



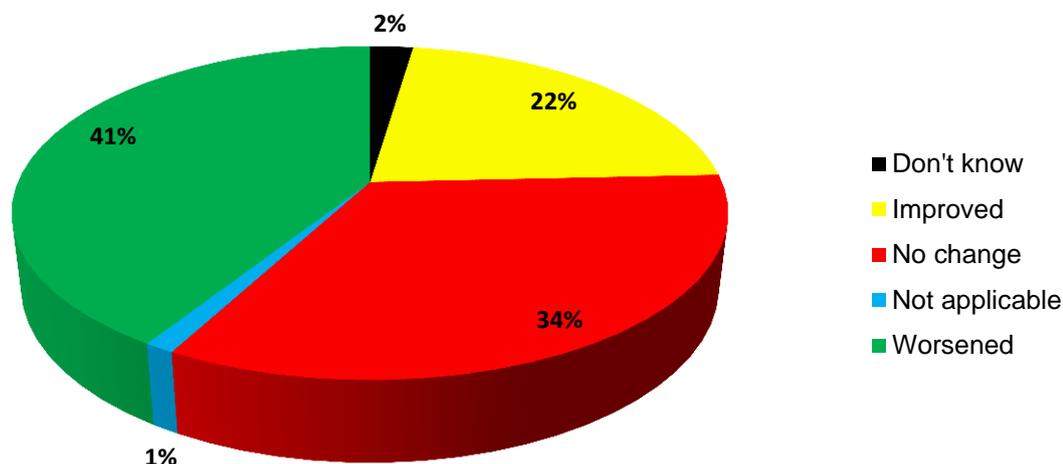
Viewfinder 13

In October 2012 the *Viewfinder 13* questionnaire was made available online to 906 NICVA member organisations. In total 198 organisations responded, generating a response rate of 22%.¹

Key findings

- The economic environment continues to impact heavily on member organisations with 41% reporting that their financial situation has worsened over the past 12 months.
- 57% of responding organisations have been affected by the public sector funding cuts.
- For 19% of responding organisations there has been a reduction in staff numbers, however, for 42% there has been no change in staff numbers in the last 12 months.
- 41% of member organisations have increased their expenditure.
- Over half of member organisations (56%) have increased their services over the last six months.
- For 56% of organisations grant income makes up over 60% of income.
- Over four in ten respondents (44%) stated that they receive some level of funding from government, 38% funding from charitable trusts, 34% from councils and 33% from the health boards and trusts.
- The majority of organisations have either no earned income (32%) or earned income makes up 10% or less of their income (28%).
- 50% of respondents are reviewing their governance arrangements in preparation for new charity regulations.
- Two thirds of organisations that have used the Code of Good Governance resources indicated that the resources had helped them improve governance practice.
- The majority of organisations (85%) are satisfied or very satisfied with NICVA's membership package and benefits and NICVA's role and performance over the last 12 months.

¹ In Appendix 1 there is a more complete breakdown of respondent organisations.

Figure 1: Financial situation over the last 12 months

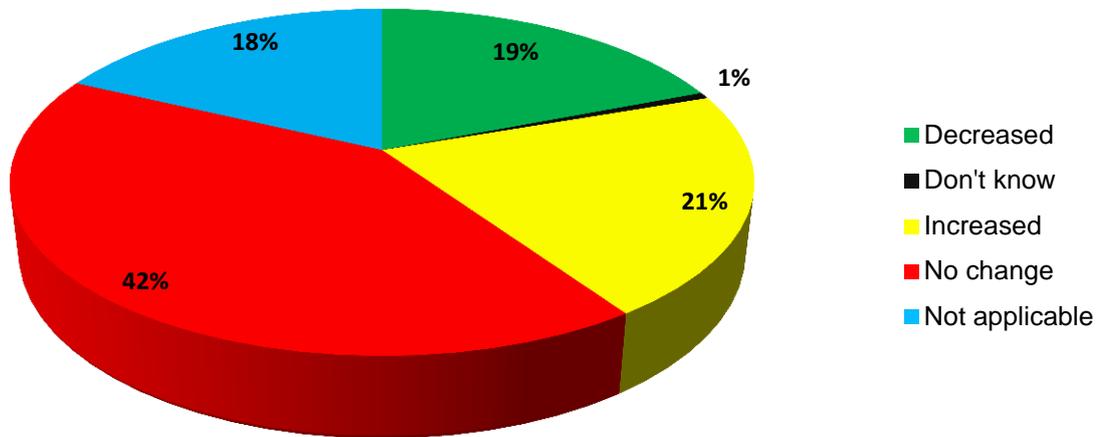
Base 173

As we can see from Figure 1, the current financial situation continues to cause uncertainty and challenges for member organisations. A number of changes are noteworthy in comparison to the figures reported in Viewfinder 12.² For example, the wider economic environment continues to provide opportunities for some organisations, with 22% of members stating that the financial situation of their organisation has improved over the past 12 months, an increase of 5%.

Previously, over a third of organisations (35%) indicated that there had been no change in their financial situation over the preceding year; this figure has remained almost unchanged at 34%. Optimistically, although we can see continuing financial challenges for many member organisations, with over four in ten members (41%) reporting that their financial situation has worsened during the last 12 months; this figure has decreased from 47%.

² Viewfinder 12, June 2102 <http://www.nicva.org/publications/viewfinder-12>

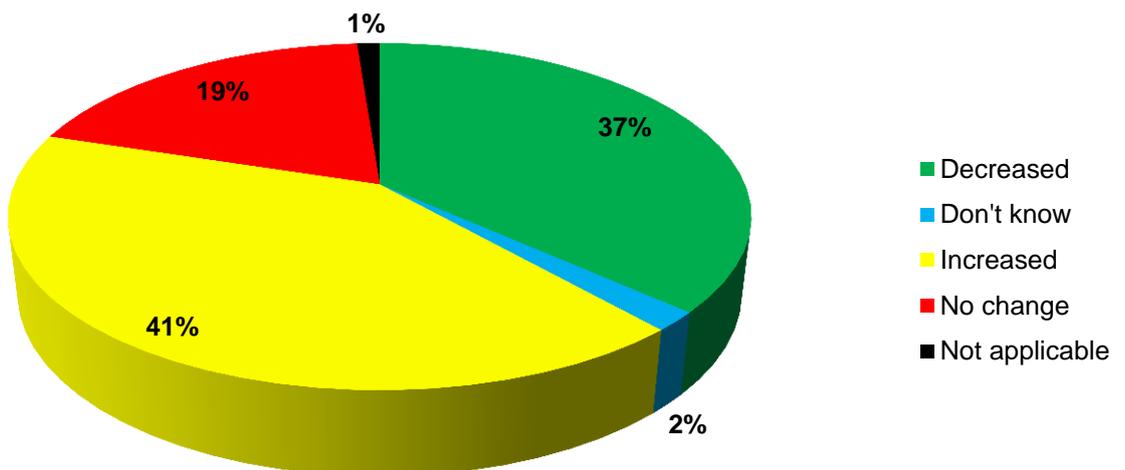
Figure 2: Staff numbers



As Figure 2 shows, compared to the last quarter there has been a decrease in the percentage of organisations reporting a reduction in staff numbers, falling from 28% to 19%.

