

# “Living on the Edge”: a sector in fear of a perfect storm

Nottingham CVS State of the Voluntary Sector survey  
Executive Summary  
July 2012

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# “Living ‘on the Edge’”: a sector in fear of a perfect storm

Nottingham CVS’s State of the Sector survey, 2012

Introduction from the Chief Executive

## **perfect storm**

noun

“a combination of events which are not individually dangerous, but occurring together produce a disastrous outcome.”

Collins English Dictionary

Nottingham’s voluntary sector have been talking about the impact of cuts since the Coalition government took its place in Parliament back in May 2010. We have seen voluntary groups lose staff, seen their capacity to help people diminish, and their funding stunted. All amidst talk of a stronger voluntary sector: a ‘Big Society,’ stronger communities, empowerment for local people to do what’s best for their community, and measures to make the voluntary sector more sustainable long term. Indeed, among the storm clouds of cuts, talk of a stronger voluntary sector felt like a silver lining.

Two years later, re-reviewing these messages from the government, the voluntary sector is asking: what silver lining? Sadly the walk hasn’t matched the talk. The State of the Sector survey from Nottingham CVS, the first in Nottingham since the cuts, has attempted to bring together the experiences, whispers and anger into one comprehensive survey to assess how its voluntary sector is faring.

We have named our report “Living ‘on the Edge’” as it sums up in four words from one respondent what the rest of the sector seems to feel. Similar surveys in other cities have reported a ‘perfect storm’ of increased demand for services, while coping with decreased funding and decreased staff. Nottingham has the same issues, but we don’t believe the storm has fully hit. Yet. We are heartened that Nottingham groups have kept support for clients and volunteers as stable as possible. The problem is we don’t know how long this can go on for, and answers to this in the current climate are riddled with pessimism.

Our State of the Sector survey was answered by 51 groups in Nottingham (all of whom remain anonymous throughout). They represent a cross-section of the 1,200 groups in this city, the services they provide, and the clients they help. While this is a small

sample of the groups that exist in the city, the results are still a snapshot of what the sector feels. Our survey shows that:

- The voluntary sector in the city is facing increased demand for services, while working with less funding and less staff;
- Funding has reduced from all areas, and proposed future funding streams, such as trading, philanthropy and social finance cannot plug these gaps;
- Only half are confident they will still exist next year;
- Over three-quarters fear they will have to shut a service they provide next year;
- Groups have strived to maintain support to clients and volunteers over the last 12 months, but we don't know how long this can go on for;
- Nottingham's voluntary sector are broadly worried about various elements of government policy, such as welfare reform, housing benefit reform and the Big Society agenda, and how it will affect the city's vulnerable people.

The message is clear: Nottingham's voluntary sector has done its best to work with less, but are living on the edge. The perfect storm is coming, and the voluntary sector won't survive it in its current form, meaning they won't be able to continue to help those who need the voluntary sector's help: our vulnerable citizens, like disabled people, homeless people, addicts, and women in need; our vulnerable communities, such as black and minority ethnic communities, our refugees and asylum seekers, our elderly, our children.

Our city.



Helen Kearsley-Cree  
Chief Executive  
Nottingham Community and Voluntary Service

## Key statistics from the State of the Sector survey

- **64%** have seen an **increase in demand** for their services
- **52%** have seen a **decrease in staff** over the last 12 months
- **36%** have reported an **increase in volunteers** over the last 12 months...
- ...but **38%** report a **decrease in the support** they can offer volunteers.
- Groups report that their **services are becoming more generic**, putting those with multiple, cultural and / or complex needs at risk
- **76%** say they **may have to close a service** they provide
- **36%** **may have to close altogether**, with little optimism that their services will be picked up by anyone else
- **69%** are facing **reduced income**
- **76%** have seen **funding streams finish or be cut**
- **25%** of those surveyed **have no reserves**
- **55%** do **not understand social finance** as a funding option
- **63%** are **pessimistic** about their clients' future prospects

## Conclusions

As a sector, we are living on the edge. And it's crumbling. Major national infrastructure and support charities such as NCVO and the Charity Finance Group talk about a 'perfect storm,' but Nottingham CVS are concerned that this only considers a few elements: fewer staff, less money and increased demand. Given the results of our survey, these concerns feel like the tropical storm before the hurricane.

The picture in Nottingham matches elements of the national picture. Funding and staff have decreased, demand has increased, and expectations are low. But the rest of the picture reinforces the severity of the situation. Groups expect further cuts and bigger contracts which will damage the ability of smaller, well established groups to apply. Services are becoming more generic as the government's austerity measures create widening, multi-level social problems which the voluntary sector could readily address given the resources. Many services are already at risk of closure, with broad uncertainty about the future of Nottingham's voluntary sector. Concerns from the sector are selfless, epitomising charity by expressing more concern for their service users than their staff.

Government schemes to help and empower the voluntary sector need substance to match the rhetoric. Social finance is touted as a future funding stream but the voluntary sector are unclear as to how it will work, and those who do know show little confidence in it. More must be done to increase knowledge, participation and engagement with social finance. Nottingham's groups fear government reforms will only serve to further harm voluntary groups and service users, with Universal Credit causing most concern. Groups are concerned that it could do more harm than good as their services shrink and cannot handle the administration which comes with Universal Credit.

This is not to mention other government policy reform, such as welfare, housing benefit and benefit sanctions, the unintended consequences of which risk pushing the vulnerable further away from support. Broader policies, such as Open Public Services, Localism and Big Society must shed their ambiguity and become solid, practical, workable methods of empowerment rather than 'opportunities' for the voluntary sector.

The voluntary sector are unable to seize these opportunities for the very reasons outlined above: lack of resources, contracts which are too large to bid for, the struggle to maintain current services without damaging those they already run and no time to analyse what opportunities government policy offers while doing more than ever before with less. Frankly, less time than ever to address huge, diverse issues.

Nottingham's voluntary sector has done what it has been asked. They have strived to do more with less but feel like they are compromising on services as it is. The message could not be clearer. If asked to shrink more, if the edge looms closer, we won't be able to reduce, or downsize, or make services more generic. The sector will just plummet off the edge. The vulnerable people that groups support won't have anywhere to turn.

Then what?



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