

# The State of Third Sector for Health & Care in Leeds and Third Sector Resilience Survey into Effects of Covid-19 on Third Sector in Leeds

## Key Findings

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# About this document

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- This document summarises the key findings from *the State of the Sector Report on the Third Sector for Health & Care in Leeds (published soon)* and the *Third Sector Resilience Survey into Effects of Covid-19 on Third Sector in Leeds (December 2020)*
- Demand for Third Sector services is at an all-time high from populations experience the greatest levels of health inequalities. The longer the crisis continues, the deeper these inequalities become.
- While the State of the Sector Report provides a snapshot of the scope, value and strength of Leeds' Third Sector, the Resilience Survey identifies specific vulnerabilities which put the medium and long term viability of this sector at risk if action is not taken now
- Therefore, it is timely to share the combined findings of these two report to identify what Leeds is at risk of losing just when it is needed most, and to share those risks widely so that collective action to mitigate them can be taken more effectively

# The Third Sector for Health & Care in Leeds

## The State of the Sector 2020

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*Harnessing the  
Power of  
Communities*



Produced by  
Nifty Sustainability CIC



LEEDS  
BECKETT  
UNIVERSITY

United Kingdom



**Forum  
Central**

# The Leeds Third Sector for Health & Care – Size

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- Around three quarters of registered organisations, **approximately 1,180, have activities or purposes associated with wider determinants of health and wellbeing.**<sup>2</sup>
  - **This is out of an estimated 3,500 registered and un-registered organisations, which make up the diverse Third Sector in Leeds.** That's around 1,500 registered charities,<sup>1</sup> together with social enterprises, community interest companies, co-operatives, trusts, and other new, emerging or un-constituted organisations.
- **71% are small and micro organisations with incomes of under £100,000 per annum.**
- These smaller organisations are **particularly vulnerable to funding and financial impacts of COVID-19**

<sup>1</sup> Based on Charity Commission data using Charity Explorer and Charity Base searches

<sup>2</sup> Barton, H. and Grant, M. (2006) A health map for the local human habitat. The Journal of the Royal Society for the Promotion of Health, 126(6), pp252-253

