



Rising Costs, Rising Demands

Pulse Survey Report - Q2 2023/24

Our Survey Findings - Quarter 2, 2023/24

What we did

Between July and October 2023, we conducted a second survey of local community organisations, asking them how rising costs and rising demands have affected their organisation's services and sustainability.

Our survey was focused primarily on these three areas:

- Service delivery in the next 12 months
- Volunteering
- What will happen if key challenges are not resolved

Additionally, we found in our open questions that organisations raised staff wellbeing, retention and recruitment as concerns.

Service Delivery

30/77 (40%) of all respondents reported feeling unconfident, very unconfident, or unsure that they can continue to deliver high quality services over the next year.

This rose to **9/12 (75%)** for organisations staffed entirely by volunteers. Additionally, when looking at organisations who primarily support refugees and asylum seekers this rose to **66% (2/3)**, and to **60% (6/10)** with 'by and for' organisations.

In our previous Pulse, a similar number of organisations (**44%**) reported feeling unconfident, very unconfident, or unsure that they can continue to deliver high quality services over the next year.

The below table demonstrates how the size of the organisation, measured in this instance based on staffing numbers, strongly correlates to their confidence in delivering high quality services over the next year:

Size of organisation (paid staff)	Confident that they can continue to deliver high quality services over the next year	Unconfident, very unconfident, or unsure that they can continue to deliver high quality services over the next year
All voluntary (12 orgs)	17%	83%
1-10 paid staff (32 orgs)	53%	47%
11-30 paid staff (17 orgs)	65%	35%
31 or more paid staff (17 orgs)	71%	29%

This matches the findings of the national research undertaken by Nottingham Trent University in their VCSE Barometer work, which found that more than a third (**35%**) of small and medium charities and over four in ten (**44%**) large charities reported that their finances deteriorated in the past three months.

Further to this, they reported the following:

“It is small charities that appear to be struggling the most currently. These organisations, which make up 80% of the charity sector by organisation, are vital to many communities, but have found weathering the last three-and-a-half-years, since the start of the pandemic, particularly challenging. Close to one in four (24%) small charities report that their finances improved this quarter, compared to around three in ten medium and large charities (31% and 29% respectively)”

They did also report that large charities have seen the largest increase in demand, with three-quarters (**76%**) of large charities reporting growing demand for their services in the past three months.



If key challenges are not resolved

In our survey, whilst **5%** of organisations reported that their delivery would not be affected by their current issues (up from **0%** previously), the same percentage (**12.5%**) (rounded to the nearest 0.5%) reported that they will be forced to close entirely if current issues are not resolved.

Further to this, **69%** of respondents told us that they will either use their reserves to pay for staff and delivery costs or have to put on hold certain services or projects.

Volunteering

The insight gathered from our first Pulse survey made clear to us that volunteering has been a prominent cause for concern among many local third sector organisations. As a result, we used this iteration of our survey to understand more thoroughly who may be more vulnerable than others to this challenge.

This ties in with the National VCSE Barometer data which suggest that smaller organisations are struggling more than larger organisations with volunteering, reporting the following:

“The great volunteering decline nationally is hitting small charities hard – almost six in ten (**59%**) small charities report that recruiting volunteers is a major concern for them, compared to **15%** of large charities”

And further to this, the report says:

“Six in ten (**63%**) small charities now cite volunteer recruitment as a major organisational concern, and most charities now describe their experience of volunteer recruitment as ‘difficult’. Wider economic and social pressures are exacerbating this trend, with a third of charities (**34%**) citing the cost of living crisis as an issue for volunteer retention. Nonetheless, a quarter of charities (**27%**) cite a lack of organisational capacity as a key issue preventing volunteer recruitment”

Our localised survey found a similar trend, with **48%** of small organisations (0-10 paid staff) citing volunteer recruitment as an issue, which then drops to **32%** for those with more than 10 paid staff.

However, our survey data do suggest that organisations of all sizes are struggling with volunteering, as those in the medium to large group were citing issues with retention and capacity to support volunteers being key issues. This supports the VCSE Barometer findings that smaller charities are having issues with recruitment, but the table below outlines how organisations of all sizes are encountering difficulties around volunteering:

Size of organisation (paid staff)	No change, or an improvement in volunteering	Citing issues with any of the following: volunteer recruitment, retention, capacity to train & support volunteers	Not known
0-10	34%	64%	2%
All of those with more than 10 paid staff	38%	59%	3%

Overall challenges

Respondents were given the opportunity to describe in free text responses what problems they are facing. Whilst there were a variety of responses, the main themes that emerged are highlighted below:

- 38% of respondents mentioned increased costs (utilities, staffing, transport)
- 25% of respondents mentioned staff & volunteer issues (stress, wellbeing, recruitment, retention)
- 5% of respondents mentioned being unable to meet rising demands

Some of these responses are shared below:

“Having to absorb huge increases in costs like utilities which are not reflected in increases in funding/commissioning leaving us covering the deficit”

“Shortages in supply of donated food which result in higher cost purchases of food to meet needs”

“We are having to reevaluate whether we can afford to deliver our service”

On a similar theme, the VCSE Barometer research found that three in ten (**30%**) charities reported increased rates of staff burnout over the past year, while a quarter (**25%**) report increased absence due to sickness.

This was a theme that also emerged from our local research, with many responses such as the following indicating that staff wellbeing, retention and recruitment were also prominent issues:

“Staff on lower incomes struggle to pay for their weekly food shops”

“We are unable to increase staff wages to meet the increase in living costs. Which means staff are more likely to leave”

“We are struggling to recruit entry level staff as they cannot afford to live in Bristol”

What next?

Voscur is raising awareness of these issues, through networks and communication channels. We are also working with One City Partners to create additional support opportunities for the sector.

If you are able to support this work please get in touch with our Policy, Research & Communications Manager Ian Hudson-Murt (**ian.hm@voscur.org**). Alternatively, if you are an organisation or group that is struggling, remember that Voscur may be able to help - please get in touch with our office by calling **0117 909 9949** or email via **info@voscur.org**.