

Welcome



York VCSE Assembly **Representation**

Tuesday 24 September 2024



Key updates:

- Health and Care Update
- State of the sector findings
- Dragons Den feature

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Chief Executive, York CVS

July 2024

York's VCSE Sector Resilience Survey Series 2024



Finance and Funding

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York VCSE Resilience Survey – Finance and Funding 2024

Introduction

After what has been an incredibly tough few years for the voluntary, community and social enterprise (VCSE) sector, we asked our members and VCSE organisations across York to complete a short survey focusing on finance and funding.

This is the first in a series of short surveys launched by York CVS over 2024-25. The surveys are designed to capture how York's VCSE sector is doing, to identify challenges and opportunities, and to evidence where more support is needed.

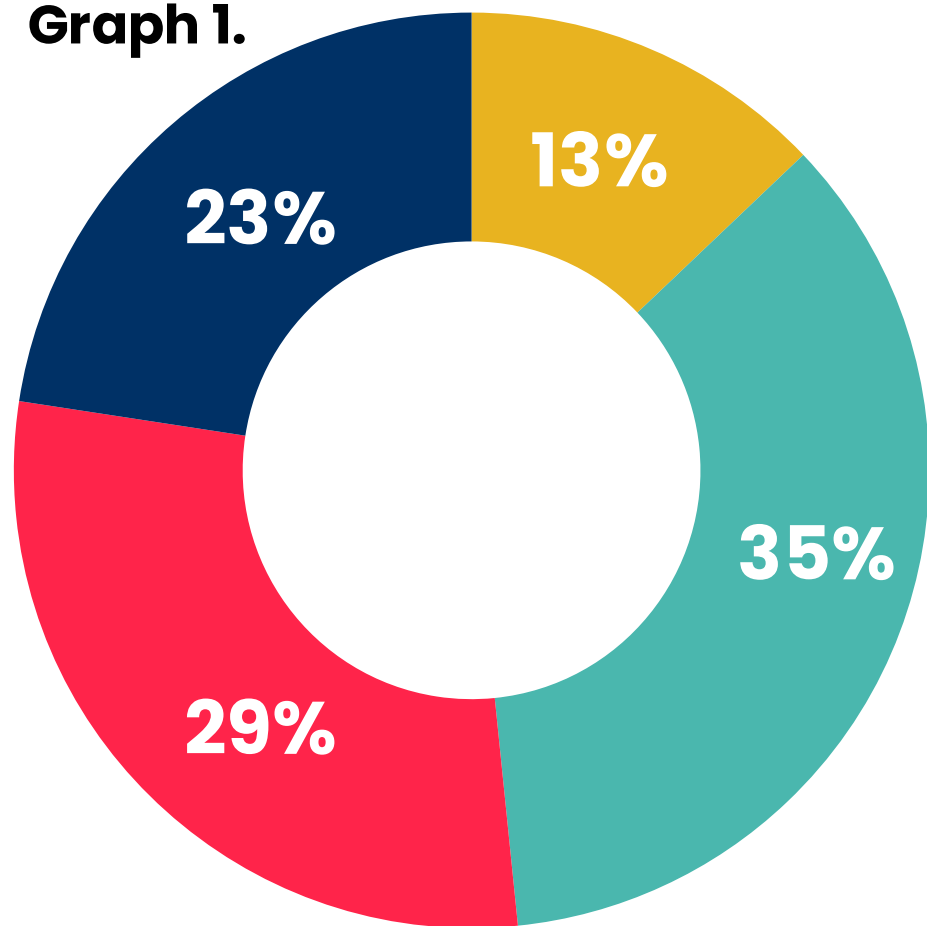
The findings in this report focus on the responses from a sample size of 31 York VCSE sector organisations. The key findings are indicative of the experiences of the sector and correspond with what we are hearing on a day-to-day basis.

Key Findings

- **1 in 3 organisations (29%) said they would be in deficit for this financial year (2024-25).**
- **1 in 6 organisations (16%) said they envisage cutting services.**
- **Almost half of organisations (47%) have used their financial reserves over the last 12 months.**
- **Over half (52%) anticipated that they would have to use their reserves over the next 12 months.**
- **73% of organisations asked said they had less than 6 months of financial reserves.**

2024-25 Budgets

Graph 1.



We asked York's VCSE sector if they expect their budget for the next financial year (2024-25) to be in surplus, deficit or breakeven.

1 in 3 organisations (35%) said they would be in deficit.

Only 1 in 8 organisations (13%) said they would be in surplus.

