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Connecting Locally: local voluntary and community sector infrastructure in England

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Knowledge Applied

About this report

The National Association for Voluntary and Community Action (NAVCA) commissioned the Centre for Regional Economic and Social Research (CRESR) at Sheffield Hallam University to undertake a survey of its members, and to analyse the response and report on the findings. The project involved an online survey of all NAVCA members and a series of semi-structured interviews with a smaller sample of local infrastructure organisations. This report discusses the main findings and conclusions from the research and considers its implications and further research questions.

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Connecting Locally: executive summary

Based on a survey and interviews, alongside analysis of Charity Commission data, this report provides an up to date picture of the state of local voluntary, community and social enterprise (VCSE) infrastructure - in terms of NAVCA's membership of local infrastructure organisations (LIOs) - in 2022. LIOs are VCSE umbrella organisations which support, promote and champion local voluntary and community action.

The research highlights the broad reach of NAVCA members, and their wide ranging activities in supporting the local VCSE sector. NAVCA members:

- work at local and community level all across England, serving 80% of distinct local authority areas covering around 84% of the population,
- are concentrated in the most deprived fifth of local authority areas (covering 91% of the population of these areas),
- have a combined membership of nearly 90,000 local VCSEs, and regularly work with many more VCSEs in their area which, in the last year, included providing practical support to around 36,000 local VCSEs, training to 43,000 people from the sector and dealing with 225,000 volunteer enquiries.

As well as practical work supporting individual organisations and volunteers, they support networks of VCSEs and build relationships with key statutory bodies. They connect for change locally.

To advance this work, NAVCA's members secured £173m in 2020-21, primarily from grant and contract income, and predominantly from local government (36%, £62m) and health bodies (21%, £37m), and grant-making trusts and foundations (18%, £31m).

During COVID-19 the significant contribution made by local infrastructure organisations was recognised. In coordinating local VCSE responses, acting as a vital communication channel between statutory authorities, local VCSEs and communities, providing essential emergency services and mobilising volunteers in the relief and mass vaccination efforts, it was there when needed.

In many ways the network of local infrastructure organisations looks reasonably strong, with more optimism coming out of COVID-19 than has been seen for many years. But there are two enduring challenges. Attending to these may help put the value and benefits of LIOs on a firmer footing and enable them to reach their potential: first, the increasingly constrained financial context through which local infrastructure organisations will continue to operate, and second, arguments around the value of local VCSE infrastructure.

The research opens the way for a more serious and strategic conversation - between NAVCA, its members and other local VCSE infrastructure networks, alongside local, national and independent funders and policymakers – around two questions:

1. What might a firmer and more secure funding settlement to support the role of local VCSE infrastructure look like, and how might it be realised?
2. What reasonable expectations might work alongside such a settlement, about how VCSE infrastructure should be organised and what it would deliver, in terms of level of service, quality and outcomes?

Future iterations of this research should return to these questions to provide an assessment of the extent to which progress has been made on these two fronts.

Introduction

1

In 2021 NAVCA commissioned the Centre for Regional Economic and Social Research (CRESR) at Sheffield Hallam University to undertake a study surveying its members, and to analyse the response and report on the findings. Thinking beyond the experience of COVID-19, NAVCA wished to refresh the intelligence it holds about its member local infrastructure organisations (LIOs). LIOs are umbrella organisations which support, promote and champion local voluntary and community action.

The results of the last comprehensive members survey and analysis were published in February 2008, although smaller snapshot and quarterly surveys have been undertaken since then. Accordingly, NAVCA sought *'to capture a baseline of key information about the size and shape of our membership of local infrastructure organisations…and on key factors such as their levels of local engagement and influence in specific areas of work and with local stakeholders and systems'*. This report is the result of the study.

The research commenced in the second half of 2021, but the bulk of the data collection occurred in the first half of 2022. The research involves an online survey of NAVCA members, with 83 useable responses (44% of the membership), followed by a set of 15 semi-structured interviews with member LIOs. In addition, data from the Charity Commission has been analysed to provide a broader overview of NAVCA's membership. The appendix (pp.45-47) provides more information about the methodology underpinning the research.

The findings are reported in four main sections of the report, as follows. Section 2 considers the bigger picture by outlining the broad contours of NAVCA's membership, in terms of its geographical reach, and its resources, in terms of finances, staffing and volunteers. Section 3 turns to priorities, looking at NAVCA members' assessment of the main issues, challenges and opportunities faced by local VCSEs, and what they do in response. Section 4 examines in more detail the work of NAVCA members in terms of four broad functions: Leadership and advocacy; Partnerships and collaborations; Community development and practical support (capacity building); and Volunteering. Section 5 looks ahead by considering the sustainability of NAVCA members, the support they need and future prospects.

A concluding section 6 discusses reflections on what high quality and effective local VCSE infrastructure looks like and draws out the main conclusions and implications of the research.

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[1] Escadale, W. (2008) *Infrastructure for the local third* sector (Sheffield, NAVCA).
[2] NAVCA (2021) Invitation to Quote: Membership Survey - design, delivery, report, May 2021 (Sheffield, NAVCA), p.1.

2

Resources – the contours of NAVCA's membership

Through the survey and interviews, and supplemented by analysis of Charity Commission data, a comprehensive picture of NAVCA's membership and of local VCS infrastructure has been gained. This section looks at the overall contours of the membership.

Key Points

- NAVCA has 187 members, consisting of a large number of small and medium-sized organisations and a relatively small number of quite large organisations.
- They cover 80% of distinct local authority areas in England, representing 84% of the population, with two thirds (65%) operating within a single district, borough or unitary local authority.
- In 2021/22, the aggregate income of NAVCA members was £173m, and total expenditure was £157m.
- 59% of members have an annual income of between £250K and £1m. One quarter have an annual income of £1m or more and together these represent 62% of overall aggregate income.
- Income and expenditure grew substantially during 2020-21 (18%) compared with the years preceding the COVID-19 pandemic (average 4% per year).
- NAVCA members' aggregate income comes mainly in the form of grants (54%) and contracts (34%). The three main sources are local government (£62m), local health bodies (£37m) and grant-making trusts and foundations (£31m).
- Larger NAVCA members are funded proportionately more by local government and health bodies, compared to smaller members, which are funded proportionately more by grant-making trusts and foundations.
- NAVCA members employ an estimated 3,467 full time equivalent staff in total, and work with around 11,446 volunteers, providing 16,576 volunteer hours each week.

