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Research methods

The background to the case study in this research was undertaken in two parts, in 2003 and 2004, by postal surveys. The first survey was written up as 'Establishing the Baselines' published jointly with Voluntary Action Wakefield District in 2004.

The second survey a year later was a limited sample (23 organizations) following up the larger initial survey (152 organizations).

Prominent recent reports covering some of the issues raised in this report have been reviewed, and are noted in the text.

Thanks to those many organisations who participated (listed in the Appendix). Thanks too, for helpful comments on the report and structure from Peg Alexander, Sally Deith, and Heather Stephenson – any mistakes which may remain are the responsibility of the author.

Chris Hollins, BSc (Hons) Soc.
January 2006

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Foreword

The Charities Information Bureau in this report "...the funding language of the future" has provided a valuable resource not only for the voluntary, community and faith sector in Wakefield district but also for the sector in the region and for policy makers in all sectors.

In particular, the report provides an evidence base for thinking and planning about what sort of voluntary/community/faith sector we want and how we might create the conditions to make it happen.

The report is a salutary reminder too that organisations in the sector are small, often fragile and yet have positive impacts way beyond their scale.

The impact of changing funding programmes on both the sector as a whole and on individual organisations is documented well and the limitations as well as the possibilities of new funding regimes are outlined. It is clear that the solutions favoured by government (at all levels) do not always easily align with hard realities on the ground, sometimes because they are unrealistic and sometimes because the sector is not in a position to benefit from them. A more market based, competitive approach may be the flavour of the month and may be embraced by the voluntary/community/faith sector but we all need to be wary of throwing out the social value/civil renewal "baby" with the 'old style', grant based "bathwater"!

The report is strong on suggesting solutions to some technical problems arising in the newer funding arrangements as well as addressing the more developmental and fundamentally political issues that lurk in the topic. This will be a very helpful contribution also to the work the Regional Forum and colleagues are doing about the impact of funding changes, about positive solutions and about a regional cross sector response.

Finally, although the research focuses on the voluntary, community and faith sector in one district, it is important for everyone who is concerned about tackling disadvantage in communities, regional progress and about a high quality of life for all.

Judy Robinson

Yorkshire and Humber Regional Forum for Voluntary & Community Organisations.

Introduction

0.1 This paper looks at what is happening in the funding of voluntary and community organizations in neighbourhoods within a case study district of West Yorkshire, in the wider context of the sub-region, and national policies and practice.

0.2 It concentrates on the 'new' areas of growth and development in funding, and the changes which may be required to release the potential for the voluntary and community sector to fully participate in the economy.

0.3 Combining in depth analysis of one district, with evidence from the wider region, and from other parts of the country the paper builds up a picture of the impact of changes in funding regimes, and in particular the restructuring of financial support from Europe. Our conclusions draw from these local findings, the regional and national context in which that locality operates, and have implications for the sector as a whole.

0.4 This not just a snap shot of the voluntary and community sector of a single case study district of West Yorkshire, but a picture as it develops from year to year. As more information about the sector is collected we get an increasingly more accurate profile of its contribution to the social and economic conditions of the district. The district described – Wakefield District – is not unusual. The voluntary and community sector in the district is relatively under-developed, with many smaller organizations, less centralised, and as much reflective of the VCS (voluntary and community sector) in a rural area as in an urban area. It has, nevertheless been successful in drawing down large amounts of European funding, both capital and revenue.

Summary of Findings and recommendations

0.5 Key issues

- Whilst the past half decade has been a high points for voluntary and community organizations, voluntary and community organizations are collectively significant employers in West Yorkshire, and the sector has been growing in size, confidence, skills, capacity, depth and breadth of coverage; nevertheless the third sector faces some huge hurdles within the next few years. Most of what is now regarded as being the province of statutory agencies, where relating to services to people, was once initiated by voluntary organizations.
- There has as yet been little sense of panic regarding the impending loss of European funding in the region, however it is estimated that some 2,300 jobs will be lost in the sector as a result of that loss and that the impact of losing European funding will not be spread evenly over the sector, but concentrated into particular types of activity. The Wakefield case study bears out the figures of regional studies.
- Whilst many central government initiatives have a long term feel to them, nevertheless the funding attached to them is still affected by political processes, and subject to review.
- New initiatives emerge for the sector such as Future Builders, the Charity Bank promoting the availability of loans and guarantees, and social enterprise has taken a grip on the collective consciousness of the sector.

0.6 Recommendations

- Major funders need to take a strategic view about the impact of their funding upon the sector which they fund.

0.7 Key issues

- The average organization in this case study district will employ less than 4 staff, and will have the services of 21 volunteers. whilst a 'real' organization will concentrate its funding on a limited selection of funders. A few organizations are likely to have significant funding from specialist sources, such as Europe. Funding sources invariably last for only a few years at most. National funding pots account for around 50% of the funding of our average local agency.
- The 'average' organization has in recent years had a greater expenditure than income. A high percentage of income is generated through time limited funding sources. On average

across the two years of this study 46% of funding is generated from what are statutory sources in one form or another.

- Staff will have relatively limited employment security, and employment benefits than their counterparts in statutory agencies.
- For our sample of 152 (2003) and 22 organizations (2004) for every £1.00 given in grant by the local authority, a minimum of £7.14 is generated by voluntary and community organizations

0.8 Recommendations

- Funders and the VCS need to address the issue of the annual cycle of grant applications to attract a broad spread of funding streams, and partnerships to spread the risk of reliance upon single funding streams. Statutory sources of revenue funding should as standard, be provided for a minimum of three years, unless there are demonstrable exceptional circumstances requiring a shorter period.
- Improve the monitoring, evaluation and impact of VCS organizations, and of funding mechanisms to assess activity and ways of strengthening the VCS contribution across localities and neighbourhoods.

0.9 Key issues

- Many VCS organizations do not see themselves as contributing to public service delivery. Funding diversity, contracting and social enterprise are gaining currency as a more general means of supplementing grant aid and other more traditional forms of income for the sector.
- Most organizations do not appear to have a viable exit strategy in place. The VCS has either not adapted its approach to the changing funding opportunities of public service, contracts, or social enterprise or does not consider the currently favoured routes as viable options - social enterprise is unlikely to offer a solution to those most affected by cuts in funding.
- Development of partnerships within the sector would help to withstand short term changes in local or even central government funding streams.
- The language of Investment Planning is not one which sits comfortably with the traditional role of the voluntary and community sector – investment, capital asset development, trading, social enterprise.
- Definitions of social enterprise, fall between two main options – "social enterprise" is either an organization which is a business, or an activity, through which community organizations achieve their objectives.

0.10 Recommendations

- A Sustainability and commissioning unit should be established to work with groups and commissioners to enable more services to be commissioned, contracting to be promoted, and brokering of partnerships and investment.
- Social enterprise needs to be recognised as an activity undertaken by many agencies, and support for it needs to be integrated with other support for the third sector agencies undertaking those activities.

0.11 Key issues

- Whilst funders may be happy with investment in an asset base, especially a building, they may be less inclined to support the growth of reserves to help organizations through difficult times.
- A unit to promote the role of the voluntary and community sectors in public service delivery, using commissioning and the securing of contracts as one means of 'mainstreaming' the activities of the voluntary and community sector has been established as a pilot in West Yorkshire.
- The voluntary and community sector will have to demonstrate that it can deliver in at least one of the areas of cost, quality and value if it is to take up its full potential.
- Investment in the longer term future of organizations may have the consequence of securing a pool of skills and expertise, local knowledge and understanding.

0.12 Recommendations

- Funders have a vested interest, in the long term in seeking to secure the future of the services they support, and to take account of the longer-term sustainability of VCS organizations. Key funders could co-operate in finding ways of investing long-term in the sector, not only by longer funding arrangements but also by taking a longer term view about the sustainability of the sector.
- Funders may need to take a different attitude to the creation of reserves which provide for the prudent management of an organization.
- Commissioning agencies could be encouraged to take an active involvement in the development of a commissioning and procurement unit.

0.13 Key Issues and recommendations - detail

Chapter 1 - Background

0.14 Key issues

- The past half decade has been one of the high points in the last fifty years for voluntary and community organizations.
- Collectively voluntary and community organizations are significant employers in West Yorkshire, whilst in depth of coverage, voluntary and community organizations are employing staff and delivering services in every tiny community.
- The sector has been growing in size, confidence, skills, capacity, depth and breadth of issues covered.
- The third sector faces some huge hurdles within the next few years. Change to European funding in two years time will bring uncertainty to the most significant funding source available within this region and accessible to voluntary and community organizations.
- Whilst many central government initiatives have a long term feel to them, such as neighbourhood renewal, nevertheless the funding attached to them is still affected by political processes, and subject to review.
- New initiatives emerge from central government – Future Builders being just one of them – whilst independent initiatives such as the Charity Bank promote the availability of loans and guarantees, and social enterprise has taken a grip on the collective consciousness of the sector.

0.15 Recommendations

- Major funders need to take a strategic view concerning the impact of their funding upon the sector which they fund.

Chapter 2 – Local case study

0.16 Key issues

- The core issues in funding voluntary and community organizations are broadly similar throughout the UK. While Wakefield District is not so very different from the UK as a whole, this research recognises that there will always be differences between the funding of larger national agencies, and smaller local agencies.
- This average organization in this case study district will employ less than 4 staff, and will have the services of 21 volunteers.
- The 'average' measure of staff employment, and use of volunteers could be one way of measuring the economic impact

of the sector, and making comparisons between the voluntary and community sectors of different districts.