- Surplus
- Breakeven
- Deficit
- Unknown

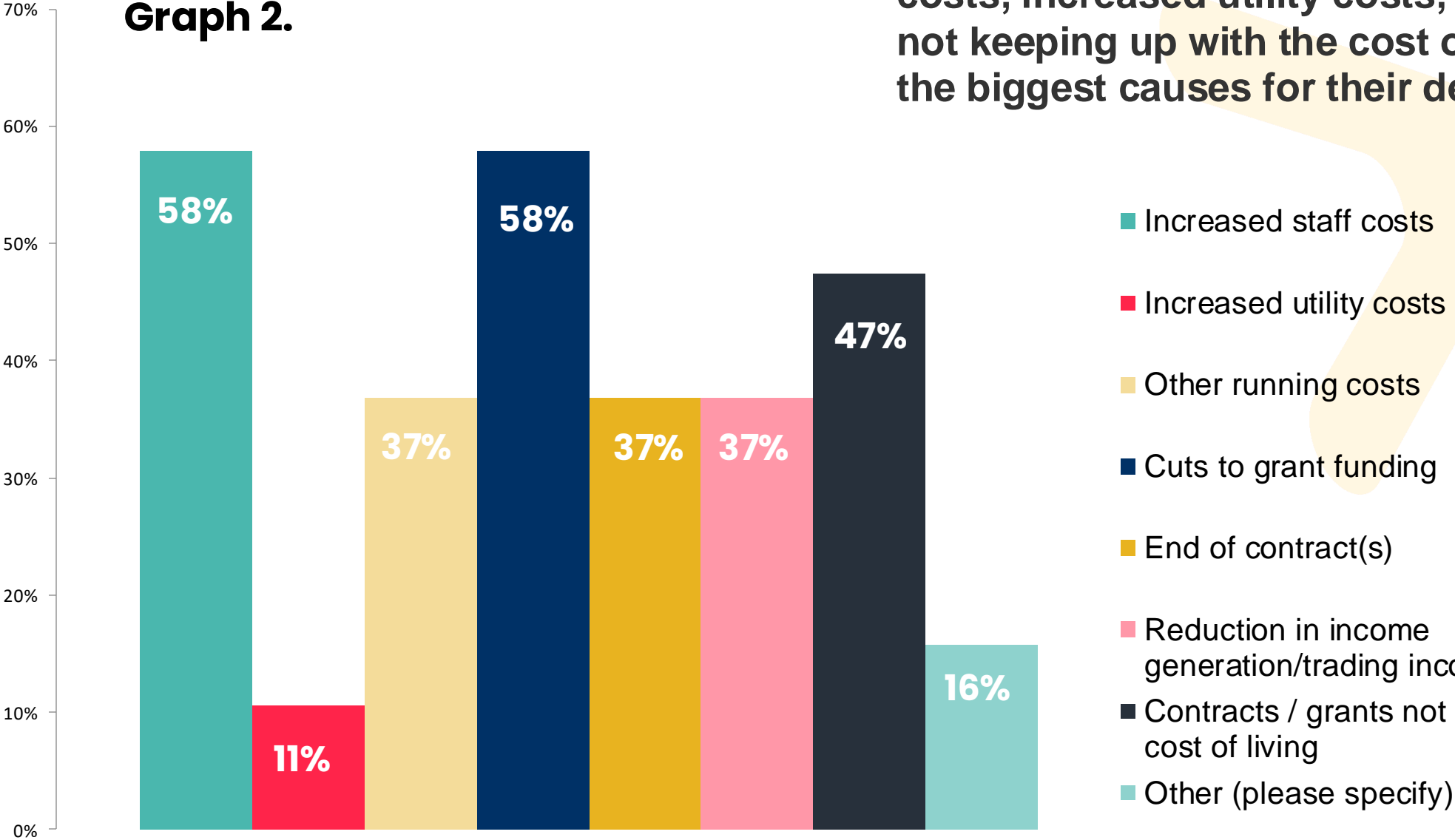
2024-25 Budgets

Comments from respondents summarised:

- More demand for services but the funding is 'drying up'.
- We're investing in our staff to support retention, but we are feeling the impact of two consecutive national living wage rises and a cost-of-living crisis.
- We expect to lose all council funding next year.
- Precarious funding environment – huge demand on local and national funds and reports that fundraising amounts have fallen.
- Staffing has impacted the stability of service delivery and the flow of income generation.

Deficit Budget Causes

Graph 2.

