

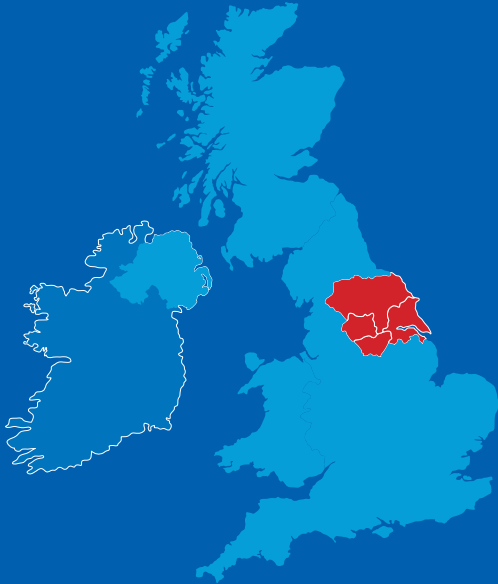
Third sector organisations in Yorkshire and the Humber

Summary of further findings from the Third Sector Trends Study

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Significance: Yorkshire and the Humber



Summary

This briefing updates the initial findings from the Third Sector Trends Study (2009) on the number, location and types of third sector organisations in Yorkshire and the Humber, using data from the 2007/8 financial year. This year we have been able to add more data on volunteering and the third sector workforce in Yorkshire and the Humber.

The survey uses a robust methodology for assessing the number of organisations, their income and size using data from a number of sources. It also allows changes to be tracked over a period of time in the experience of third sector organisations' relationships with each other and with the public sector. The methodology has been designed to standardise the results across Yorkshire and the Humber, the North East and Cumbria.

Background

Yorkshire & the Humber Forum has been leading on work with support and development organisations over several years to identify the size and scope of the third sector. The Third Sector Trends Study arose out of discussions with the Northern Rock Foundation who had initiated similar research in the North East of England and Cumbria. The study is managed by Yorkshire & the Humber Forum and Northern Rock Foundation, funded by Capacitybuilders. It is part of the wider Northern Rock Foundation Third Sector Trends Study which seeks to improve understanding of the scale and dynamics of the third sector across the North of England. For more detail on the background to the Study and on the research team please see the reports referred to in "more information" (page 6).

Definitions

The space between the public and private sectors – 'the third sector' – is occupied by a wide range of organisations with varying legal, accountability and regulatory frameworks. The decision about which organisations to include in the definition of 'the third sector' is fraught with problems. The sector is not just made up of organisations that are connected to third sector support and development organisations or that see themselves as part of grassroots activism. Increasingly, it also includes part of the mainstream service provision for example in terms of higher education, the delivery of public services including trusts or mutuals transferred from publicly managed bodies such as health workers co-operatives or leisure trusts. The inclusion of these larger organisations can skew data for some local authority districts

Key findings about the third sector in Yorkshire and the Humber

The findings in this second year of the study broadly confirm the data from the 2009 results. As there is no single register of third sector organisations then the research team has had to make some assumptions based on analysis of a range of data sources. The analysis has been refined over the last year to make it more accurate.

Composition

The third sector in Yorkshire and the Humber comprises 14,218 organisations registered in the region, made up of:

- 10,914 general charities
- 3,304 'social enterprises' that are not also registered charities (1,462 companies limited by guarantee, 895 industrial and provident societies and 141 community interest companies)
- 692 faith charities
- 114 housing associations (registered as companies limited by guarantee or industrial and provident societies)

There have been small increases in all elements of the third sector in Yorkshire and the Humber as a whole, except for housing associations where there has been a decrease from 154 to 114.

Income

The sector in this region has an estimated total annual income of over £2.75 billion made up of:

- general charities - £1.6 billion
- 'social enterprises' - £627 million (companies limited by guarantee £423 million; industrial and provident societies £41 million; community interest companies £7 million)
- faith charities - £156 million
- housing associations - £521 million

The sector has assets totalling £3.73 billion

These estimates are lower than the previous survey suggested. This is because changes have been made in the methodology to more accurately reflect local organisations.