Previously, for 42% of respondents there had been no change over the previous six months in the numbers of paid staff within their organisation and this figure remains unchanged. In line with the findings outlined in Figure 1, a fifth of members reported that there had been an increase in staff numbers in this period.

Figure 3: Expenditure



Base 169

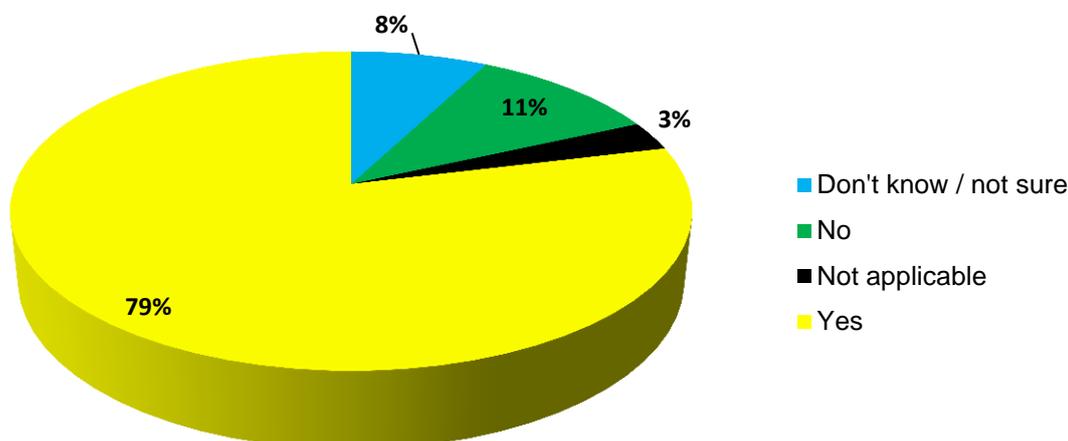
Previously, in Viewfinder 12 we reported that member organisations were evenly split on how the current economic and funding environment had affected their overall

expenditure in the previous six months, with around a third of members each reporting increased or decreased expenditure and around a quarter stating 'no change' in expenditure.

In this reporting period, as shown by Figure 3, there is an increase in the number of member organisations increasing their expenditure, up two percent to 41% which continues to suggest that many organisations are positively responding to greater current need.

The number of organisations decreasing expenditure has also increased marginally by two percent. Perhaps significantly the number of organisations reporting 'no change' has reduced by nine percent to 24% in this period.

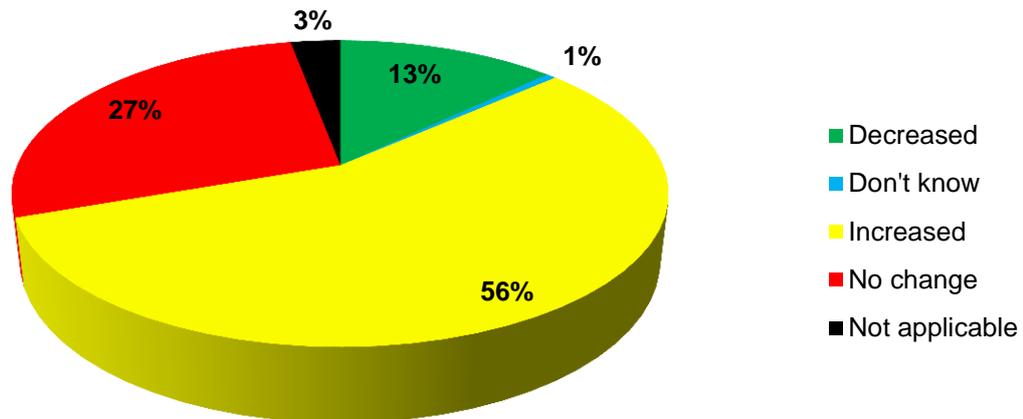
Figure 4: Increased demand for organisations services in the last 12 months?



Base 170

The pressures on the voluntary and community sector to respond to greater demand for services is apparent in Figure 4 which indicates that 79% of respondents have experienced increased demand for their services.

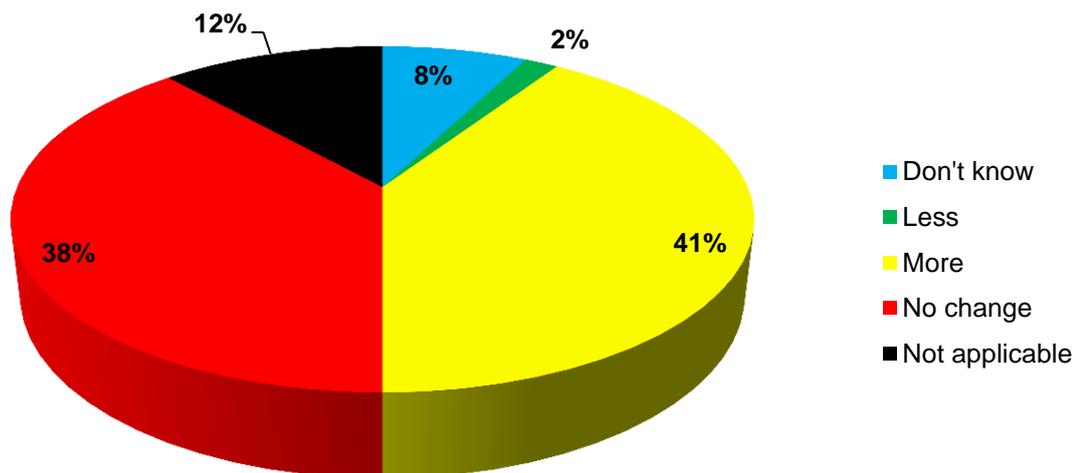
Figure 5: Has your organisation increased the services it offers in the last 12 months?



Base 171

Figure 5 reflects the fact that there may be more social need and more pressure put upon member organisations as the economic environment changes, as over half (56%) of organisations have increased the services they offer over the last 12 months, an increase of eight percent from the previous period. This increase does not match the demand outlined in Figure 4, indeed 13% of organisations have decreased their services over the last 12 months, perhaps reflecting reduced funding to provide these services. For 27% of organisations there has been no change in the amount of services they offer, down by nine percent since the last report.

