

Viewfinder 14

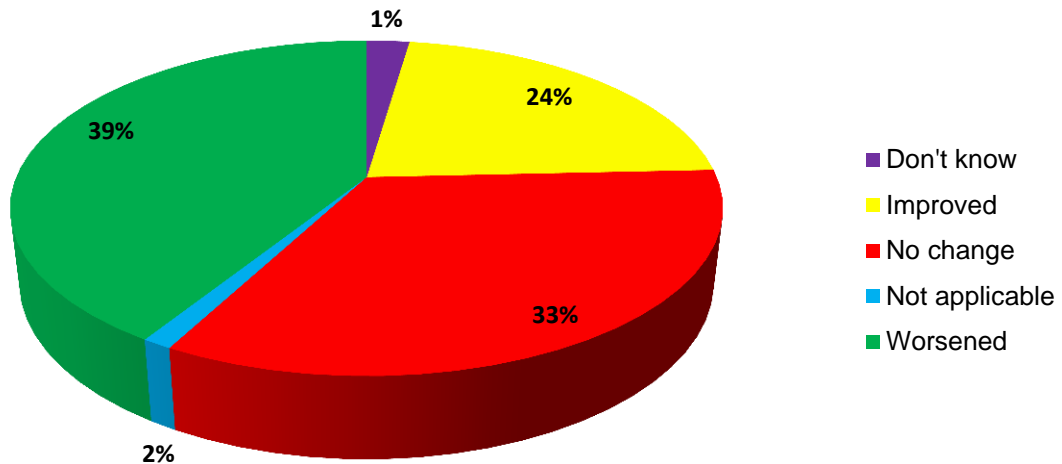
In April 2013 the *Viewfinder 14* questionnaire was made available online to 906 NICVA member organisations. In total 153 organisations responded, generating a response rate of 17%.¹

Key findings

- The economic environment continues to impact heavily on member organisations with 39% reporting that their financial situation has worsened over the past 12 months.
- 45% of responding organisations have been affected by the public sector funding cuts.
- For 22% of responding organisations there has been an increase in staff numbers, however, for 14% there has been a reduction.
- 45% of member organisations have increased their expenditure.
- Over half of member organisations (61%) have increased their services over the last six months.
- For 61% of organisations grant income makes up over 60% of income.
- Over half of respondents (52%) stated that they receive some level of funding from government, 48% from councils, 45% funding from charitable trusts, 36% from the health boards and trusts and 32% from the general public.
- The majority of organisations have either no earned income (33%) or earned income makes up 10% or less of their income (24%).
- 92% of respondents use NICVA's website, mainly for 'specific information' (79%) or for 'news about the sector' (79%).
- Eighty seven organisations (57%) indicated that they would welcome support for starting up or developing their capacity to raise income from social enterprise activity. Currently, 63 organisations (41%) are engaged in selling services.
- The majority of organisations (84%) are satisfied or very satisfied with NICVA's membership package and benefits and NICVA's role and performance over the last 12 months.

¹ There were 153 responses which were considered satisfactory for analysis. A further 40 were considered too incomplete for full analysis. In Appendix 1 there is a more complete breakdown of respondent organisations.

Figure 1: Financial situation over the last 12 months



Base: 153

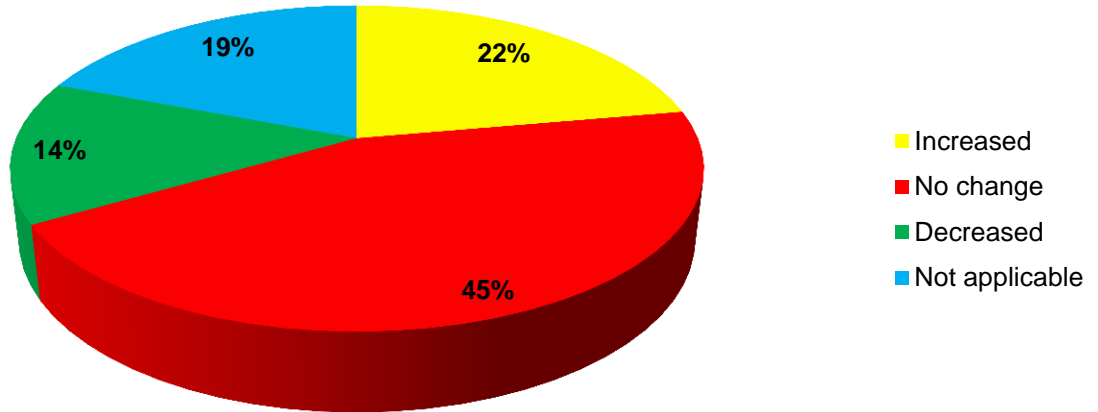
As we can see from Figure 1, the current financial situation continues to cause uncertainty and challenges for member organisations. A number of changes are noteworthy in comparison to the figures reported in Viewfinder 13.² For example, the wider economic environment continues to provide opportunities for some organisations, with 24% of members stating that the financial situation of their organisation has improved over the past 12 months. This represents an increase of 3% in this survey and a continuation of a trend suggesting increasing opportunities for member organisations.

Previously, over a third of organisations (34%) indicated that there had been no change in their financial situation over the preceding year; this figure has remained almost unchanged at 33%. It would appear that for a core group of organisations, even in a difficult economic environment, financial stability is achievable.

Although we can see continuing financial challenges for many member organisations, with almost four in ten members reporting that their financial situation has worsened during the last 12 months; this figure has decreased in recent surveys from 47% in summer 2012 to the current level of 39%.

