



Build Back Better Together

Voluntary & Community Sector Resilience
Report Summary

North Yorkshire May 2020



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Yorkshire

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Background and Introduction

The UK was put into lockdown on 23 March in an unprecedented step to attempt to limit the spread of coronavirus.

The voluntary and charity sector is having to work in different ways, be flexible and is, in some cases, under real financial pressure to respond to the lockdown. This pattern of work and pressure will continue for some time after the end of the lockdown as the country emerges from the largest social and economic closure, and moves into a national and world period of recession. Pressures on the voluntary and charity sector, NHS and public health will not ease.

Community First Yorkshire is keen to understand the pressures being faced by the voluntary and charity sector as a result of the coronavirus crisis. One of the sources of evidence the organisation is drawing upon is the 'VCS Resilience Survey' which is a Yorkshire and Humber-wide survey drafted by a partnership of infrastructure organisations - Forum Central, Leeds Community Foundation, Social Enterprise Yorkshire and Humberside, Third Sector Leeds and Voluntary Action Leeds. Voluntary Action Leeds has been responsible for gathering responses and sharing the data with all partners who have made use of the survey.

The results from this survey contribute to Community First Yorkshire's wider intelligence gathering aims which are:

1. To provide local and sectoral information about the **impact, challenges and concerns** of the sector responding to Covid-19 and its implications
2. To use the data to **shape support** and/or to use in messages to the sector to engage with support
3. To have data to **influence and share** with local, regional and national public bodies and funders including grant providers, to shape policies, investments and ways of working.
4. To **plan for coming out of the crisis**.

The guiding principle behind this work is to have service 'beneficiaries' central to the interpretation of data and actions to be taken.

This summary is supplemented by a full detailed report with selected data analyses by organisation size, location, location of delivery and other variables that could help decision-makers work together to identify and put in place appropriate support. The full report contains data tables not included in this summary.

The report and summary will be shared with a number of stakeholders. A number of presentations about the findings and conversations about the implications are taking place with VCS colleagues and partner organisations from the local authorities, NHS and national bodies such as ACRE and NCVO.

The report and summary are on our website.

The research project is part of Community First Yorkshire's Community Support North Yorkshire service funded by North Yorkshire County Council and NHS North Yorkshire.

Anyone using the report information is asked to acknowledge Community First Yorkshire as the source.

Survey method and scope of this report

Fieldwork took place between the 20 April and 1 May 2020. 188 responses were received and analysed.

To assess the volume impact estimated baseline figures of voluntary organisations and charities in North Yorkshire range from 5,000 predominantly charity registrations and to 10,000 including other formerly constituted and informal groups. Percentages should be applied to these numbers to gauge the size of the impact.

This report details the results from surveys completed by organisations whose main location was in North Yorkshire, which includes the 7 Districts of:

1. Craven – part of Airedale Wharfedale and Craven CCG
2. Harrogate*
3. Richmondshire*
4. Hambleton*
5. Ryedale*
6. Scarborough*
7. Selby – part of Vale of York CCG

Within this geography is the scope of the North Yorkshire Clinical Commissioning Group (CCG) comprising the 5 Districts
*asterisked

All the Districts except Craven are part of the NHS Humber Coast and Vale Health Care Partnership geography. Craven is part of the West Yorkshire and Harrogate Health Care Partnership. Each of the Health Care Partnership areas are producing reports on the impact of Covid-19 across each of their footprints. This report and the wider intelligence will contribute to the wider geographical reports, as part of Community First Yorkshire's collaborative work alongside that of NHS and public health partners in those areas.

Data comparisons are made with the findings from Community First Yorkshire Awareness and Engagement Survey 2019.

Independent consultants Skyblue Research Ltd

Community First Yorkshire commissioned independent consultants Skyblue Research Ltd to analyse the findings and report on the impact and conclusions.

Disclaimer: The information in this document is presented in good faith and is thought to be accurate at time of drafting (May 2020), however, the author cannot accept responsibility for any errors or omissions. Prepared for Community First Yorkshire by Skyblue Research Ltd (alan@skyblue.org.uk).