# The Leeds Third Sector for Health & Care – Workforce & Income

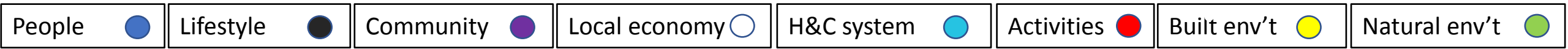
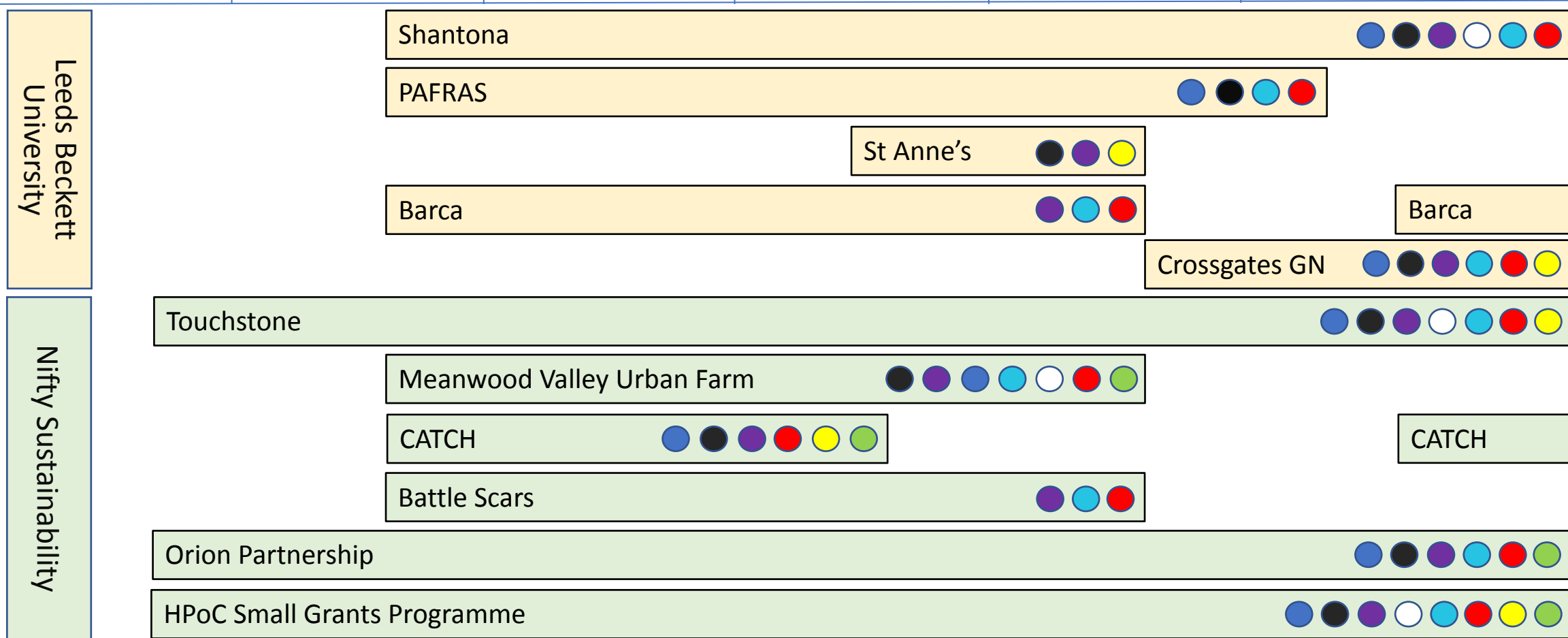
- Pre-COVID 19 an estimated **20,000 skilled workers and trustees, and over 40,000 volunteers** work in the sector. The landscape for people volunteering and working in the sector is ‘constantly changing’. Around **10%** of organisations report having to make redundancies.<sup>3</sup>
- Estimated total annual income for health and wellbeing VCSE sector in 2019/20 = **£281.2 million**

Significant sources of income for 2019/20 include:

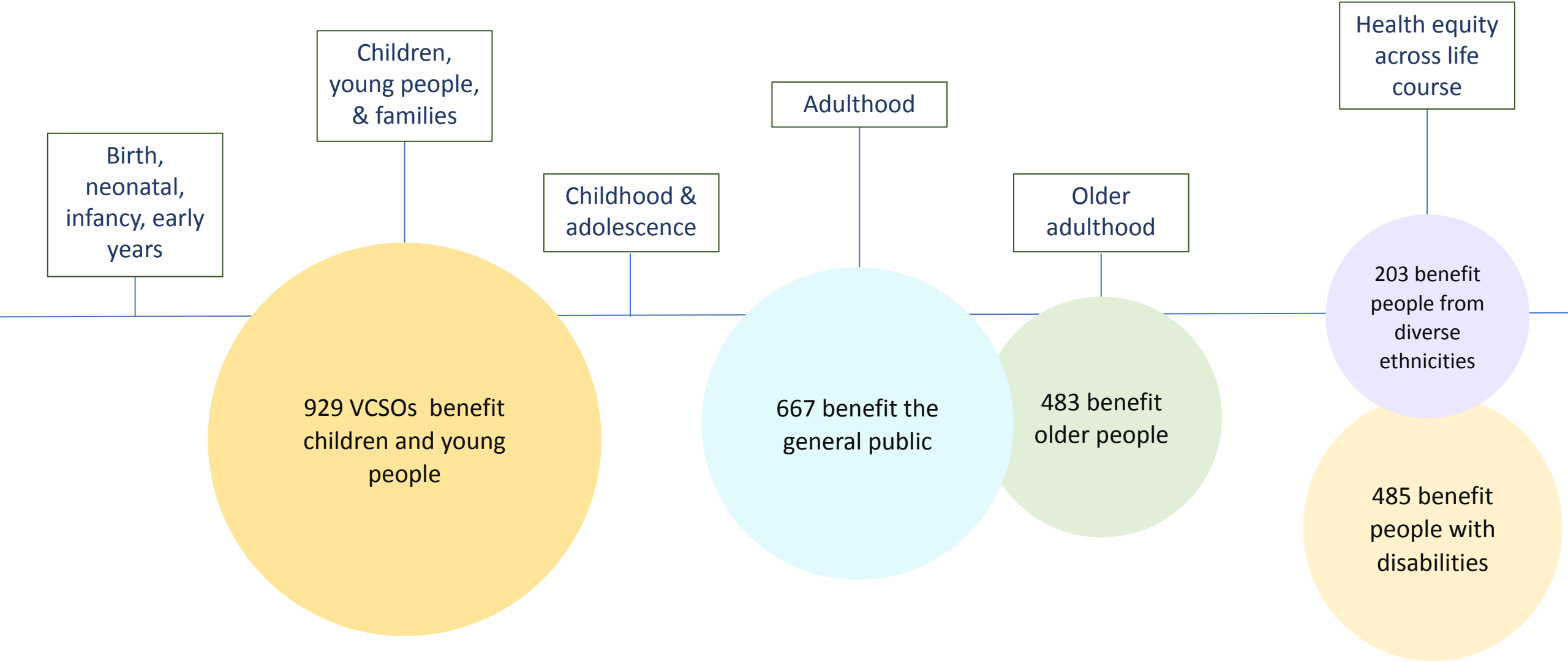
- The National Lottery (circa. £6.4 million across 189 projects)
- NHS Leeds CCG smaller grants/contracts
- Leeds Community Foundation (£4.1 million across 634 grants average £5000)
- Leeds City Council procured services from VCSOs to the value of £106.3 million

