

State of the Sector V Income



5. Income

The data presented here relates to the financial year 2006/07. Where it is appropriate direct comparisons have been made with previous *State of the Sector* reports. The data presented in this chapter is made up of estimates based on the analysis of 530 sets of accounts and information sourced directly from funders and the general public. Information related to giving by the general public is based on a survey of 1,008 members of the general public in November 2007.

The trend of an overall decline in the income of the voluntary and community sector has continued in 2006/07. Since 2003/04 income has fallen by 7.2% which reflects a reduction in the amount of funding available across a number of sources. Income in 2006/07 is estimated to be £570.1 million. Across some sub-sectors the reduction in funding has been more keenly felt. The most dramatic reduction was in the case of Peace II funding which now makes up just 1.9% of the overall income of the sector. For instance, in 2003/04 the community development sub-sector was dependent upon 21.2% of its funding from Europe, this figure is now 3.1%.

For the first time earned income has made up more than half of all incoming resources. Income from the sale of goods and services accounted for 50.8% of total income, up by 16.0% since 2003/04 as a proportion of total income. However, among the various sub-sectors there are significant variations in the nature of

funding organisations receive. For instance, organisations in the disability sector receive 82.5% of their total funding in the form of earned income (the sale of goods and services). Whereas, organisations which are in the community development sub-sector are still very dependent upon voluntary income (80.0% of all funding is in the form of grants).

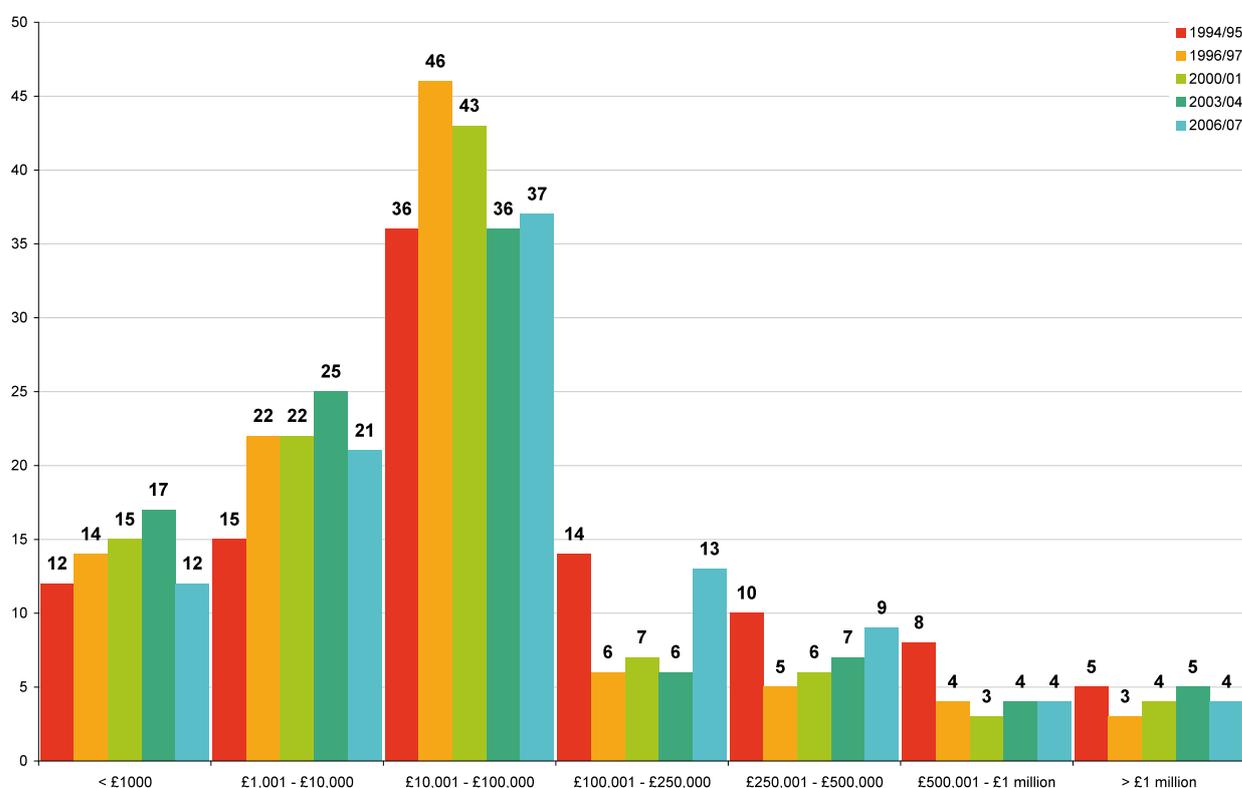
Income generated from donations made by the general public has fallen as has the number of people choosing to make donations to voluntary and community organisations. The general public remains extremely generous and on average donates £14.22 per month. However the overall trends would suggest that the sector will experience greater volatility in relation to this source of funding as the economic environment continues to worsen. This potential loss or depletion of support from the general public may be felt most acutely in the health and wellbeing sub-sector where there are a number of organisations that are almost completely dependent upon the support of the general public.