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VCS organisation characteristics

Organisation structure key points

- 55% of respondents are from registered charities, 17% are companies limited by guarantee and 15% are charitable incorporated organisations. 13% are groups are unincorporated associations or forums whilst 6% each are from Parish or Town Councils or are from a community interest company. 2% each were from a mutual or a church.
- 43% of respondents are from organisations with an annual turnover of less than £10k. 73% (just under three-quarters) of the sample belong to organisations with an annual turnover of less than £100k. 23%, nearly one in four, have (turnover more than £100k and less than £1 million. Six organisations (<4%) in the sample turnover more than £1million. This spread and the organisation status are in line with the profile of organisations responding to the 2019 Client Survey.
- 42% (two in five) respondents say their organisation earns more than 50% of their income from trading.

Location / service delivery key points

- The profile of responses is from organisations located in Harrogate (23%), followed by Hambleton (17%), Ryedale (15%), Scarborough (13%), Craven (12%), Selby (9%) and Richmondshire (7%). This profile is reflective of the reach of previous surveys and the profile of the North Yorkshire population, although responses from Selby and Scarborough are slightly below expectation.
- 81% (152) of respondents are based within the geography of North Yorkshire Clinical Commissioning Group.
- Where organisations deliver their activities is very similar to the profile of where based, Harrogate (21%), followed by Hambleton (12%), Ryedale (12%), Scarborough (11%), Craven (10%), Selby (9%) and Richmondshire (8%). The main difference is that 11% deliver services in multiple Districts and 6% deliver service North Yorkshire countywide.

Workforce key points

- Workforce capacity is down by 40%, two fifths, compared to January 2020.
- 55% (104 out of 188 respondents) said their organisation had paid staff. The figure is broadly the same as the proportion which had employees in our 2019 Client Survey. The majority of organisations, 70% of those with staff, had fewer than 10 staff, which is in line with the profile in the 2019 Survey. Collectively the sample had 1,778 staff.
- Estimates provided by 99 of these 104 organisations¹ found that 62% of their staff are currently working meaning **capacity has reduced by 38% since the Covid-19 crisis.**

¹ 99 organisations provide data for their total staff and current number of staff working. They had 1,184 staff of which 738 (62%) were working. 5 organisations with 594 staff did not provide an estimate of how many were currently working, and this included the largest employer in the sample.

- 176 organisations said they had 7,516 volunteers in January 2020, and of these, **60% (4,374) of the volunteer workforce is still working** suggesting again that 40%, two fifths, of capacity has been reduced in light of the crisis.
- 39 organisations with staff (38% of 104 organisations) said they had furloughed at least one member of staff. 26% of the staff in these 39 organisations were furloughed in April 2020.
- 21 out of 31 organisations that employ more than 10 staff had furloughed at least one member of staff. Collectively they had furloughed 283 staff or 20%² of their 1,392 total workforce. This masks the variance in furlough levels though which ranged from 2% to 100% of the workforce.
- There was a mixed response to how organisations had coped with the furlough process. This ranged from those who had experienced no challenges and described how helpful HMRC had been; through to those who had relied on accountants and / or were waiting for the portal to open before being able to say whether it would work easily or not; to those who had some challenges in terms of initial clarity about the scheme and accessing a Unique Taxpayer Reference (UTR) number. Some said it had created a moral dilemma about who to furlough. In some instances, remaining employees have to manage increased workloads and capability within a team can be impacted.

Service characteristics and managing change

Service demand key points

- 22% of organisations have experienced an increase in demand for their service, whilst 57% have experienced a decrease in demand. 1 in 5, 20% say that demand has stayed the same as prior to the Covid-19 crisis.
- Those experiencing an increase in demand are more likely to be larger, rely on trading for less than 50% of their income and are located in Selby, Ryedale or have an operating model where they are located in multiple Districts and can deliver services across the whole of North Yorkshire³.
- Conversely, those experiencing the greatest decreases in demand for their service rely heavily on trading income (more than 50%) – with almost 9 in 10 of these seeing a reduction in demand; are micro-organisations with an annual turnover of less than £10,000 and are located in Hambleton or Richmondshire. 42% of organisations rely on more than 50% of their income from trading, and among this group 85% have seen a decrease in demand.
- At least 22% have closed their venue/service completely.
- 85%, nearly 9 in 10 organisations, have had to close (22%) or put on hold part of their service (62%). 49% of all organisations have been able to maintain their service with modified delivery.