<sup>3</sup> Leeds Third Sector Resilience Report December 2020

# Life course/determinants of health: case studies featured in the report



# Life course: sectors that community organisations work in and their beneficiaries



# What the State of the Sector report covers

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- Executive summary
- The Leeds context: strategic priorities
- Composition of the Third Sector in Leeds
- What they do, what sectors they work in and who benefits
- The Third Sector for Health & Care in Leeds:
  - the Leeds Third Sector ecosystem
  - the life course
  - determinants of health
  - structure, support & partnerships
  - governance
  - risks, challenges & vulnerabilities
  - beyond this report
- Case Studies



# Next steps

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## Key outputs

Publication: including promotion, circulation & application of its findings

Work with LBU on how to use this Report with commissioners strategically, and with health & care staff locally

Keeping it live (i.e. both used and cited routinely, but identifying new research that should improve our future SotS understanding and picture)

# Third Sector Resilience Survey into Effects of Covid-19 on Third Sector in Leeds

Report published December 2020

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*Harnessing the  
Power of  
Communities*

 **Voluntary  
Action Leeds**  
Enable · Support · Voice

  
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# Overview

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- From city-wide services to small scale community initiatives, Voluntary, Community and Faith organisations provide a broad and diverse range of services and support across Leeds, targeted at areas of greatest need.
- With a commitment to reducing health and social inequalities, these organisations contribute towards the safety, inclusivity, and wellbeing of the population of Leeds. With grassroots connections and a responsibility to reach the most vulnerable in our society, this survey not only demonstrates how communities have turned to the Third Sector during this time, but also highlights the role the sector has played in responding to crises in Leeds. While this report offers an exclusive assessment of Leeds-based VCS organisations, the key findings complement a wider regional report with data covering West Yorkshire and Harrogate.

# Overview continued

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- The survey findings reflect the impact of the COVID-19 pandemic on the sector. Third Sector organisations have **responded rapidly, mobilising to support the most vulnerable people** during the COVID-19 pandemic, **adapting services** to meet existing needs and **cope with emergency demand**. For many organisations this continues to come with **serious operational and financial challenges**, particularly at a time when **52% of organisations said the demand for their services has increased** since the COVID-19 pandemic. For many the challenge of adapting to cope with rising demand is made worse by **diminishing numbers of volunteers, fewer paid staff, and uncertainties surrounding redundancies**.