² Viewfinder 13, November 2012 <http://www.nicva.org/publications/viewfinder-13>

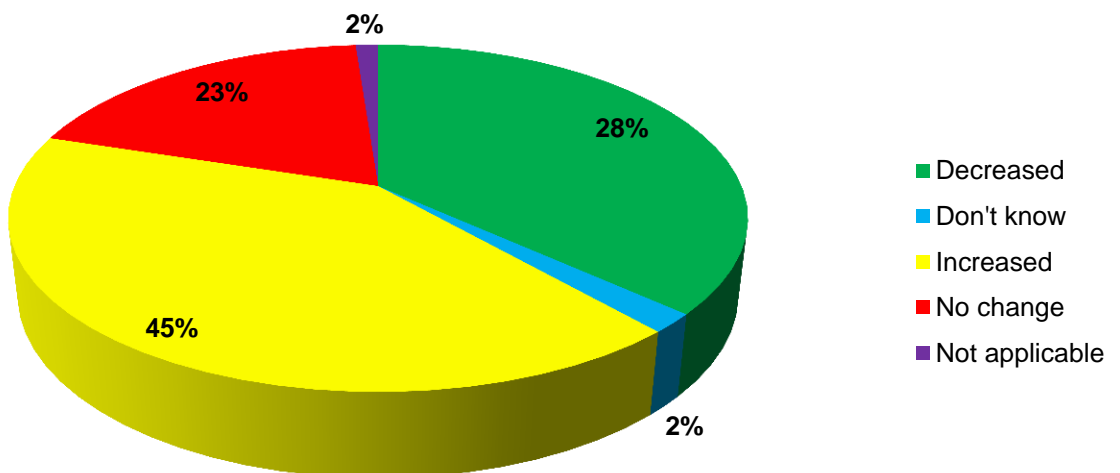
Figure 2: Staff numbers



Base: 150

As Figure 2 shows, in line with the previous two reporting periods³ there has been a decrease in the percentage of organisations reporting a reduction in staff numbers, falling steadily from 28% in November 2012 to 14% currently. More positive news regarding employment is that 22% of respondents reported an increase in staff numbers. Viewfinder 13 revealed that for 42% of respondents there had been no change over the previous six months in the numbers of paid staff within their organisation; this figure now increases to 45% in Viewfinder 14.

Figure 3: Expenditure



Base: 153

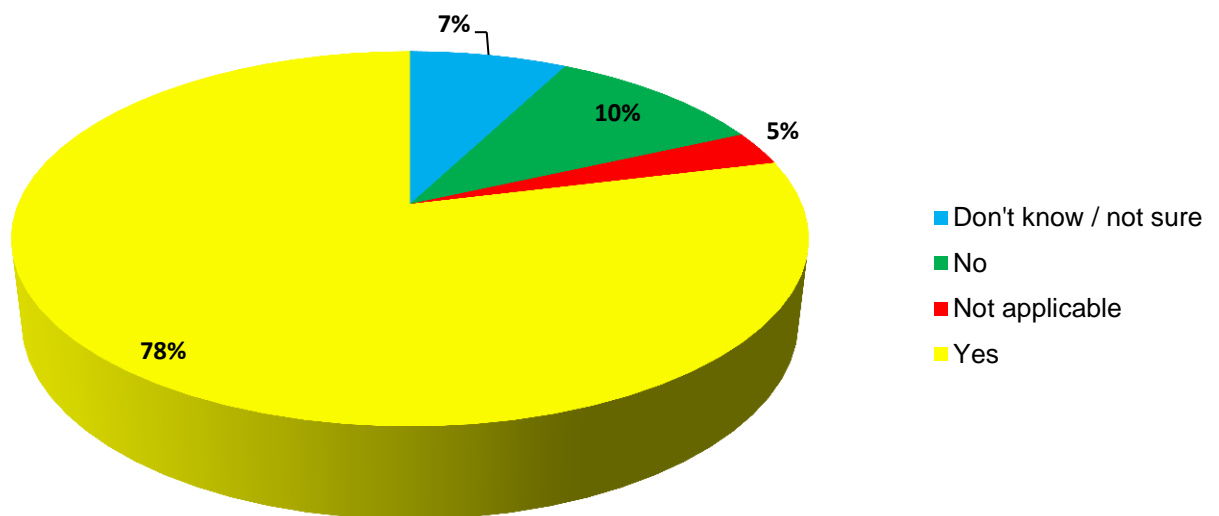
³ See also Viewfinder 12, June 2012 <http://www.nicva.org/publications/viewfinder-12>

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 Viewfinder 13, there was an increase in the number of member organisations increasing their expenditure, up two percent to 41% which suggested that many organisations were positively responding to greater current need.

This trend continues in Viewfinder 14 with an increase to 45% of organisations reporting increased expenditure. In parallel, the number of organisations decreasing expenditure has fallen in this period by nine percent to 28%. The number of organisations reporting ‘no change’ remains consistent at around one in five in this period.

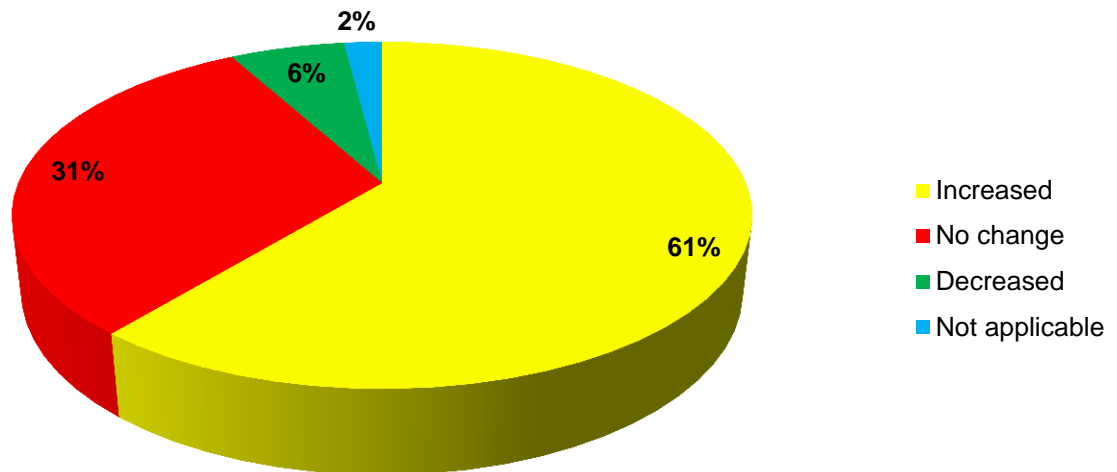
Figure 4: Increased demand for organisations’ services in the last 12 months?



Base: 150

The continuing pressures on the voluntary and community sector to respond to greater demand for services is apparent in Figure 4 which indicates that 78% of respondents have experienced increased demand for their services in the last year, although this figure has fallen by two percent from Viewfinder 13.