² A similar survey conducted in Surrey (May 2020) found that the average rate for furlough was 30% of staff for charities employing more than 10 people.

³ It cannot be proven by this survey, but similar surveys produced in England suggest that those experiencing increased demands are more likely to be oriented towards health and care services linked to statutory sources of funding.

Service maintenance and modification key points

■ 63%⁴ of organisations which have continued to operate have been able to maintain their service with modified delivery. This included a move towards digital, telephone, video-calling and remote services in place of face to face support they are unable to deliver owing to social distancing rules. Some offer a combination of remote and direct delivery services e.g. collecting or dropping off food, shopping and medications particularly to those being shielded, vulnerable and isolated. Other more individual modifications described by respondents included:

- taking over and / or supporting a local community asset (e.g. food bank)
- modifying a community care outreach service
- modifying their hospital transport and meals on wheels service
- providing (long-term) accommodation for homeless people.
- opening a community shop for longer hours.

■ Those with transport / vehicles had significantly changed their model in terms of hours of operation and limiting the number of passengers at any one time with advanced bookings (impacting on them in terms of higher costs having to use less efficient vehicles).

■ Most village hall / venue-based respondents – and many of those that rely on the venue for their service e.g. events, weddings, activities - said they had closed completely with no income coming in. Some village halls had instead mobilised volunteers and used whatsapp to support local community responses. One hall had used the venue innovatively so that the space could still be used safely observing government guidelines.

■ Faith organisations in the sample discussed numerous ways they had reached out in to their community using technology (live streams of services of worship) and via volunteers to support local community needs.

■ A small number reported that their delivery model had changed completely out of necessity, and for a few, very positively they had started different, new or additional services.

■ 68 (36%) are linking in with a volunteer programme (e.g. Community First Yorkshire, Local Authority etc.)

Services at risk and the consequences for clients and beneficiaries key points

■ 63% (over 3 in 5) organisations identified at least one area of delivery that was currently at risk owing to Covid-19. 56 different types of services were mentioned. The four services most at risk are: The hire of premises (19% of all mentions); community social activities / events (11% of all mentions); services for people feeling lonely or isolated (6% of all mentions); and other (formalised) group work e.g. classes (6% of all mentions).

■ The long list of services at risk punctuates just how diverse the voluntary and community sector is in North Yorkshire and the people they seek to support. Within the list are services that would affect vulnerable people (as defined in the government's recently published Covid-19 Recovery Strategy⁵. See appendices for the guidance)

■ Services at risk are across a spectrum of activities relating to health, care, mental health, transport, culture, education and the environment affecting children, young people, older

⁴ 147 organisations have not closed their service, and of these, 93 have been able to modify their service or delivery

⁵ 11th May 2020; <https://www.gov.uk/government/publications/our-plan-to-rebuild-the-uk-governments-covid-19-recovery-strategy/our-plan-to-rebuild-the-uk-governments-covid-19-recovery-strategy>

people, people with physical and / or learning disabilities, victims of crime and people with different limiting conditions, memory loss or dealing with a significant life transition or event e.g. bereavement.

■ 44% of organisations said they were finding digital exclusion an issue, primarily but by no means exclusively for older people (46% of mentions). This insight can usefully be shared with those responsible for the North Yorkshire Digital Strategy and to determine if and how solutions can be shaped with the sector.

Viability and support

Financial sustainability key points

■ 14% of organisations, approximately 1 in 7, can only sustain themselves financially for up to 3 months – to the end of July 2020 – if the current situation continues. These could be described as at significant risk.

■ 27% or 3 in 10 can sustain themselves for 6 months. Whilst stable for now, these become at risk in the medium term depending on how long the lockdown continues and related measures continue.