- In reality most organizations concentrate their basket of funding on a limited selection of funders. A few organizations have significant funding from specialist sources, such as Europe.
- Funding sources invariably last for only a few years shorter term, often no more than the span of a single parliament in the case of central government funding.
- National funding pots account for around 50% of the funding of an average local agency, which is consequently dependent upon the continued strategy of central government to support such funding mechanisms.
- We see no evidence from central government of flight from national funding pots. However the example later in this report of 'FutureBuilders' demonstrates that government is looking to find other ways than traditional grant aid to support the work of the third sector.

0.17 Recommendations

- Standard measurements for the sector should be established by national umbrella agencies, which can be readily implemented at a local level, in order to allow for comparison.
- Statutory sources of revenue funding should, as standard, be provided for a minimum of three years, unless there are demonstrable exceptional circumstances requiring a shorter period.
- Where 'alternative' funding mechanisms are created, which look, for example at loans, or non-grant form of investment, they should be accompanied by effective evaluation to determine their impact, and the environment in which they operate.

0.18 Chapter 3 – Regional analysis

Key issues

- Medium sized agencies especially those that provide support, advice and capacity building may be particularly at risk of reduced funding. For these support organizations priority needs to be given to the areas of greatest need – developing the skills of small, medium sized and under-represented organizations.
- Social enterprise is unlikely to offer a solution to those most affected by cuts in funding and many VCS organizations do not see themselves as either contributing to public service delivery or operating as social enterprises. They do however have distinctive missions with important social, economic or environmental outcomes.

- Most organizations do not appear to have a viable exit strategy in place.
- The VCS has either not adapted its approach to the changing funding opportunities of public service, contracts, or social enterprise or does not consider the currently favoured routes as viable options.
- Funders and the VCS need to address the issue of the annual cycle of grant applications to attract a broad spread of funding streams, and partnerships to spread the risk of reliance upon single funding streams.
- Development of partnerships within the sector would help to withstand short term changes in local or even central government funding streams, and which can demonstrate effective use of public resources at a strategic level.
- Monitoring, evaluation and impact of VCS organizations and assessing activity and ways of strengthening the VCS contribution across localities and neighbourhoods are required.
- Investment Planning aims to get the various sectors aligned, including the public, private and voluntary / community sectors. They will align social and economic inclusion by ensuring that Yorkshire Forward and the Government Office work closely together. The aim of Investment Planning is getting everyone to think differently, and to plan primarily at a sub-regional level.
- The Investment Planning process will not provide new money. Area-based regeneration will no longer be the main tool of Yorkshire Forward, and there is likely to be a keen loss felt by those areas which have for the past few years been used to SRB funding being available. Yorkshire Forward recognises the need for community cohesion to be in place if communities are to have confidence in the economy, and the third sector can contribute in areas where the economy has failed.
- The language of Investment Planning – investment, capital asset development, trading, social enterprise - is not one which sits comfortably with the traditional role of the voluntary and community sector.
- Whilst at a national level access to SRB (Single Regeneration Budget) funding was not fully equitable, SRB did allow for a joined up approach to regeneration, with resources being directed to priority areas of need. But the lessons from SRB are not sufficiently influencing current regeneration policy for communities.

0.19 Recommendations

- A Sustainability and commissioning unit should be established to work with groups and commissioners to enable more services to be commissioned, contracting to be promoted, and brokering of partnerships and investment.

- The lessons and evidence from SRB at a national level need to influence current regeneration policy.

0.20 Chapter 4 – Beyond grant aid

Key issues:

- The changes documented by this paper are taking place alongside standing grant regimes, rather than replacing them.
- Most of what is now regarded as being the province of statutory agencies, where relating to services to people, was once initiated by voluntary organizations.
- "New ways of working" such as funding diversification, contracting and social enterprise have been at the heart of the activity of some agencies for much of their existence. What is new is that these ideas are gaining currency as a more general means of supplementing grant aid and other more traditional forms of income for the sector.
- Whilst funders may be happy with investment in an asset base, especially a building, they may be less inclined to support the growth of reserves to help organizations through difficult times.
- A building should always remain a means to further the objectives of the organization.
- A unit to promote the role of the voluntary and community sectors in public service delivery, using commissioning and the securing of contracts as one means of 'mainstreaming' the activities of the voluntary and community sector has been established as a pilot in West Yorkshire.
- Voluntary and community organizations will have to demonstrate that they can deliver in at least one of the areas of cost, quality and value (including added value) if they are to reach their full potential.
- Organizations within the third sector may well find that they are competing with purely commercially driven agencies which are, nevertheless, also able to deliver on one or more of the criteria of cost, quality and value.
- Public authorities have a responsibility to achieve a balance between a number of competing agendas:
 - The need to provide good value for money
 - The need to ensure that services are not duplicated
 - The need to ensure the existence of a pool of skills and knowledge in the area in which they work, such that if one organization should fail, there are others with the skills to pick up the service provision.
 - The need to meet rules of fair and transparent trading.
 - The need to ensure that organizations are not competing at unfair dis/advantage through hidden subsidy.

- Commissioning authorities are seeking to secure services. Their purpose is not to seek secure the future of the organizations which provide those services.
- Investment in the longer term future of organizations may have the consequence of securing a pool of skills and expertise, local knowledge and understanding.

0.21 Recommendations

- Joined-up thinking and planning needs to be part of partnerships with and take account of the longer-term sustainability of VCS organizations.
- Key funders could co-operate in finding ways of investing long-term in the sector, not only by longer funding arrangements but also by taking a longer term view about the sustainability of the sector. The future of services and the needs of funding agencies are often closely interlinked, and funders have a vested interest, in the long term in seeking to secure the future of the services they support.
- Funders may need to take a different attitude to the creation of reserves which provide for the prudent management of an organization.
- Commissioning agencies could be encouraged to take an active involvement in the development of a commissioning and procurement unit.

0.22 Chapter 5 – European funding in the current context

Key Issues

- There has as yet been little sense of panic regarding the impending loss of European funding in the region.
- It is estimated that some 2,300 jobs will be lost in the sector as a result of the loss of European funding.
- It is likely that the impact of losing European funding will not be spread evenly over the sector, but concentrated into particular types of activity.
- Different methods of research come up with similar figures for the use of European funding, at about 2% - 5% of total funding of the sector. The Wakefield case study bears out the figures of the regional study.

Recommendation

- Further research is required to determine the precise impact of the loss of major funding sources such as European funding, over the next two to three years.

0.23 Chapter 6 – The Language of business

Key Issues

- 'Social enterprise' has become the watchword for the sector, and some see it as the solution to longer term funding issues.
- Definitions of social enterprise, whilst many, fall between two main options – "social enterprise" means either an organization which is a business, or "social enterprise" means an activity, through which community organizations achieve their objectives.
- Social enterprise has emerged out of the voluntary and community sector, and many such organizations are at early stages in the development of trading activities.
- 'Social Enterprise' as an activity helps to emphasise that what defines an organization is the purpose for which it was started – its objectives – rather than the activities which it undertakes.

0.24 Recommendations

- Social enterprise needs to be recognised as an activity undertaken by many agencies, and support for it needs to be integrated with other support for the third sector agencies undertaking those activities.

0.25 Chapter 7 - The Size Of The Sector

Key issues

- It is notoriously difficult to measure the size of the sector.
- The actual number of registered charities in Wakefield District 369 (from the Charity Commission website, charities operating in the Wakefield District), only 39% of the number which should be expected on a national average, supporting views of the sector in the district – that it is substantially under-developed.
- Smaller, newer organizations are much less likely to appear on local mailing lists than well established registered organizations. It is therefore likely that the number of unregistered organizations in Wakefield district is under-estimated here.

0.26 Chapter 8 - Funding The Sector

Key Issues

- For our sample of 152 (2003) and 22 organizations (2004) for every £1.00 given in grant by the local authority, a minimum of £7.14 is generated by voluntary and community organizations

- The 'average' organization uses reserves, in other words has had a greater expenditure than income for that year. Such use may be the only means of breaking even, or may in some cases be a planned use of reserves to invest in a high-priority project. Clearly this cannot be the case in many subsequent years.
- A high percentage of income is generated through time limited funding sources. On average across the two years 46% of funding is generated from what are statutory sources in one form or another.

1.1 From a funding point of view the past half decade has been one of the high points in the last fifty years for voluntary and community organizations in this region. European funding has reached a peak, new government initiatives like the Local Network Fund, Surestart, Community Empowerment Networks (to name only a few), have invested much needed resources into communities and community organizations. Single Regeneration Budget schemes were starting to be led directly by voluntary or community organizations. Statutory authorities and the third sector alike have entered a new arena of building effective partnerships which require much collaboration over how funding is allocated, and the ways in which the services which it funds have been delivered.

1.2 In size alone the third sector as an employer accounts for an estimated 45,000 jobs in the region¹, whilst in depth of coverage, voluntary and community organizations are employing staff and delivering services in every tiny community and across the whole of this sub-region (and every other sub-region in the country). Its needs are significant for any workforce development strategy.

1.3 This paper sets out to describe how that resource is put together, building up from organizations working on the ground to a picture of how the sector is funded, how dependant it is upon single or large sources of funding, and how resilient it can be to changes in the funding climate.

1.4 In the context of the very positive funding climate for the voluntary and community sectors as a whole (and in part perhaps due to this positive position) the sector has been growing in size, confidence, skills, capacity, depth and breadth of coverage.

1.5 Whilst for many agencies this has been a period of growth and development, nevertheless that very growth produces a climate of competition for resources which are then spread widely over many different services.