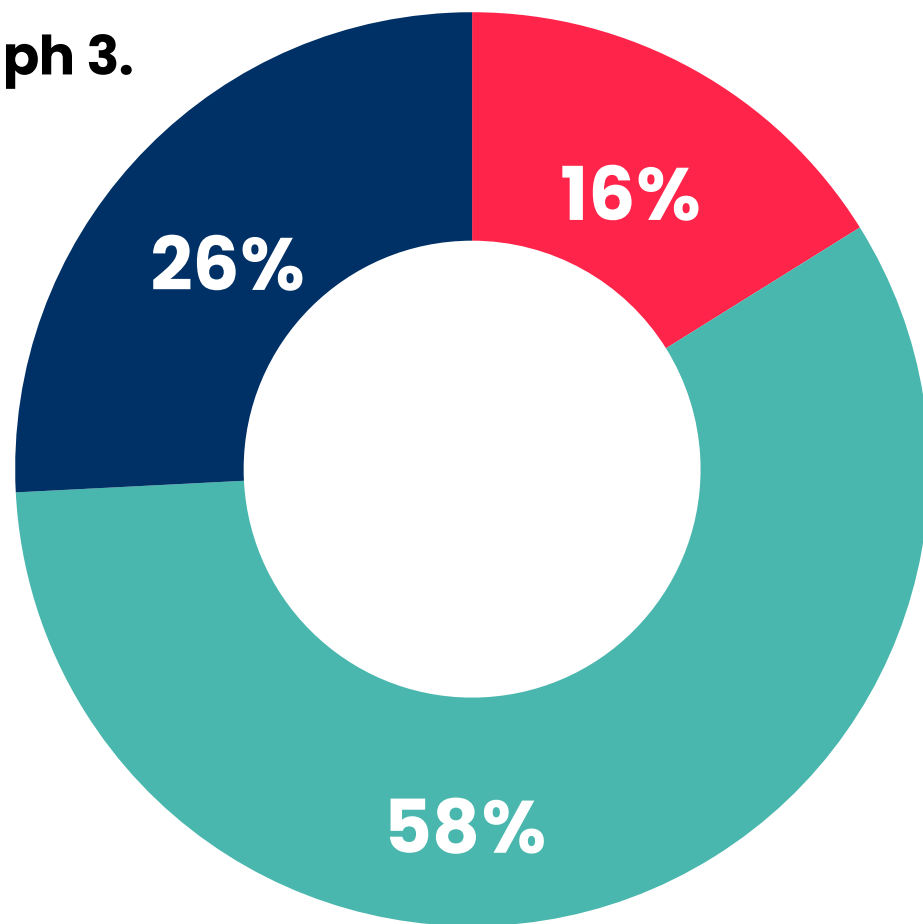


Organisations reported that increased staff costs, increased utility costs, and contracts not keeping up with the cost of living were the biggest causes for their deficit budget.

- Increased staff costs
- Increased utility costs
- Other running costs
- Cuts to grant funding
- End of contract(s)
- Reduction in income generation/trading income
- Contracts / grants not keeping up with cost of living
- Other (please specify)

Cutting Services

Graph 3.



- Yes
- No
- Unsure

We asked the sector if they envisaged cutting any services in the next 12 months?

3 in 5 organisations (58%) said they do not envisage cutting services in the next 12 months. Supporting comments indicated that these organisations would however not be able to grow services.

1 in 6 organisations (16%) said they do envisage cutting services.

Cutting Services

Comments from respondents summarised:

- Services won't be cut but we will not be able to grow or evolve.
- Now moved to a chargeable model.
- If we cannot fund services in certain geographic areas, they will need to be cut.
- Reduction in specific areas of our offer.
- Some of our activity is no longer viable, particularly those with high staffing cost and lower public engagement levels.
- Very dependent on funding opportunities – if not secured, key services will be cut.

The Impact of Cutting Services

Comments from respondents summarised:

- **Increased social isolation and loneliness.** Cutting services will leave people without support that keeps them living independently for longer, feeling less lonely, and less isolated (preventative work).
- **People will be left without a safety net.**
- Concerned that **minority groups may face more inequality** as charity and community groups are forced to play to the 'critical mass' to justify funding.
- If services are cut, **people who use these services risk going into crisis.**