■ Taken together this means that nearly 4 in 10 (41%) of organisations in the sample can at best sustain themselves financially for a period up to 6 months, by end October 2020.

■ Encouragingly, 59% (106) say they can sustain themselves for at least 12 months. This comprises 32% (58) able to sustain themselves for a year and 27% (48) or 1 in 4 say they can sustain themselves indefinitely. 59% indicated they are sustainable beyond 6 months, this compares to around 80% of organisations indicating strong sustainability for 6-18 months in the 2019 Survey

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■ 9 (28%) of organisations with an annual turnover of more than £100k but less than £500k were the most likely to say they would be 'at risk' i.e. would be financially sustainable for 3 months. A further 12 (38%) of these organisations said they would be viable for only 6 months meaning that only 34% of organisations with turnover in the £100k-£500k sizeband feel they are financially sustainable beyond October 2020 should the current situation continue.

■ Most sustainable are those organisations with a turnover of more than £1 million with 80% able to sustain themselves indefinitely, and some micro organisations with 40% saying they can self-sustain indefinitely as well. Risk in the medium term seems punctuated around organisations with annual turnover of more than £10k and up to £1 million in this sample.

Income streams affected or at risk key points

■ 70% (131) of respondents identified at least one income stream that had been affected by Covid-19. The income that has been affected most owing to the lockdown has been rental

income (affecting 1 in 4 organisations) due to buildings being closed; and the ability to raise funds from activities, events, donations (affecting 1 in 5 organisations) and trading income from paying customers, clients or user groups (also affecting 1 in 5 organisations).

■ Risks to these income streams brings concomitant risk to services for health, care, respite, transport, emotional support and other services in North Yorkshire.

■ Looking at immediate challenges for cash flow and expenditure 69% of respondents said they faced at least one challenge, the most significant being the inability to generate any income at all – or at much reduced levels – owing to closure and / or observing government guidance for Covid-19. This issue affects 1 in 5 (20%) of organisations ‘now’. The other cash-flow challenges are paying for utilities (10%), salaries (9%), maintenance costs (7%) and insurance costs (5%).

■ Medium term challenges (6-12 months from now) relate to the behaviours of funders, grant giving bodies, local authorities and customers / users in addition to the prolonged social distancing measures expected to continue for some time. Managing expenditure on no or reduced income is possible for some, but others fear that reserves will be depleted and redundancies and closures are a possibility. Depleting reserves will have a knock-on impact on services which are continuing and capacity of the sector, as reserves are often used to cross sub-subsidise services and that resource will be lost.

Funder flexibility key points

■ 50% of 108 respondents said that they had found funders, grant giving bodies and local authorities to be flexible and supportive in at least 15 different, practical way regarding grant and contract income⁶.

■ Support has come particularly in the form of continuing to honour payments for contract services, and enabling services to be modified without penalty.

■ Support is forthcoming particularly when there is trust in the relationship and this is achieved by the voluntary or community sector organisation being transparent about their situation, their plans for modifying services and keeping their funder(s) informed.

■ By comparison, 22%⁷ said they had experienced some challenges with funders around grant / contract income. These concerns related to uncertainty about how long funders and local authorities would continue to support service delivery beyond the short term (1-3 months) period, delays and deferral of project decisions and lack of resources to fully deliver service modifications to meet increased demands.

Sources of support and advice being used key points

■ 76% (143) of respondents said they were currently using at least one form of support of advice. The overall use of support advice has multiplied three-fold from the level reported in the 2019 Community First Yorkshire Client Survey.

⁶ This question was not applicable to 80 (43%) of the respondent organisations as their model for income generation did not rely as heavily on grant or contract income rather traded services.