2.1. Reach

There are 187 NAVCA members across England, according to the March 2022 membership list used for the online survey in this study. They are overarching umbrella bodies for the sector in their local areas, adopting a variety of names, such as 'Council for Voluntary Service' (CVS), 'Voluntary Action' or 'Community Action', and some are also Rural Community Councils. Some members are 'Volunteer Centres' and focus primarily on promoting volunteering, whilst others incorporate Volunteer Centres within their wider operations. The precise arrangements depend very much on local circumstances and histories.

Two thirds of NAVCA members (65%) operate within a single local authority district, borough or unitary authority. Just over one third (35%) operate across wider geographical territories - regionally, countywide or more than one district, borough or unitary authority.

An overwhelming majority are registered charities (90%) and companies limited by guarantee (82%). Around one in ten (11%) are Charitable Incorporated Organisations. They tend to be well established organisations – two thirds (68%) have been in operation for 20 years or more, while around one fifth (18%) were established in the last 10 years.

The regional breakdown of members compared with population (table 1) shows higher numbers of members in the South East, London and the North West. The South East shows a slight concentration of members compared with the region's population.

Table 1: NAVCA members by population and region

Region	Population (m)	Percent	NAVCA members	Percent
East Midlands	4.87	8.6	17	9.1
East of England	6.27	11.1	22	11.8
London	9.00	15.9	28	15.0
North East	2.68	4.7	10	5.3
North West	7.37	13.0	24	12.8
South East	9.22	16.3	35	18.7
South West	5.66	10.0	17	9.1
West Midlands	5.96	10.5	17	9.1
Yorkshire and the Humber	5.53	9.8	17	9.1
Total	**56.55**	**100.0**	**187**	**100.0**

Source: Office for National Statistics; NAVCA membership list, Spring 2022

Overall, NAVCA members operate in 80% (247) of 309 distinct local authority areas in England. In total these areas represent 84% of England's population. The remaining areas either have no functioning local VCSE infrastructure or are served by local infrastructure organisations who are not members of NAVCA.

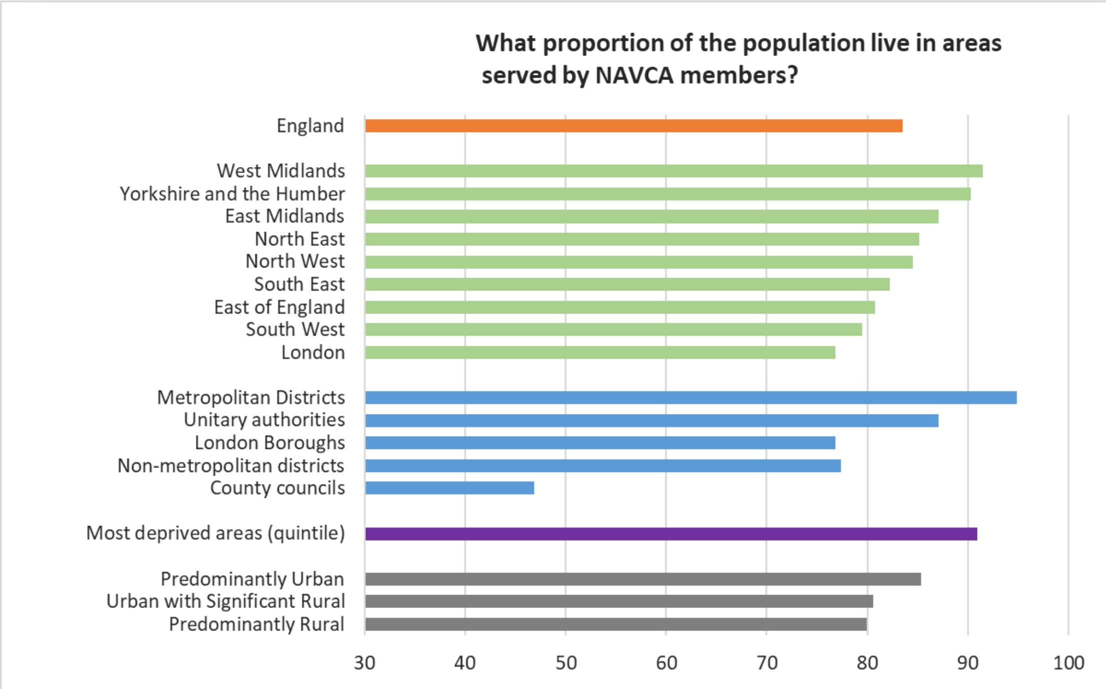
Figure 1 below shows the reach of NAVCA's membership in different kinds of area – the population served by NAVCA's members in terms of region, type of local authority area, most deprived areas and across urban and rural areas.

NAVCA members are more likely to be found in Unitary Authorities and Metropolitan Districts than in other kinds of local authority. In combination, NAVCA members serve:

- 34 out of 36 Metropolitan Districts (representing 95% of the population)
- 48 out of 59 Unitary Authorities (representing 87% of the population)
- 25 out of 33 London Boroughs (representing 77% of the population)
- 140 out of 181 Non-metropolitan Districts (representing 77% of the population)
- 12 out of 24 County councils (representing 47% of the population).

NAVCA members are concentrated in the most deprived fifth of local authority areas, representing 91% of the population in these areas

Figure 1: The reach of NAVCA members



Source: Office for National Statistics; NAVCA membership list, Spring 2022

NAVCA members are more concentrated in the West Midlands (serving areas covering 92% of the population) and Yorkshire and the Humber (90% of the population), and less so in the South West (80% of the population) and London (77% of the population).

They are also concentrated in the most deprived fifth of local authority areas (representing 91% of the population of these areas). Finally, NAVCA membership is concentrated more in areas classified as 'Predominantly Urban' (85% of the population), compared with mixed and predominantly rural areas.