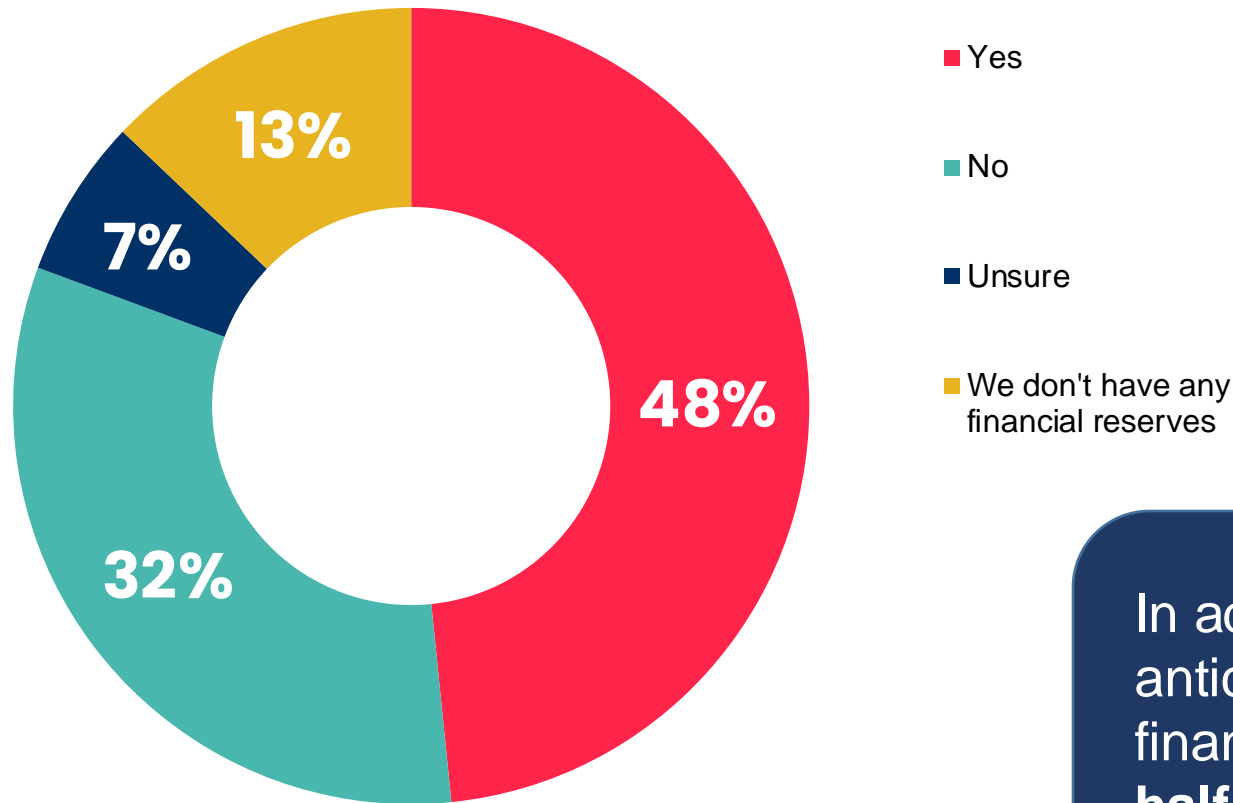
The Impact of Cutting Services

Comments from respondents summarised:

- There will be a **reduction in the number of people/organisations who will be supported** and we are unable to sign-post them to other services as they don't exist.
- Moving to a charged for model means that **people who can't afford to access services, won't receive this vital support.**
- **Reduced food support** to people facing poverty in York.
- There will be **gaps in service provision** for communities in York.

Use of Financial Reserves

Graph 4.



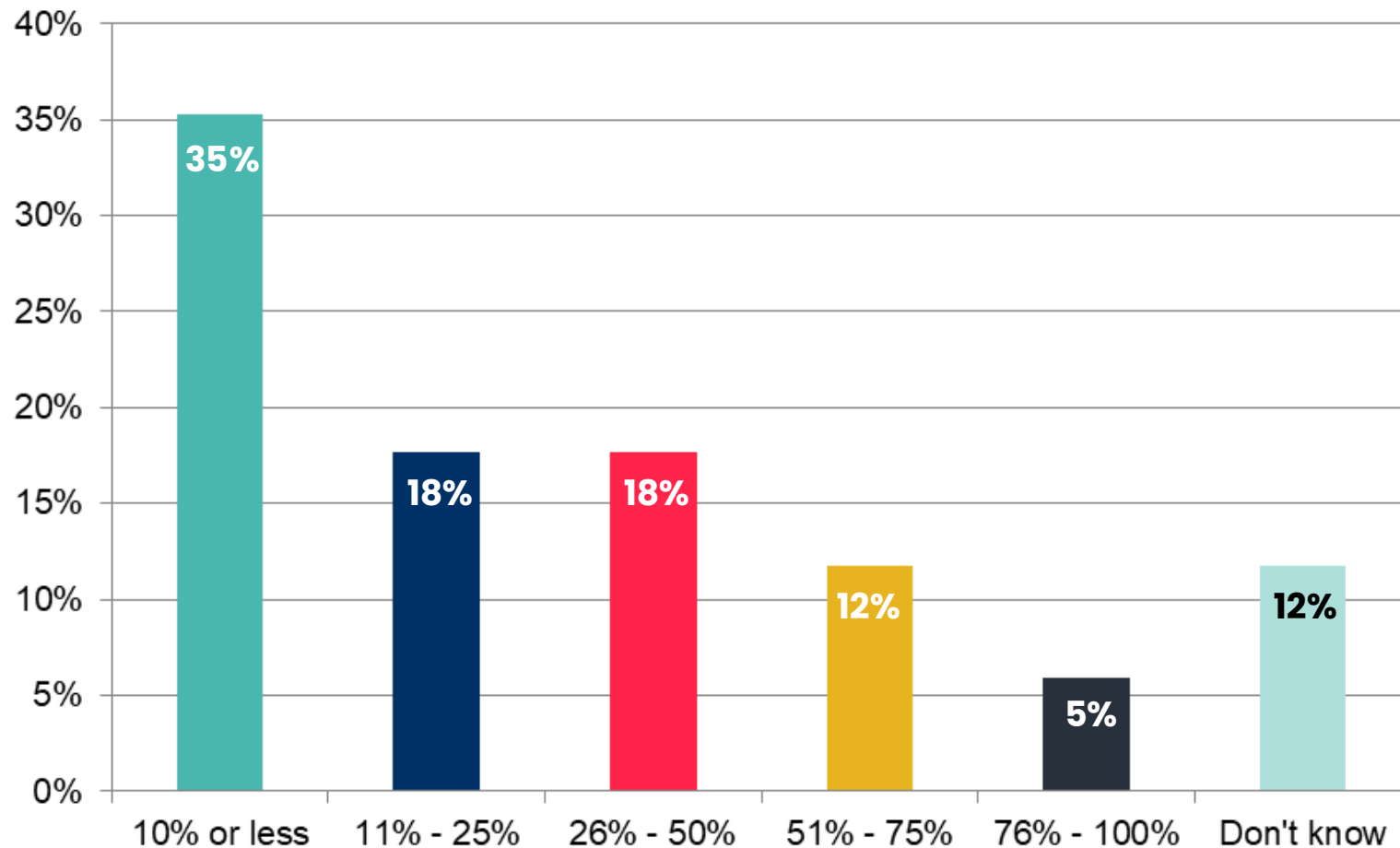
We asked VCSE organisations if they had used their financial reserves over the last 12 months.