1.6 There have been winners and losers, some organizations have disappeared as time-limited funding comes to an end. Others have faced cash crises as they find themselves in competition with a larger and increasingly professionalized sector. Exit strategies from major funding schemes have not always been realistic and for the voluntary or community organizations on the receiving end, with little or no

¹ (Lewis. G. Mapping the Contribution of the Voluntary and Community Sector in Yorkshire and the Humber, Yorkshire and Humber Regional Forum, 2001).

income generation possibilities, tight mainstream budgets, and funder preference for 'innovation' the opportunities for developing exit strategies are scarce. Even where organizations have succeeded and grown, they may have developed individual services or projects which have come to an end.

1.7 Many agencies still find the lack of resources one of the biggest constraints in being able to develop further whilst even the most successful of organizations may find that their ability to engage in partnership work, or resources for internal development, is restricted by the amount of time they can make available.

1.8 However the third sector faces some huge hurdles within the next few years. The most obvious, which has been creeping up slowly, is the impending change to European funding. In two years the most significant funding source available (within this region and accessible to voluntary and community agencies) is facing a period of uncertainty.

1.9 Objective 1 (in South Yorkshire) and Objectives 2 and 3 funding (in the rest of this region) will change as European funding is understandably directed to the greater needs of eastern Europe.

1.10 The longer term benefits to our economy through a far larger market will impact upon our national economy. However for the third sector, the more immediate impact will be the loss of funding for what is at the moment an unknown (but estimated) number of jobs within the sector, and any changes to the wider economy will not replace those jobs or the services provided by those jobs. Nor is the third sector at present in a position to be able to take advantage of the new markets created by an expanded Europe – by its very nature as a service provider, rather than the provider of a product which can be transferred to another part of the world, the third sector is by and large unable to sell products outside its own communities. Placing the voluntary and community sector onto the same footing as commercial organizations has, in this context, some limitations.

1.11 Whilst many central government initiatives have a long term feel to them, such as neighbourhood renewal, nevertheless the funding attached to them is still affected by political processes, and subject to review. And the ever present conflict between promoting new initiatives on the one hand, and sustaining ideas which work on the other hand remains as a balance to be achieved.

1.12 It is in this climate that we have new initiatives from central government – Future Builders being just one of them – whilst independent initiatives such as the Charity Bank promote the availability of loans and guarantees, and social enterprise has taken a grip on the collective consciousness of the sector.

1.13 This paper is therefore looking, in addition to the ways in which local organizations are funded, to the wider context in which the sector finds itself; and to the activities which may be needed to help bring voluntary and community organizations to a more sustainable future.

1.14 This work combines an assessment of the baselines which indicate the activities and needs of the sector using a single district as a case study (based upon research carried out over two years from 2003 to 2005) to identify the ways in which organizations are funded, in the context of regional policy shift, and national initiatives. This baseline information is evaluated to assess the current health of the sector and predict the future for the sector as a whole as well as attempting to identify some of the developments which may be needed in the sector to help it maintain its current very positive position.

1.15 In order to make an assessment of the role, size and nature of the sector, as effective as possible, information has been gathered which determines the numbers of people likely to be employed in the sector, and the level of development of the sector, measured by the degree to which they have planned or implemented a number of key policies.

1.16 Recommendations

- Major funders need to take a strategic view about the impact of their funding upon the sector which they fund.

2.1 The district chosen for this case study has no particular claims to being 'average', though it displays a mixture of the distinguishing features of both urban and rural districts. It's voluntary and community sector is 'relatively under-developed' compared with its close metropolitan neighbours, and it displays many of the classic characteristics of an area where the coal mining industry has been in decline. If there were indices of how developed the voluntary and community sector was, and its contribution to the local economy, it would probably fall somewhere in the middle.

2.2 The structure of funding in Wakefield district is not unique to the district, though it does have its own culture, and there are significant differences between the voluntary and community sector in Wakefield district and that of other West Yorkshire, regional and national districts. The picture which emerges in the surveys of this district over the past two to three years, and illustrated within this report, will show some differences with other districts, and some similarities. The core issues, however, are the same wherever in the UK similar work is undertaken. As shown in Table 8.2.iii, Wakefield District is not so very different from the UK as a whole, though there will always be differences between the funding of larger national agencies, and smaller local agencies.

2.3 The 'average' organization's income

The typical picture which emerges from this work is of an 'average' local Wakefield organization, which looks broadly like this:

Table 2.i The average organization's income

| Source | Percentage | Average income per organization per year |
|---|------------|--|
| Lottery Funding | 4 | 2498 |
| Trusts and community chests | 6 | 3206 |
| Fundraising | 0.8 | 452 |
| Donations | 15 | 8701 |
| Health trust/pct | 6 | 3266 |
| Local authority | 14 | 8208 |
| Charges/ fees (incl, rent, services etc.) | 22 | 12440 |
| Membership fees | 0.3 | 151 |
| European Grants | 2 | 1284 |
| Inside funding | 15 | 8329 |
| Outside Funding | 11 | 6043 |
| Other (incl. Investments and interest) | 1 | 616 |
| Use of reserves | 3 | 1570 |
| TOTAL | 100 | 56763 |

(Further details of the description and contribution of the sector in this case study are found in Chapter 7. The 2003 survey was part of the 'Baselines' report² jointly published by The Charities Information Bureau and Voluntary Action Wakefield District).

2.4 This average organization will employ less than 4 staff (an average of 3.81 in fact), and will have the services of 21 volunteers. Similar analysis in other districts, could be one way of measuring the economic impact of the sector, and establishing ways of making comparisons between the voluntary and community sectors of different districts.

2.5 The organization will have an annual cycle of applying for funding from its main funders, amongst whom are the local authority, and it will add to this one off grants which come for projects, and which rarely have a life span of more than 18 months. In spite of the insecurity of funding, it has a wide 'basket' of funding sources, though a 'real' organization probably does not have access to all of this basket of funding, and is more likely to concentrate on a more limited selection. A few organizations are likely to have significant funding from specialist sources, such as Europe.

2.6 There is a mix of grants, fundraising, income generation, and use of reserves which could also be funded through a loan (though none of our interviewees is currently known to use loan funds). However many of these shorter term funds are themselves from funding pots which invariably last for a few years, often no more than the span of a single parliament in the case of central government funding. The staff will have relatively limited security, considerably less employment benefits than their counterparts in the statutory agencies, and some staff will be attracted to better salaries in other sectors, once they have gained experience in a small organization. Even if they stay within the sector, staff frequently leave before funding is finished, in order to secure another job.

2.7 The bigger picture impacting locally

The national funding pots which either now or in the recent past have impacted on Wakefield District are numerous. They include, for example:

HAZ, Sure Start, Neighbourhood Renewal, The Children's Fund, the Local Network Fund, the Local Strategic Partnership with Neighbourhood Renewal, Single Regeneration Budget - whilst coming through a local funder, these are central government

² ("Establishing the Baselines" June 2003 joint publication - The CIB/VAWD, Alexander/Hirst/Hollins/Wakefield).

initiatives. Others include Timebank, Basic Skills Agency, Learning Skills Council, Arts Council; and such national non-statutory funders as Awards for All, Millennium Awards, the Big Lottery Fund, and Heritage lottery grants.

2.8 As shown in later sections (see Chapters 6 and 7) these funds account for around 50% of the funding of our average local agency, which is consequently dependent upon the continued strategy of central government for support. Whilst we see no evidence from central government of flight from these funds, the example later in this report of 'Future Builders' demonstrates that government is looking to find other ways than traditional grant aid to support the work of the third sector. Similarly opposition policy at the last election was that the sector should be more independent of government funding

2.9 The biggest factor looming over the sector in the next two years is the change which will come about to European funding. Our average agency receives relatively little European funding (though it will probably have indirectly accessed European funding in many ways, for example in using buildings, or accessing training). Only 2% of the average funding comes from this source. This figure hides the fact that European funding is accessed by relatively few organizations, but in relatively larger amounts, and later analysis will look at the likely impact upon 'real' organizations. The capital assets of the district have been greatly enhanced by European subsidy. Groups which HAVE been successful in securing European funding will also be putting more effort into other funding pots, and will as a consequence be in greater competition with other (often smaller and less well resourced) agencies.

2.10 It is estimated that some £4billion comes to the European funding programmes of the North of England, and that a huge hole will be left when Objectives 1, 2 and 3 are lost in two years time.

2.11 There are a number of other nationally funded programmes, none of which have a sell-by date which will much outlast the European funding stream. The managers of Neighbourhood Renewal, Children's Fund, Surestart, at a national level, Single Regeneration Budget regionally – may have a realisation that solutions are not achieved overnight, but none guarantee funding in the long term for the third sector. Where new funding mechanisms are shown to work, they should be encouraged, though 'impact' should always look at what might have occurred without the funding, or with more traditional grant aid.

2.12 Whilst commissioning agencies such as local authorities have the legal powers to enter very long contractual arrangements, and PFI (Public Finance Initiatives) contracts are very often for 10 – 20 years,

and longer, the same is not true of grants. Helen Edwards, Director General of the Home Office Active Communities Unit, attending the public accounts committee in November 2005 'agreed that three year contracts for the third sector should "probably be the minimum"³'.

2.13 Sir John Gieve, permanent secretary at the Home Office, said at the same meeting that he thought 10-15 year contracts a bit unrealistic. However he also said to the committee that there was a skills gap in both the third sector, and civil service, preventing effective partnership working⁴.