General charities: primary activities

More than 55% (6,159) of general charities in Yorkshire & the Humber focus their activities on 4 fields:

- 'Social services' (19.5%)
- 'Education' (13.5%)
- 'Culture and recreation' (14.6%)
- 'Development' (8.8%)

The primary activities of the remaining general charities focus on 11 other themes.

These figures show a lower proportion of organisations in each category than the previous study, although the overall rankings are the same. A greater proportion of charities are classified as 'other' and a greater proportion of non-charitable third sector organisations have no classification.

General charities: income sources

The funding mix for organisations based in each of the districts varies considerably. It is important to remember that major organisations in an area will have a large impact on the figures. For example, the statutory funding shown for Sheffield is increased by the presence of a national

charity which administers a large government programme. These vary widely across the local authorities in Yorkshire and the Humber and are shown in more detail in the full report. Organisations in rural areas such as North Yorkshire and East Riding are characterised by a smaller average size of organisation and are more likely to receive funding from individuals.

51% of the income of general charities in the region comes from 'statutory sources', considerably higher than the national figure of 42%. Nationally, contracts account for 68% of income from statutory sources. The region's general charities received 72% of their statutory income in the form of grants and 28% as contracts.

The proportion of the income of general charities in Yorkshire and the Humber from 'individuals' (including donations and legacies) is 26.3%, compared with 36.9% nationally. General charities in the region also have significantly less internally generated income (through, for example, assets and interest) at 5.1%, than the national figure of 9%.

In the previous summary we said we would provide information on the inflow and outflow of charitable expenditure between Yorkshire and the Humber and the rest of the UK. Charities based outside the region spent £778 million in Yorkshire & the Humber. Charities based in the region spent £210 million in other parts of the UK.

Distribution of organisations

The pattern of distribution of organisations in Yorkshire and the Humber is largely unchanged. The number of organisations in nearly all of the categories is highest in West Yorkshire, followed by South Yorkshire, North Yorkshire and the Humber. The very large urban areas have high numbers of charities (Sheffield 1,401, Leeds 1,667, and Bradford 1,171). However, this pattern is reversed in the Humber where the largely rural East Riding has 936 general charities but Kingston upon Hull has 333, which is one fewer than the less populous Craven District in North Yorkshire. The numbers of non-charitable third sector organisations have tended to drop with noticeable declines in Sheffield, Leeds and across substantial parts of the Humber and York and North Yorkshire. The raw numbers of organisations only tell part of the story. The ratio of numbers of organisations to population shows much higher proportions of organisations per 10,000 people in rural areas compared to urban areas. Sheffield has only 26.2 organisations per 10,000 people and Leeds 21.6. The range in the most rural districts of North Yorkshire is 51 to 70 per 10,000 people.

Employment and Volunteering

Around 72,700 people are employed in over 5,600 third sector organisations in Yorkshire and the Humber - approximately 3% of the workforce. The highest proportions of employees are in North Yorkshire (4.7%) and York (4.2%). Wakefield, North East Lincolnshire, East Riding of Yorkshire (1.9%) and North Lincolnshire (1.1%) have the lowest proportion of employees.

Estimates of volunteering in Yorkshire & the Humber vary. The most robust figures from the National Survey of Third Sector Organisations and the Place Survey suggest that 300,000 - 350,000 people volunteer in third sector organisations in Yorkshire and the Humber. These volunteers contribute around 25 million hours of voluntary effort per year.