Almost half of organisations (48%) said they had used their financial reserves.

In addition, we asked organisations if they anticipated that they would have to use their financial reserves in the next 12 months. **Over half of organisations (52%) said they would have to use their reserves.**

Use of Financial Reserves

Graph 5.



Of those who reported that they had used their reserves...

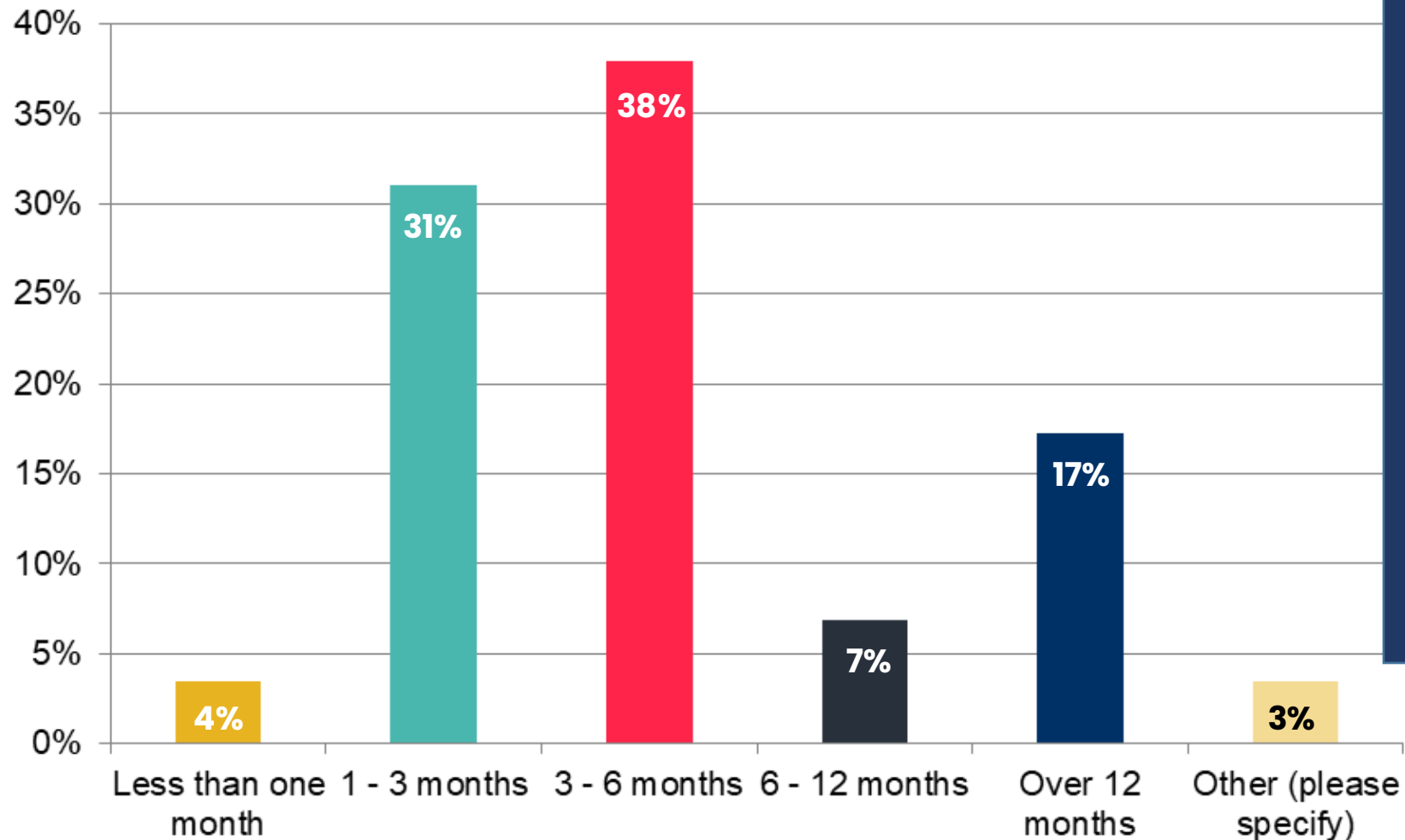
35% had used 10% or less.

5% had used between 76% - 100% of their reserves.

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Level of Financial Reserves

Graph 6.



Only 17% of organisations asked said they had over 12 months of reserves.

31% of organisations have less than 3 months reserves.

73% of organisations asked said they currently have up to 6 months of financial reserves.