2.2. Financial profile of NAVCA members

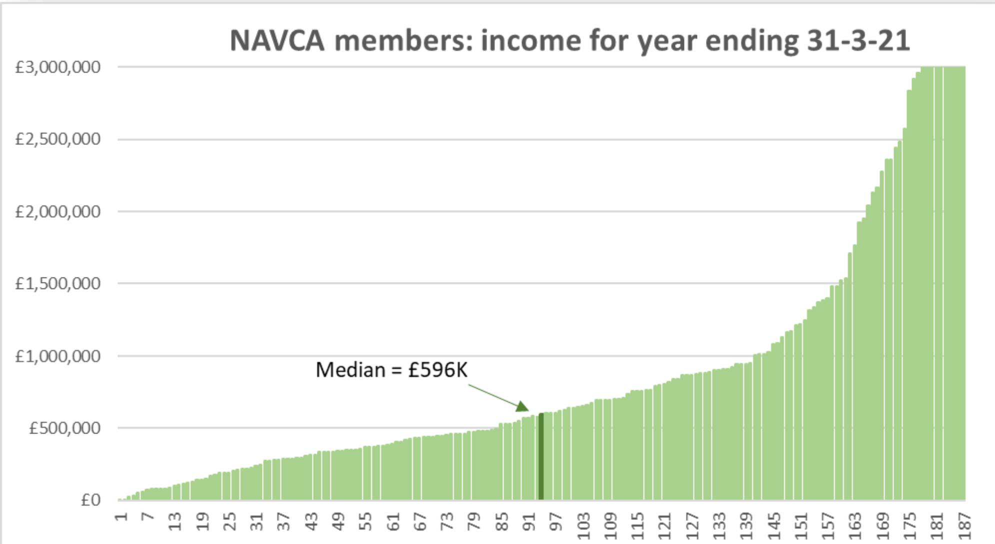
In the 2020-21 financial year, NAVCA's 187 members have an aggregate income of £172,909,414 and an aggregate expenditure of £156,961,892.

Combining these headline figures for NAVCA members with data on population enables the calculation of a standardised indicator of activity: income and/or expenditure per 1000 people. The overall figures show that in 2020-21 NAVCA members across England drew in £3,659.65 income per 1000 people and spent £3,222.12 per 1000 people.

The majority of NAVCA members - three-fifths (59%) - have an annual income of between £250K and £1m. One in six (16%) have an annual income below £250K, while around one quarter (24%) have an annual income of £1m or more. Overall, the average annual income (median) was £595,732 for the year ending 31 March 2021, with median expenditure at £515,121.

The distribution of NAVCA members by annual income is skewed, as shown by the line-up of NAVCA's members in figure 2, with a long tail of smaller and medium-sized organisations and several relatively quite large organisations[3].

Figure 2: The income distribution of NAVCA members, 2020-21

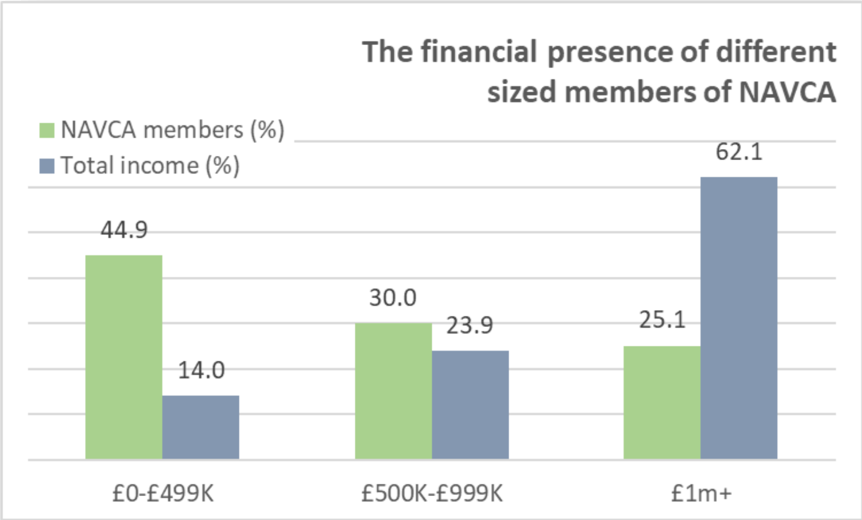


Source: Charity Commission for England and Wales

The financial 'presence' or weight of the membership as a whole is concentrated amongst the largest organisations, as shown in figure 3. One quarter of NAVCA membership (47 organisations) each have an annual income of £1m or more. In aggregate this represents 62% (£107.3m) of the total income of the membership. In contrast, 45% of NAVCA's members (84 organisations) each have an annual income of less than £500K. In combination this represents just 14% (£24.2m) of the total income of the membership

[3] This is shown by the fact that mean income of NAVCA members was £924,649 for the year ending 31-3-21, and mean expenditure £839,368, both much higher than the equivalent median figures.

Figure 3: The financial presence of different sized members of NAVCA



Source: Charity Commission for England and Wales

The financial presence of NAVCA's membership also varies by region, as shown in table 2. The North West is the biggest region in terms of NAVCA members' income, accounting for £33m of the combined total; it has 13% of members, but 19% of combined income. Sizeable aggregate incomes can also be seen in London (£27m), the South East (£24m) and the West Midlands (£21m).

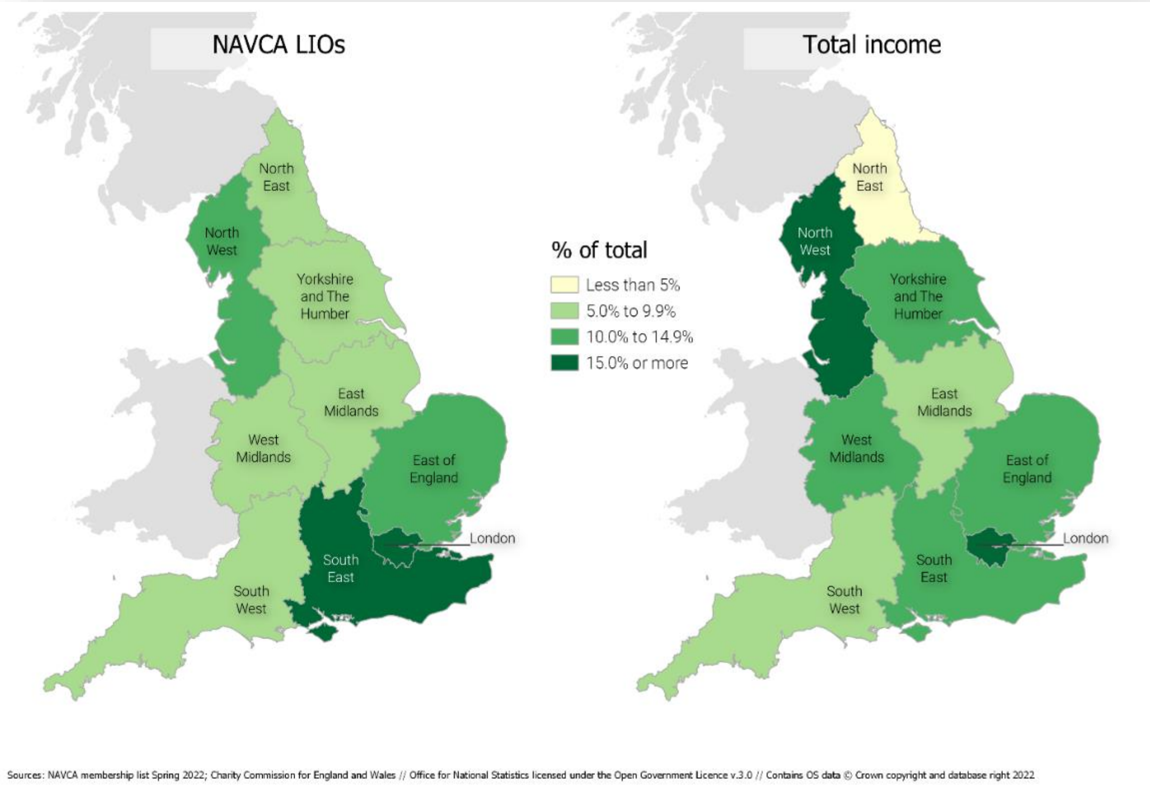
Table 2: Regional profile of total and median income of NAVCA members, 2020-21