⁷ 43% of 55 able to comment on this dynamic

- The most frequently used is from Local Authorities (47% of the whole sample or 61% of those that are using support and advice). At the time of the survey local authority grants, business rate changes and other support was being announced. Access to local authority support is around double the level reported in the 2019 Client Survey.
- Local contacts, local networks and partners (37%) are also a prevalent source of support and advice, as is support from infrastructure organisations (31%) such as Community First Yorkshire. A list of support organisations was not provided on the survey,
- Organisations in Craven and Richmondshire appear to have been using support and advice from local authorities in particular whilst organisations located in Scarborough have been more likely than others to access support from 'infrastructure' such as Community First Yorkshire. Followed by organisations in Harrogate and Hambleton.
- Organisations in Ryedale and Scarborough are the most likely to have sought support from national third sector networks whilst organisations in Selby are most likely to have used local contacts and partners for support and advice.
- 45 (24%) respondents are not using any support or advice at present. Organisations located in Hambleton (36%), Ryedale (29%), Richmondshire (29%) and Harrogate (26%) are slightly more likely not to have been using support and advice compared to organisations in other Districts.
- 38 of 45 organisations not using support gave data about their likely financial sustainability. Perhaps of some concern is that 3 (out of 22 in total) that can only sustain themselves until June are not reaching out; similarly, 8 (out of 48) able to sustain themselves only for 6 months are not accessing support. This means that 11 (out of 70), 15% or just under 1 in 6 organisations facing short term financial challenges are, for whatever reason not seeking or receiving support and advice that could potentially assist them. The others not taking advice are more confident they can sustain for 12 months or indefinitely.

Areas of support needed key points

- 37% (70) of respondents described at least one area of support they needed whilst 56 (30%) said they did not need any support or felt the question not applicable to them.
- The 70 respondents needing support mentioned 116 different things that have been coded up to key areas of support the most prevalent being financial support mentioned by nearly 3 in 5 organisations (57%) who welcomed support. This was a mixture of the need for direct cash support from any and all sources available, to getting help locating sources of funding including grants.
- Proportional to support used in North Yorkshire in the 2018/19 period, responses to this 2020 survey, though not directly comparable, suggest a greater and more urgent need for financial and volunteer management support; along with new needs not examined before i.e. advocacy and sector representation (albeit in order to achieve further financial assistance primarily).
- IT and digital support needs may also be another area that require specific attention as a result of Covid-19 – the topic of a new, bespoke survey currently being distributed in the county until 21 of May 2020.

Positives and other observations

Positives and changes

■ 60%, 113 of 188 respondents, were able to think of at least one positive that has, or could emerge from the current situation.

■ There were 10 types of positives grouped into a number of themes:

Community action

- Greater unity and kindness
- Greater awareness of/and desire to help the most vulnerable and reaching new people
- Staff and volunteer commitment in face of adversity
- New volunteers and more social action

Direct quotes focus on collaboration within local communities:

“A greater connection being forged with local people and other local volunteer bodies: togetherness! creativity in how we engage in our mission! e.g. livestreaming services and midweek children focussed online provision”

“An Increase in the desire for the community to come together.”

“More community engagement”

“Growth of mutual aid groups/community action/neighbourliness - to be harnessed, sustained long term.”

Community organisations

- Creativity, adaptation, agility, self-help and new skills
- New ways of working (IT, at home with others)
- Higher organisational profile; with more and better, supportive relationships
- Time for reflection, taking stock, planning

Direct quotes reflect the positives of collaboration:

“Links with network of similar organisations via our national association have been invaluable.”

“Increased relationships with local organisations.”

The positives included better communication with the public sector:

“A greater communication with the unitary authority.”

“Better relationships with statutory sector - they finally pick up the telephone and talk to us.”

“Support from NYCC and RDC has been excellent it shows that Charities such as ours are valued and valuable to the community.”

“Strong links with our LA partners (less so with health directly but LA has links)”

“People, organisations and funders are realising the need for our organisation more than ever.”