Figure 6: Competition with other organisations



Base 172

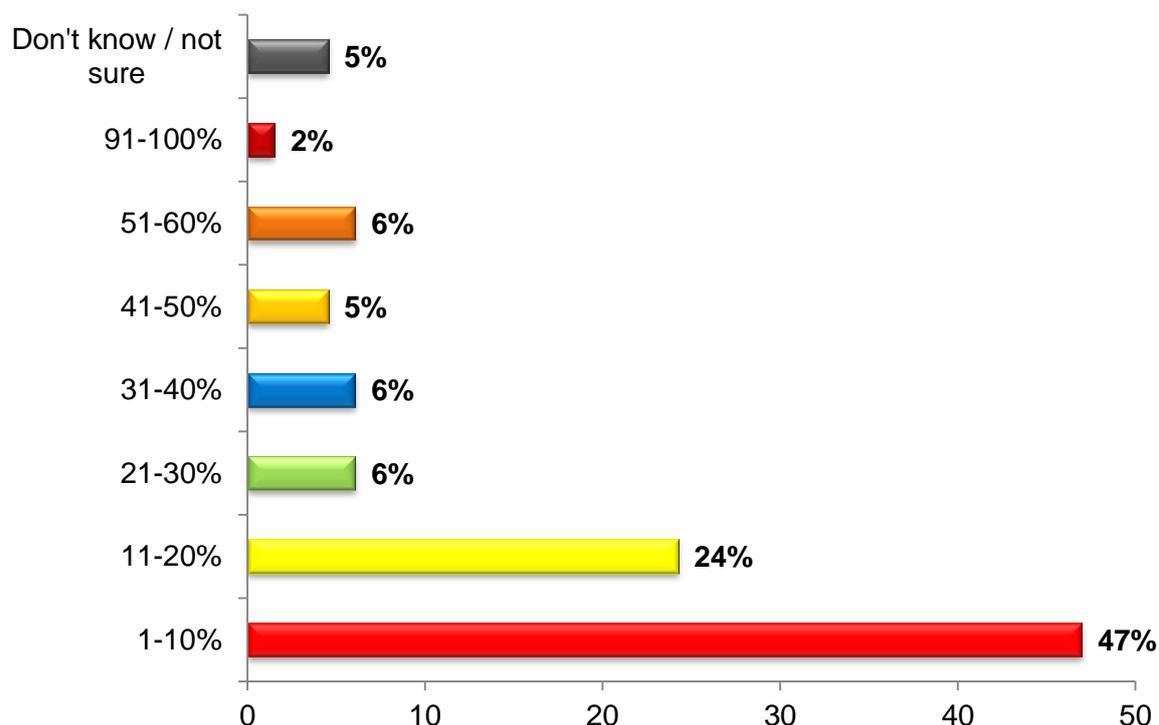
As we can see from Figure 6 a significant amount of responding organisations (41%) are of the view that they have faced more competition from other organisations over the last 12 months. However, this is balanced by a similar level of members (38%)

indicating that there has been no change in the level of competition with other organisations. These results are broadly in line with the previous reporting period.

Funding cuts

Fifty-seven percent of responding organisations³ have been affected by the public sector funding cuts, a decrease of 10% since Viewfinder 12, returning to the level nearer that outlined in Viewfinder 11 (53%).

Figure 7: Level of cuts



Base 66

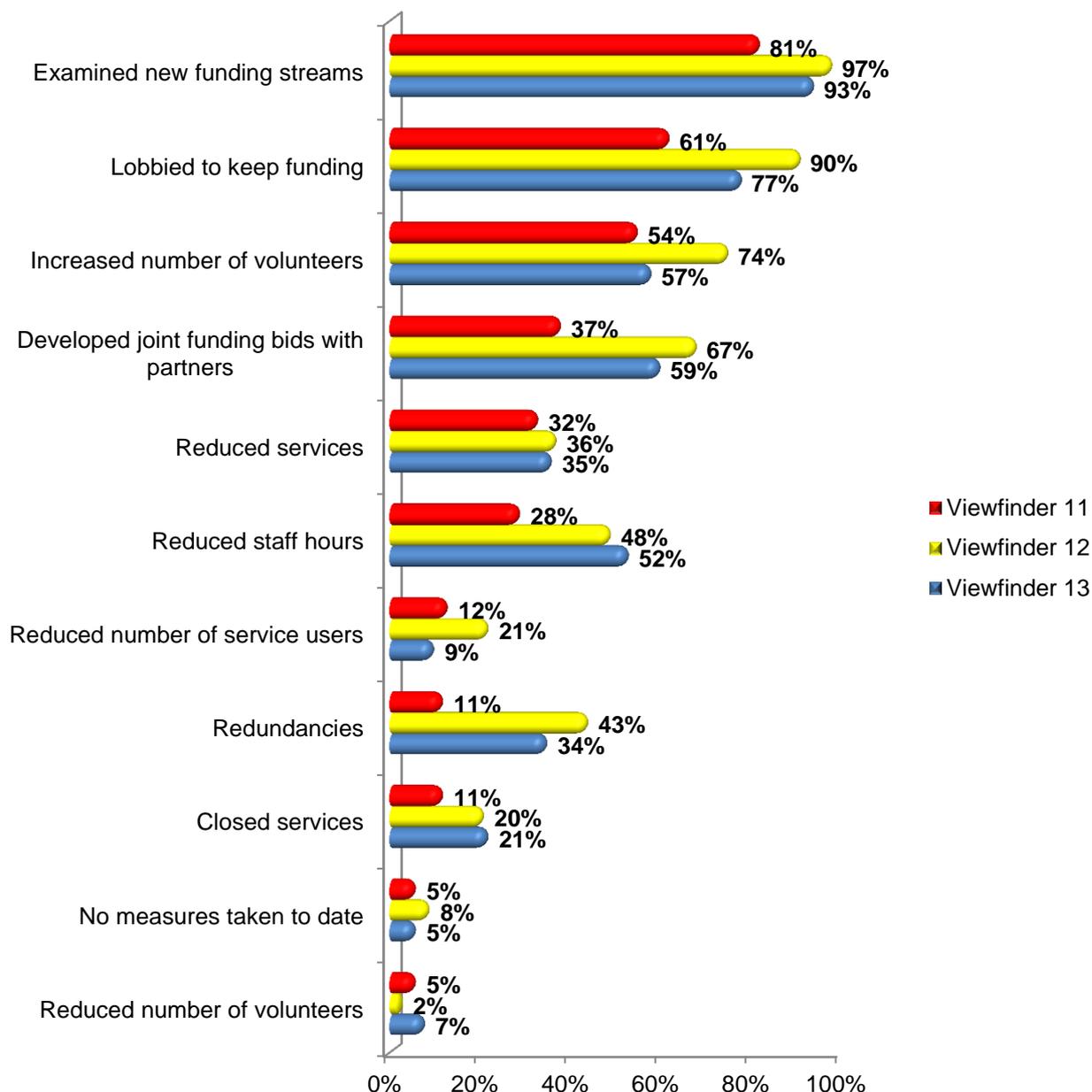
A total of 67 organisations (39%) stated that they had been affected by having their funding cut, a decrease from 75 organisations (45%) in Viewfinder 12.