The VCSE Sector's Biggest Sustainability Challenges

Contracts and Commissioning:

- Government funds 'falling off a cliff' on 31 March 2025
- Cuts to statutory contracts. Multiple contracts given short-term 'waivers' - sometimes of less than a year
- There's a lack of understanding of our overheads by commissioners
- Increase in staff costs and other running costs and no increase in contract value
- Contracts not increasing in line with inflation
- Transparency and planning ahead by commissioners
- Government policy can be a threat to survival
- Annual contractual uplifts need to be business as usual

The VCSE Sector's Biggest Sustainability Challenges

Funding and Grants:

- Being stuck in funding cycles for new projects whilst struggling to fund core costs
- More people applying for grants and less grant money available
- Investment to become more sustainable (e.g. solar roof panels) is too costly
- Lack of an income strategy or resource/capacity to implement one
- Finding sufficient grant funding to cover staff costs and especially core costs (including management staff)
- Our major funders are clear they wish to reduce funding in future. Securing longer-term consistent funding is becoming increasingly problematic
- Capacity to focus on funding applications versus other tasks within a very small staff team

The VCSE Sector's Biggest Sustainability Challenges

Fundraising:

- Less people are giving less money in a time where we're seeing an increase in demand for services.
- Limited capacity to write funding applications.
- Potential changes in giving priorities and increased need.

Service Users:

- Demand for services increasing and the complexity of service users' needs means they are using our services for longer.
- Difficult balance to keep our user charges affordable whilst maintaining our facilities and services.

VCSE Sector Support

Top ten areas in which organisations need support in relation to funding, finance and other areas

1. Bid writing and identifying grants (who fund core costs)
2. Longer-term contracts
3. Obtaining investment (corporate and other) and generating earned revenue
4. HR support
5. Marketing and communications
6. Volunteer recruitment
7. Calculating the wider social value/impact of our sector's work
8. Collaboration bids/Mergers (sharing resources)
9. Trusted VCSE sector-specific accountants - bookkeeping, end of year accounts, real-time forecasting, and finance-specific training
10. Access to free training courses e.g. first aid, safeguarding, data protection etc.

Comments and Feedback from York's VCSE Sector

Better conversations with commissioners about what they commission and how they do this. Transparency around decision making - the 'them and us' mentality comes up time and again. We need more market engagement with new contracts as well as market testing.

Awareness of the funding available and finding the time to apply for them. As a very small team we struggle to have enough staff and time to complete lengthy funding applications. But events like the funding fair held recently are great.

Persuade funders to get out of their rut on what is eligible for funding. It's very repetitive.

Comments and Feedback from York's VCSE Sector

We need more help with commercialising or funding opportunities to promote step change. Chief Execs spend all their time just keeping organisations afloat and no time to truly change and develop.

Support that is offered usually centres on what the sector needs to do better. I would really like to see commissioners understand what they could do better. Because ultimately, this would give them better bids and a better service for people who are using them.

Not knowing what the future holds with council services and grants available is a major concern.

Our reserve needs to keep increasing - what would have been 6 months operational costs is now only four months operational costs because of salary rises due to National Living Wage (NTL) - can no longer afford to be Real Living Wage employer.

Recommendations to Commissioners:

- Commission **longer term contracts**
- Pay **full cost recovery** to ensure increasing overheads are provided for
- Increase **contract values in line with inflation**
- Include **annual uplifts** in all contracts
- Be **transparent and plan ahead**

York CVS will continue to:

- Encourage commissioners to follow the recommendations in this report
- Provide support to the VCSE for capacity building including income strategies
- Provide high-quality [free training](#)
- Explore how groups can be supported around finance and HR through 1:1 support or training
- Support consortia bids when the opportunity arises
- Support volunteer recruitment and management through York Volunteers, [York's Volunteer Centre](#)
- Support groups to identify funding sources specific to their needs
- Support groups to prove social/financial impact of their interventions through the work of the [VCSE Collaborative](#)



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VCSE Collaborative Communications



Humber and North Yorkshire
Health and Care Partnership

Training and Events

Take advantage of these FREE virtual Health and Wellbeing sessions available to all volunteers and staff working within health and social care including NHS, non-NHS, community care, social care, local authority and VCSE sector. All bookings through - <https://bookwhen.com/hcv#focus=ev-sxwv-20240509110000>

Health and Wellbeing Conversations Training (Free)

- 17 October 12-1pm
- 21 November 12-1pm
- 15 January 12-1pm
- 6 February 12-1pm

This training is aimed at line managers (of any profession), peers and colleagues working in Health and Social Care roles who have caring responsibilities for staff. The training is designed to help you develop the skills to hold safe, effective wellbeing conversations. All discussions in the group will remain confidential and no personal stories will be shared outside of the training session.

VCSE Collaborative Communications



Humber and North Yorkshire
Health and Care Partnership

Training and Events

September 2024

- | | |
|--------------|--|
| 25 September | Menopause Awareness for colleagues and Line managers |
| 26 September | Breathwork for stress, anxiety and overwhelm |

October 2024

- | | |
|------------|---|
| 1 October | Postural awareness |
| 15 October | Menopause Awareness for colleagues and Line managers |
| 18 October | Improving your confidence and self-worth during the menopause |
| 21 October | Managing hot flushes & night sweats |
| 24 October | Vaginal health in menopause |

All bookings through - <https://bookwhen.com/hcv#focus=ev-sxwv-20240509110000>

VCSE Collaborative Communications



Humber and North Yorkshire
Health and Care Partnership

Shine a spotlight on your work in health and care

Whether your group or organisation is shaping the design of services or delivering them, or if you advocate for, represent and amplify the voice of service users, patients and carers, we want to showcase your activities!