# How demand for services has changed

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- **52% have reported an increased demand**, with 21% reporting a decreased demand
- 10% have had to make redundancies
  - 9% are planning to do so
  - 26% are unsure about future redundancies
- The way organisations have been responsive in adapting services and support has been astonishing. Many have made a drastic shift to digital delivery

## How are organisations maintaining services and how have they changed?

- *“We are running sessions and training online rather than in person”*
- *“Changes to service model- all referrals are now online and home delivery rather than clients attending centres”*
- *“We have embarked on a wide range of virtual offerings.”*

# Key Headlines – Third Sector Resilience in Leeds: Financial

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- **36%** of organisations told us they are having to use financial reserves to survive
- **64%** of organisations said earned income was an important source of income.
- **44%** of organisations said **earned income had more than halved** (51% or more reduction) and **26%** of organisations said **earned income had been reduced by at least three quarters** (76% or more reduction)
- **36%** of organisations told us they didn't expect to be financially sustainable beyond the end of this financial year (fortunately, latest forecasting anticipates this figure will reduce for the short term at least)
- **96%** of organisations reported some flexibility from funders. Examples of the included *“understanding of changes to service”*, by allowing organisations to *“re-allocate grants between budget lines”*, and being *“more relaxed about spending/monitoring timeframes”*.

*“Room hire not picking up – Covid Restrictions forcing people to work online and not meet in person – having to use our reserves and making redundancies.”*

# Need for Longer Term Funding 2021-2023

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- The Third Sector often has to rely on short-term funding. This is never ideal, and it does not allow organisations to plan for the medium and long-term. The COVID-19 pandemic has understandably led funders to offer short-term “crisis funding” and “funds for Covid work”.
- This Covid Crisis funding has been vital for allowing organisations to deliver important activities and support – for now.
- However, respondents fed back concern that this short-term funding does not allow “time for future planning, writing bids, building partnerships etc.”:

*“More families facing financial hardship, resulting in the need to reduce or waive fees to prevent barriers to accessing the service”*

*“There is a possibility that this funding could be cut due to the financial difficulties LCC are experiencing. As such, we have currently put a freeze on recruitment to any vacancies funded by the LCC funding. We are also finding it more difficult to attract external funding as we have not suffered a loss of income due to COVID. If we cannot attract external funding some of our projects will end and the staff working on those projects will be made redundant”*

# Volunteering

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## **Impact of COVID-19 on volunteering numbers:** Volunteering Numbers January 2020 and October 2020

Organisations were asked if volunteer numbers had increased or decreased March - August 2020 when compared to January 2020.

- Nearly three quarters (**71%**) of organisations said their **volunteering numbers had reduced** with only 12% of organisations saying their volunteering numbers had increased.

Organisations were asked the number of volunteers they had in January 2020 and in October 2020.

This was to see the effect of the COVID-19 pandemic on volunteer numbers.

- In **January 2020**, **11%** of organisations said they had no volunteers, by **October 2020** this had doubled to **22% having no volunteers**.



# Volunteering continued

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- *“We have stopped using volunteers. It was complicated enough ensuring safe practices for staff so keeping volunteers safe felt too difficult.”*
- *“Due to many of our volunteers being vulnerable and in residential care, they have shielded since the start of the pandemic. 50% of the volunteer population returned in August but due to the new restrictions in Leeds and the spike in cases I have asked all volunteers to remain at home for the foreseeable future to protect the whole team.”*
- *“A small number are happy to volunteer, a few are self isolating but wish they could volunteer, most are elderly, several have declined in health (so) cannot volunteer.”*
- *“We were planning to recruit volunteers but that has now been put on hold.”*

# Digital Exclusion & Inclusion

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**Digital Exclusion had proved a much greater and more entrenched challenge than initially thought.**