Practical actions being taken

- Maintenance tasks possible whilst venues are closed
- More appreciation and use of green space and the environment

Conclusions:

Challenges

Responses suggest that organisations are broadly responding in at least one, if not a combination, of ways to the current situation:

1. Reframing, repurposing or modifying their services and delivery methods to retain income and meet local community needs
2. Reducing overheads (e.g. reducing staff costs/hours and using the furlough scheme where eligible; turning off heating) to maintain some form of core / partial service
3. Delaying / deferring and or altering pre-existing project, service, contract schedules in agreement with a flexible funder and meantime keep the organisation running with existing reserves and contract income
4. 'Plugging the gap'
 - a. Short-term mind-set - looking at the immediate crisis of shortfalls in income by using reserves (where available) and /or seeking grants and funding from other government / foundation sources (as well as self-initiated Crowdfunding and Easy Fundraising activities); and /or trying insurance claims
 - b. Medium –term mind-set – for those able to sustain for at least 6 months they expect a loss of income and are looking for solutions that support current cash-flow and especially help aid business recovery around 6 months from May; framed in the form of a 'business recovery plan' or equivalent
5. Re-scheduling bookings for room hire to later in the year where customers agree
6. Marketing – by maintaining contact with members / constituents to continue a sense of community and thus and encourage them to 'come back' once lock down measures are eased i.e. to mitigate any longer term loss of trade, participation or patronage
7. Supporting the local community in other ways (non-financially oriented)
8. Linking in with a volunteer programme (68 / 36% are doing this)
9. Not addressing the challenge at all due to ability to operate / government guidelines.

Funders and statutory services could use these insights as a basis for considering how best to support the different mind-sets and situations in the sector currently whether it be around response, hardship, recovery, development and innovation.

Impacts of Covid-19 on the sector

Workforce capacity	↓ by 40% since January 2020
Demand for services	↑ for 22% of organisations ⁸ → for 20% of organisations ↓ for 57% of organisations ⁹
Closed venue or service completely	22%
Closed or put on hold part of service	84%
Maintained service with modified delivery	49%
At least one area of delivery at risk ¹⁰	63%
Digital exclusion found to be an issue	44% (of which 46% say affects older people)
Linked in with a volunteer programme	36%
May struggle to sustain beyond 6 months	40%
At least one income stream affected	70%
Facing at least one cash flow challenge	69% ¹¹

⁸ Particularly amongst organisations (1 in 3) who do not rely on more than 50% of income from trading

⁹ Particularly affecting those who rely on more than 50% of their income from trading (85%)

¹⁰ 56 different services described in the survey

¹¹ The NCVO March 2020 survey found 44% of organisations to be experiencing cash flow issues

Funders found to be flexible, supportive	50% (grant / contract income only)
Challenges with funders	22% (grant / contract income only)
Using at least 1 form of support or advice	76%
Describe at least 1 form of support needed	37% (70 organisations)
Said no support was needed	30%
Did not answer whether needed or not	33%
Financial support needed	57% (of 70 organisations)
Could identify at least 1 positive	60%

The survey has revealed different impacts on organisations depending on their:

- Level of financial stability / their ability to financially sustain in to the future
- Location partly owing to the way in which they can access local support and funding
- Active delivery area because of the populations they serve and their needs
- Business operating model¹² i.e. services, workforce, revenue channels, processes
- Capabilities and capacity
- Key assets to generate income e.g. buildings, venue hire, people (experts and / or generalists to support the most vulnerable people in communities)
- Agility i.e. ability to turn the crisis into an opportunity and / or support emergency response activity in their localities
- Customers' and supporters' behaviours i.e. increasing demand and donations, requiring the same demand and or reducing demand and fundraising opportunities.

Particularly affected organisations, those that may struggle to financially sustain themselves beyond 3-6 months appear to have an annual turnover between £100k and £500k (3 in 10 are struggling by July).

Only a third of all organisations in this size band say they can sustain beyond end October 2020 and given their size, staff and likely service delivery scale. Any losses in this category will have multiplier impact effects on the wider infrastructure.

Risk in the medium term seems punctuated around organisations with annual turnover of more than £10k and up to £1 million in this sample, and within this wide size band will be nuanced and specific risks and challenges linked particularly to their income generation model (i.e. whether more dependent on trading as opposed to contracted services for more than 50% of their income) and / or their level of reserves.

Whilst 40% of micro-organisations (with less than £10k income a year) can sustain indefinitely there are a greater proportion who clearly could not. Their trading income is reliant on the ability to fund-raise, use their venues (where appropriate) and have community engagement activities and events which are currently locked down.