For this report 66 organisations reported on the extent of their funding cut. For almost half (47%), the reduction in funding was up to 10% of their funding in the last 12 months, almost identical to the level in Viewfinder 12.

For 36% of organisations reporting a cut in funding the levels of cuts were between 11% and 40%, again very similar to the levels reported in Viewfinder 12.

³ Base 163

Figure 8: Measures taken to manage funding cuts – a comparison between Viewfinders 11, 12 and 13



Base: Viewfinder 11 Base 57; multiple responses. Viewfinder 12 Base 58; multiple responses
Viewfinder 13 Base 55; multiple responses.

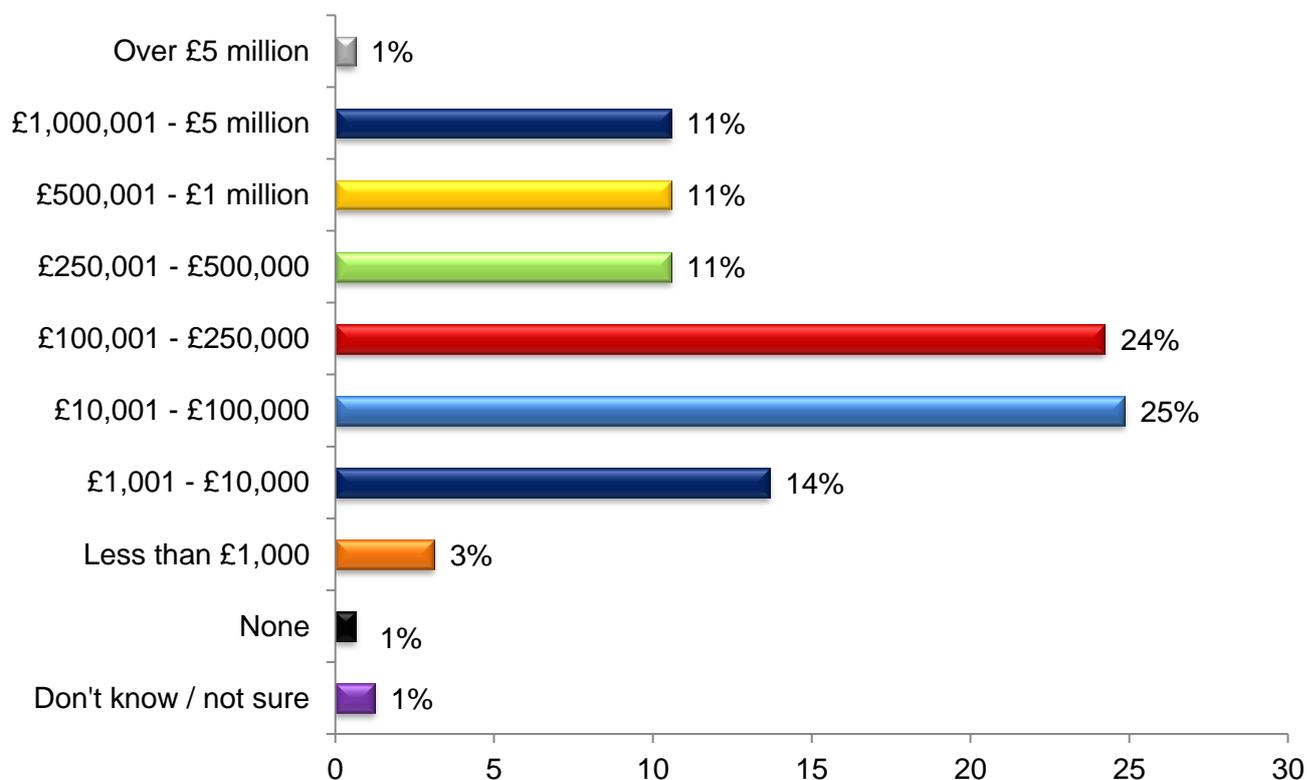
Figure 8 presents comparison data between Viewfinders 11, 12 and 13 covering the period January to October 2012. Not surprisingly, in order to manage the cuts in public expenditure, almost all respondents (93%) who have experienced direct cuts to their income have examined other funding streams, a similar level to the previous period, whilst levels of lobbying have reduced from 90% to 77%. There is continuing evidence of organisations continuing to increase the number of volunteers, with 57% of organisations increasing their volunteer base.

In terms of identifying the impact on the services delivered by organisations, the survey highlighted a steady trend in the reduction of services (35%), reduced staff hours (52%), a significant reduction in the number of organisations reducing the numbers of service users (9%), a reduction in the level of redundancies (down 9%), and services closed steady at around 20%.

Work on developing joint funding bids with partners remains high at 60% underlining another common theme in NICVA's research relating to high levels of collaboration in the voluntary and community sector.