*Are you finding digital exclusion an issue for people you work with?*

- **Yes 74% (up from 58% in June)**
- No 16%
- Unsure 9%

*What do you think are some of the main issues that people you work with are encountering when accessing digital technology?*

- **69%** People we work with are not confident using digital technology **62%** People we work with don't have access to digital technology
- **51%** People we work with don't have access to wi-fi connectivity
- **24%** We don't have resources to invest in digital technology
- **19%** It doesn't work well for the services we deliver
- **13%** Lack of training for staff

# Digital Exclusion & Inclusion continued

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*What do you think are some of the main issues that staff are encountering when accessing digital technology?*

- **40%** Staff are feeling isolated by relying on digital technology
- **28%** Lack of training for staff
- **25%** We don't have resources to invest in digital technology
- **4%** Staff don't have access to home Wi-Fi connectivity

*The Sector Resilience Survey of June 2020 identified that “many organisations identified that poverty is a key factor in access to online services, and lack of access can cause exclusion”. Poverty was also identified as a reason for digital exclusion in this research, which shows digital health & social inequalities go hand-in-hand:*

- *“Poverty”*
- *“Financial poverty impacts on digital inclusion”*
- *“Not all our customers can afford a Smart Phone so cannot access the technology”*

# What support did organisations say they most need?

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The most frequently requested support need was around **financial assistance, funding and fundraising**, with organisations stating, *“we need cash to pay for overheads”* and to cover *“staff wages”*:

- *“Lobbying of key funders like Big Lottery to release new criteria for future non-emergency funding and resumption of funding streams; accepting larger contributions to core”*
- *“Rent reductions”*
- *“We need cash to pay for overhead without any requirement for service delivery attached.*
- *“Grants are fine but they require service delivery which is an additional cost to overhead”*

## Clear COVID-19 Guidance

Another popular support request from organisations was for “clear guidance” and support surrounding “what local restrictions mean we can deliver”. Organisations asked for more COVID-19 related:

- *“clarification”, suggesting the need for “good practice guides” and additional advice for specialist services such as “disability shielding guidance”:*
- *“Good practice guides for Charities delivering directly to families/young people to mitigate re COVID-19”*
- *“Keeping up to date with NHS changes etc”*

# Positives changes to Third Sector ways of working in response to the COVID-19 crisis

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## Organisations were asked to identify any positives to emerge during the COVID-19 pandemic

Unsurprisingly, a few organisations thought there were “none” and one organisation said, “ask me that in 6 months”. However, lots of positives were identified by organisations. These positives have emerged within organisations: **“strong team spirit”**, and between organisations: **“new and strengthened partnership working”**. Positives were reported for both staff: “staff have been very supportive of each other”, and for service users: **“we're reaching people we couldn't before”**.

- *“community has come together”*
- *“Social networks established prior to Covid now coming into play with beneficiaries caring and looking out for each other”*
- *“Increased trust with our communities”*
- *“Increased community working”*

Organisations also described **“strengthened partnership working”**, and emphasised how COVID-19 had facilitated **“stronger partnership working with statutory and Third Sector partners”**:

- *“Greater links with other charities, groups & our community as a whole”*
- *“Increased connection with both existing members and new orgs; stronger partnership working with statutory and Third Sector partners”*
- *“Some good partnerships built up with other agencies that we wouldn't have anticipated”*

# What next? Resilience Survey recommendations

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- NHS, Local Authority and other funders commit to putting in place a shared, system wide strategy for longer term joined up investment in the Third Sector
- Partners work with Third Sector to identify a package of support to build capacity around workforce development and Health and Wellbeing finance and business adaptation governance and planning
- Commissioners and funders work together to simplify contracting and commissioning arrangements including monitoring requirements and develop a shared application format for grant funding
- Partners recognise the social and economic value of volunteering and the need to invest in volunteering and better connecting volunteering infrastructure across the NHS, the Third Sector and the Local Authority. This includes working together in developing and investing in volunteer training
- All partners ensure the Third Sector and community voice is listened to and reflected in service design and delivery from the outset