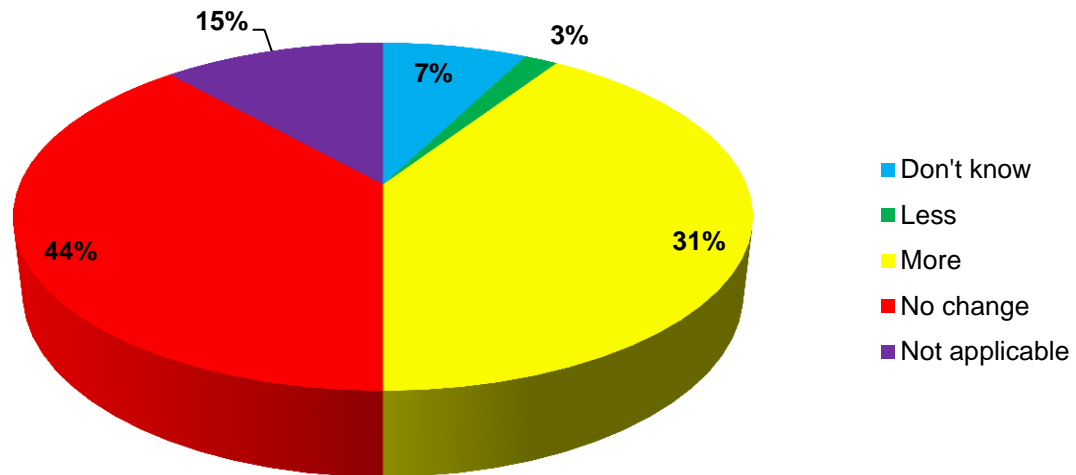
Figure 5: Has your organisation increased the services it offers in the last 12 months?



Base: 152

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 six in ten organisations (61%) have increased the services they offer over the last 12 months, an increase of five percent from the previous period. This increase does not match the increased demand (78%) outlined in Figure 4, however, only 6% of respondent organisations have decreased their services over the last 12 months. For almost a third (31%) of organisations there has been no change in the amount of services they offer, an increase by four percent since the last report.

Figure 6: Competition with other organisations



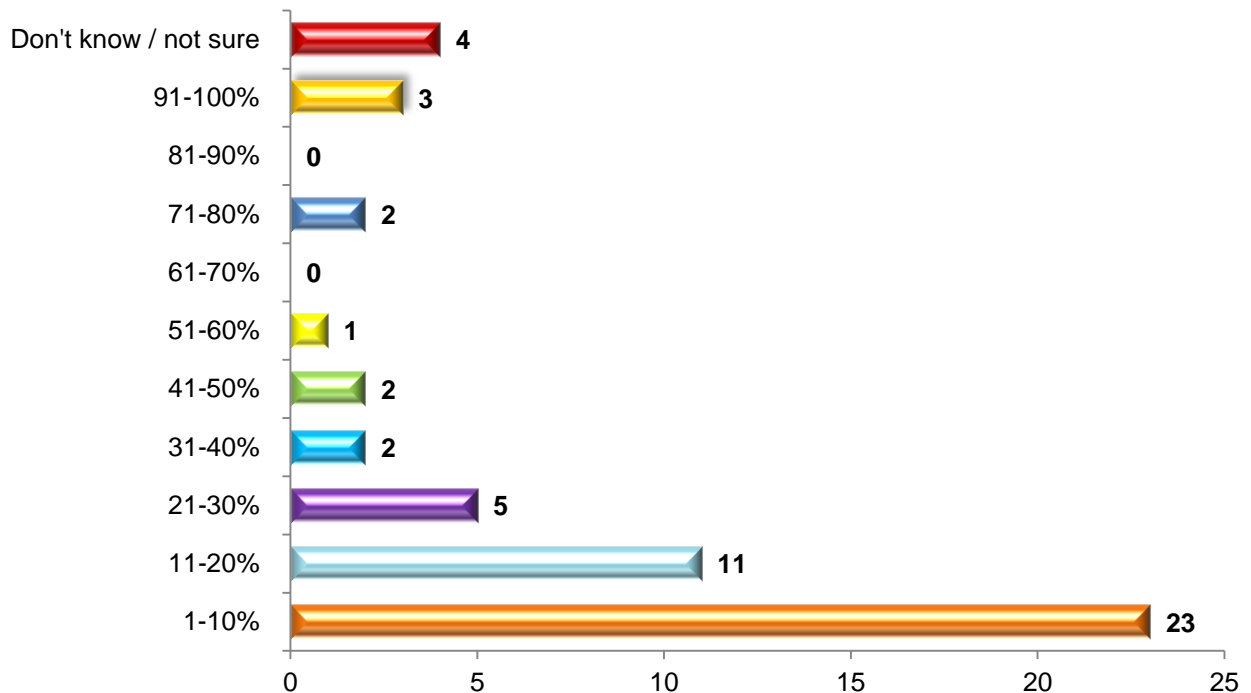
Base: 153

As we can see from Figure 6 around a third (31%) of responding organisations are of the view that they have faced more competition from other organisations over the last 12 months, down from 41% in the previous report. For 44% of respondents 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

Sixty nine responding organisations⁴ (45%) have been affected by the public sector funding cuts, a decrease of 12% since Viewfinder 13.