Whilst some say that their overheads are minimal they do nevertheless face a range of cash flow challenges that could perhaps be supported either directly through grant support and / or collective bargaining e.g. support / negotiations with utility and insurance providers to encourage them to defer or offer short-term support. The one thing that will mitigate most, but not all of the impacts of Covid-19 for micro-organisations is the ability for them to open up again and undertake community engagement, fund raising activity to bring in cash, albeit to an expected much reduced level.

Expenditure is being reduced particularly any items of variable cost. 26%, one in four, paid staff have been furloughed, and retained staff appear to be working reduced hours by

¹² The extent to which their organisation organises itself around the balanced scorecard themes of 1) finance 2) customer 3) learning, growth and innovation and 4) internal business processes.

agreement where this is possible. For those seeing an increased demand for services, costs have risen and expenditure needs carefully managing but they are grateful to be fully occupied. Organisations relying on contracted services appear more stable than those relying on trading for more than 50% of their income but even they fear for medium and longer term prospects should the lockdown and social distancing measures be prolonged.

Concerns and timeline

The survey reveals short-term, medium-term and longer-term concerns, again, depending on the variables previously described.

<p>Short-term concerns (next 3 months)</p> <p>SURVIVE - URGENT</p>	<ul style="list-style-type: none"> ■ Survival and cash-flow challenges particularly amongst those unable to operate, those reliant on more than 50% of their income through trading, those seeing a decrease in demand for their services¹³ and / or have been unable to modify their service delivery ■ Seeking reassurance from local authorities, CCG and others to honour payments for contracted services / agree to modifying service delivery without penalty for those with this model ■ Being able to reach the (often vulnerable or isolated) people that they serve and support so that they don't suffer unnecessarily ■ Managing staff and volunteers in response to changes in demand for services (increases, reduction, redeployment) – this means managing not only the volumes and hours but their wellbeing
<p>Medium-term concerns (3-12 months)</p> <p>REVIVE - INNOVATE</p>	<ul style="list-style-type: none"> ■ Funder and grant giving body intentions to help support response and recovery during 2020/2021 – some are concerned that if all focus solely on Covid-19 there is much less to go around the wider sector and this may threaten 'prevention' or upstream activities and therefore some parts of the wider VCS infrastructure ■ Customer / client / user group behaviours as lockdown measures are eased, and whether they will continue to attend and make purchases, donate and contribute as they did before ■ Maintaining services that are already at risk; 56 were identified in the survey including many that are aimed at vulnerable people¹⁴ ■ Being able to generate income once again without having to rely on depleting reserves ■ Winter bills for those responsible for venues and their upkeep without the ability to earn income at sufficient levels for upkeep ■ Funding gaps when current grants for projects finish in the medium term
<p>Longer-term concerns (1 year and beyond)</p> <p>THRIVE - BUILD BACK BETTER TOGETHER</p>	<ul style="list-style-type: none"> ■ Risks to funders themselves, who facing cuts, may be unable to provide support needed or previously available ■ Funding not being available for longer term, developmental projects that had been conceived before the current crisis, and which would have affected cash-flow (and therefore stability) from 2021 onwards ■ A reduced demand for services and / or discontinuation of funding for contracts leading to the need for redundancies. ■ Wider macro effects – people having less money (reluctance to spend on community leisure activities or donating), businesses ceasing trading (less need for room / office rental or sponsorship) and even a fear of bank collapse

¹³ Punctuated especially amongst organisations delivering services in Hambleton and Ryedale in this survey

¹⁴ Services at risk are variably health-, care-, children-, mental health-, transport-, culturally-, education- and environment-related affecting children, young people, older people, people with physical and / or learning disabilities, victims of crime and people with different limiting conditions, memory loss or dealing with a significant life transition or event e.g. bereavement.

Building Back Better Together

This data suggests that up to 14% (700) organisations¹⁵ might be unable to financially sustain themselves beyond July 2020; and a further 27% (1,300) may struggle beyond October.

Partners will need to work together to consider how best to retain and rebuild the current infrastructure of voluntary organisations and charities providing public services and working in communities.