Region	Total (£m)	Median (£)
East Midlands	14.52	793,598
East of England	19.05	437,117
London	27.04	679,389
North East	6.17	716,116
North West	32.76	622,097
South East	24.23	485,837
South West	10.30	344,691
West Midlands	20.98	619,285
Yorkshire and the Humber	17.84	760,294
Total	**172.91**	**595,732**

Source: Charity Commission for England and Wales

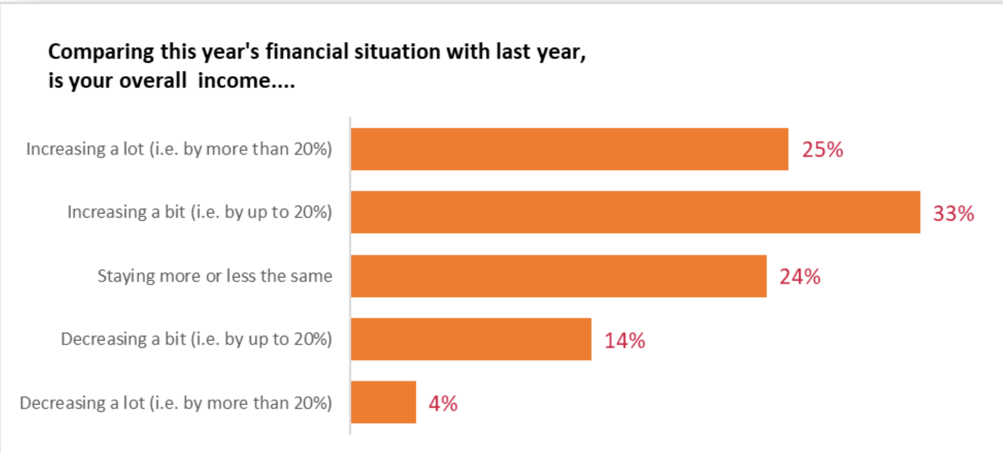
Figure 4 shows the regional distribution of NAVCA's membership, in terms of number of members (left hand map) and total income for 2020-21 (right hand map).

Figure 4: NAVCA members: number and total income (2020-21) by region



In the survey we asked NAVCA members how the financial situation this year compared with the year before. The results are presented in figure 5 below. A reasonably positive picture emerges here. Nearly three fifths (58%) say their income is increasing compared to the previous year, while less than one fifth (18 percent) report declining income. For around a quarter (24%) it is staying more or less the same.

Figure 5: Overall income - comparing this year and last year



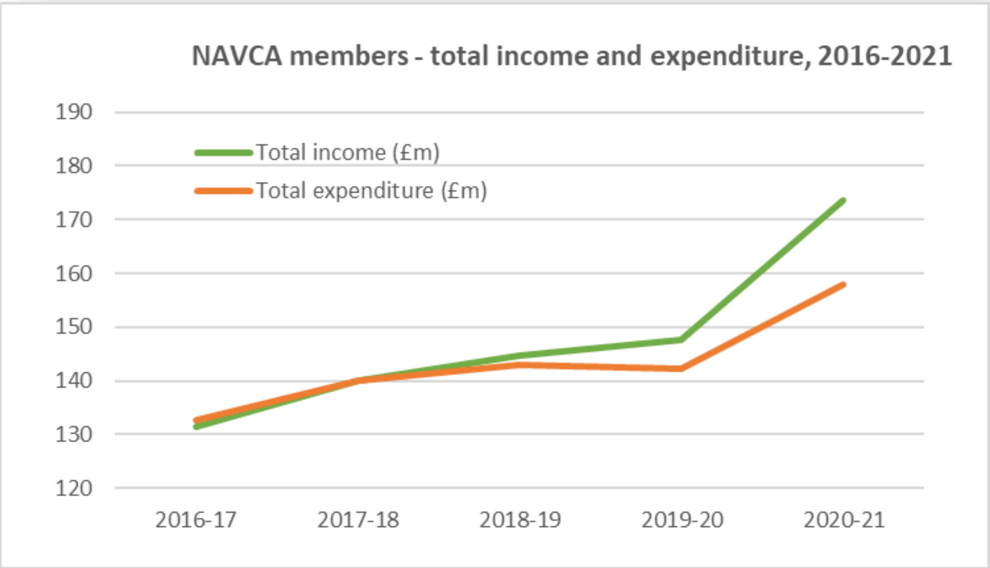
Source: NAVCA Members Survey 2022; n=79

This is highly likely to be dependent on COVID-19, where income may have been artificially inflated by the receipt of relief and recovery grants from a range of sources, while expenditure may have been reduced as a result of lockdown restrictions. In addition, many LIOs received funds from statutory authorities and charitable foundations for distribution as small grants to local VCSE groups. For example, one of the LIOs interviewed for the project advised:

> *"Covid's been a bit of a positive for us regarding income, because it just seems that there was a lot more funding around for a lot of different things and especially if you were an organisation that could adapt."*

The immediate impact of COVID-19 on income and expenditure was tested by looking back at Charity Commission data for the years leading up to 2020-21, which was both the first year of the pandemic, and the latest year for which data is available. Figure 6 shows the results.

