

Tending to the Roots:

Local Charity and Community Group
Sustainability Report 2018

Breakfast briefing

Chris Dormer - Localgiving

2017/18

Local Charity and
Community Group
Sustainability Report

Key Results

Demand for services has increased

- Impact of welfare reforms and public spending cuts have left 93% of groups working in homelessness or counselling experiencing an increase.
- Organisations expecting an increase in demand twice as likely to have significant financial concerns.



78% of respondents reported an increase in demand for their services over the past 12 months, with just 3% seeing a decrease.



85% of groups predict a further increase in demand over the coming year. Just 14% of those groups feel sufficiently resourced to meet this demand.

Long-term sustainability concerns

Organisations with annual incomes between £250-500k are a particular concern over the next 12 months:

- 24% are pessimistic about their ability to survive.
- 45% are forecasting their income will decrease.



82% of respondents were confident that they will sustain themselves financially over the next 12 months.



This figure drops to just **47% over a 5 year period**



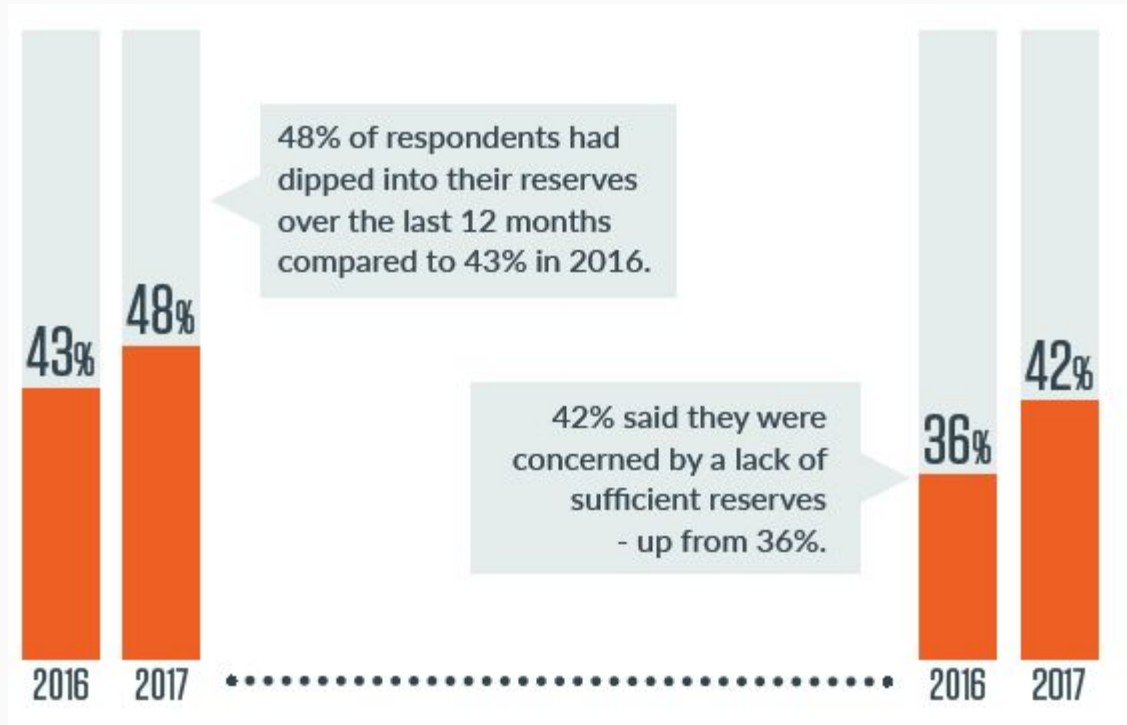
56% of respondents said that 'generating income and achieving financial sustainability' was their greatest concern.



29% of groups are concerned that they are over reliant on a single funding stream.

Building and maintaining reserves a growing concern

- Trends are not positive and concerns around unrestricted income mean solutions are not easy to find.
- Anecdotally we do not believe these are being used for anything other than dealing with deficits.



Income diversity is required

- Grants and contracts remain a key income stream.
- Concerns over increased competition and restricted nature of funding.
- Findings are consistent with previous years.



48% of respondents said grants were their primary source of income in the last financial year.



73% see competition for limited grants as their primary income generation issue.



49% had concerns about accessing unrestricted funding, hindering their ability to cover core costs such as salaries, training and rent.

Public donations can play a key role

- General public are most common income source for groups.
- 62% groups cited generating these donations as a current financial concern.
- Lack of skills and engagement with new trends create an area of opportunity.

81% of groups have received funding from the general public in the last 12 months.



Over 50% of groups expect the percentage of their income generated through online donations to increase in the current financial year.



Only 18% of the groups had carried out crowdfunding activities over the last year.