2.14 At the same time local authorities are under pressure this year (as in other years) to keep costs down, and not to increase the community charge un-realistically. They will have to balance their statutory duties with a desire to work effectively with independent agencies, and many are using short term national funding streams to help voluntary and community agencies develop their skills and capacity in order to be in a better position to face longer term funding shortages. Such new initiatives are to be welcomed, as long as they are accompanied by rigorous analysis of their impact.

2.15 Recommendations

- A series of measurements of the sector should be established by national umbrella agencies, which can be readily implemented at a local level, in order to allow for comparison.
- Statutory sources of revenue funding should as standard, be provided for a minimum of three years, unless there are demonstrable exceptional circumstances requiring a shorter period.
- Where 'alternative' funding mechanisms are created, which look, for example at loans, or non-grant form of investment, they should be accompanied by effective evaluation to determine their impact.

³ Reported in the 'Third Sector' magazine, 7th December 2005.

⁴ Ibid.

3.1 A number of significant reports have recently been produced establishing the background to the development and funding of the voluntary, community and faith sectors at a regional level.

3.2 The findings of five of these reports have been correlated, to show the consistency of the findings which have been emerging over the past two years.

3.3 These reports are:

- "A21CVCS4Y+H " - from Prof. G. Craig of The University of Hull⁵
- 'Changing Funding Programmes' by "erbedu" for the Yorkshire and Humber Regional Forum⁶
- 'Funding the Voluntary and Community Sector' Leeds Community Foundation⁷
- Yorkshire Forward and the Voluntary and Community Sector⁸ by C. Hill
- 'Funding Advice Infrastructure in West Yorkshire' by The Charities Information Bureau⁹

3.4 The findings of these five reports are summarised and demonstrate a strong consistency concerning both the state of the sector, and in proposed actions for future development.

3.5 All five reports have a similar starting point summarised by one of the authors "Though the VCS is buoyant and currently growing in the region, its funding and development outlook is often short term. The sector is reliant on a cocktail of funding sources from a myriad of funding agencies" (erbedu report, Page 1), and a second author "There is an increasingly urgent need to prioritize support for what is working

⁵ ("A21CVCS4Y+H – The future contribution of the voluntary and community sectors to the Yorkshire and Humber Region" - Gary Craig with Sally McNamee, Richard Peake and Mick Wilkinson, University of Hull, on behalf of the Yorkshire and Humber Regional Assembly, Yorkshire Forward, Yorkshire and Humber Churches Regional Commission, Government Office for Yorkshire and the Humber, Joseph Rowntree Foundation, Yorkshire Futures, Yorkshire and Humber Regional Forum for the Voluntary and Community Sector).

⁶ (Changing Funding Programmes – Impact on the work of the Voluntary and Community Sector and Consequences for the Yorkshire and Humber economy. Prepared for the Yorkshire and Humber Regional Forum by erbedu – European Regional Business & Economic Development Unit, authors Professor John Shutt, Felix Kumi-Ampofo)

⁷ ('Funding the Voluntary and Community Sector – Leeds Community Foundation 2005)

⁸ (Yorkshire Forward and the Voluntary and Community Sector – Policy validation for the post SRB era, Chris Hill, June 2004)

⁹ (Funding Advice Infrastructure in West Yorkshire – August 2004, Chris Hollins with Heather Stephenson, The Charities Information Bureau, August 2004).

in community regeneration, while at the same time better harnessing general public spending to tackle disadvantage" (Hill, Page 4).

3.6 Differential concerns for different parts of the sector

- Certain sections of the VCS will be able to benefit more strongly from government policy direction, medium size organizations may be particularly at risk; A21CVCS4Y+H
- .. organizations .. that provide support, advice and capacity building activities, .. are most under threat. Hill
- Funding advice needs to be directed at the areas of greatest need– developing the skills of small, medium sized and under-represented organizations. The Charities Information Bureau
- Continued funding of Infrastructure Support bodies. Hill

3.7 VCS organizations as social enterprises:

- Many VCS organizations do not see themselves as either contributing to public service delivery nor operating as social enterprises but have distinctive missions with important social, economic or environmental outcomes; A21CVCS4Y+H

..... social enterprise not a solution to cuts

- .. Most organizations do not appear to have a viable exit strategy in place and the innovation of 'social enterprise' and 'mainstreaming' is unlikely to offer a solution to those most affected by the cuts in funding. Hill

3.8 The role of commissioning and procurement

- "New funds appear increasingly specialised and are not as widely available as programmes such as SRB. The government is encouraging organizations to diversify their income sources using public service contracts, social enterprise and support accessed through infrastructure groups. .. Some [VCS groups] have been pursuing this route for some time but have had little success in stabilizing their income streams due to lack of availability of contracts .. the VCS has either not adapted its approach to the changing funding climate or does not consider the currently favoured routes as viable options." Leeds Community Foundation
- What is perhaps required is a new 'Sustainability Unit' bringing together VCS activities in the region with the aim of:
 - Brokering investment programmes between the key funding agencies and the VCS; "erbedu"
 - Contracting and the VCS "erbedu"
 - Providing better technical assistance to the VCS "erbedu"

- Advising on changing funding programmes "erbedu"
- "The use of commissioning (rather than bidding) as a method of fund distribution may reduce competition between groups but raises issues of transparency around funding allocation. Will the best organization receive the funding, or will it be the best networked organization?" Leeds Community Foundation
- Effective and positive partnership working between local organizations and district wide organizations (both public and voluntary sector) needs facilitating in order to enhance new funding and contractual relationships. The Charities Information Bureau
- A commissioning unit should be established to work with groups and commissioners to enable more services to be commissioned in the future, with specific reference to community based organizations and communities of interest. The Charities Information Bureau
- Principles for contracting and income generation need to provide for the value-led nature of the sector, including the balance between taking money and independence, and the need to ensure that communities control the processes which affect them. The Charities Information Bureau

3.9 The impact of funding streams coming to an end

- Evidence is ambiguous as to the impact of the ending of key funding streams but there will be a need for transitional help and for adjustments in many parts of the VCS and their relationships with funders; A21CVCS4Y+H
- "... significant reductions in funding all round, coupled with major changes to the way current funds are distributed, and the introduction of new priorities." Leeds Community Foundation
- "There are several new funds .. The problem, however, is that of accessibility. The number of highly targetted new funding streams is confusing .. many groups do not understand new structural arrangements or processes involved in applying." Leeds Community Foundation
- "A key issue for community organizations seeking funding is the amount of time spent on sourcing appropriate funds, networking and completing funding applications." Leeds Community Foundation
- Without replacing funding streams at a national level, there will not be a complete solution to the funding gap, valuable projects will be lost. However, initiatives can be taken within the Investment Planning Process that will strengthen Yorkshire Forward's economic inclusion work, whilst increasing support for the VCS." Hill
- Transitional funding for successful VCS projects. Hill

3.10 Acknowledge the role and involvement of VCS organizations

- Differentials in power and resources between statutory and other funding organizations and the VCS need to be acknowledged and allowed for in funding relationships so that VCS can take its proper place as a full partner within the structures of regional governance; A21CVCS4Y+H
- Strategic dialogue between key stakeholders in the region "erbedu"
- More effective VCS sub-regional representation, for example in the SRIP process; "erbedu"
- .. more focussed discussion with GOYH, Yorkshire Forward, the Yorkshire and Humber Assembly and local authorities on:
 - Responses to the SRB demise and European Funding reductions "erbedu"
 - Responses to Local Area Agreements "erbedu"
 - The strategic role of the VCS "erbedu"
- Linking policy frameworks and the VCS role; "erbedu"
- Sharing best practice across the region; "erbedu"

3.11 Involvement in the Investment Planning processes

- Yorkshire Forward is perceived as moving away from supporting the social, capacity building work contained in SRB to a purely economic focus (even though, in reality, SRB was principally an economic programme). There is little expectation of support for the VCS from the Investment Planning Process, understanding of how it works or knowledge of the infrastructure projects it supports. Hill
- Developing the VCS role in the SRIP process and sub-regional infrastructure agencies "erbedu"
 - 1 Work with partners to develop the Investment Planning options within this report, in particular:
 - o The development of particular commissioning themes for pre-employment work and support for successful Community Partnerships delivering economic outputs Hill
 - o (others were included here)
 - o A better linking of Renaissance/physical development projects to the work of Community Partnerships." Hill

3.12 The short term nature of funding

- The relationship between funders and the VCS needs to be put on a more adult footing, and address, inter alia, the issue of the annual cycle of grant applications (characterised by the VCS as the endless 'begging bowl'); A21CVCS4Y+H

3.13 The role of partnership bodies

- The emergence of Local Area Agreements may offer the opportunity for the VCS to take its proper place in partnership bodies responsible for governance at a local level. A21CVCS4Y+H
- Develop partnerships within the sector which have the strength to withstand short term changes in local or even central government funding streams, and which can demonstrate effective use of public resources at a strategic level. The Charities Information Bureau
- Agencies and partnerships need encouragement to attract a broad spread of funding streams, and partnerships to spread the risk of reliance upon single funding streams. The Charities Information Bureau

3.14 Development of better understanding of the VCS

- More effective research and intelligence monitoring on the VCS role in the region; "erbedu"
- That Yorkshire Forward: Further defines its contribution to social inclusion work described in Part of the Picture (the region's first report into social inclusion, 2004). In particular, how combating social exclusion can be linked to Yorkshire Forward's role in connecting people to economic opportunity. Hill
- Improving the monitoring, evaluation and impact of the VCS organizations and assessing activity and ways of strengthening the VCS contribution across localities and neighbourhoods. "erbedu"

3.15 The regional picture - The Single Pot, and Investment Planning

3.16 Investment Planning

Investment Planning is the phrase which sums up the approach for the next few years, as well as being that used by Yorkshire Forward – the Regional Development Agency in its plans for the future.