Figure 6: The impact of COVID-19 on total income and expenditure of NAVCA members[4]



Source: Charity Commission for England and Wales

There seems to have been a very stark impact on aggregate finances in the first year of the pandemic. For the period from 2016-17 to 2019-20, aggregate income of NAVCA members increased by an average of 4.0% per year, but between 2019-20 and 2020-21, aggregate income increased by 17.7%. Likewise, from 2016-17 to 2019-20, aggregate expenditure increased by an average of 2.3% per year, but between 2019-20 and 2020-21, aggregate expenditure increased by 10.9%.

Of the £26m increase in aggregate income during the first year of COVID-19, £11.4m went to NAVCA members with incomes of £1m or more (44%), £5.01m went to those with incomes between £500K and £1m (19%) and £9.61m went to organisations with incomes under £500K (37%).

[4] Data available for 186 organisations, but 12 were removed due to incomplete records over the period from 2016-17, so analysis is on the basis of 174 organisations. All figures are adjusted for inflation and expressed at 2021 prices using the Bank of England inflation adjustment calculator, https://www.bankofengland.co.uk/monetary-policy/inflation/inflation-calculator

For some the pandemic has helped alleviate an otherwise mixed picture of gains and losses over recent years:

> *"The last 3-5 to years has seen a gradual reduction in our 'core' grant meaning that some areas of work have been reshaped (e.g., refocusing our group support from 1-to-1 to 1-to-many). A significant contract providing consultation/ engagement around health has come to an end, but this has been compensated for by a significant increase in our pandemic work".*

Others describe how they are just about managing to keep going, without much of a sense of fundamental change, as noted by two interviewees:

> *"I think we survive rather than thrive, is probably what I would say… you're so busy trying to keep things going that, you know, there are other things that you could be doing or developing"*

> *"financially, we're where we always are, which is setting a huge deficit budget and crossing our fingers…we are still under staffed, under resourced, punching well above our weight."*

There are clear concerns about the continuing tight financial context. Respondents report being asked to do more on the same or reduced budgets, and many experience squeezes in funding from local authorities, leading to strains within organisations – such as diverting core staff to work on projects and fears of burn out amongst staff:

> *"Demand has increased, however our resources have diminished. We are being asked to do more but with less. Some public sector partners and commissioners are aware of this … There is a recognition that we all have to work differently."*

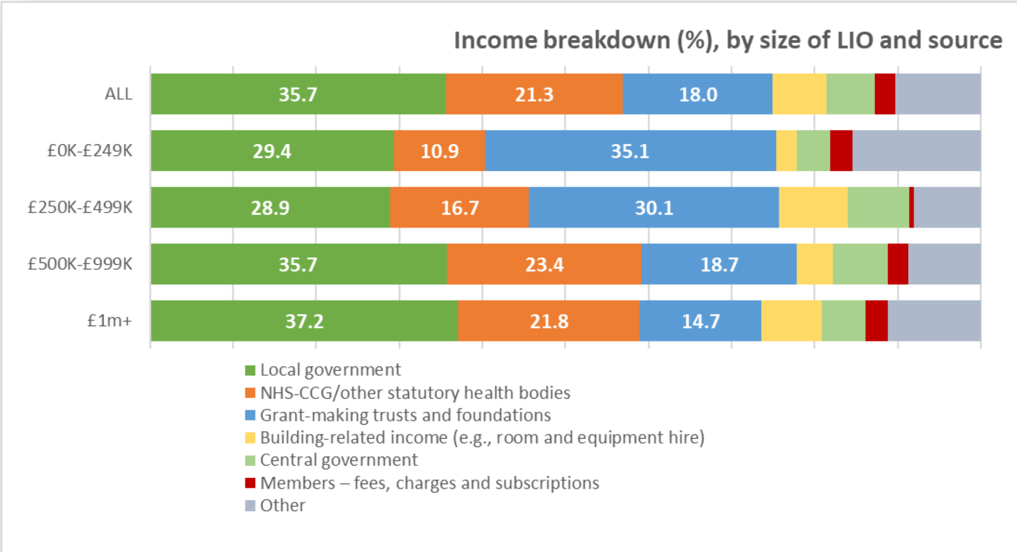
These concerns are discussed further in sections 5 and 6.

The comparison of income and expenditure for the 2020-21 financial year enables an immediate snapshot assessment of financial circumstances, although it is important to recognise that it is only a narrow one-year reading of financial health. Overall, NAVCA members spent 91% of income received during 2020-21. This is lower than in previous years and is likely to be a result of the challenges of undertaking activities in lockdown conditions. Four-fifths (81%) were in surplus for the year, while one fifth (19%) recorded a deficit for 2020-21. Careful tracking will be needed in the years to come to assess just how much the pandemic proves to be an anomaly in financial terms.

2.3. Income breakdown – where the money comes from

Survey data was used to provide estimates for how the overall income of NAVCA members is made up, in terms of the sources of income and types of income. NAVCA members were asked to give a percentage of income in the last full financial year for a range of sources and types. Figures 7 and 8 show the results, for all NAVCA members, and for members of different size.

Figure 7: Sources of income by size of LIO



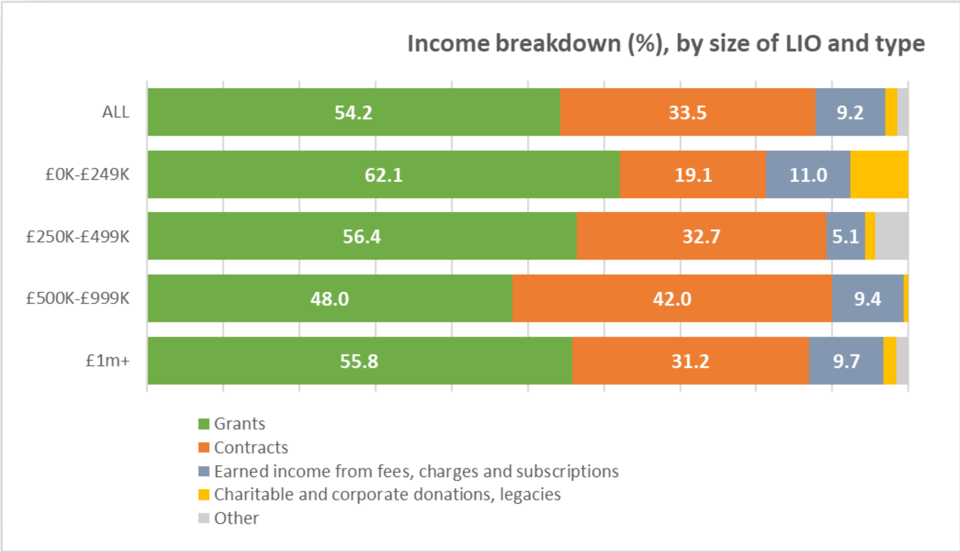
Source: NAVCA Members Survey 2022; n=67

Figure 7 indicates that NAVCA members' income primarily comes from three main sources, making up three-quarters of the total: local government (36%, £62m), local health bodies (21%, £37m) and grant-making trusts and foundations (18%, £31m). Building-related income, such as room and equipment hire, accounts for an estimated £11.3m, £10m comes from central government sources, and approximately £4m comes from members, in the form of fees, charges and subscriptions.