Only organisations with an income of over £1 million per annum have seen an increase in their annual average income. Compared with 2003/04 figures, average income in this band has increased by 27.8%. In all other income bands organisations have experienced a decrease in their annual average income. The decreases in the average income compared with 2003/04 are most prominent in small to medium sized organisations.

5.1 Income profile

Estimating the economic size of the voluntary and community sector in Northern Ireland is a complicated task and one that is determined by the availability and accessibility of data from a wide range of sources. However the *State of the State* research programme has produced a body of evidence that allows an assessment of the sector's finances to be made over a significant period of time. The analysis presented in this chapter will examine the current funding environment (based on 2006/07 accounts) and how the current situation compares to the findings from previous *State of the Sector* reports.

Figure 5.1 - Distribution of organisations by economic size for the period 1994/95 to 2006/07^[5] (%)



Base: 450 (1996), 780 (1998), 851 (2002), 1,838 (2005), 2,280 (2008)

5 The proportion of £1 million plus and £500,001-£1 million organisations in Figure 5.1 and Table 5.1 represents the total population for each income strata.

Figure 5.1 shows how the voluntary and community sector, in terms of the economic profile, has changed over the past 12 years. However some caution must be exercised as the data in Figure 5.1 is based on survey data and as such it is impossible to control the extent to which organisations respond. Equally it is impossible to track organisations in terms of increases or decreases in income. Therefore any movement between income bands can only be viewed at a global level and an assessment as to the reasons for a growth in one area compared with another cannot be made. However in 2006/07 the number of organisations in the £100,001-£250,000 income strata has more than doubled (6% in 2003/04 compared with 13% in 2006/07). A steady growth in the number of organisations in the £250,001 to £500,000 income band has also been seen since 1996/97. It is difficult to speculate whether the number of larger organisations is reducing or there are smaller organisations which have exhibited modest growth. Whichever way the movement is taking place, there seems to be a trend developing that is pointing towards the expansion in the number of medium-sized organisations. This is perhaps best exemplified in Table 5.1 below which examines average annual income by income band.

Table 5.1 - Average annual income by income band (2006/07)

	2006/07 average income	% of total income	% of sector	2003/04 average income	% of total income	% change
<£1,000	£413	0.0	12.7	£637	0.0	-35.1
£1,001-£10,000	£3,842	0.7	21.9	£5,233	0.3	-26.5
£10,001-£100,000	£28,209	8.4	36.2	£44,528	6.6	-36.6
£100,001-£250,000	£122,211	12.2	12.3	£158,827	12.2	-23.0
£250,001-£500,000	£277,129	20.4	9.0	£324,770	13.4	-14.6
£500,001-£1 million	£558,682	8.3	4.0	£655,493	16.9	-14.7
> £1 million	£2,904,332	50.0	3.9	£2,272,206	50.6	27.8
Total income (£ million)	£570.1	100	100	£614.5		-7.2

As can be seen in Table 5.1, only those organisations with an income of over £1 million per annum have seen an increase in their annual average income. Compared with 2003/04 figures, income in this band has increased by 27.8%. In all other income bands organisations have experienced a decrease in their annual average income. The decreases

in the average income compared with 2003/04 are most prominent in small to medium-sized organisations. Based on the analysis in Table 5.1 it can be seen that half (50.0%) of total income is generated by those organisations with an income of £1 million or more despite the fact that these organisations only make up 3.9% of the entire sector.

5.2 Sources of income

Voluntary and community organisations generate income from a variety of sources by undertaking a range of activities. Understanding the relationship between these sources and activities can help us understand the changing dynamics of the voluntary and community sector economy. Before examining where the sector receives its funding from it is necessary to provide some definitions which relate to how the accounts are disaggregated.