3.17 Investment planning is not only about Yorkshire Forward funds - the aim is to get the various sectors aligned, including the public, private and voluntary / community sectors. They will align social and economic inclusion by ensuring that Yorkshire Forward and the Government Office work closely together. As Yorkshire Forward have said since their inception, the funds at their command – though they have marshalled them into a 'single pot' - are tiny in comparison with

the economy of the region as a whole. Individual agencies such as the sub-regional Learning and Skills Councils have a larger budget than Yorkshire Forward, as do other big players such as the National Health Service, or local government.

3.18 The aim of Investment Planning is getting everyone to think differently, and to plan primarily at a sub-regional level. Sub-regional economic assessment was done three years ago, and these assessments are owned by the sub-regional partnerships - some have voluntary/community involvement. Others do not.

3.19 Investment planning will look at gaps, and invest either in the gaps, or possibly in the strengths which will fill those gaps. Politically South Yorkshire is top of the list of needs. The process is going on now.

3.20 The voluntary and community sectors have had some spin off in the past few years from the Single Regeneration Budget – either projects where the lead agency has been from the third sector (but quite rare in this region) or more likely where local SRB partnerships have funded or part funded community projects. At a national level it is estimated that some £170million will have been lost to the voluntary and community sectors by the passing of the Single Regeneration Budget. At present Yorkshire Forward does not have targets to fill this gap. Investment Planning needs to create a role for the voluntary and community sectors, but has yet to do so.

3.21 The Investment Planning process will not provide new money, and existing SRB funded schemes are expected to have exit plans in place. Area-based regeneration will no longer be the main tool of Yorkshire Forward, and there is likely to be a keen loss felt by those areas which have for the past few years been used to SRB funding being available. Yorkshire Forward recognises the need for community cohesion to be in place if communities are to have confidence in the economy, and the third sector can contribute in areas where the economy has failed. There is more potential than Yorkshire Forward have so far identified.

3.22 Agencies and partnerships have been built up with the use of SRB funding and some of these are in danger of being lost - key organizations (not projects) which represent the social and human capital which has been built in those areas.

3.23 The support from Yorkshire Forward through Investment Planning is likely to come in ways which will have a direct bearing on their main priorities - clusters of business development, renaissance, and connecting people to jobs.

3.24 They will define the need to get more business support in place, and are likely to move away from grant dependency. The organizations they support may never be wholly self-sustaining. There are clear roles for the sector in campaigning and service delivery – and those organizations need themselves to define whether they are social enterprises, with a future largely free of grants, and if they can sustain themselves by trading.

3.25 The lessons learnt from recent regeneration schemes have been that all sectors need to be better at linking funding streams together, the social capital which has been built into projects in SRB areas needs to be maintained, and skills can only be grown slowly.

3.26 Examples of the ways in which the third sector might get involved in Investment Planning either as a service provider, or as a customer, could include

- Alternative routes into learning. More use could be made of modern apprenticeships for example, or progression routes to foundation degrees.
- Local Area Agreements can be used to open up procurement especially in areas of economic failure.
- Capital asset development. Or using funding/loans to help grow trading arms to move away from grants, use of borrowing, and recyclable loans.
- The sector needs to think about how it will collaborate with others.

3.27 As with other areas of funding, the language of Investment Planning is not one which sits comfortably with the traditional role of the sector – investment, capital asset development, trading, social enterprise – all of which say, if the sector is going to be part of Investment Planning it has to drop, or add to, at least some of what it has traditionally been.

3.28 The Single Pot – national analysis

The Urban Forum report 'Out of SRB ... Into the pot'¹⁰ has researched the adverse elements of a move away from the Single Regeneration Budget. It summarises the involvement of SRB projects in the voluntary and community sectors as being:

- Projects delivered by the sector to enhance or complement statutory provision;
- Extension of existing voluntary sector activities to areas they have not reached such as peripheral housing estates;
- Small community-based projects;
- Advice and information services;
- Community involvement activities;
- Capacity building;
- Social enterprise activity;
- Voluntary sector infrastructure projects;
- Projects enhancing the skills of individuals.

3.29 Urban Forum reports that there has not been all-round equitable access to SRB funding and it has been noticeable that the needs of black and minority communities were not met by SRB. In spite of its shortcomings SRB did allow for an holistic approach to regeneration, and for resources to be directed to most areas in need. However the lessons from SRB are not being translated to current regeneration policy, particularly the single pot.

3.30 The Urban Forum report points out the inter-relationship between, and some of the difficulties of using some of the other major funding streams (highlighted elsewhere in this document). They recommend that

- The voluntary and community sector must be involved in decision-making at all levels. And there should be a Regional Strategic Engagement Fund to ensure that the third sector is fully involved.
- Additional resources are needed to continue some of the activities previously funded through SRB.

3.31 The evidence base of regeneration through SRB needs to inform the development of new funding streams which replace it.

3.32 Urban Forum also emphasise the need for Regional Assemblies to develop their role influencing and scrutinising the activity of sub-regional partnerships, and seek to increase their knowledge of the role of the third sector in these activities; government should encourage

¹⁰ (Out of SRB ... Into the Pot – Urban Forum, October 2003)

the development of sub-regional infrastructure and the role of social enterprise in the sector should be further promoted; and the voluntary and community sectors should play a more pro-active role in sub-regional planning.

3.33 Recommendations

- A Sustainability and commissioning unit should be established to work with groups and commissioners to enable more services to be commissioned, contracting to be promoted, and brokering of partnerships and investment.
- The VCS can take its place as a full partner within the structures of regional governance, given recognition of the obstacles, and routes for representation at key levels such as Sub Regional Investment Planning.
- The lessons and evidence from SRB at a national level need to influence current regeneration policy.

4.1 This section looks at a variety of measures which are gaining ground in the voluntary and community sector, and which have in common investment in new ways for working, in the sector. That is not to say, however, that these activities have not been tried before. Some of them have been at the heart of the activity of some agencies for much of their existence. What is new is that these ideas are gaining currency as a more general means of, at the very least, supplementing grant aid and other more traditional forms of income for the sector.

4.2 It is not the intention, here, to write off grant aid. Grants are likely to remain amongst the most significant sources of funding for the third sector for the foreseeable future. The changes documented by this paper are those which add to long standing grant regimes, rather than being seen as replacing grant aid.

4.3 Investment and the development of an asset base

One of the assumptions behind the use of loans as a way of developing third sector income, is that the investment can be turned into a longer term asset.

4.4 Such assets may be intellectual property (information, training or similar items) may be services, or may be property or land.

4.5 Our 'average' organization may be spending something in the region of 10% of its income on rent – one consideration is whether this rent could in the long term be turned into an asset, producing income for the organization – through the development of a property asset.

4.6 How difficult might it be to develop an asset base, and turn an idea into an income generating reality? The organization will have long term objectives, which necessitate securing funding, and the longer they are in existence, the larger may be their potential liabilities – for example redundancy payments grow as staff are employed longer, or sickness policies may provide for long-term payments to staff who have been with the organization for some years. Ideally it will have gradually developed a contingency sum to deal with these liabilities.

4.7 The funding sources for the organization may not make the development of an asset base easy – for example some funders do not allow their funds to be used to pay for redundancy (or by implication a redundancy fund), or may refuse to allow the use of their grant to build up reserves. On the other hand the same funders may well be quite happy with the idea of purchasing a building. And all funders will have an interest in the development of longer term sustainability for the organizations they are supporting.

4.8 The organization which sees its services as serving a long-term need, will be looking to secure its long term financial sustainability. And whilst (as is seen elsewhere in this report) government and other funding may change over time, alternative sources of funding may need to be developed. In a funding climate which has rapidly changed over the past half-decade, securing future funding may not be easy. Spreading the funding sources across a wider number of sources will almost always be an advantage, and the development of a building as an asset may be one way of doing this. A wide spread of funding sources may also enhance the ability of the organization to speak with an independent voice.

4.9 A building may serve a number of different functions for an organization:

- A base for activities, space for service provision, and administrative services, including for example a un/subsidised rental to other agencies in the sector or might generate income as, for example a training venue.
- It could provide security for a potential funder.
- It could be a place to show the public face of the organization.
- A way of demonstrating a commitment to social enterprise, and the local economy.

4.10 A building may also have its downside, especially where it requires management of tenancies, and it should always remain a means to further the objectives of the organization, rather than being an end in itself.

4.11 Sustainability, procurement and commissioning

With the support of Government Office, and funding from the national Change Up¹¹ programme, the first steps have been taken in developing and securing a unit to promote the role of the voluntary and community sectors in public service delivery, using commissioning and the securing of contracts as one means of 'mainstreaming' the activities of the voluntary and community sector.

4.12 The need to coordinate procurement and commissioning activities is recognised by commissioning agencies, and reflected in recent reports, to take one specialist example, Offender Services are recommended to

¹¹ Change Up is the ACU funded programme aimed at establishing a 10 year vision for building the framework of infrastructure agencies, and the capacity of frontline organizations.

".. provide coordinated, region-wide data and information retrieval services to assist the planning and commissioning of services from the VCS.¹²"

4.13 The inter-relationship between the role of the VCS and statutory authorities is not a new one, and has gone through many phases of change over several centuries. Most of what is now regarded as being the province of statutory agencies, where relating to services to people, was once initiated by voluntary organizations, often (but by no means always) with a faith-related element to them.