Figure 7: Level of cuts



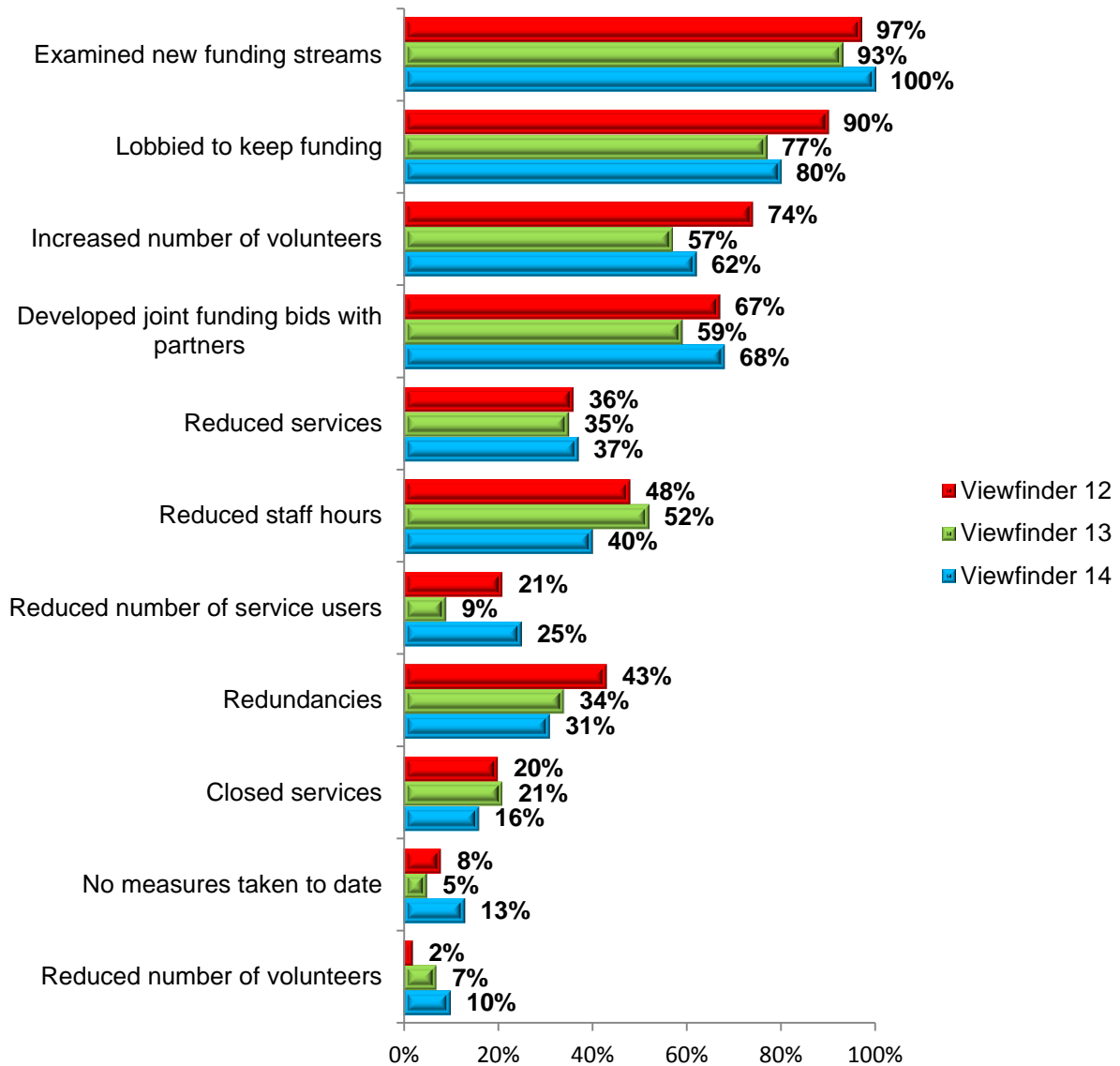
Base: 53

A total of 53 organisations (35%) stated that they had been affected by having their funding cut, a decrease from 67 organisations (39%) in Viewfinder 13. For this report 53 organisations reported on the extent of their funding cut. For over four in ten (43%), the reduction in funding was up to 10% of their funding in the last 12 months, a level consistent with the previous two Viewfinder reports.

For 34% of organisations reporting a cut in funding, the level of cuts was between 11% and 40%, again similar to the levels reported in Viewfinder 12 and 13.

⁴ Base: 153

Figure 8: Measures taken to manage funding cuts – a comparison between Viewfinders 12, 13 and 14



Base:
 Viewfinder 12 Base 58: multiple responses.
 Viewfinder 13 Base 55: multiple responses.
 Viewfinder 14 Base 48: multiple responses.

Figure 8 presents comparison data between Viewfinders 12, 13 and 14 covering the period June 2012 to April 2013. Not surprisingly, in order to manage the cuts in public expenditure, all respondents who have experienced direct cuts to their income in the current period have examined other funding streams; levels of lobbying are steady at 80%. There is ongoing evidence of organisations continuing to increase



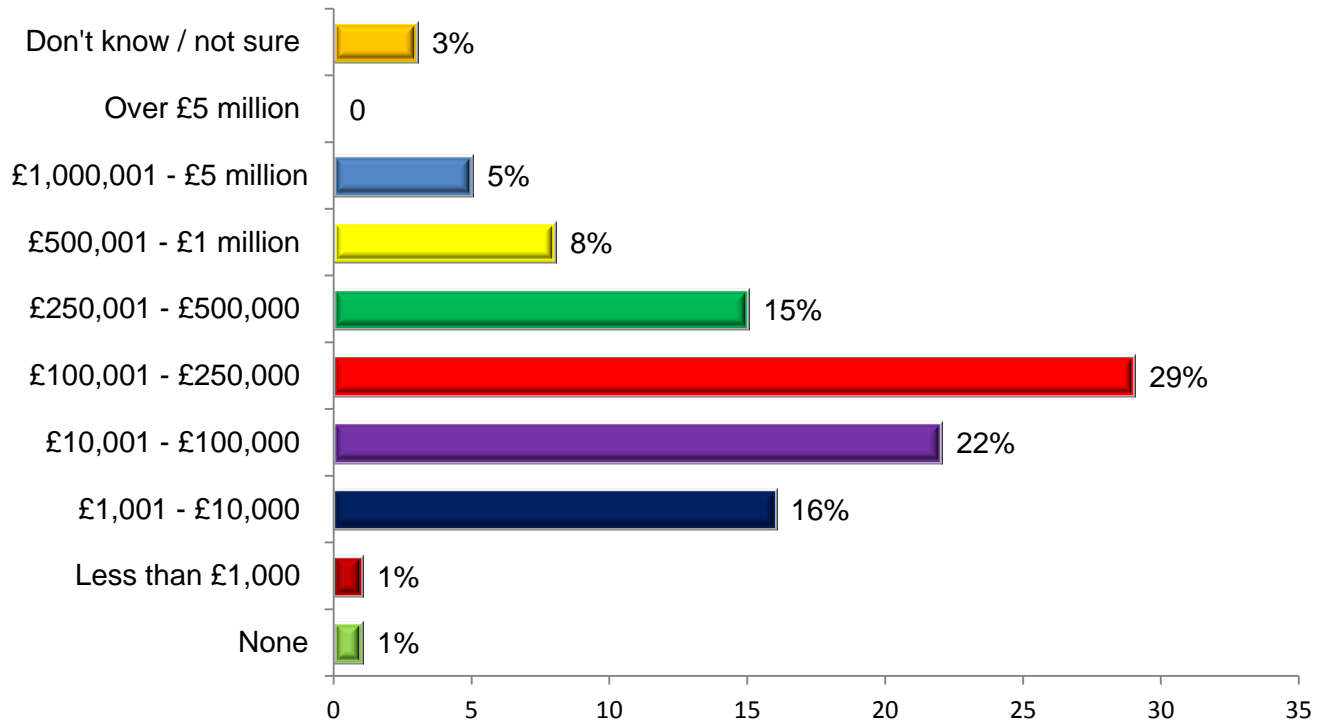
the number of volunteers, with almost two thirds (62%) of organisations increasing their volunteer base.