Distribution of organisations

	General charities	CLG, CIC and IPS	CLG, CIC and IPS	Faith groups	Total third sector	TSO's per 10,000 population
Barnsley	338	1	123	30	492	21.78
Doncaster	441	0	121	31	593	20.34
Rotherham	340	4	124	39	507	19.97
Sheffield	974	16	345	66	1,401	26.21
South Yorkshire	2,093	21	713	166	2,993	
Bradford	814	16	274	67	1,171	23.34
Kirklees	739	4	125	41	1,001	24.78
Calderdale	453	6	217	23	607	30.08
Leeds	1,170	34	360	103	1,667	21.63
Wakefield	383	1	150	33	567	17.59
West Yorkshire	3,559	61	1126	267	5,013	
Kingston upon Hull	333	3	116	21	473	18.28
East Riding of Yorkshire	936	4	98	71	1,109	33.11
North East Lincolnshire	193	3	51	15	262	16.56
North Lincolnshire	353	0	70	20	443	27.64
Humber	1,815	10	335	127	2,287	
York	655	8	78	36	777	39.77
Craven	334	5	40	14	393	69.93
Hambleton	517	2	23	9	551	63.26
Harrogate	733	5	57	27	822	51.22
Richmondshire	268	0	30	11	309	60
Ryedale	312	0	20	10	342	63.93
Scarborough	355	2	52	17	426	39.26
Selby	273	0	24	8	305	37.2
York & North Yorkshire	3,447	22	324	132	3,925	49.39
Yorkshire & the Humber	10,914	114	2498	692	14,218	27.27

Conclusions

Organisations in all sectors that provide support for third sector organisations need to take account of this information to help shape their services, funding and consultation mechanisms. The evidence obtained from this study is important in informing the development of Big Society activity and responding to the coalition government's plans for dealing with the fiscal deficit.

- The reliance on government funding and on contracts puts the third sector in Yorkshire and the Humber at a relative disadvantage in the current economic climate. We expect to see reductions in government expenditure, especially unplanned reductions in expenditure into the third sector, particularly by local authorities. Combine this with the fact that 59% of charities in Yorkshire & the Humber have less than one year's expenditure held as assets and the risk to the sector as a whole of gaps in funding appearing over the next 12 months is significant. Of particular concern is the fact that it appears from the data that larger organisations employing more staff are less likely to hold significant reserves.
- If we measure social capital by volunteering, resources into the third sector and employment in the sector, especially in relation to population then we see that a number of local authority districts which also have relatively high levels of deprivation have low levels of social capital. This indicates that areas like Kirklees, Wakefield, Rotherham, Hull and North East Lincolnshire will be at a significant disadvantage in trying to build a Big Society, particularly as these are areas likely to suffer significantly from cuts in public expenditure and are also least likely to generate substantial amounts of private sector employment.

What happens next?

Yorkshire & the Humber Forum has undertaken two further studies with the Centre for Regional Economic and Social Research (Sheffield Hallam University) that analyse further the distribution and resources of third sector organisations in the context of their local authority's statistical make up.

- We will produce another briefing that gives a picture of the unregistered third sector in Yorkshire and the Humber.
- We will also produce information about the work of national organisations in the region.
- We will investigate further the differences across the region that this research has highlighted.
- We will use this research and other findings to advocate on the sector's behalf at the regional and national levels.

More information



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The full report "Mapping Third Sector Organisations in Yorkshire and the Humber" is available on the Regional Forum's website and the Northern Rock Foundations Third Sector Trends Survey website
"Paid Work and volunteering in Yorkshire & the Humber" forthcoming from NCVO and Southampton University
Third sector organisations in Yorkshire and the Humber - www.yorkshirehumberforum.org.uk/publications_resources/knowledgebase/400/305.pdf



Northern Rock Foundation - www.nr-foundation.org.uk/thirdsectortrends/tt_yorks.html
Guidestar - www.guidestar.org.uk
Charity Commission - www.charity-commission.gov.uk

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We use our briefings to summarise important developments and their implications, including proposals for new structures or legislation. They are designed to promote debate, put forward an argument, elicit response and encourage action, as appropriate.

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