4.14 The Prime Minister, Tony Blair, told the Confederation of British Industry conference in late November 2005 that "breaking down the barriers between public, private and voluntary sectors must continue"¹³. The most recent large scale transfer from voluntary to statutory responsibility has been in the area of pre-school child care, which in the past decade has seen a rapid move from primarily voluntary based activity, to what is now primarily statutory responsibility.

4.15 The change has not always been in one direction, however, with large scale changes in community care in the early 90's, and the growing trend since then for service-based voluntary organizations to be contracting specialist services from a range of statutory authorities.

4.16 The Change-Up funded activity in West Yorkshire has enabled a pilot project to enable diversification of income with the aim of

"Strategic sub-regional collaboration to provide support to the community and voluntary sectors engaged in diversifying income, commissioning, procurement, income generation activity and planning for sustainability."

4.17 This activity is managed by The Charities Information Bureau and is at the early stages of development.

4.18 The outcomes planned are:

- Increased capacity of voluntary and community organizations to improve sustainability through income diversification.
- Clearer understanding of potential for supporting and developing diversification of funding to be identified and tested.

¹² "Enhancing the role of the voluntary and community sector – a case study of the Yorkshire and Humber Region", Prof. P Senior, Sheffield University, on behalf of The Home Office, Nov. 2004

¹³ Tony Blair reported in the "Third Sector" magazine, 7th December 2005

- Effective methods for supporting and developing diversification identified and tested.
- Closer collaboration with key funders to invest in longer term sustainability.
- Promotion of organizational development strategies.
- Changes to the current system of long and short term funding for the third sector.
- Closer collaboration between agencies offering learning and support opportunities leading to longer term sustainability.

4.19 The benefits perceived of the voluntary and community sector in relation to contracting to local authorities and commissioning agencies are being tested by this pilot. The three potential criteria are cost, quality and value (including added value).

4.20 The voluntary and community sector will have to demonstrate that it can deliver in one of these three arenas, if it is to take up its full potential.

4.21 One thing becoming clear in the debate about the role of the third sector in the local economy is that the sector as a whole, and individual agencies within the sector, do not have an ordained right to exist. Agencies have usually developed to meet needs identified at the time of their establishment, or have adapted themselves to meet needs as the environment within which they exist has changed. There may sometimes be organizations which have come to the end of their useful life, or which no longer perform a function considered worth paying for from the public purse.

4.22 The culture of 'competition' which goes along-side the language of commissioning and social enterprise is likely to create more winners and losers, again based on the criteria of cost, quality and value. Organizations within the sector may well find that they are competing with purely commercially driven agencies which are, nevertheless, also able to deliver on one or more of these criteria.

4.23 Commissioning agencies may also need to adapt. Public authorities, in particular, may have a responsibility to ensure that the strategic needs of the arena in which they operate (be it skills, personal services or the environment) are fully met. They will certainly be charged with the responsibility of ensuring that the funds at their disposal are used to best effect. This may mean achieving a balance between a number of competing agendas:

- The need to provide good value for money
- The need to ensure that services are not duplicated
- The need to ensure the existence of a pool of skills and knowledge in the area in which they work, such that if one

organization should fail, there are others with the skills to pick up the service provision.

- The need to meet rules of fair and transparent trading.
- The need to ensure that organizations are not competing at unfair dis/advantage through hidden subsidy.

4.24 (An underlying assumption is that strategic objectives are an essential aspect of public policy, and that we do not rely solely on the 'market place' to justify what should, and what should not exist as a public service).

4.25 Such considerations are difficult to reconcile. Removal of duplicate provision on the one hand may conflict with the need for open and fair competition, or the need to secure a long term pool of skills. These questions require a range of guidance, and at their heart is a fundamental issue:

commissioning authorities are seeking to secure services, their purpose is not to seek secure the future of the organizations which provide those services.

4.26 This issue is key to understanding the approach being taken by Regional Development Agencies in Investment Planning. In the move from SRB (The Single Regeneration Budget) to the 'single pot' they expect SRB projects to have had effective exit strategies. It is also the key to understanding the commissioning process of, for example, Learning and Skills Councils, where a pattern of relatively short term investment is designed to achieve maximum generation of outputs. They make it clear that their concerns are the achievement of those outputs, that they do not accept any responsibility for the longer term sustainability of the organizations they commission.

4.27 On the other hand, investment in the longer term future of organizations may have the consequence of securing a pool of skills and expertise, local knowledge and understanding, security of a section of the local employment market, the ability to understand the needs of the commissioning authority, through long practice, and so to deliver quickly and efficiently on contracts. Without such investment useful, even essential voluntary and community sector may be lost (and there are recent examples within the region of precisely this happening).

4.28 Government departments are required to display 'joined up' thinking and planning, and this will be best achieved if voluntary sector skills and experience are included in joining-up activities

"Strengthening partnerships and mainstreaming the work of [voluntary] organizations can provide a level of expertise and

support that simply cannot be offered by bodies such as the Probation or Prison Service alone.¹⁴"

4.29 Whilst grant aid is seen as funding organizations, there has never been a 'golden age' in which grants were given to organizations with no strings. The VCS has always had to justify the work it is doing, and on what it would spend the money. Service level agreements, and contracts, are in part further stages in being more precise about expectations, but also about a shift in priorities from those identified by the voluntary agency, to those identified by the commissioning body.

4.30 Further papers with greater detail of this debate and related issues will be published during 2006.

4.31 Recommendations

- Joined-up thinking and planning needs to build partnerships with and take account of the longer-term sustainability of VCS organizations.
- Key funders could co-operate in finding ways of investing long-term in the sector, not only by longer funding arrangements but also by taking a longer term view about the sustainability of the sector. The future of services and the needs of funding agencies are often closely interlinked, and funders have a vested interest, in the long term in seeking to secure the future of the services they support.
- Funders may need to take a different attitude to the creation of reserves which provide for the prudent management of an organization.
- Commissioning agencies could be encouraged to take an active involvement in the development of a commissioning and procurement unit.

¹⁴ "Enhancing the role of the voluntary and community sector – a case study of the Yorkshire and Humber Region", Prof. P Senior, Sheffield University, on behalf of The Home Office, Nov. 2004. Pages 10-11

Chapter 5 European funding in the current context

5.1 The loss which we know will occur in European funding is well documented (particularly in the erbedu report "Changing Funding Programmes" for The Yorkshire and the Humber Regional Forum (see Para. 3.3). However the impact of this loss is not yet fully understood, and even where it is known to be added to the impact of reduced Single Regeneration Budget programmes there has, up to now, been little sense of panic, and a feeling that, as has happened in the past, other funding streams will come along.

5.2 "Changing Funding Programmes" made a careful attempt to put some figures on what will actually be lost to the sector over the next three years and for European funds it establishes that the potential loss amounts to "2,300 FTE VCS jobs out of a possible estimated regional total of 45,000 (Lewis 2001)¹⁵ but has not, however attempted to estimate the impact that this loss would have on specific parts of the sector. If spread evenly across the sector, this loss which amounts to around 5% could be absorbed within normal variations. It is possible however that the effects would not be evenly spread.

5.3 The erbedu report suggests that in the crunch year – 2008-09 – a total of £36.88 million will be lost, from a base total (in 2005-06) of £74.94 million. That puts the European contribution within the major funders at 49.2%.

5.4 The evidence from the Wakefield case study shows a slightly smaller average use of European funding. The Wakefield information came from organizations which are based in Wakefield, and would not have included those that work in the district but may be based elsewhere, which are most likely to be larger agencies.

5.5 The average Wakefield organization shows a use of European funding at only 2% of the total, or 4% of the funds which are sourced directly or indirectly from central government.

5.6 The erbedu figures assume a 5% loss of major funds to the sector in 2008-09, of which approximately 50% are from Europe. The regional figures have not attempted to describe the many other funding sources which provide for the sector, but concentrate on the Single Pot (successor to SRB) and Community Empowerment funds. However the similarity between the regional figure of loss overall (5% in 2008-09) and the district figure of 2% from Europe are in the right

¹⁵ (Lewis. G. Mapping the Contribution of the Voluntary and Community Sector in Yorkshire and the Humber, Yorkshire and Humber Regional Forum, 2001).

order, seem to compliment each other, and are of the same order, though researched by very different means.

5.7 There is insufficient evidence from either of these reports about the precise ways in which the loss of European funding will impact, or how/where European funding is concentrated, and additional evidence is required.

5.8 Recommendations

- Further research is required to determine the precise impact of the loss of major funding sources such as European funding, over the next two to three years.

6.1 Charity Bank and Future Builders

"Have you thought about how a Charity Bank loan might help solve the problem? We offer loans or guarantees at affordable rates of interest and on flexible terms. Our Yorkshire representative will be happy to talk through your requirements with you."

(extract from marketing e mail May 2004)

Is this the future of funding for voluntary and community groups?

6.2 Or this - the new initiative from Central Government – 'futurebuilders' which went live on 5th July 2004

" What it is
futurebuilders is a £125m fund that will deliver an increase in the scale and scope of the public services delivered by the voluntary and community sector

Futurebuilders will provide a mix of grants, loans and capacity building which aims to increase the role that the voluntary and community sector plays in the delivery of public services.

"We want to invest in around 250 organizations, with investments ranging from around £30,000 to several million, as well as providing development grants of around £10,000 to a number of applicants. We are predominantly a capital and loan investment fund and although our funds are limited we believe that by using our range of finance options we can make them go far further than other grant givers or lenders."