In terms of identifying the impact on the services delivered by organisations, the survey highlighted a steady trend in the reduction of services (37%), a lower level of reduced staff hours (40%), a significant increase in the number of organisations reducing the numbers of service users (25%), the level of redundancies steady at 31%, and services closed down to 16%.

Work on developing joint funding bids with partners has increased to 68% underlining another common theme in NICVA's research relating to high levels of collaboration in the voluntary and community sector.

Income

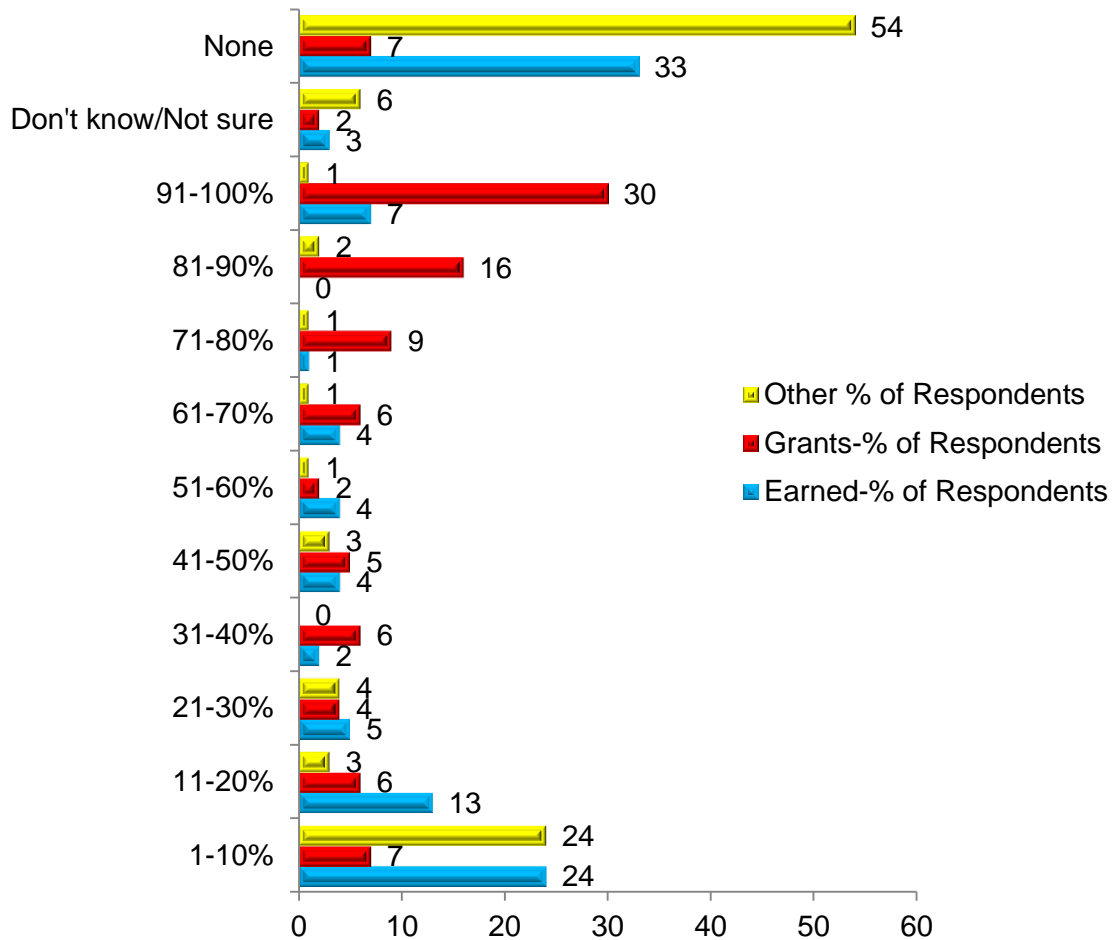
Figure 9: Organisational income



Base: 152

Figure 9 outlines the distribution of the organisational income in respondent organisations. It indicates that just over half of respondents (51%) had an income between £10,000 and £250,000 whilst just over a quarter (28%) had an income between £250,000 and £5 million. For 17% income levels are below £10,000.

Figure 10: Sources of income



Base: Earned 150: Grants 150: Other 145.

Figure 10 highlights the breakdown of organisation income across three categories, earned income, grants and ‘other’ sources of income, eg legacies.

Earned income

A third of organisations (33%) have no earned income, while for almost a quarter (24%) earned income makes up 10% or less of overall income. For 8% of respondents earned income accounts for more than 70% of total income.