Smaller NAVCA members are funded proportionately more by grant making trusts and foundations compared to larger members which are funded proportionately more by local government and health bodies.

Smaller NAVCA members are, proportionately and comparatively, funded less by local government and health bodies, and relatively more by grant-making trusts and foundations, than larger LIOs. For larger organisations the pattern is reversed: more significant inputs, proportionately and relatively, by local government and health bodies, and less so by grant-making trusts and foundations.

Figure 8: Types of income by size of LIO



Source: NAVCA Members Survey 2022; n=68

Figure 8 shows that over half of NAVCA members' aggregate income comprises grants (54%, £94m), and about a third as contract income (34%, £58m). Earned income from fees, charges and subscriptions (from all sources) amounts to just under a tenth of the total (9%, £16m). There are variations across the membership: smaller organisations receive a higher proportion of income in grants than larger organisations and less so through contracts, whereas income through contracts is proportionately higher for larger organisations.

2.4. Staffing and volunteers

The membership survey also enabled estimates to be provided for the total number of staff and volunteers[5]. NAVCA members were asked to indicate how many paid members of staff they have, how many regular volunteers (including trustees), and how many volunteer hours they provide per week.

In total, NAVCA's 187 member organisations employ an estimated 3,467 full time equivalent staff. An overwhelming majority of NAVCA members (90%) report that all of their staff are paid at least the Real Living Wage.

> NAVCA members work with over 11,000 volunteers giving over 16,000 hours per week

NAVCA member LIOs work with an estimated 11,446 volunteers, comprising 9,740 regular volunteers and 1,706 trustees/board members. In total, an estimated 16,576

[5] All estimates are drawn from the survey response and weighted by size in relation to NAVCA's membership as a whole – see Appendix for further information.

volunteer hours each week are provided by these volunteers, which would equate to an additional 474 FTE staff.

On average boards have around 9 trustees/members. Roughly two fifths (39%) are representatives of local VCSEs, two fifths are individuals (41%), and one fifth (19%) are from other stakeholders, including local authorities.

3

Priorities – opportunities and challenges facing the local VCSE sector

Local infrastructure organisations support, promote and champion local voluntary action. Their purpose includes directly working with local voluntary, community and social enterprise organisations in their areas. Section 4 (pp.19-30) describes how they do that, but before this, section 3 identifies what NAVCA members see as the main issues and challenges facing local VCSEs.

Key Points

- VCSE organisations supported by NAVCA's members are often small in terms of turnover and paid staff; 54% have no paid staff, and 67% have an annual turnover of less than £100K per year.
- NAVCA members report financial matters topping the list of concerns experienced by local VCSEs, this includes 'accessing funding, including grant applications and bidding for contracts' and 'managing finances and cashflow', followed by 'adapting services and digital transformation', and 'managing staff and staff well-being'.
- Questions about people - 'managing staff and staff well-being', 'recruiting volunteers', 'supporting and retaining volunteers' and 'work on equality, diversity and inclusion' are the four concerns thought by most NAVCA members to have become more of an issue over the last 12 months.

NAVCA members are in a very good place to understand issues and challenges for the local VCSE sector on the ground, through their work, connections and their own membership. From the survey, the 187 local infrastructure organisations who come under NAVCA's umbrella have an estimated combined membership of 89,090 local VCSEs. Given NAVCA members regularly work with VCSEs that are not their members, the number they support and connect with is likely to be far higher than this.

The majority of these are small community-based and grassroots organisations: over half (around 54%) have no paid members of staff, and two thirds (67%) have an annual turnover of less than £100K.

The survey asked NAVCA members 'What have been the main concerns, issues and challenges your members/local VCSEs have been experiencing over the last 12 months?' and how things have changed. The results are shown in figure 9.

The main concerns, issues and challenges are listed in order of significance in the left-hand chart. It is based on an average score from respondents, where 10 equals 'a significant concern affecting many local VCSE organisations', and 1 equals 'a low priority concern affecting relatively few local VCSE organisations'. The right-hand chart indicates whether these concerns have changed over the last 12 months.