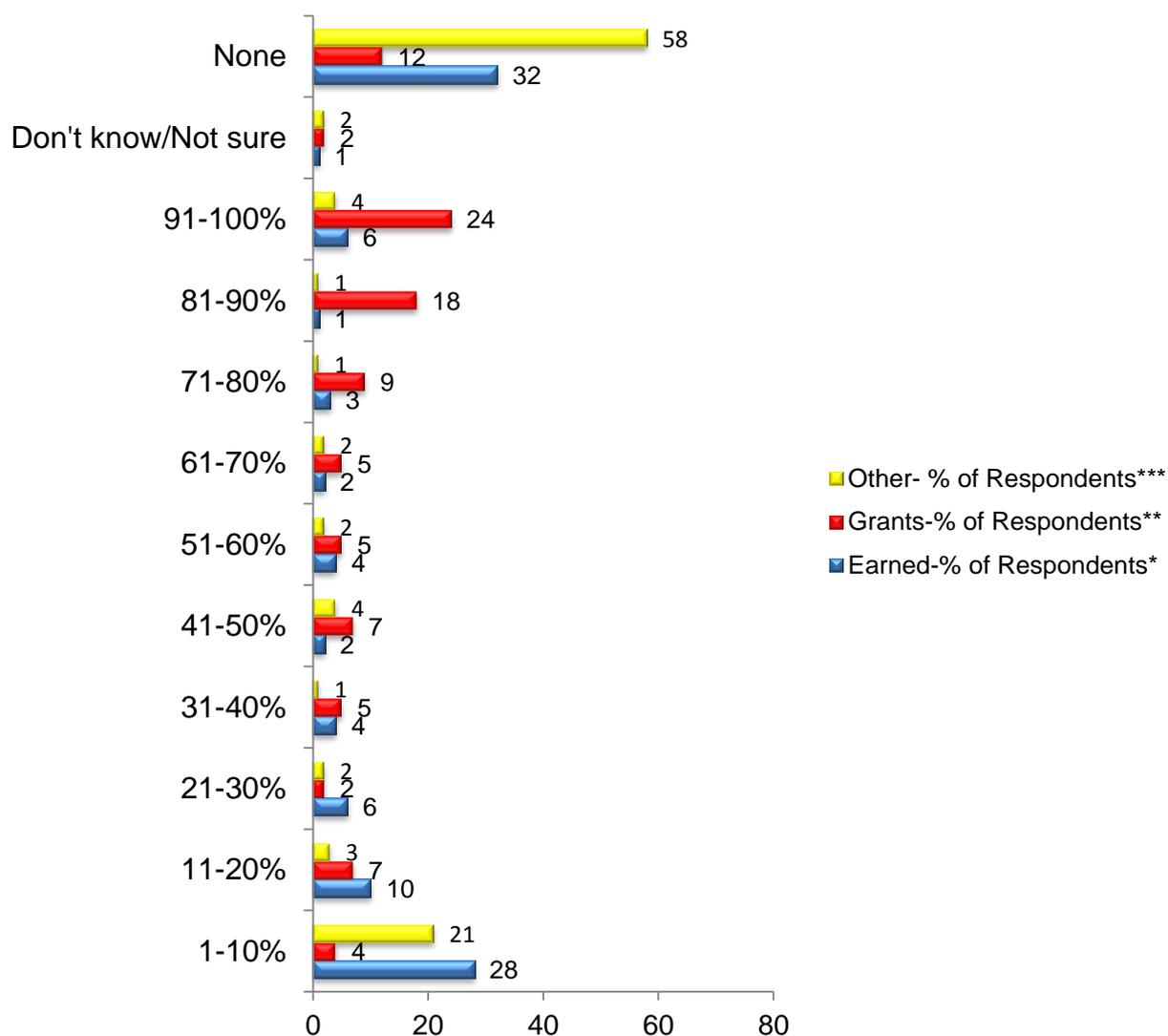
Income

Figure 9: Organisational income



Base 161

Figure 9 outlines the distribution of the organisational income in respondent organisations. It indicates that just under half of respondents had an income between £10,000 and £250,000 whilst a third had an income between £250,000 and £5million. For 17% income levels are below £10,000.

Figure 10: Sources of income

*Base 163; ** base 165; *** base 163⁴

Figure 10 highlights the breakdown of organisation income across three categories, earned income, grants and 'other' sources of income, for example legacies.

Earned income

Almost a third of organisations (32%) have no earned income, while for over a quarter (28%) earned income makes up 10% or less of overall income. For 10% of respondents earned income accounts for more than 70% of total income. For 12% of respondents there is no dependency on grant aid.

⁴ For example legacies, ie neither funding nor income generated from the sale of goods or services.

Grant income

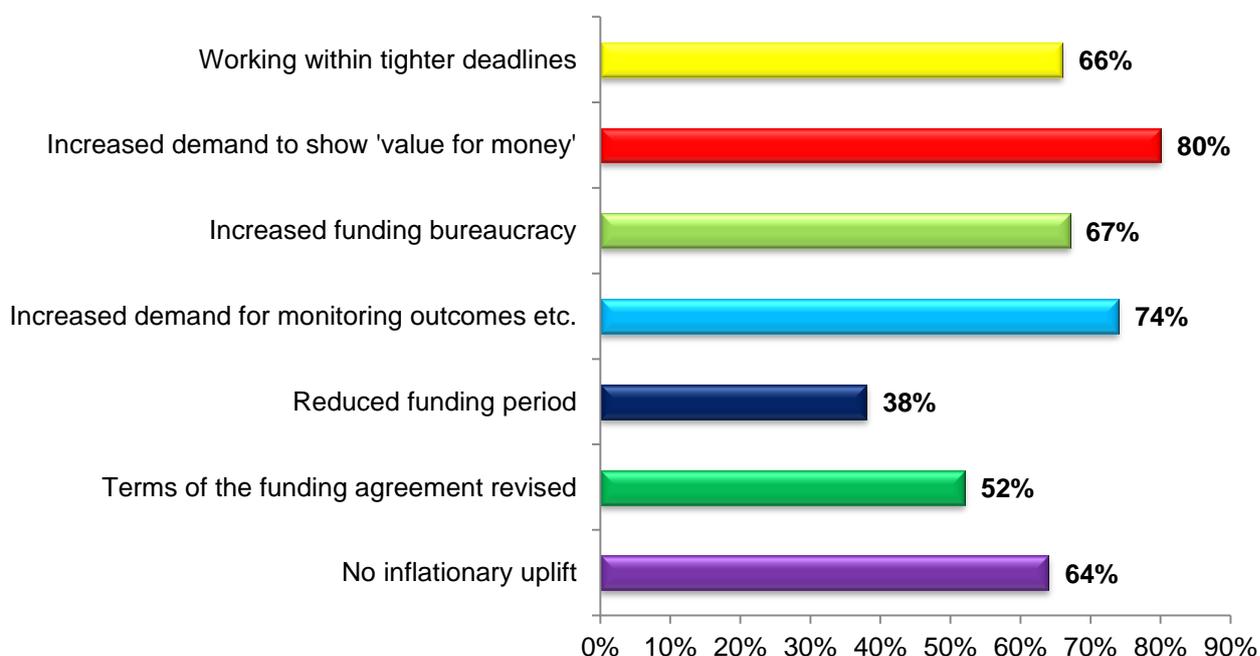
For 56% of organisations in receipt of grants, the grants make up over 60% of all income, and for over a quarter of respondent organisations (24%) grants make up between 90% and 100% of overall income.

'Other' income

For 58% of respondents there are no 'other' sources of income beyond either earned or grant aid. In terms of organisations with 'other' forms of income, for over a fifth of those organisations legacies, etc account for up to 10%.