- **Earned income** — from the sales of goods and services (although the sale may not be at market value).
- **Voluntary income** — income freely given, usually as a grant or donation for which little or no benefit is received by the donor.
- **Investment income** — the proceeds generated from investments and cash balances.

For a more detailed description of the different sources and types of income analysed in this chapter see Appendix 1.

Table 5.2 attempts to show the nature and type of funding the sector received in 2006/07.

Table 5.2 - Sources of income (2006/07)

	Earned £ million	%	Voluntary £ million	%	Investment £ million	%	Total £ million	%
Government	166.7	64.3	92.4	35.7			259.1	45.4
General public	100.6	55.9	79.5	44.1			180.1 ^[*]	31.6
Voluntary	15.1	28.0	38.9	72.0			54.0	9.5
Europe	-	-	10.6	100			10.6	1.9
Lottery	0.9	3.1	28.1	96.9			29.0	5.1
Business	2.5	21.7	9.0	78.3			11.5	2.0
Internal	-	-	-	-	17.1	100	17.1	3.0
Other	4.2	48.3	4.5	51.7			8.7	1.5
Total (2006/07)	290.0	50.8	263.0	46.2	17.1	3.0	570.1	100
Total (2003/04)	213.1	34.8	392.2	63.8	8.4	1.4	614.5	

As can be seen in Table 5.2 the trend of an overall decline in the income of the voluntary and community sector has continued in 2006/07. Since 2003/04 income has fallen by 7.2% which reflects the contraction or reduction in the amount of funding available across a number of sources. Income in 2006/07 is estimated to be £570.1 million (in 2003/04 income was estimated to be £614.5 million).

For the first time, earned income has made up over half of all the income. The largest portion of income comes from government sources which is a clear indication of the increased role of the sector in the delivery of public services. However as is shown later on in this section, this increase in earned income is largely confined to organisations which operate in certain sub-sectors although the processes through which these services are procured are not yet understood. For instance, the extent of service level agreements or contested public procurement processes is not known and without such knowledge the true impact of the rise of earned income (from a government perspective) cannot be fully assessed.

[*] The estimate for the amount of money donated by the general public excludes donations made at places of worship. For more information on charitable giving see Chapter 6.

Nevertheless the increased role of the voluntary and community sector in terms of service provision has undoubtedly changed the funding landscape. However, for a great deal of organisations there remains a dependency on grants from government and non-government sources. This will be explored in more detail throughout this chapter.

Donations from the general public still make up a significant part of the voluntary and community sector's income (31.9% in 2006/07 compared with 32.5% in 2003/04). As a proportion of total income little has changed since 2003/04, but there have been significant changes in how the general public makes donations to the voluntary and community sector. This will be discussed in more detail in Chapter 6.