(extract from <http://www.futurebuilders-england.org.uk/>)

6.3 The language of 'futurebuilders' and the introduction to Charity Bank would be at home in the columns of the Financial Times : "Investment", "Loans or guarantees", "range of finance options", this it seems is the language of the future for the voluntary and community sectors.

6.4 At the same time "social enterprise" has become the watchword of the sector, and the Regional Development Agency places high priority for its funding to "investment planning".

6.5 Social enterprise

As we have noted earlier, 'social enterprise' has become the watchword for the sector, and some see it as the solution to longer term funding issues. It is not however, without its issues, the main one being an inability for the sector (or anyone else for that matter) to agree what support social enterprise requires.

6.6 The definitions of social enterprise, whilst many, fall between two main options – "social enterprise" means either an organization which is a business, which re-invests its surpluses back into the business:

"A social enterprise is a business with primarily social objectives whose surpluses are principally reinvested for that purpose in the business or in the community, rather than being driven by the need to maximise profit for shareholders and owners."¹⁶

6.7 Or does "social enterprise" mean an activity, which community organizations carry out in order to make a surplus, to help run their organization?

'Any earned income strategy or business undertaking by a non-profit making organization to generate revenue in support of its charitable mission.'¹⁷

6.8 Both the DTI and social economy workers recognise that social enterprises have emerged out of the voluntary and community sector, and that many such organizations are at early stages in the development of trading activities.

6.9 Whichever definition taken, social enterprises are now big business. According to the findings of a Small Businesses Service UK survey they now make a contribution of nearly £18 billion to the economy (three times as large as agriculture), they employ 500,000 workers, and 200,000 volunteers. According to the DTI "Social enterprises tackle a wide range of social and environmental issues and operate in all parts of the economy. By using business solutions to achieve public good, the Government believes that social enterprises have a distinct and valuable role to play in helping create a strong, sustainable and socially inclusive economy"¹⁸.

¹⁶ "Social enterprise - a strategy for success" DTI 2002.

¹⁷ A definition of social enterprise from the Leeds Infrastructure Consortium, Oct. 2005

¹⁸ "Social enterprise - a strategy for success" DTI 2002.

6.10 Yorkshire Forward also has a strategy for support of social enterprise – their Head Of Enterprise Alex McWhirter¹⁹ says:

"Social enterprises provide clear economic benefits as well as social improvements. They typically create employment, help to develop more disadvantaged areas and are ideally placed to deliver local community-based services such as childcare, healthcare and transport."

6.11 The 'definition' issue comes from the need to describe trading activity in what have up to now been traditional voluntary and community organizations, as being 'social enterprise'. At what point does a community group, which has raised its funds from the local community, or from grants, but starts to develop a business side to its activities, become re-defined as being a social enterprise? None of the national statistics have been able to draw the distinction between what clearly are socially owned businesses, and the trading activities of traditional voluntary organizations.

6.12 "Social enterprise" would be better understood if it was seen as being an activity undertaken by organizations in transition, by agencies which bring with them the culture and values of the voluntary and community sector, and which may already have a wide variety of skills.

6.13 One result of enthusiasm for social enterprise, and the development of new forms of support for the activity is that some organizations may re-define their identity in the sector, or may divert their energies to new activities and away from their objectives. Support for social enterprises needs to be fully integrated with other professional development, if it is not to be seen as either the cure for all ills (on the one hand) or as something to be avoided (on the other). The full potential of the sector to develop social enterprise activities will not be achieved without this integration.

6.14 The Leeds Infrastructure Consortium suggests 'Social Enterprise' is an activity and as such can be carried out by any Voluntary and Community Sector Organization which does not necessarily (re)define that organization as a Social Enterprise. This helpfully provides clarity when seeking to find the best ways to support the development of that organization. The Leeds Infrastructure Consortium definition also emphasises that what defines an organization is the purpose for which it was started – its objectives – rather than the activities which it undertakes (otherwise many charities would be no different from commercial organizations carrying out similar activities).

¹⁹ Quoted in 'Inform' Jan 2006 Issue 19, Page 20. Published by Yorkshire Forward.

6.15 Recommendations

- Social enterprise needs to be recognised as an activity undertaken by many agencies, and support for it needs to be integrated with other support for the third sector agencies undertaking those activities.

7.1 The number of organizations in any district is notoriously difficult to measure.

7.2 On a national basis there are assumed (NCVO) to be 3 organizations for every 1000 of the population, which would give a figure of 180,000 organizations for the UK. However this equates to approximately the number of registered charities, without counting the far greater number of un-registered organizations.

7.3 Taking Wakefield district this same calculation, based on a population of 318,000, would give a figure of 954 registered organizations.

7.4 In December 2005 the actual number of registered charities in Wakefield District was known to be 369 (from the Charity Commission website, charities operating in the Wakefield District), only 39% of the number which should be expected on a national average. This is the most accurate ²⁰ figure which will be available for estimating the number of organizations in the district.

7.5 The major conclusion which can be drawn from the number of registered charities in Wakefield district supports the commonly held view of the sector in the district – that it is substantially under-developed²¹.

7.6 The requirements of the Charity Commission are that organizations must (at present – this MAY change with forthcoming legislation) be registered if they have objectives which are charitable, and an income of more than £1,000 per year, or if they have a

²⁰ Within the Yorkshire and the Humber region several district/county surveys have been carried out (North Yorkshire, Humberside, Calderdale) and attempts have been made to quantify the number of organizations, and their impact, at a national level. Within this region, these pieces of work have been summarised by the Regional Forum (1).

The Regional Forum work collated basic data on the number and distribution of voluntary and community organizations in the region. The Regional Forum study did not attempt to estimate the precise number of organizations and their impact, in the region, rather it provided a guide to the likely maximum and minimum numbers of organizations.

²¹ The Regional Forum estimated that the numbers of organizations per 1,000 population, was between 4 and 9.7. For Wakefield with a population of 319,000, this would give the numbers of organizations as between 1,276, and 3,094. However, in Wakefield District this work has found 460 organizations on mailing lists. (From Establishing the Baselines June 2003 The CIB/VAWD).

permanent endowment or use or occupation of land (regardless of income).

7.7 It could be that there are as many organizations, on average, in Wakefield district, as elsewhere, but that they are not registered, in which case many of them are very small. Or Wakefield District may just have considerably fewer organizations – either way the sector is seen to be less developed than elsewhere. This is backed up by the views of agencies working with the sector – statutory agencies, for example, seeking to contract out services to the sector, report that there are relatively few organizations available to tender for work.

7.8 The number of registered and non-registered organizations in the district

In the 2003 Wakefield survey a total of 152 questionnaires were received.

Table 7.i. Organizational status of organizations in sample

| Registered Charity | Registered company | Neither | Both | Total |
|--------------------|--------------------|---------|------|-------|
| 60 | 5 | 63 | 24 | 152 |

7.9 Charity registrations

A search for the number of registered charities by local authority area through the Charity Commission Website in December 2005 showed Wakefield to have the lowest number of registered charities in West Yorkshire (see table below 'Numbers of registered charities in West Yorkshire'). Wakefield District has a lower absolute number and a lower number of charities per 1,000 population than, for example, Calderdale – a much smaller district.

Table 7.ii. Numbers of registered charities in West Yorkshire 2003 and 2004

| Local authority area | No. of charities 2005 | Population | Charities per 1,000 (2003) population |
|----------------------|-----------------------|------------|---------------------------------------|
| Wakefield | 369 | 318,800 | 1.18 |
| Calderdale | 381 | 192,900 | 1.98 |
| Bradford | 500+ | 483,300 | N/a |
| Kirklees | 500+ | 390,900 | N/a |
| Leeds | 500+ | 727,400 | N/a |

The Charity Commission website will only list up to 500 charities.

7.10 On the basis that 60 of our sample of 152 organizations were registered charities, the following estimate is made of the number of organizations in Wakefield district:

Table 7.iii. Estimated numbers of Wakefield district organizations on the basis of charity registrations (2003)

| Registered Charity | Registered company | Neither | Both | Total |
|--------------------|--------------------|---------|------|-------|
| 373 | 30 | 375 | 143 | 921 |

7.11 Smaller, newer organizations are much less likely to appear on local mailing lists than well established registered organizations. It is therefore likely that the number of unregistered organizations in Wakefield district is under-estimated here²².

7.12 Key issues

- It is notoriously difficult to measure the size of the sector.
- The actual number of registered charities in Wakefield District 369 (from the Charity Commission website, charities operating in the Wakefield District), only 39% of the number which should be expected on a national average, supporting view of the sector in the district – that it is substantially under-developed.
- Smaller, newer organizations are much less likely to appear on local mailing lists than well established registered organizations. It is therefore likely that the number of unregistered organizations in Wakefield district is under-estimated here.

²² These figures are used to make estimates and interpretations of other data in this work. At best, however, these are estimates, and the real figures are likely to be within a wide range of these estimates.

To exercise care in these assumptions, the most difficult figure is that of un-registered organizations, and for this category we have made an assumption that the range of numbers is between the lowest estimate of 518, and an upper estimate of 873, which would give the total (upper estimate) figure for organizations at 1,276.

8.1 Wakefield district funding information

This section looks at the ways in which local voluntary and community organizations are funded. The sample tested covers the two years 2003 and 2004. Of the 152 organizations responding, 135 organizations provided financial information. The sample in the second year was 22 organizations.

8.2 The total income for all the organization in the 2003 sample was £9,819,401. The total amount spent on employing staff in the 2003 sample was £4,645,723.