Funding

Figure 11: Funding developments in the last 12 months



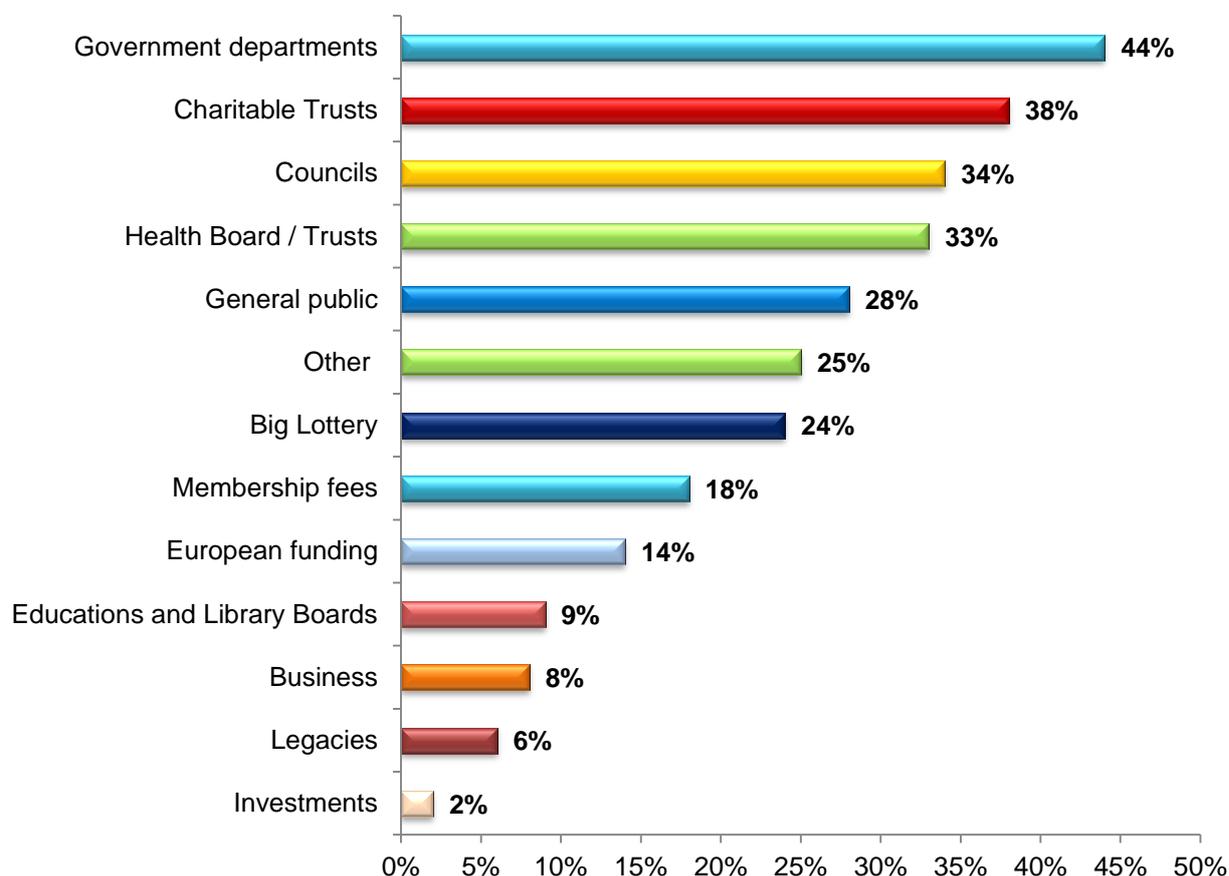
Base: 157 multiple responses

As is clear from Figure 11 there has been a number of notable developments in the funding environment over the past 12 months.

Eighty percent of responding member organisations stated that they are under increasing demand from funders to show value for money, an increase of 13%. This increasing demand is mirrored by an increase in funding bureaucracy, with 67% of organisations affected by increased bureaucracy and 75% affected by increased demand for monitoring of outputs and outcomes. Working within tighter deadlines is now reported by 66% of responding organisations, an increase of 11%.

The number of organisations reporting a 'reduced funding period' has remained steady at 38% and 'terms of the funding agreement revised' is reported by 52% of respondents, up 3% in this period. For almost two thirds of respondents (64%) there has been no inflationary uplift in funding over the last year.

Figure 12: Funding sources



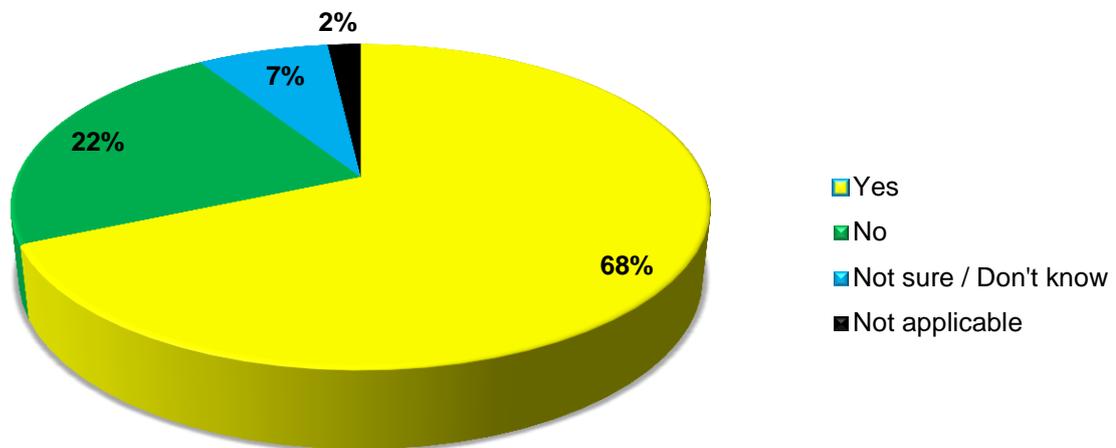
Base 198 multiple responses

The most common source of funding for responding member organisations is government departments with 44% of respondents funded in this way.

We can also see that charitable trusts remain a key source of funding for voluntary and community organisations in Northern Ireland, with 38% of organisations currently obtaining funding from this source. Key funding sources for the voluntary and community sector reported by respondents include councils (34%), health boards / trusts (33%) and the general public (28%).