The Humber and North Yorkshire Voluntary, Community and Social Enterprise (VCSE) Collaborative, which represents the VCSE sector across Humber and North Yorkshire Health and Care Partnership (HNY HCP) wants to shine a spotlight on the work of the VCSE Sector and the impact we make across East Riding, Hull, North East Lincolnshire, North Lincolnshire, North Yorkshire and York.

The online template linked below is designed to capture your activities so the VCSE Collaborative can create a news/promotional post which will be shared across HNY HCP, and we hope will be useful to you for your own reporting. [Submit your case study here.](#)

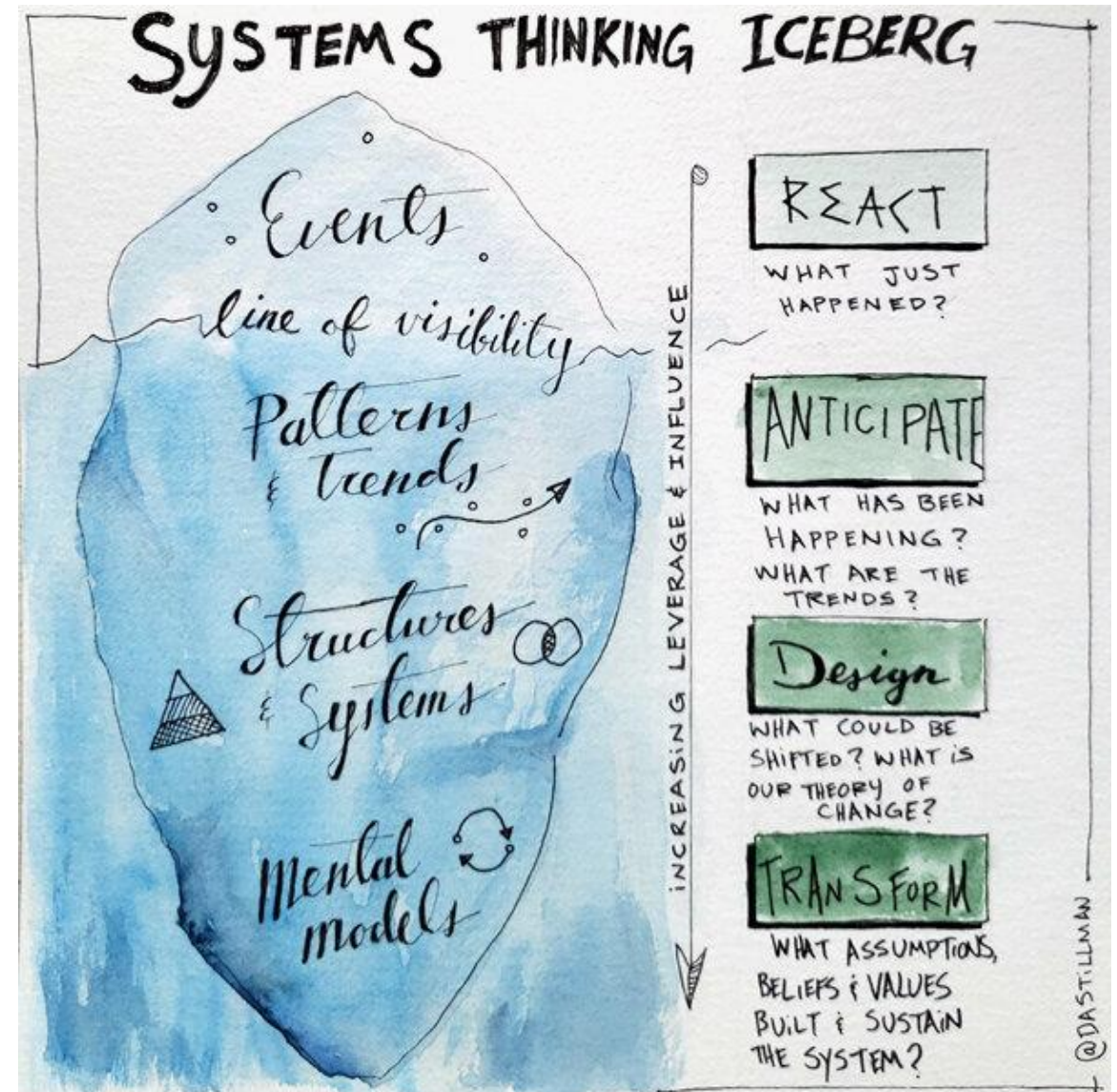


Representation

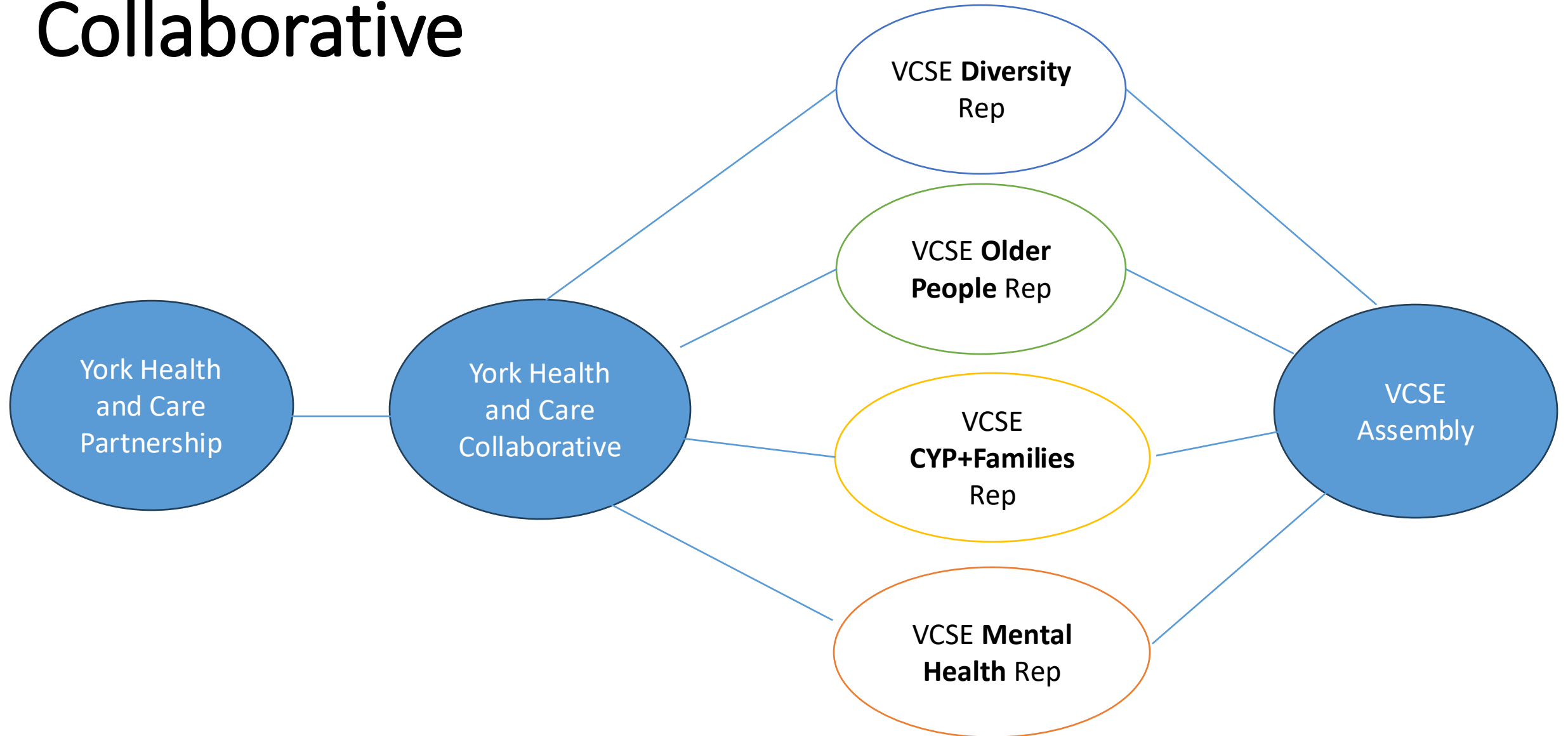
Co-design session
York VCSE Assembly
September 2024

Context

- Rachel Parker, System Change Lead
- Hosted by York Mind in partnership with York CVS, as part of the Community Mental Health Transformation project
- Looking specifically at how health commissioning can lead to better mental health outcomes, through the lens of VCSEs
- Started May 2024, Phase 1 = trends, Phase 2 = ideals, Phase 3 = plan, Phase 4 = test



York Health and Care Collaborative



Representation

Noun

the action of speaking or acting on behalf of someone or the state of being so represented



Group Discussions:



1. Why do you want to be represented on the groups, what do you hope it will achieve?
2. What would gold standard representation look like to you?
3. What ways of working, support or principles might need to be in place to ensure that standard could be upheld?

Next steps

- **Findings on ideal ways of working** will be used to:
 - >Shape a VCSE contract and way of working
 - >Inform the system at local and regional level of what the sector needs
- **Collaborative meetings** will be held on last Thursday of each month
 - >Takeaways will be shared at steering group and wider assembly
 - >Over time, VCSEs may design ways of communicating from there

Thank you

If you'd like to stay involved in this area of system change work, please get in touch!

rachel.parker@yorkmind.org.uk

Thank you and close



Climate Change, Health and the Role of the VCSE Sector

10 October, 10am - 12noon, Main Hall, Priory Street Centre

We will explore why climate change is a public health issue, its impact in York, and the role of the VCSE sector. You'll hear from expert speakers and engage in key discussions.

[Book online here](#)

York VCSE Assembly Meeting

Save the date – 13 November, 10am – 12noon, Main Hall