Grant income

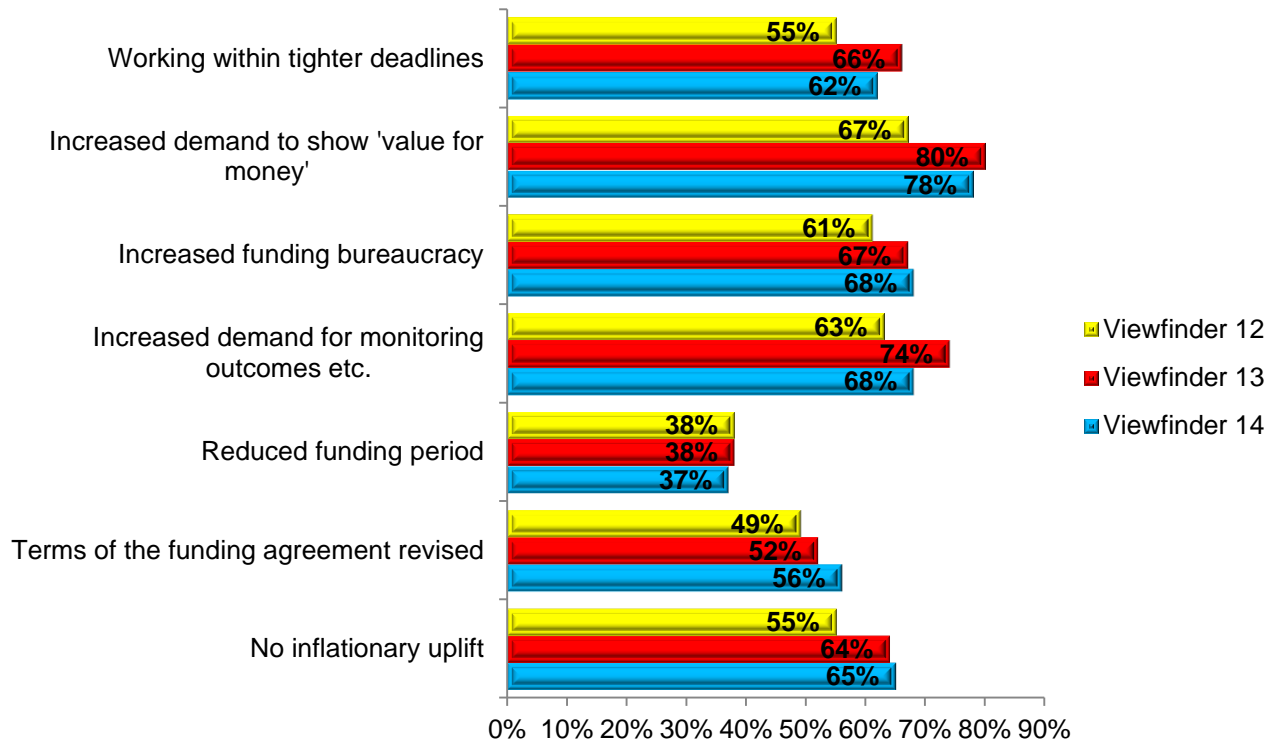
For 61% of organisations in receipt of grants, the grants make up over 60% of all income, and for almost a third of respondent organisations (30%) grants make up between 90% and 100% of overall income. For 7% of respondents there is no dependency on grant aid.

‘Other’ income

For 54% of respondents there are no ‘other’ sources of income beyond either earned or grant aid. For almost a quarter (24%) of organisations with ‘other’ forms of income, legacies, etc account for up to 10%.

Funding

Figure 11: Funding developments in the last 12 months



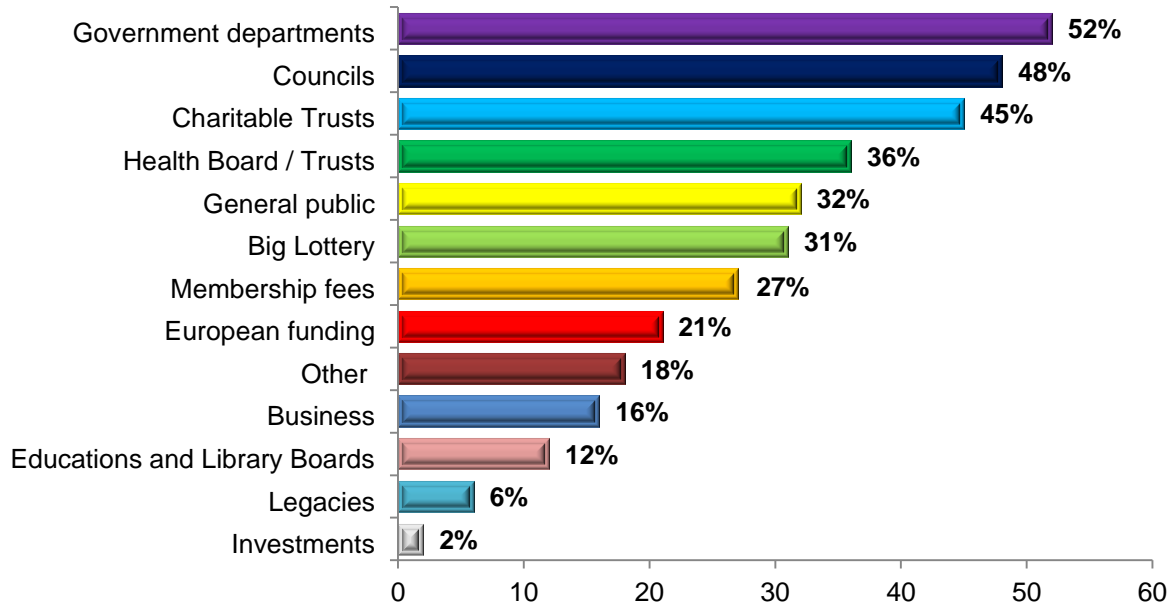
Viewfinder 14 base: 144 (multiple responses); Viewfinder 13 base: 157 (multiple responses);
Viewfinder 12 base: 173 (multiple responses)

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

Seventy eight percent of responding member organisations stated that they are under increasing demand from funders to show value for money, a reduction of 2%. This increasing demand is mirrored by an increase in funding bureaucracy, with 68% of organisations affected by increased bureaucracy and 68% affected by increased demand for monitoring of outputs and outcomes. Working within tighter deadlines is now reported by 62% of responding organisations, a decrease of 4%.

The number of organisations reporting a 'reduced funding period' has remained steady at around 37% and 'terms of the funding agreement revised' is reported by over half of respondents (56%), up 4% in this period. For almost two thirds of respondents (65%) there has been no inflationary uplift in funding over the last year.