Lobbying

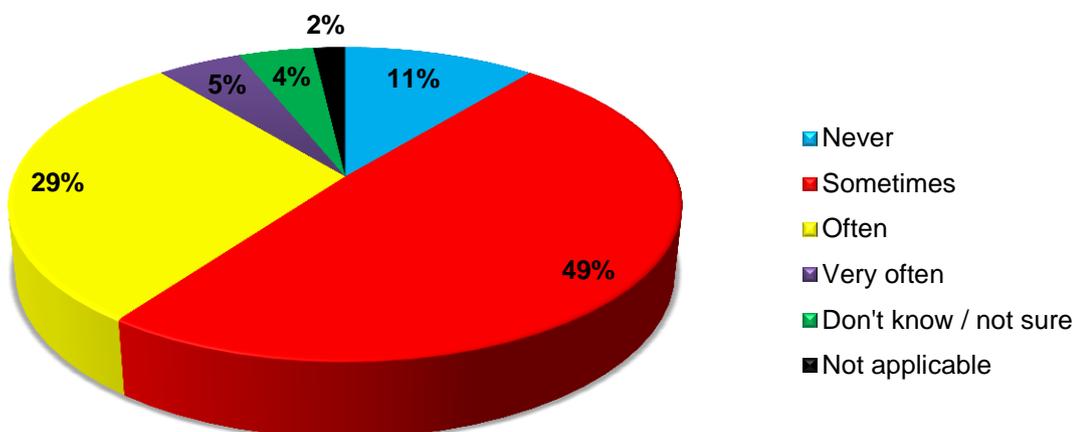
Figure 13: Lobbying



Base: 165

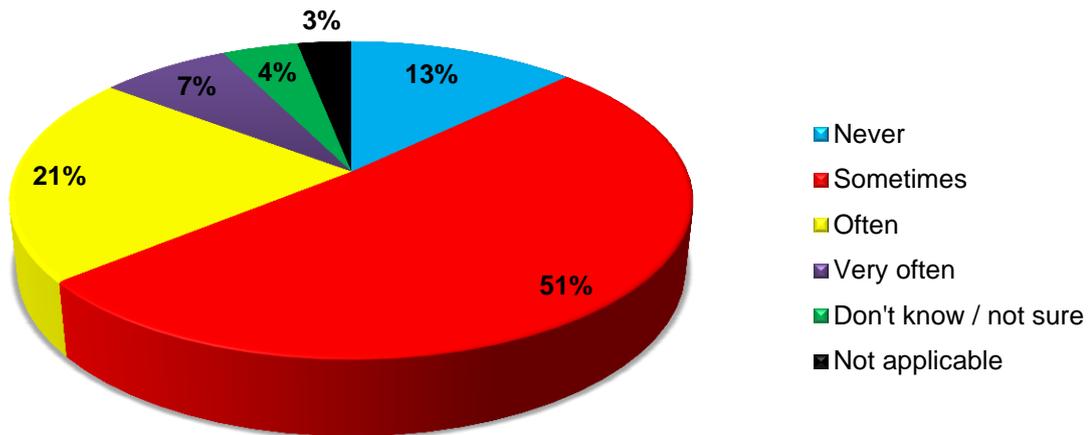
Over two thirds of respondent organisations engage in lobbying / campaigning activities and just under half those organisations believe they have sufficient skills to undertake lobbying activities.

Figure 14: How often is your project in contact with local councillors?



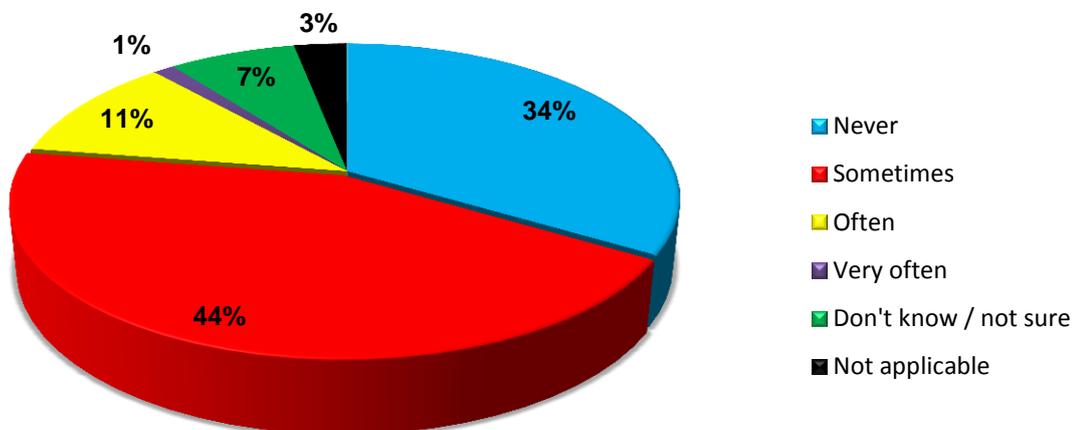
Base: 100

Figure 14 indicates that over a quarter of respondents (29%) are in regular contact with local councillors, while half of respondents (49%) are sometimes in contact with their local representatives.

Figure 15: How often is your project in contact with MLAs?

Base: 100

Figure 15 indicates that just over a fifth of respondents (21%) are in regular contact with MLAs, whilst over half of respondents (51%) are sometimes in contact with their local representatives.

Figure 16: How often is your project in contact with MPs?

Base: 100

Figure 16 indicates that in comparison to councillors and MLAs there is less regular contact for respondent organisations with 11% of respondents in regular contact with MPs, while over four in ten of respondents (44%) are sometimes in contact with their local representatives. Over a third of organisations (34%) are never in contact with an MP.

Governance

Although the Charity Commission for Northern Ireland has not been able to establish the register of charities due to legal technicalities, it has received its powers of investigation and enforcement. Respondents were asked to indicate what actions their organisation has taken to prepare itself for charity regulation.

Table 1: Actions taken to prepare for charity regulation

| | Yes | % |
|---|-----|----|
| Reviewing governance arrangements | 99 | 50 |
| Reviewing the governing document | 80 | 40 |
| Reviewing mission, vision and values | 61 | 31 |
| Board / committee has participated in governance training | 53 | 27 |
| None of the above | 26 | 13 |
| Don't know / not sure | 19 | 10 |

Base 198: multiple responses

From Table 1 it is clear that half the respondents have reviewed their governance documents, while 40% have reviewed the governing document and almost a third have reviewed their mission, vision and values. Additionally for over a quarter of respondents, the board / committee has participated in governance training.

Table 2: Rate the Code of Good Governance resources used

| | Useful / Very useful | Total | % |
|--|----------------------|-------|----|
| www.diycommitteeguide.org | 39 | 56 | 70 |
| Code of Good Governance | 63 | 79 | 80 |
| Governance Health Check | 42 | 54 | 78 |

Base 78: multiple responses

Organisations were asked to rate the Code of Good Governance resources they had used. As Table 2 indicates, for each of the available resources a rating of useful or very useful was obtained for 70% or over, with the Code of Good Governance most widely used and most highly rated. Two thirds of respondents who had used the Code of Good Governance indicated that the resource had helped improve practice in their organisation. Only one respondent opposed the view that the Code of Governance should remain as a self-assessment mechanism for committees to review their governance.

As the new charity regulations will require that an external examination is carried out on each organisation's annual accounts, respondents were asked to indicate how their accounts are currently audited.

Table 3: Audit

| Audit type | Number of respondents | % |
|---|-----------------------|-----|
| Fully audited | 97 | 63 |
| Partially audited (accountant's report) | 25 | 16 |
| Independently examined | 21 | 14 |
| Not externally examined | 7 | 5 |
| Don't know / not sure | 3 | 2 |
| Total | 153 | 100 |

From Table 3 it is clear that for the majority of respondents (63%) a full audit is the most popular approach.