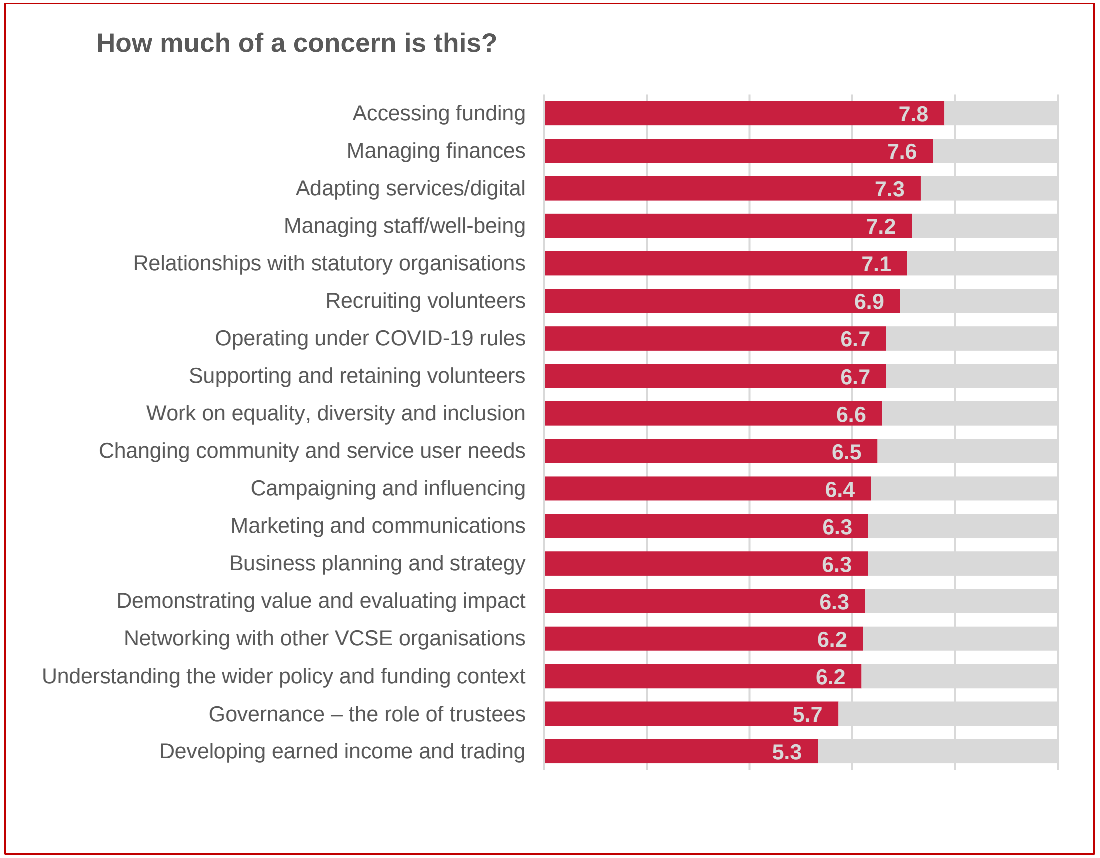
Financial matters top the list of concerns experienced by local VCSEs – 'accessing funding, including grant applications and bidding for contracts' and 'managing finances and cashflow' - followed by 'adapting services and digital transformation', 'managing staff and staff well-being', and 'relationships with statutory organisations.' These areas all gain a score of more than 7 out of 10 on the scale.

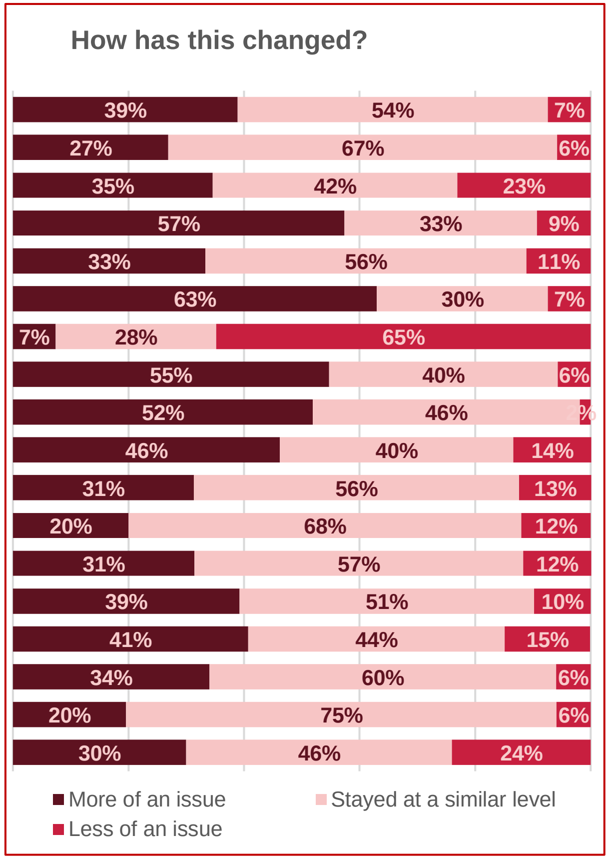
Figure 9: The main concerns, issues and challenges experienced by local VCSEs over the last 12 months

How much of a concern is this? (average score, where 10 equals a significant concern affecting many organisations, and 1 equals a low priority concern affecting relatively few organisations)

How has this changed? (more of an issue, stayed at a similar level, less of an issue)

Source: NAVCA Members Survey 2022; n=48-54





The main challenge for local VCSEs seen by respondents is around funding, presented as a combination of several factors: the priority given for emergency response funding during COVID-19, the severe difficulties for local authorities facing ongoing budget restrictions, high demand for services, faltering steps to re-establish trading activity after COVID-19, competition and the uncertain economic climate.

One respondent advises:

> *"With so much money pumped into COVID it's hard to see where future funding will come from. For those that saw so much of their income disappear because of COVID restrictions or funders diverting money then their cashflow is suffering".*

Others see a challenging outlook; for example: *"further cuts are on the way - especially at a local level (Councils hit again)"* and *"Funding remains a challenge, particularly against the context of huge increases in demand for services and support"*.

Funding and finance concerns relate also to increasing pressures on budgets given the crisis around the energy costs and the cost of living. Cost of living concerns, coupled with benefit restrictions, debt and rising mental health difficulties facing many households and communities form the increasingly intense environment of likely demand for services and support for local VCSEs. The *"sustainability of already stretched services"* is a main concern for one respondent and, for another, this comes on top of a period where organisations have been running close to the margin:

> *"many have used reserves which leaves them vulnerable now - the next couple of years could be crucial for some."*

The most striking finding in terms of how local issues and challenges are changing is around matters to do with people – volunteers and staff - in local VCSEs. More than half of the survey's LIO respondents report that these concerns have become more significant for local VCSEs over the last 12 months:

- 'Recruiting volunteers' (63% of respondents say this has become more of an issue),
- 'Managing staff, including well-being' (57%),
- 'Supporting and retaining volunteers' (55%), and
- 'Understanding and improving work on equality, diversity and inclusion' (52%).

Volunteer recruitment and retention is thought to be particularly challenging for time-intensive roles, such as being a trustee or board member, and a wider challenge is that volunteering is seen by many public authorities as *"a no-cost option".*

Several opportunities for local VCSEs are noted. One arises as a result of the positive recognition the local VCSE sector received for its work and collaboration during COVID-19, while another relates to new possibilities in health and social care. In general, there is a strong thread that there are greater opportunities coming out of the pandemic for collaboration, sharing staff and resources, and partnership working across the sector, including in the design of new services:

> *"I think what's come from the pandemic is that the statutory sector has got a better relationship with the voluntary sector … they've got more confidence in the sector."*

The growing area of health and social care transformation in the move towards Integrated Care Systems[6], and the associated interest in the role of VCSEs in preventative work and in achieving health outcomes, is largely seen in a positive light, but with some caveats. A higher profile, recognition and *"increased understanding of impact, engagement and delivery of services"* may, some NAVCA members indicate, bring more influence in health and care in the locality, and possibly more sustainable funding.