Retaining the current network of organisations, in particular those in the medium size bands (£100k-£500k) will be a focus whilst, rebuilding will require collaboration and collective working.

Knowing what the strategic intent of funders, grant giving bodies and local authorities collectively 'now' and how their behaviours are likely change over the short, medium and longer terms, is an important part of sustaining and building back the sector. Clear communication from these bodies contribute to confidence in the sector in North Yorkshire, a 'roadmap' to 2022 for their investment intentions, expressed collectively so that it is clear what emphasis they will take to supporting Covid-19 response, recovery, hardship, development and innovation¹⁶.

The opportunity is for the sector to work together with one another, funders and local / government to achieve an adequate balance of direct financial, business support, and advocacy where needed, to 'build back better - together'. The short and medium terms are about laying the foundations for a 2022 horizon.

Any future survey work should explore the nature of services provided by each organisation, predicted loss of income over different time periods and likely impact on services for which kinds of people in their communities. Comparative responses to Covid-19 in different parts of the country may also inspire¹⁷.

¹⁵ Assumes there are 5,000 VCSE organisations in North Yorkshire. Very conservative based on registered charities not friendship group and estimates also put the sector at a total of 10,000.

¹⁶ in much the same way that the NCLF has publicly stated its focus on Covid-19 organisations best able to reach vulnerable people in communities for the next 6 months

¹⁷ Community Action Norfolk has a survey with useful questions aimed at obtaining information about organisations working with vulnerable groups particularly given likely flow of government money to protect the NHS and reach vulnerable groups to respond to Covid-19. Other surveys for inspiration include this one from VHS Scotland with a qualitative approach focused on understanding the impacts on vulnerable people <https://vhscotland.org.uk/event/impact-of-Covid-19-on-voluntary-health-organisations-members-zoom-meeting/>. Voluntary Impact Northamptonshire: <http://www.voluntaryimpact.org.uk/> (https://esurv.org/online-survey.php?surveyID=MCIMNI_e2f30813). Community Action Suffolk: <https://www.surveymonkey.co.uk/r/CAS-VCSE-survey> Berkshire Community Foundation: <https://www.surveymonkey.co.uk/r/BQFLNKB>

What Next

What does it mean for voluntary groups and charities, and beneficiaries?

- Keep in touch with support services and the public sector, as part of a network of public services.
- Use the help that is available and web-based resources for information and learning (Community First Yorkshire, NYCC, NCVO etc), and be part of local networks for sharing learning and generating ideas.
- Retain, adapt and celebrate the positives – working in the spirit of unity and kindness, retain the commitment of staff and volunteers, building on the benefits of the new ways of working, creativity, adaptability and agility.

What does it mean for Community First Yorkshire?

- Develop a local plan responding to the findings, taking forward tracking survey/s
- Feed into and shape partners' plans, co-ordinating partnership working within and across sectors
- Raise awareness and provide support and resources to reach groups farthest from accessing help. Focus on support to manage change, cash flow and collaboration
- Facilitate local structures for groups to network, learn from one another
- Build on the community ownership and maintain engagement of volunteers
- Act as a broker of packaged of support

What does it mean for funders and commissioners?

- The flexibility of funders has been acknowledged and the closer relationship is wanted to be built on. Investing in core costs has emerged as necessary for the future, especially as reserves will have been depleted. Allow time for partnership working to develop, time for planning and developing the workforce.
- Jointly plan investment for short, medium and longer terms – with a 2022 horizon beyond response, through recovery and into rebuild phases of Covid-19 investment and support. Enable 'adaptive' planning and funding to encourage and sustain responsive and innovative services and activities.
- Grant funders and public funders to join up investment frameworks, to provide support for services which help people live healthy lives in strong and caring communities.

What does it mean for planning?

- Voluntary groups, charities and social enterprises and the public sector working together in public service.
- Jointly plan service development and new services
- Make use of shared intelligence
- Share ambitions and work collaboratively to make change for the better
- Engaging together in system change, structures and workforce development.
- Working with the sector towards a common purpose and growing civil society.

Build Back Better Together