Table 8.i. Sources of funding 2003

| | 2003 | | | |
|---|------|--------------|---------------|----------------|
| Source | % | Total Amount | Lowest amount | Highest amount |
| Lottery Fund | 2 | 208,602 | 300 | 66,564 |
| Trusts and community chests | 7 | 644,559 | 40 | 191,571 |
| Fundraising | 3.2 | 307,900 | 80 | 100,014 |
| Donations | 25 | 2,368,051 | 18 | 2,000,000 |
| Health trust/pct | 7 | 696,889 | 500 | 452,400 |
| Local authority | 26 | 2,475,429 | 90 | 1,189,920 |
| Charges/ fees (incl, rent, services etc.) | 5 | 490,158 | 1 | 264,144 |
| Membership fees | 0.6 | 58,843 | 36 | 23,007 |
| European Grants | 1 | 141,762 | 19,912 | 45,925 |
| Inside funding ²³ | 4 | 354,557 | 173 | 108,725 |
| Outside Funding ²⁴ | 15 | 1,426,492 | 3,480 | 546,793 |
| Other(incl. Investments and interest) | 4 | 423,298 | 59 | 95,000 |
| Use of reserves | 0 | | | |
| | 100 | | | |
| TOTAL | | 9596540 | | |

The table above comes from the Wakefield 'Baselines report'²⁵.

²³ Inside funding includes: HAZ (in 2003), Sure Start, Neighbourhood Renewal, Police Innovation Fund and the Local Strategic Partnership. Many of these, whilst coming through a local funder, are central government initiatives

²⁴ Outside funding includes: Barnados, Barclays, Homeless Action Programme, Timebank, Regional and National Bodies, Basic Skills Agency, Learning Skills Council, Awards for All, Millennium Awards, Yorkshire Arts Board, Arts Council.

²⁵ ("Establishing the Baselines" June 2003 joint publication - The CIB/VAWD, Alexander/Hirst/Hollins/Wakefield).

Table 8.ii. Sources of funding 2003-2004

| | 2003 | 2004 | Income | Both | Both | |
|---|------|------|---------|-------|----------|----------|
| Source | % | % | 2004 | Years | years | |
| | | | | a'ge | 2003 + | Average |
| | | | | % | 2004 per | per org. |
| | | | | | org. | per year |
| Lottery | 2 | 6 | 99080 | 4 | 4,997 | 2498 |
| Trusts and community chests | 7 | 7 | 109854 | 6 | 6,412 | 3206 |
| Fundraising | 3.2 | 0.2 | 3,572 | 0.8 | 903 | 452 |
| Donations | 25 | 3 | 56938 | 15 | 17,403 | 8701 |
| Health trust/pct | 7 | 4 | 69962 | 6 | 6,531 | 3266 |
| Local authority | 26 | 10 | 167242 | 14 | 16,416 | 8208 |
| Charges/ fees (incl, rent, services etc.) | 5 | 30 | 504298 | 22 | 24,879 | 12440 |
| Membership fees | 0.6 | 0.2 | 2911 | 0.3 | 303 | 151 |
| European Grants | 1 | 3 | 49000 | 2 | 2,567 | 1284 |
| Inside funding | 4 | 21 | 348,765 | 15 | 16,658 | 8329 |
| Outside Funding | 15 | 11 | 176775 | 11 | 12,086 | 6043 |
| Other* incl. investments and interest | 4 | 1 | 11611 | 1 | 1,231 | 616 |
| Use of reserves | 0 | 4 | 69068 | 3 | 3,139 | 1570 |
| | 100 | 100 | | | | 56763 |
| TOTAL | | | 1669076 | | 113,527 | |

(The 2004 information was a sample of 23 organizations responding to a survey by B. Wakefield, researcher).

8.3 These figures show that for our sample of 152 (2003) and 22 organizations (2004) for every £1.00 given in grant by the local authority, a minimum of £7.14 is generated by voluntary and community organizations.

8.4 41 organizations who stated where they received their money from existed without grants, but on a combination of donations, charges and fees, membership and/or fundraising.

8.5 The 'average' organization is making use of reserves, in other words has had a greater expenditure than income for that year. Such use may be the only means of breaking even, or may in some cases be a planned use of reserves to invest in a high-priority project.

8.6 The issues to note are:

- A high percentage of income is generated through time limited funding – from charitable trusts and government initiatives

which are included in both 'Inside' and 'Outside' funding sources. On average across the two years 46% of funding is generated from what are statutory sources in one form or another.

- Some of the funding sources will not be directly attributable – for example some European funding may come through statutory sources.
- The local authority funding has not dropped, it is more likely that organizations in 2004 have accurately identified sources of funding coming through the local authority as having originated elsewhere.

8.7 Whilst some caution must be exercised comparing the two years, there are some possible trends.

8.8 The increase in charges and fees from 2003 – 2004 is probably more than just a small number of organizations distorting the figures (though this can happen – there is one very large donation to a single organization in 2003 which does impact on the other figures) as more organizations are developing charges for their work, or are entering into contractual arrangements.

8.9 The Big Lottery Fund has been implementing its Fair Shares initiative, which would be expected to increase the proportion of its funding in Wakefield District – and the proportion of funding received from that source has more than doubled in Wakefield District.

8.10 However these trends need to be examined over a longer period of time before they can be seen as being an adequate reflection of what is happening in funding voluntary and community organizations in Wakefield District.

8.11 In addition to the direct revenue support for the voluntary and community sector identified above, there are other significant contributions. These consist of:

- Volunteer support
- In-kind support
- Capital investment.

8.12 Capital investment is not measured by this report, however over the past three years considerable investment in buildings has been made through the Wakefield Learning Network, under the guidance of Wakefield Metropolitan District Council, with funding coming from a variety of different sources, including Europe and Central Government.

8.13 National funding sources - information

A brief comparison with national figures for the sources of income for the sector will give some indication of how far the picture in Wakefield differs from the national picture.

8.14 The NCVO figures for sources of income for the sector are described below:

Table 8.iii. Sources of income

| Source | National Percentage (2001-02) | Wakefield Percentage (2003-05) |
|----------------------|-------------------------------|--------------------------------|
| Private sector | 4.3 | 7 |
| Voluntary | 6.6 | 9 |
| Internally generated | 15.5 | 22 |
| Individuals | 36.6 | 16 |
| Public sector | 37 | 46 |
| TOTAL | 100 | 100 |

Middle column – source NCVO Voluntary Sector Almanac 2004.

NB. The comparisons may not reflect different ways of allocating funds.

8.15 The largest differences between local and national figures are likely to reflect the greater proportion of funding for larger national organizations which comes from individual donations, either through gift-aid or similar, or through legacies and wills (36.6% nationally, 16% locally). It would be very rare for a local organization to have the resources to mount the kind of campaign necessary to attract large amounts of income in this way. The lack of funding from individual donations both increases the relative amount from other sources, and may also place pressure on organizations to seek alternative sources of funding.

8.16 It is also notable that 'internally generated' income – which effectively means income generation, charges, fees etc. - is significantly higher in Wakefield organizations than nationally. That means that the organizations in Wakefield district may already be relatively well down the road of social enterprise compared with national agencies. The proportion of public funding is also greater for Wakefield districts organizations than national agencies. Further comparisons with districts similar to Wakefield might shed more light on these issue.

8.17 These figures demonstrate some of the differences between a collection of what are by and large relatively small local organizations, and the national picture.

8.18 It will come as no surprise to the average community group or voluntary agency in Wakefield district that a significant part of their time is taken up managing the process of attracting the funds they need to deliver on their objectives. This may or may not be proportionately larger than the time spent by a large national agency – the difference is that our average Wakefield organization has less than four staff, and those staff are required to be multi-talented and multi-skilled. The same staff who deliver the services are just as likely to be writing funding bids, or running fundraising events. For them, they feel that they are being pulled in many directions at the same time, and that getting the money sometimes gets in the way of delivering the service. They may not, however, be devoting a greater proportion of their time to attracting funding.

8.19 National findings highlight these issues well – for example a recent Joseph Rowntree Foundation Report showed that:

"Small voluntary organizations, particularly Black and Minority Ethnic groups, find it difficult to access funding, particularly core funding, and that the pursuit of grants takes up a disproportionate amount of time.²⁶"

8.20 Key Issues

- For our sample of 152 (2003) and 22 organizations (2004) for every £1.00 given in grant by the local authority, a minimum of £7.14 is generated by voluntary and community organizations
- The 'average' organization uses reserves, in other words has had a greater expenditure than income for that year. Such use may be the only means of breaking even, or may in some cases be a planned use of reserves to invest in a high-priority project. Clearly this cannot be the case in many subsequent years.
- A high percentage of income is generated through time limited funding sources. On average across the two years 46% of funding is generated from what are statutory sources in one form or another.

²⁶ (*Black voluntary and community sector funding, civic engagement and capacity-building – Joseph Rowntree Foundation Feb. 2004.*)

Appendix One

Acknowledgements for the funding survey

Thanks to all those organizations who supplied information for the 2004 sample.

A total of 152 groups contributed to the research in 2003, for the 'Baselines' report, and a further sample of 23 groups responded to give the 2004 comparisons.

Groups who supplied information in 2004 (1 group did not want to be acknowledged)

DIVA

Wooley Residents Association

Batley Self-Help Group

Cutsyke Community Group

Move Ahead

All Saints Centre Featherstone

CPERTA

Begin

Special Abilities

Wakefield Theatre Royal

Braille Guild

Reconnect

Carleton Community Association

Wakefield Tenants and Residents Federation

Wild Rose Arts

Hemsworth and District Partnership

ESCAPE

Your Voice

United Stream Credit Union

White Rose Credit Union

Age Concern

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