Figure 12: Funding sources



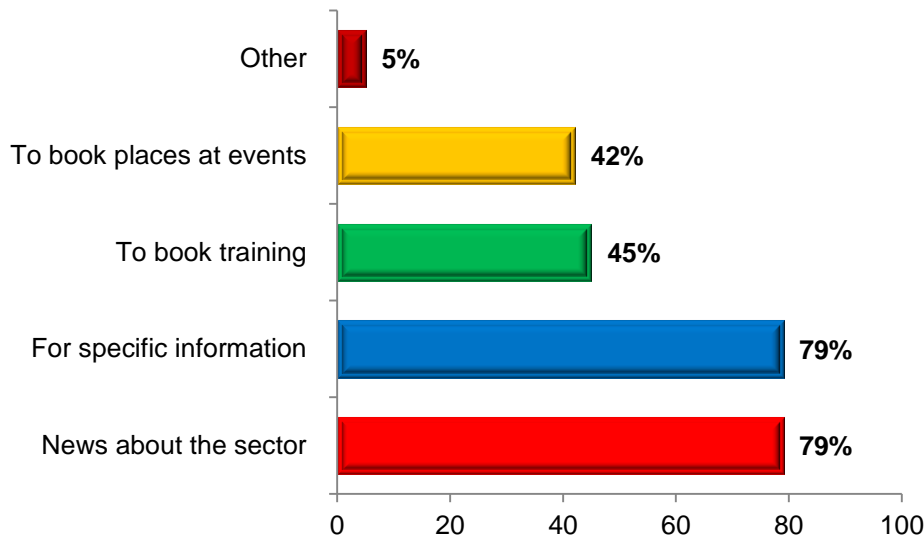
Base: 153 multiple responses

The most common source of funding for responding member organisations continues to be government departments with 52% of respondents funded in this way, an increase of 8%. Key funding sources for the voluntary and community sector reported by respondents include councils (48%), charitable trusts (45%) health boards / trusts (36%) and the general public (32%).

Communications

One hundred and forty two respondent organisations indicated that they use NICVA’s website (www.nicva.org).

Figure 13: Reasons for visiting the NICVA website



Base 142: multiple responses

There are clearly two main reason why members visit the NICVA website, with over three quarters of respondents (79%) highlighting ‘news about the sector and ‘for specific information’ (eg governance, human resources and fundraising). Over four in ten respondents visit the site to book training or places at events. When asked to identify the main prompts for visiting the website, the main reasons⁵ were ‘I think the site has information I am looking for’ (68%), ‘an email from NICVA’ (62%) and ‘an email from the NICVA Chief Executive’ (19%).

Five organisations indicated that they don’t currently use the website; three because there is no current need to, one due to time constraints and one because they use **nicvanews**.

In relation to the use of social media, 69 respondent organisations (45%) indicated that they use social media to keep up to date with the latest information relating to or impacting on the voluntary and community sector.

Sixty five respondents⁶ indicated which social media formats they use to keep up to date with information relating to the voluntary and community sector. Fifty six identified Facebook as the main format, with 33 also using Twitter.

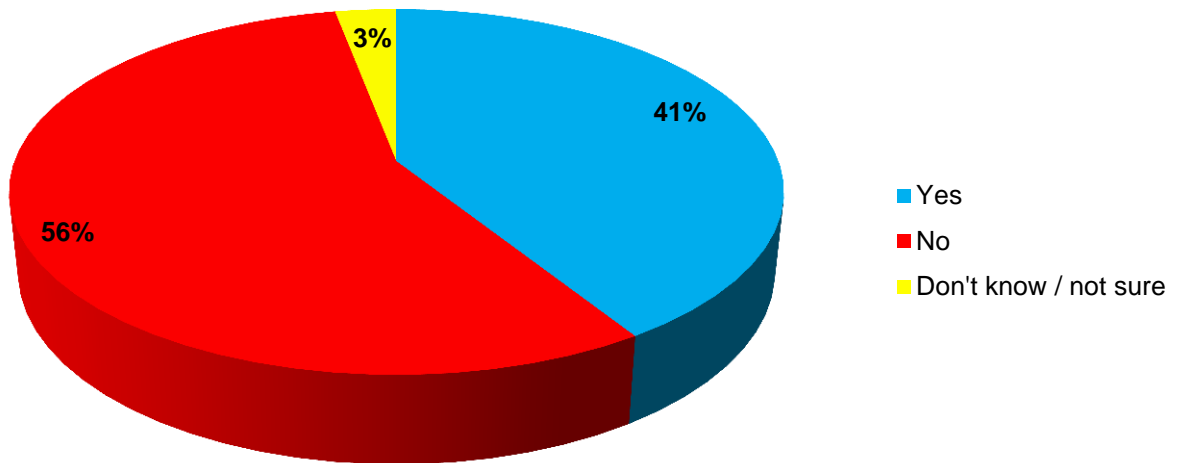
⁵ Multiple responses

⁶ Multiple responses

Social enterprise

A number of questions were introduced in to this Viewfinder to scope the level of social enterprise activity in member organisations. When asked if they would welcome support for starting up or developing your capacity to raise income from social enterprise activity, 87 organisations (57%) indicated that the support would be welcome.

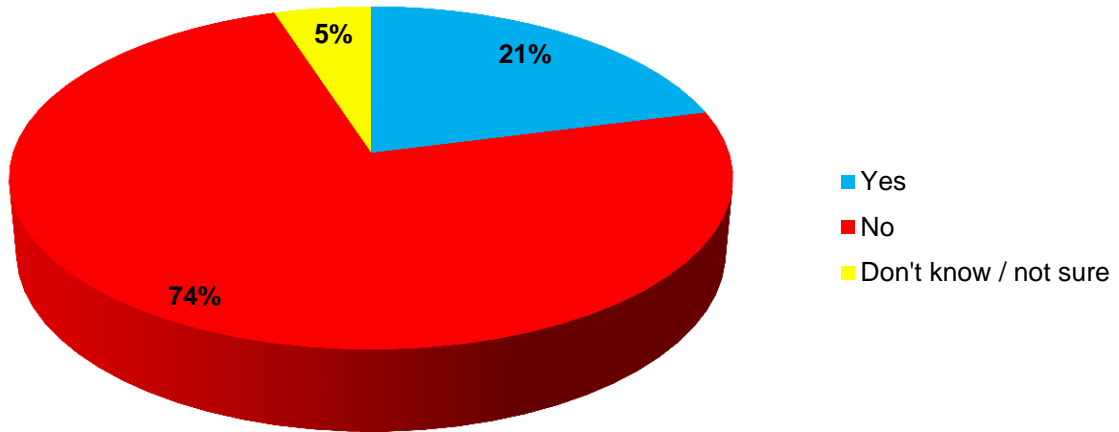
Figure 14: Is your organisation selling services?