Figure 5.2 - Sources of income between 1996/97 and 2006/07

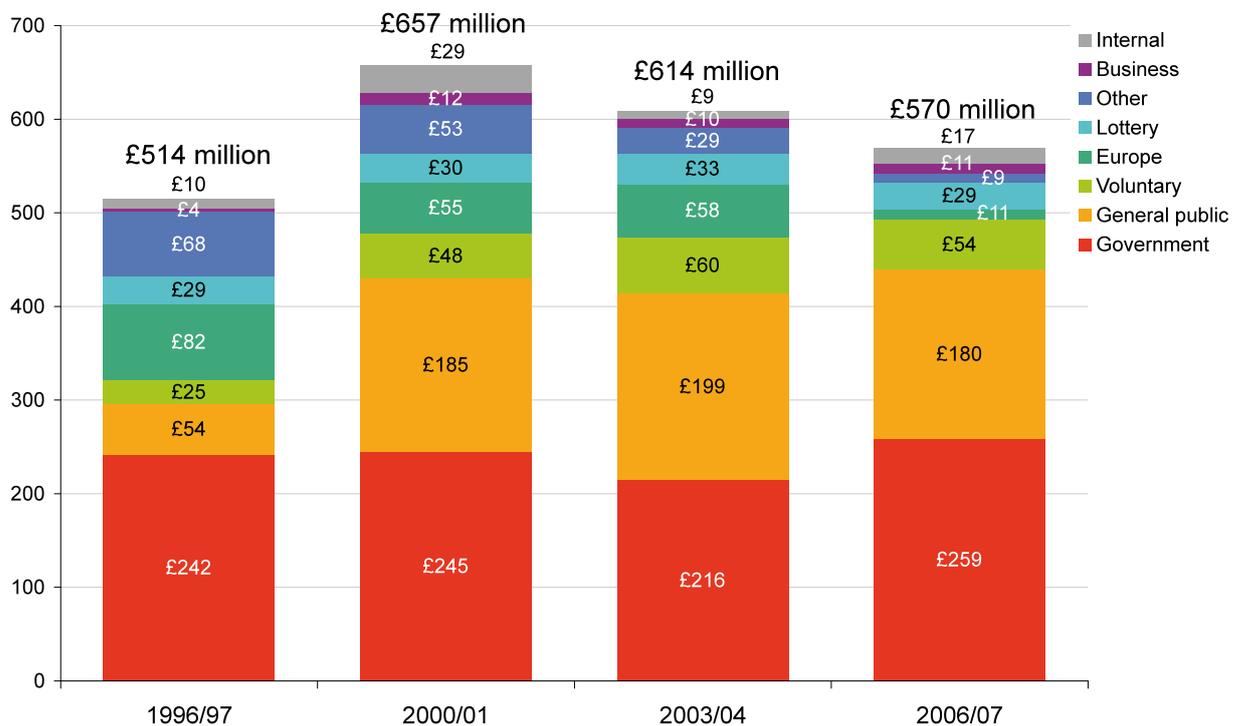


Figure 5.2 shows the level of funding distributed to the voluntary and community sector since 1996/97. The amounts expressed in Figure 5.2 are actual amounts and have not been adjusted to take account of inflation. What is clear from Figure 5.2 is the relative stability of funding from government sources. There has been movement in the amount distributed but this may be as a consequence of how government figures were calculated. Prior to 2003/04 the figure for government funding was entirely estimated but since then government has been able to provide its own assessment of funding levels. Given this change in methodology and

improvements in reporting systems, it is difficult to assess accurately whether government funding has increased or decreased. The same is true for the assessment of the levels of income derived from the general public. As the methodologies have improved the level of accuracy of the estimates has become more reliable. Nevertheless the amount of money donated to the voluntary and community sector is at its lowest level since 2000/01 (excluding 1996/97 when a different methodology was employed).

Across each of the other sources of income there has been some relative volatility but nothing has compared with the diminution of European funding since 1996/97. European funding, but more specifically Peace funding, peaked in 1996/97 at £82 million but this figure fell to £11 million in 2006/07.

Examining Figure 5.2 it is reasonable to say that despite the overall peaks and troughs in terms of funding, a relatively stable level of funding has been available to the sector. It is clear that external events such as the coming to power of New Labour, the devolution of power to Northern Ireland, the Millennium and the ebb and flow of the economy have all directly impacted on the funding environment. The next section will examine in a little more detail each of the funding sources from which the voluntary and community sector derives its income.

5.2.1 Government

Determining what government spends on the voluntary and community sector has become a much easier task over the years. The advent of the Government Funding Database (<http://www.volcomgrantsni.gov.uk/>) and the publication of the Office for the Third Sector's report into *Central Government Funding to the Voluntary and Community Sector (2007)* have helped shed some light on a very complicated and diverse funding base. Government funding made up 45.4% (£259.1 million) of the sector's total funding in 2006/07. This figure breaks down as follows:

Table 5.3 - Government funding to the voluntary and community sector (2006/07)

	Earned £ million	%	Voluntary £ million	%	Total £ million	%
Central government	14.3	26.5	39.6	73.5	53.9	20.8
Non-departmental public bodies/statutory agencies	149.8	79.6	38.4	20.4	188.2	72.6
Local government	2.6	15.3	14.4	84.7	17.0	6.6
Total	166.7	64.3	92.4	35.7	259.1	100

Collectively government funding continues to be the single largest source of funding for the voluntary and community sector. Within overall government expenditure, non-departmental public bodies and statutory agencies are the biggest funders accounting for 72.6% of the £259.1 million expended by government. As a proportion of total funding the levels of funding from government have increased since 2003/04 (government funding made up 35.1% of total income). This can be attributed to the reduction in the size of some funding sources, such as Europe (Peace II), which has increased the overall proportion of government funding distributed to the sector. There have also been some significant increases in funding from certain agencies and departments.

