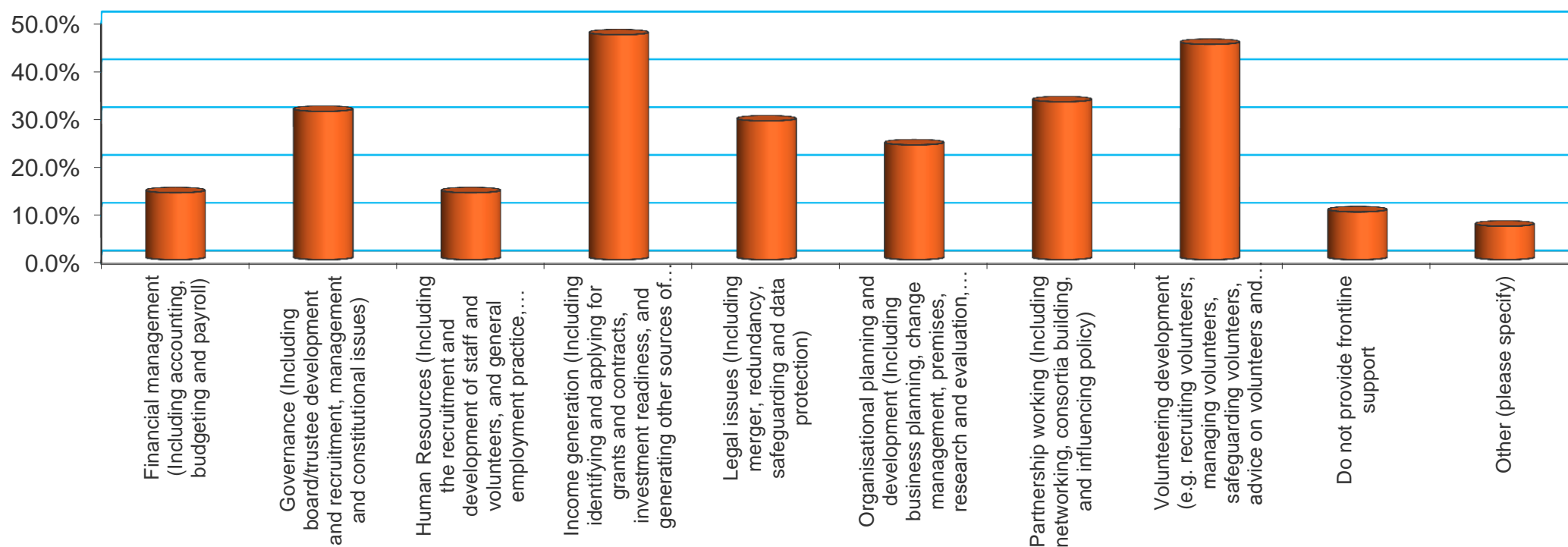
Clearly, the sector would prefer to keep services open to meet this demand, so information about where to get money for this, and of new funding opportunities, are bound to be of paramount importance.

What is interesting is the sector's approach to adapting to the needs of the new environment. Half of those responding showed an interest in meeting funders, presumably to understand what they want to see in an application, and in training, to be able to make their funding applications more competitive.

Yet there is still demand for a critical eye over funding applications and support filling these forms out: this is a sector desperate to develop and create more opportunities for itself, rather than remain static and hope for the best. This is a sector of progress.

However, what is surprising is the lack of respondents looking to move in to social enterprise and selling services. Part of this could be the nature of the support the sector offers being free at the point of delivery: or it could be that in such a fiscally tight environment, people simply don't know where the money would come from to pay for their services.

# What development support are you likely to need in the next year?



Under non-financial support, there is a much broader spectrum of requests for support. Income generation remains a priority, and with income increasing and staff numbers not quite back to a point where this can be met by them, better understanding how to utilise volunteers appears to be a priority too.

The use of volunteers, the need for funding and the commitment to ensuring good governance paint a picture of a sector keen to ensure its services survive to look after its service users and keep its staff employed. This is a sector trying to future proof itself, ensuring it can remain relevant.

The partnership working statistic is interesting. Perhaps it's strength in numbers, or the changing nature of contracting moving towards consortia not single organisations, but this is a sector aiming to work together. A single voice is what policy makers and politicians asking for, but the sector appears to be assembling a chorus instead.

The need for "back office" support, like legal issues, financial and organisational planning and HR, all remain in demand but seemingly of lesser importance. Not so: they are still in demand, and if these results are reflective of the entire sector, that's a lot of organisations requesting this support.

# Conclusion

For years now, fellow CVS's across the country have warned of a perfect storm of increased demand, decreased income and decreased staff. We have refrained from suggesting the perfect storm is coming, or has arrived, normally because we fear the worst is yet to come.

This year, we still won't call this a perfect storm, because the criteria of increased this and decreased that are too binary. This is a sector seeing much greater demand, variable staff numbers, insecure income and turbulent future prospects. All the while, various reforms across the country drive more people to the doors of charities and voluntary sector organisations needing help.

Whether this be the disabled person coming to a national charity with an office in Nottingham needing help with the new benefits system, given that their payment has been halted or delayed, or someone shuffling in to a foodbank run by people trying to make a small difference, people in this country are experiencing more hardship, and need charity in its historical sense: they need help.

They need help because of reforms which, at best, are ill thought out and poorly executed, and at worst, malicious, heartless and exploitative of those who don't have the ability or backing to fight back. They need help because the state won't provide it to "scroungers" anymore, who are inexplicably blamed for the recession and austerity when actually, welfare is a party political point that charities are no longer allowed to touch because of the Lobbying Act.

They need help because life has gotten harder when, more often than not, those service users of charities are often so because life's already been pretty unfair.

Nottingham's voluntary sector strives to right social wrongs and to create social justice, not through the courts, or through battlefield metaphors or through campaigning, but through reaching out to those in need and saying come in, we'll help you.

And as a result, life has gotten harder for Nottingham's voluntary sector too, because they're having to do a lot more of this.

As a voice of the voluntary sector, as is a traditional and essential role of a CVS,

we urge the government, and in particular the Department of Work and Pensions, to urgently review the harm their reforms are causing. We will happily introduce them to organisations across the city who can tell their stories in a factual and honest manner, and who will in turn introduce them to service users harmed by these reforms who defy the "scrounger" rhetoric.

Alongside this, we ask the City Council to continue to work collaboratively with the sector as it has done so successfully for the last few years in these hard times, looking for creative, compassionate and complete solutions to the harm the government is causing. We have long applauded the investment in the voluntary sector that the council has maintained, and with the government's welfare cuts and cuts to local councils not yet finished, we can only plead that this investment remains the same.

Not necessarily for voluntary sector organisations themselves. It's good to keep good, knowledgeable, compassionate and committed people in jobs, for sure, to keep skills in the sector and city where they can be best used.

Keep the investment to help those who need charity: the service users our organisations frequently put before themselves, and whose concerns they see as above those of their organisation.

We have been picking up the pieces from the state for a long time, and I anticipate that this will remain the case for some time to come. Even if there is a change in government, putting the pieces back together could prove a challenge that can only be met by working with those who know the challenge best.

Us. The voluntary sector.

*Ferg Slade*  
*Policy, Communications and Resources Manager*  
*Nottingham CVS*

*25 September 2014*





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