Table 4: Use of SORP (Statement of Recommended Practice)

| | Number of respondents | % |
|-----------------------|-----------------------|-----|
| Yes | 63 | 41 |
| No | 32 | 21 |
| Don't know / not sure | 58 | 38 |
| Total | 153 | 100 |

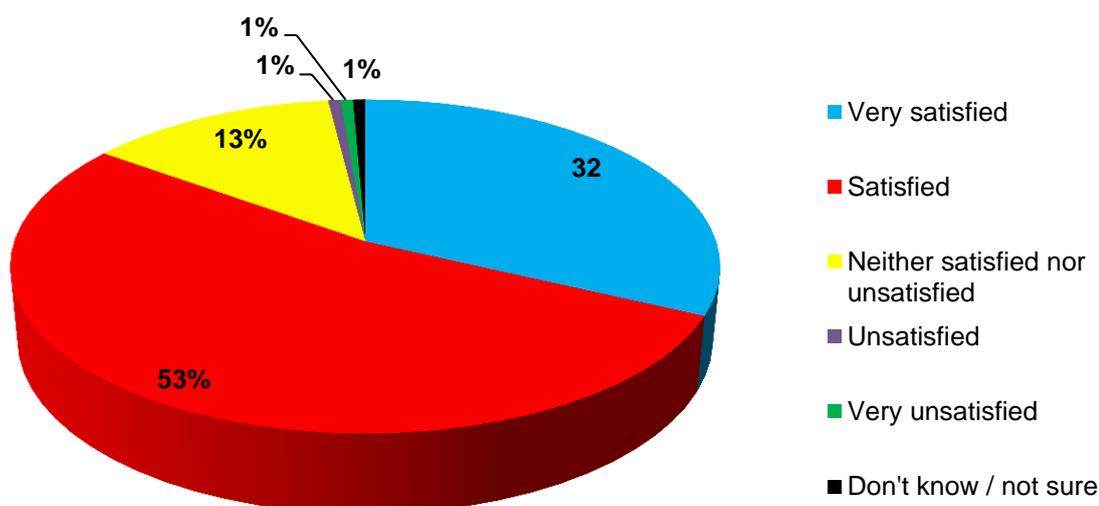
Just over 40% of respondents currently use SORP⁵. Forty-eight respondents indicated that the main reason for using SORP was 'good practice' whilst 12 respondents cited 'funder requirement'. The main reasons for not using SORP were 'not aware of SORP' (14) and 'not compulsory' (11) followed by 'do not have the expertise'.

⁵ It should be noted that 38% of respondents were unsure as to whether their organisation currently employs SORP.

NICVA membership benefits

As is clear from Figure 17, the majority of organisations (85%) that responded to the Viewfinder 13 survey are satisfied or very satisfied with the NICVA membership package and benefits (up 1%). A further 13% stated that they are neither satisfied nor unsatisfied, whilst (2%) stated that they were unsatisfied / very unsatisfied with the current NICVA membership package and benefits.

Figure 17: Views on NICVA's membership package



Base: 153

Information

If you would like further information on any of the themes discussed in Viewfinder 13, or if you would like further information about the survey or how to include questions in future *Viewfinders*, please contact Stephen Bloomer at:

stephen.bloomer@nicva.org
or 028 9087 7777

Visit: <http://www.nicva.org/research>

NICVA would like to thank everyone who took part in this survey. Your contribution is greatly appreciated.

Appendix 1: Respondent organisations

Respondent organisations were asked a number of questions to identify the nature of their organisation, the sub-sectors they operate in and the primary beneficiaries of their project activities.

Nature of organisation

Respondent organisations were asked to describe the nature of their organisation. The main responses to the question were as follows:

| Nature of organisation | Number of respondents |
|---|-----------------------|
| Voluntary / community | 138 |
| Charity | 120 |
| Social economy / social enterprise | 16 |
| Faith based organisation / church group | 13 |
| Other | 16 |

Base 198 Multiple responses

Main sub-sectors

Respondents were asked to rank the sub-sectors they operate in. The main responses to the question were as follows:

| Rank | Sub-sector | | Sub-sector | | Sub-sector | |
|------|-----------------------|-----|-----------------------|-----|-----------------------|-----|
| 1 | Children and families | 11% | Health/ wellbeing | 11% | Community development | 11% |
| 2 | Education/ training | 14% | Community development | 11% | Health /wellbeing | 8% |
| 3 | Education/ training | 11% | Health/ wellbeing | 11% | Volunteer development | 7% |

Base 198 Multiple responses

Three sub-sectors were ranked first by 11% of respondents; Children and families, Health and Wellbeing, and Community development, with the latter two sub-sectors also amongst the second and third ranked sub-sectors. A strong focus on children, families and youth was also reflected in the primary beneficiaries information outlined below.

Primary beneficiaries

Respondents were asked to rank the main beneficiaries of the work they undertake. The main responses to the question were as follows:

Rank 1 beneficiaries

| Beneficiary group | Respondents (%) |
|--|-----------------|
| Youth (14-25 year olds) | 9 |
| General public | 9 |
| Children | 8 |
| Children (5 – 13 year olds) | 8 |
| Women | 7 |
| Mental health | 6 |
| Voluntary / community sector (general) | 6 |

Base 198 Multiple responses

Rank 2 beneficiaries

| Beneficiary group | Respondents (%) |
|-----------------------------|-----------------|
| Children (5 – 13 year olds) | 9 |
| Older people | 8 |
| Youth (14-25 year olds) | 7 |
| Parents | 4 |
| Volunteers | 5 |
| Unemployed / low income | 4 |
| Preschool (0-5 year olds) | 4 |

Base 198 Multiple responses

Rank 3 beneficiaries

| Beneficiary group | Respondents (%) |
|--|-----------------|
| Youth (14-25 year olds) | 8 |
| Voluntary and community sector (general) | 6 |
| Older people | 5 |
| Volunteers | 4 |
| Mental health | 4 |
| Children (5 – 13 year olds) | 4 |
| Parents | 2 |
| Unemployed / low income | 2 |
| Preschool (0-5 year olds) | 2 |

Base 198 Multiple responses

Number of staff

| | Paid staff Female (F/T) | Paid staff Female (P/T) | Paid staff Male (F/T) | Paid staff Male (P/T) |
|-------------------|----------------------------|----------------------------|--------------------------|--------------------------|
| Nos organisations | 142 | 144 | 130 | 117 |
| Mean | 6 | 4 | 3 | 1 |
| Median | 2 | 2 | 1 | 1 |
| Total | 778 | 565 | 341 | 118 |

Base 198

Total staff: 1,802**Volunteers**

| | Volunteers Female (F/T) | Volunteers Female (P/T) | Volunteers Male (F/T) | Volunteers Male (P/T) |
|-------------------|----------------------------|----------------------------|--------------------------|--------------------------|
| Nos organisations | 75 | 158 | 78 | 145 |
| Mean | 3 | 49 | 4 | 17 |
| Median | 0 | 8 | 0 | 6 |
| Total | 243 | 7,773 | 287 | 2,477 |

Base 198

Total volunteers: 10,780