In the case of **central government departments** the single largest increase in funding was in the Department for Social Development (DSD). In 2003 DSD funding to the voluntary and community sector totalled £8,101,663. Based on information gathered from the Government Funding Database (presented in Table 5.4), funding from DSD in 2006/07 totalled £21,049,110.

Table 5.4 – Central government funding by department (2006/07)^[6]

		%			%
DARD	£239,420	0.4	DOE	£2,923,251	5.4
DCAL ^[§]	£53,707	0.2	DRD	£1,957,597	3.6
DE	£2,073,345	3.8	DSD	£21,049,110	39.0
DEL	£3,626,500	6.7	NIO	£7,157,350	13.3
DETI	£25,834	0.1	OFMDFM	£3,629,483	6.7
DHSSPS	£11,223,529	20.8	Total	£53,959,126	

As can be seen in Table 5.3 **non-departmental public bodies and statutory agencies** are the biggest funders in terms of government funding sources, accounting for 72.6% of all government funding. The estimated £188.2 million which comes from this source is predominantly through the purchasing of goods and services (£149.8 million, 79.6%). Approximately £114.8 million is distributed by health and social services trusts and education and library boards. Although it is not possible to estimate how much of this funding is provided under contracts or service level agreements, evidence from an analysis of the accounts would suggest that it is a significant proportion.

6 Source: Government funding database – personal communication with DSD August 2008. Totals relate to the amount of funding awarded in 2006/07. Where appropriate, funding to district councils, housing associations and other organisations which fall outside the general charities definition used in this report have been excluded (www.volcomgrantsni.gov.uk/).

[§] Excludes funding to sports clubs/associations

For the remaining non-departmental public bodies the estimated funding distributed to the voluntary and community sector is £73,407,128. Of this total the majority comes from the Northern Ireland Housing Executive (NIHE) via the Supporting People⁷ programme. The estimate for Supporting People funding in 2006/07 was approximately £56 million. This represents a significant increase from 2003/04 when funding from the NIHE stood at £39 million and £1 million in 2002/03 (Office for the Third Sector, 2007).

Estimates place the amount of money spent by **local government** on the voluntary and community sector at £17,000,000. As is shown in Table 5.3, 84.7% of this funding is in the form of grants and is characterised by small to medium-sized grants.

5.2.2 Voluntary

Income from other voluntary organisations and charitable trusts is another not insubstantial source of income for the voluntary and community sector. Income from this source, in either the form of grants or the purchasing of goods and services, represents 9.5% of total income (£54 million). This decrease from £60.4 million in 2003/04 can in part be explained by the reduction in some sources of funding particularly from American charitable foundations. As can be seen in Table 5.2, 72.0% of funding from this source is in the form of grants, which tend to be project specific and generally do not cover core costs.

Interestingly there appears to be a developing trend which sees an increase in income derived from the sales of goods and services from voluntary sources. What this suggests is an increase in voluntary and community organisations buying services from other voluntary and community organisations. This is perhaps reflective of the need for organisations to diversify their funding base and adopt a more entrepreneurial attitude towards the delivery of goods and services. In 2003/04 earned income from the voluntary sector made up 19.9% of all income from this source. The latest figures in 2006/07 estimate this has increased to 28.0%. It will be interesting to see if this trend becomes a more pronounced characteristic of the sector's financial landscape over the next few years.

5.2.3 Europe

This section looks exclusively at Peace II and Interreg IIA funding. The change in European funding has perhaps been the most dramatic change in the funding environment since 2003/04. Funding under the Peace II and Interreg IIA programmes in 2006/07 stood at £10.6 million (1.9% of total funding), whereas in 2003/04 European funding was £57.9 million and represented 9.4% of total funding. This dramatic reduction in European funding has accounted for a substantial part of the drop in overall income in 2006/07.

⁷ Supporting People funds a range of services which provide housing related support to vulnerable people to improve their quality of life and attain independence (http://www.nihe.gov.uk/index/wwu_home/supporting_people-3.htm).

Table 5.5 shows how European funding was broken down in 2006/07.