Base: 153

In terms of current activities 63 organisations (41%) are engaged in selling services; Figure 15 (below) indicates that 21% of respondent organisations have taken advice on selling their services.

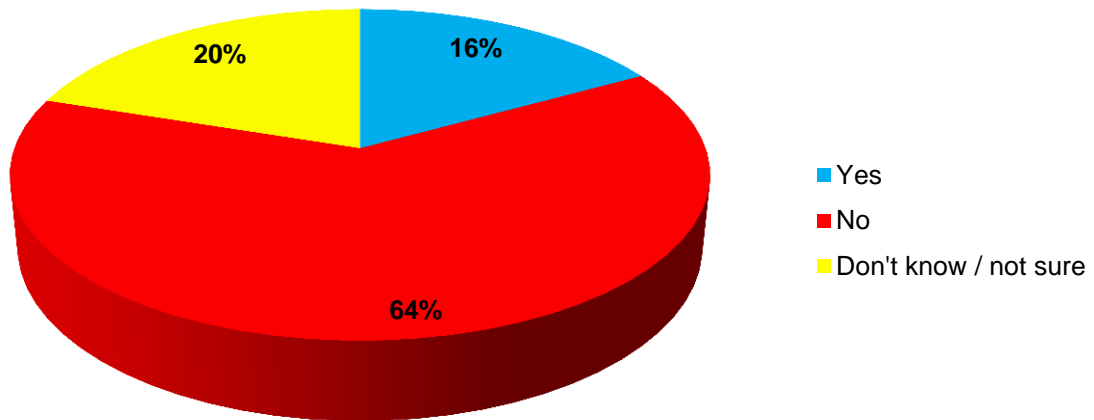
Figure 15: Has your organisation taken advice on selling services?



Base: 152

From those organisations that had taken advice, 12 had been advised to remain a charity, 10 had been advised to proceed by forming a social enterprise and six were advised to form a trading subsidiary.

Figure 16: Has your organisation the necessary finances / funding to start up or develop a social enterprise or trading subsidiary?



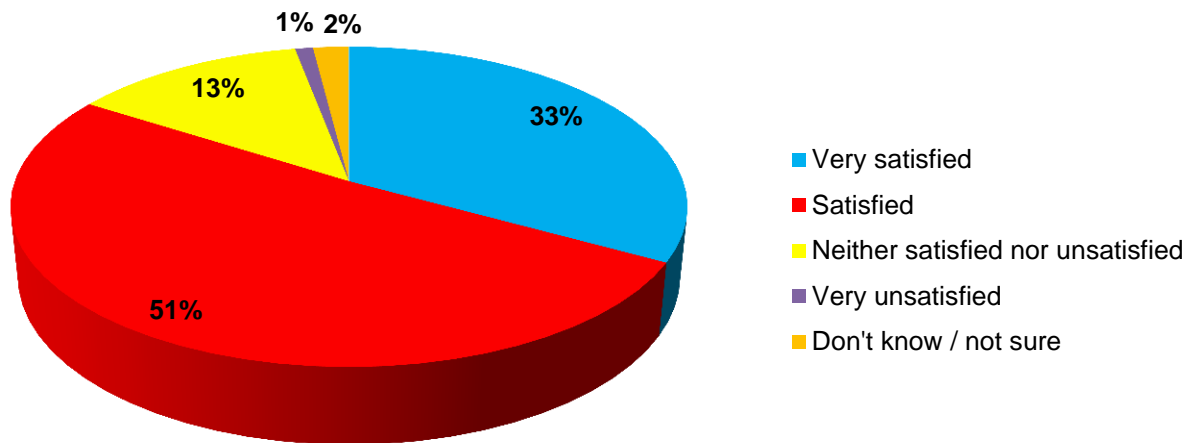
Base: 152

Clearly financial considerations will play a major part in any decision to set up either a social enterprise or a trading subsidiary. Over six in ten respondents indicated that currently they do not have the requisite finances or funding to either start up or develop a social enterprise or trading subsidiary.

NICVA membership benefits

As is clear from Figure 17 (below), the majority of organisations (84%) that responded to the Viewfinder 14 survey are satisfied or very satisfied with the NICVA membership package and benefits (down 1%). A further 13% (unchanged) stated that they are neither satisfied nor unsatisfied, whilst (1%) 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 14, 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	125
Charity	97
Social economy / social enterprise	20
Partnership	8
Faith based organisation / church group	7
Other	19

Base: 153 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	Community development	11%	Health/ wellbeing	9%	Young people	9%
2	Community development	13%	Education/ training	13%	Health /wellbeing	12%
3	Education/ training	13%	Children / families	10%	Health /wellbeing	9%

Base: 153 multiple responses

Three sub-sectors were ranked first by 11% of respondents; Community development, Health and wellbeing, and Young people. Community development was also the highest second ranked category, whilst Health and wellbeing was a factor in each of the top three ranked sub-sectors. Overall there is a strong focus on Community development, Health and wellbeing and Education and training.

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 (%)
General public	15
Youth (14-25 year olds)	9
Voluntary / community sector (general)	9
Older people	9
Children (5 – 13 year olds)	7
Women	7
Mental health	7

Base: 153 multiple responses

Rank 2 beneficiaries

Beneficiary group	Respondents (%)
Children (5 – 13 year olds)	10
Older people	7
Youth (14-25 year olds)	9
Voluntary / community sector (general)	6
Volunteers	6
General public	5
Mental health	5

Base: 153 multiple responses

Rank 3 beneficiaries

Beneficiary group	Respondents (%)
Youth (14-25 year olds)	9
Voluntary and community sector (general)	6
Older people	6
Volunteers	6
Mental health	6
Adult training	6
Community safety / crime prevention	4
Unemployed / low income	4

Base: 153 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	126	128	118	104
Mean	4	4	2	1
Median	2	2	1	1
Total	543	128	238	125

Base: 153

Total staff: 1,034

Volunteers

	Volunteers Female (F/T)	Volunteers Female (P/T)	Volunteers Male (F/T)	Volunteers Male (P/T)
Nos organisations	66	142	78	125
Mean	4	25	4	22
Median	0	8	0	6
Total	273	3,563	306	2,757

Base: 153

Total volunteers: 6,899