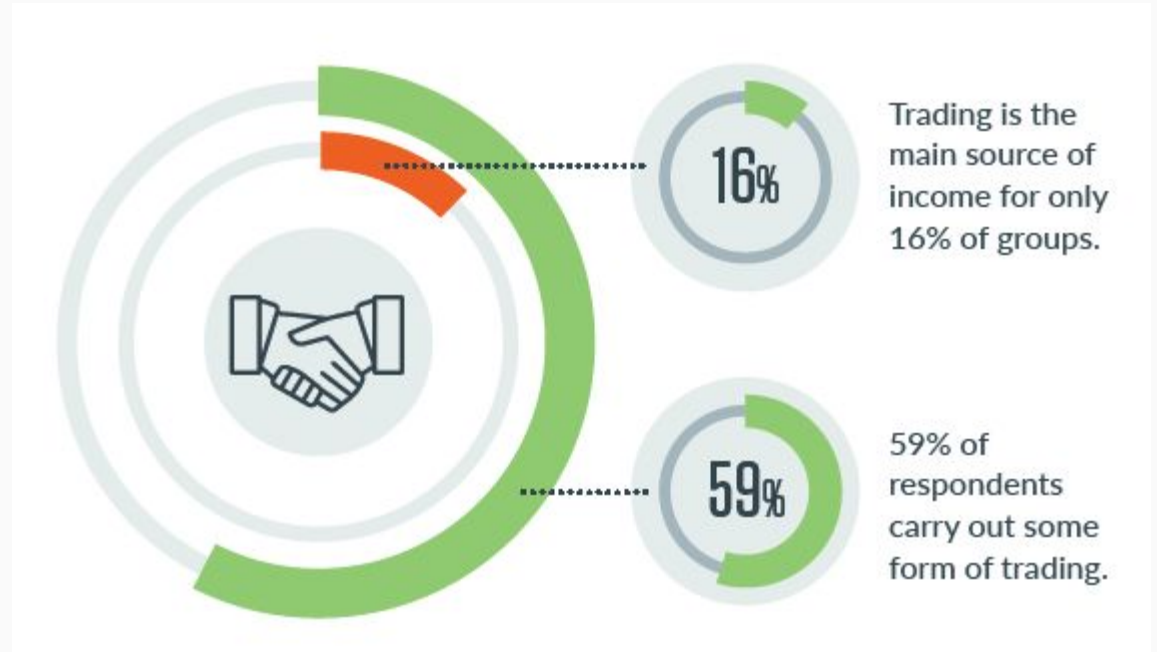
71% of respondents are concerned that their organisation does not have the requisite skills to run a successful fundraising campaign.



Earned income also has huge potential

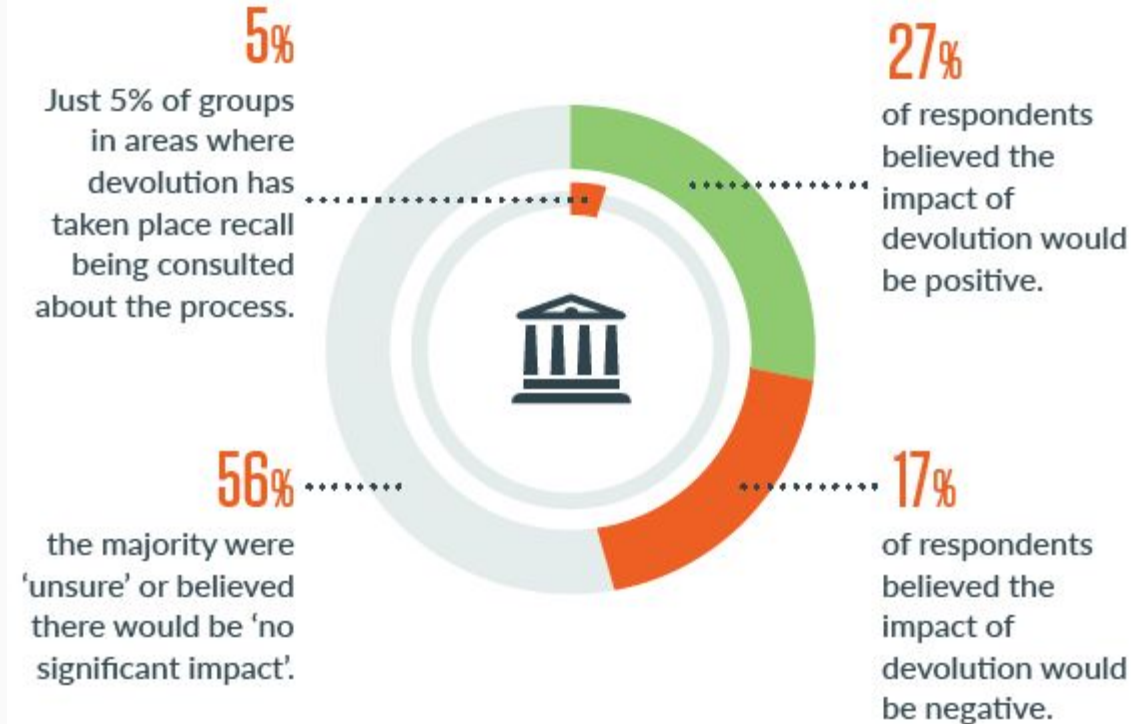
Of the groups that trade:

- 59% carry out primary purpose trading
- 54% carry out non-primary purpose trading



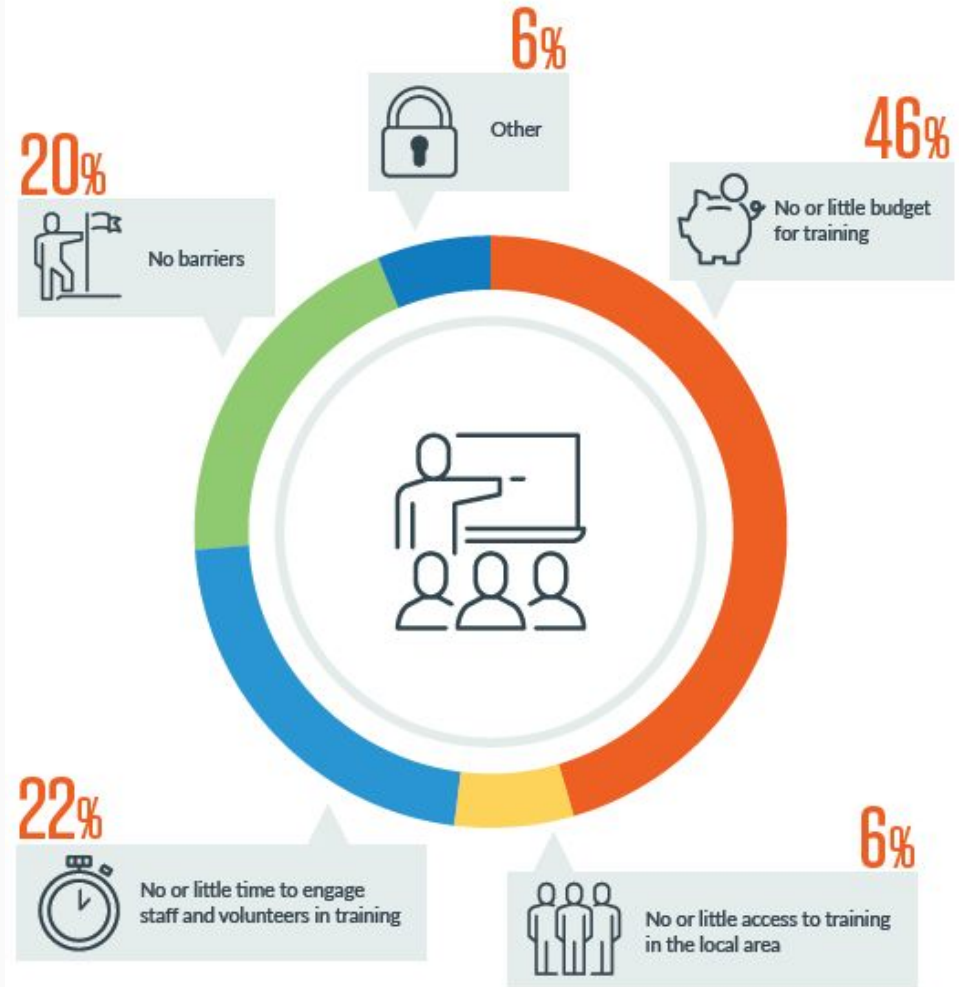
Mixed opinions about devolution

- Significant disparities in the way devolution is perceived in different parts of the UK.
- Lack of consultation most significant concern.



Investing in staff and volunteers an ongoing problem

- Online fundraising and marketing training areas where significant support is still required for staff.
- 48% of organisations struggle to provide adequate support and training to their trustees.



Recommendations

1. The impact of cuts must be recognised and appropriate consultation and capacity building measures put in place.
2. Training programmes should be expanded to help stimulate a diversification of funding sources.
3. Increased unrestricted funding is essential to ensure the survival, mission and continuity of services delivered by local groups.
4. Ways must be found to amplify the voices of local charities and community groups.
5. Devolution provides a real opportunity for the voice and interests of grassroots groups to be included in the democratic process.

What we are doing

1. **Online Fundraising Training** - South West Programme - 50% off Localgiving membership, dedicated support and £200 match funding
2. **Magic Little Grants** - easy to access £500 grants for small charitable groups delivering projects that help people access physical activities
3. **Digital Skills** - sit on the DCMS steering group for digital inclusion across the charity sector
4. **B&NES 3SG** - supporting the sector to raise their profile, work together, give themselves a voice and influence local decision making

Thank you!

Localgiving.org

@Localgiving

help@localgiving

0300 111 2340