Table 5.5 – European funding by programme (2006/07)^[8]

	2006/07
Peace II	£9,204,124
Interreg IIA	£1,415,475
Total	£10,619,599
Peace II 2000-2004	£4,716,592
Peace II extension	£4,487,532

The level of dependency upon European funding for the voluntary and community sector has diminished as a result of the relatively small amount of funding from this source now available. Table 5.8 shows that among those organisations in receipt of European funding, only a very small proportion are reliant on it for more than 75% of their total funding (2.1%). However the vast majority of organisations (92.8%) are dependent upon less than 25% of their total funding from Europe. Although difficult to speculate on the true impact of the complete cessation of Peace II funding, it is reasonable to assume that the impact will be significant but ultimately confined to a reduction in staff posts as opposed to the closure of organisations.

8 Data supplied by SEUPB from a download of the CSF Central Database on 30 June 2008. The download contained a list of projects which have incurred expenditure in 2006-07 and which are classified as voluntary and community organisations under the 'Organisation Type' field on the database.

5.2.4 Lottery

As can be seen in Figure 5.2, income from the Lottery since its inception has remained relatively static over the period of analysis for *State of the Sector*. In 2006/07 funding from all the various agencies which distribute Lottery funds totalled an estimated £29 million^[9] (which is equivalent to the amount distributed in 1996/97).

As can be seen in Table 5.8, 92.8% of organisations which receive Lottery funding depend upon it for less than 25% of their total funding base. The level to which organisations depend upon funding from the Lottery is relatively small but it is the type and nature of the organisations that are funded by the Lottery which is the more important feature of funding from this source (see Table 5.9).

5.2.5 Business

Income in the form of grants or sponsorship from the private sector has never been a key source of income for the voluntary and community sector in Northern Ireland. As can be seen in Figure 5.2 funding from the private sector has remained relatively static, ranging between £10 and £12 million per annum. In 2006/07 financial support from the private sector represented 2% of total income (£11.5 million). This compares to £10.4 million in 2003/04 (1.7%) and £12.4 million in 2000/01 (1.8%).

9 The BIG Lottery awarded £22.1 million to voluntary and community organisations in 2006/07. This represents 89% of all funding awarded in 2006/07 (source: personal communication with The BIG Lottery on 08 July 2008).

This analysis only represents the financial contribution made by the private sector and does not take into account other gifts in kind such as employee volunteering schemes or the donation of equipment or expertise.

5.2.6 Internal

Income generated from investments, interest payable from banks and rents from properties have always made up a relatively small proportion of overall total funding for the voluntary and community sector in Northern Ireland. Income of this nature is often impacted upon by wider economic conditions and although there has been a slight increase in the income derived from this source, the impact of the current economic crisis is not reflected in these figures. Internally generated income in 2006/07 was estimated to be £17.1 million (3% of total income) which is an increase from £8.4 million in 2003/04. This increase may be reflective of the relatively benign economic conditions that have existed up to 2008 resulting in relatively high returns from investments.

5.3 Sub-sectoral income profile

As mentioned throughout this chapter there are significant variations in the sources of income depending on which sub-sector an organisation operates within. Table 5.6 presents estimates for the level of funding received by each of the major sub-sectors.

The health and wellbeing sector is the largest sub-sector (in terms of financial size) with an estimated income of £120.2 million in 2006/07. Of this figure 75.6% comes from the general public (this represents the most money donated by the general public to any sub-sector). The sub-sector which receives the most money from government sources is the disability sector, which in 2006/07 received £73.7 million (81.6% of total income for this sub-sector).

Of all the sub-sectors it is perhaps the young people and children's sector which appears to have the most diverse funding base. Estimates suggest that 47.9% (£40.2 million) comes from government, 30.4% (£25.5 million) from the general public and 13.9% (£11.6 million) comes from voluntary and charitable trusts.

Table 5.6 - Sources of income by sub-sector (2006/07)

Sub-sector	Government %	General public %	Europe %	Lottery %	Voluntary %	Total £ million
Advice and information	48.5	8.2	3.8	12.3	27.2	29.3
Arts/cultural/heritage	23.3	37.5	0.0	13.4	25.8	12.0
Community development	31.5	42.2	3.1	11.3	11.9	57.3
Disability	81.6	12.2	1.9	2.2	2.1	90.3
Education/training	83.1	5.8	2.9	2.2	6.0	27.8
Environment/conservation	28.0	70.7	0.0	0.0	1.3	7.5
Health and wellbeing	13.8	75.6	1.2	5.6	3.8	120.2
Housing/homelessness	75.8	22.0	0.4	0.0	1.8	26.4
Older people	74.4	24.8	0.0	0.4	0.4	23.8
Volunteer development	59.6	4.3	0.0	17.0	19.1	9.4
Women	60.6	9.8	9.1	7.6	12.9	13.2
Young people and children	47.9	30.4	2.3	5.5	13.9	84.0
Total (£ million)	242.0	178.8	10.0	28.4	42.0	501.2^[*]

The winding up of the Peace II funding programme has changed the funding landscape for some sub-sectors. For instance, in 2003/04 the community development sub-sector was dependent upon Europe for 21.2% of its funding, this figure is now 3.1%. This represents an 82.5% decrease in funding from Europe since 2003/04 for this sub-sector (£9.7 million in 2003/04 compared with £1.7 million in 2006/07). The women's sub-sector has seen a similar change in the level of funding from European sources. In 2003/04 the women's sub-sector received £2.72 million from Europe (19.5% of total income). This figure has fallen to £1.2 million in 2006/07 which represents 9.1% of the total income for this sub-sector.

Table 5.7 examines the nature of the funding which each of the sub-sectors receives. As mentioned earlier in this chapter, earned income (the sale of goods and services) is not applicable to all organisations and the findings in Table 5.7 support this view. For instance,

[*] Totals do not add up to £570.1 million (overall income for the sector) as some organisations did not classify themselves under any of the sub-sectors in the SOSV questionnaire.

organisations in the disability sector receive 82.5% of their total funding in the form of earned income (the sale of goods and services). Organisations in the housing/homelessness sub-sector also receive significant amounts of funding in the form of earned income (76.3%). Whereas, organisations which are in the older people, volunteer development, community development, arts, advice and information sub-sectors all receive 80% or more of their funding in the form of voluntary income (grants). So despite the overall increase in earned income (sales of goods and services) for the entire voluntary and community sector, this growth (albeit significant) is confined to one or two sub-sectors. On the surface it would appear that the overall trend is a reduction in the dependency on grants in the voluntary and community sector, Table 5.7 however would suggest this is not entirely the case and grants remain an important and widespread form of funding.

Table 5.7 - Nature of income by sub-sector (2006/07)

Sub-sector	% Earned income	% Voluntary Income	Total income £ million
Advice and information	18.0	82.0	29.3
Arts/cultural/heritage	15.7	84.3	12.0
Community development	20.0	80.0	57.3
Disability	82.5	17.5	90.3
Education/training	62.0	38.0	27.8
Environment/conservation	20.9	79.1	7.5
Health and wellbeing	33.5	66.5	120.2
Housing/homelessness	76.3	23.7	26.4
Older people	7.2	92.8	23.8
Volunteer development	7.1	92.9	9.4
Women	34.8	65.2	13.2
Young people and children	55.8	44.2	84.0

5.4 Dependency on sources of funding

Looking at these global figures for income only tells half of the story in relation to how the sector is funded. This next section looks at the levels of dependency that exist in terms of organisations relying on a single source of funding. This is a very pertinent issue in the voluntary and community sector as there is a reduction in the levels of funding available. Problems begin to arise when organisations depend upon a single source of funding for the bulk of their income. This can obviously put the organisation in a very precarious position if the funding ends or the funding programme is reduced (as witnessed with Peace II).

In an attempt to look at this issue in more detail, Table 5.8 examines how dependent or otherwise organisations are on a single source of funding.

Table 5.8 - Dependency profile by income source (%) (2006/07)

	Government	General public	Europe	Lottery	Voluntary
0-25% of total income	47.3	63.6	92.8	92.8	85.2
25-50% of total income	11.9	6.8	2.8	3.8	6.3
50-75% of total income	13.3	7.0	2.3	1.5	4.5
75% plus of total income	27.5	22.5	2.1	1.9	4.0
	100	100	100	100	100

Although this is a somewhat rudimentary analysis (different government sources of funding have not been disaggregated) it does demonstrate the relative dependence of the sector on government funding and donations from the general public. Over a quarter of organisations (27.5%) that receive government funding are dependent on that single source for 75% or more of their income. Among organisations which receive funding from the general public just over one in five (22.5%) rely on this source of income for 75% or more of their total income. At the other extreme is funding from Europe and the Lottery where the level of dependency on each of these sources as part of the organisation's total income is much less. In both cases 92.8% of all organisations which receive funding from these sources are dependent upon these sources for less than 25% of total income. This is reflective of the relatively small size of the overall amounts distributed, the nature of the funding (voluntary rather than earned income) and the relatively small size of awards made.

Table 5.9 takes this analysis one step further and looks at the levels of dependency (over 75% or more of income from one source) by sub-sector. This is an important analysis as it begins to develop our understanding of the effect on different sub-sectors if funding programmes are reduced or stopped altogether.

In relation to levels of dependency upon government sources of funding, over 70% of organisations which receive funding from government and operate in the education/training, environment/conservation and

the housing/homelessness sub-sectors receive 75% or more of their funding from this source. The least reliant sub-sector on government funding is the arts/cultural/heritage sub-sector in which only 19.2% of organisations rely on 75% or more of their income from this source. This is perhaps not surprising since estimates show that government only distributed £2.7 million to organisations in this sub-sector in 2006/07 (23% of total income for this sub-sector). Interestingly Table 5.9 shows relatively high levels of dependency upon what are now small streams of funding. For instance

Table 5.9 - Dependency on sources of income by sub-sector (2006/07)

75-100% of total income	Government %	General public %	Europe %	Lottery %	Voluntary %	Total £ million
Advice and information	40.6	23.8	7.6	-	3.7	29.3
Arts/cultural/heritage	19.2	42.1	-	8.3	-	12.0
Community development	30.7	16.0	19.3	25.0	11.1	57.3
Disability	59.2	29.4	-	-	4.7	90.3
Education/training	70.8	23.5	-	-	6.2	27.8
Environment/conservation	75.0	54.5	-	-	-	7.5
Health and well being	28.0	48.7	-	16.6	4.7	120.2
Housing/homelessness	75.0	25.0	-	-	-	26.4
Older people	27.2	50.0	-	40.0	22.2	23.8
Volunteer development	25.0	-	-	-	33.3	9.4
Women	36.8	17.6	15.3	-	5.8	13.2
Young people and children	44.0	25.6	5.8	-	8.5	84.0

19.3% of organisations in the community development sector which receive funding from Europe are dependent upon this source for 75% or more of their income. Given the winding up of Peace II this could have far reaching consequences for some organisations in this sub-sector.

A similar situation is to be found in the women's sub-sector. In relation to funding from the Lottery, organisations which receive funding from this source in the older people and the community development sub-sectors show relatively high levels of reliance. For example 40.0% of organisations in the older people's sector, which receive Lottery funding, rely on it for over 75% of their total income. The situation in the community development sector is less pronounced but nevertheless 25% of organisations which receive Lottery funding rely on this source for 75% or more of their income. A reduction in any of these smaller funding sources could have far reaching consequences for these organisations in both an operational and strategic context.

Other sources of information on funding to the voluntary and community sector:

Office of the Third Sector publishes reports into central and local government funding to the voluntary and community sector in the UK (www.cabinetoffice.gov.uk/third_sector).

NCVO publishes *The UK Civil Society Almanac* which details funding to the voluntary and community sector throughout the UK (www.ncvo-vol.org.uk).

The **Department for Social Development** maintains the Government Funding Database which lists all government funding to the voluntary and community sector in Northern Ireland (www.volcomgrantsni.gov.uk/).

State of the Sector V is the latest edition in the *State of the Sector* research programme. The previous *State of the Sector* reports have developed the only comprehensive picture of the scale and scope of the economic activities of the Northern Ireland voluntary and community sector. The publication of each *State of the Sector* report represents another step in the evolution of this type of statistical analysis and as such adds to the already broad and in depth knowledge of the sector, by examining many of the key issues currently affecting and shaping it.

State of the Sector V provides high level statistics on the various types of resources available to the sector and the relationship between voluntary and community organisations, government, funders and the general public.

State of the Sector V is invaluable to all those who need an up-to-date and reliable source of statistics and commentary on the voluntary and community sector in Northern Ireland. People working in the sector — academics, decision-makers, social science students and journalists — will all find this publication useful.



Published February 2009 by:
Northern Ireland Council for Voluntary Action

Tel: (028) 9087 7777
Fax: (028) 9087 7799
Minicom: (028) 9087 7776
International code: +44

Email: nicva@nicva.org

Websites: www.nicva.org
www.communityni.org

ISBN 978-0-903087-54-5

Price:

£12.00 plus P&P (NICVA members)

£15.00 plus P&P (non NICVA members)

Charity registered with Inland Revenue No NX 47024
Company limited by guarantee (No1792)