While there may be more contract opportunities, some risks are noted, particularly that expectations on the local VCSE sector are high, and being in a position to realise some of these opportunities presents difficulties for many. One advises that *"the amount of time it can take to invest in the statutory sector, particularly health, and this time is not paid for"*, which creates a worry for another, *"that what has been built over many years can be eroded by not being at the table"*.

[6] Following several years of locally led development, recommendations of NHS England and passage of the Health and Care Act (2022), 42 Integrated Care Systems were established across England on a statutory basis on 1 July 2022. The VCSE sector is identified as a key partner in these new systems and NAVCA members have been playing an active role in their development. https://www.england.nhs.uk/integratedcare/what-is-integrated-care/

4

Functions and activities – the work of NAVCA's members

This section discusses what NAVCA members actually do as local infrastructure organisations. An overall picture is provided first, before descriptions of four broad elements characterising the work of local infrastructure organisations in their communities: leadership and advocacy, partnerships and collaborations, community development and practical support, and volunteering – as shown here[7]:

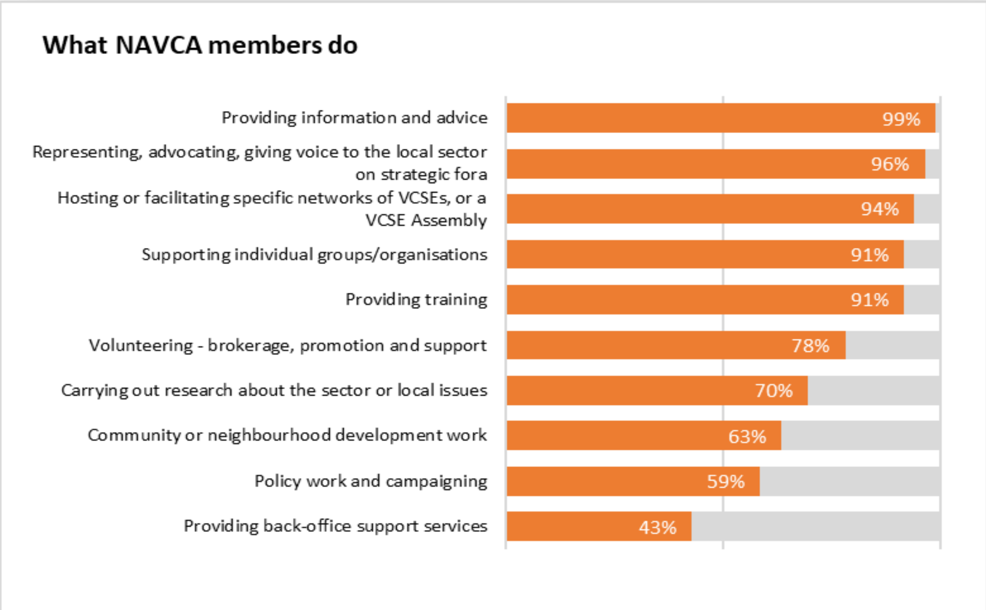
Key Points:

- There is a high level of consistency in what NAVCA members deliver. Over 90% of all members provide practical and information and advice support to their local VCSE sector; represent and give voice to the local sector and host or facilitate networks of VCSEs.
- 88% of NAVCA members provide some form of support for volunteering, and in the last year they have dealt over 225,000 volunteer enquiries.
- NAVCA members report particularly strong relationships with community-based groups and volunteer-only groups, larger VCSE service delivery organisations, other local infrastructure and support agencies, and with local authorities and local health bodies. Relationships with local social enterprises and the private sector are reported as less well developed.
- NAVCA members are positive about the local VCSE's involvement in and influence on local strategies about the VCSE sector overall, communities and health and wellbeing, but less positive in relation to strategies around commissioning, the environment and the local economy.

[7] See https://navca.org.uk/local-infrastructure-is

The survey asked NAVCA members to indicate, from a list of 10 specified kinds of activity *'(a) what your organisation does'* and *'(b) the five most important areas for your mission (rank, where 1 = most important)'*. Figure 10 shows the results for activities.

Figure 10: NAVCA members' activities



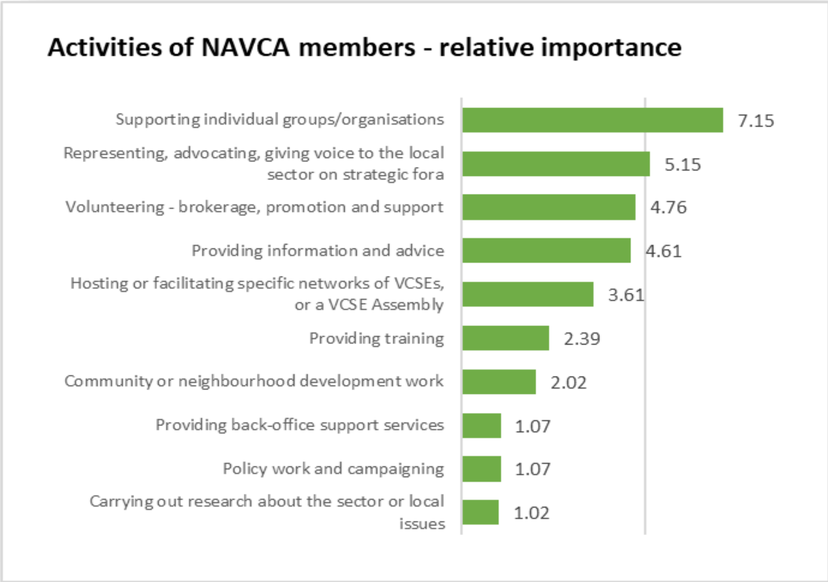
Source: NAVCA Members Survey 2022; n=82

The most striking feature to note from figure 10 is the sheer breadth of work undertaken by NAVCA members. Although local infrastructure organisations will often, and rightly, look quite different to each other given the specific local contexts in which they work, there is also a high degree of consistency amongst NAVCA members: many of these activities are undertaken by a high proportion of respondents. For example, the 5 most frequently cited areas of work are each undertaken by more than 9 in 10 NAVCA members, and 7 of the 10 listed categories are undertaken by two thirds or more respondents. Although on the ground things will vary, there is a common core to local infrastructure work.

The most commonly undertaken activities are, probably unsurprisingly, 'providing information and advice'; 'representing, advocating and giving voice to the local sector'; 'hosting or facilitating specific networks of VCSEs'; 'supporting individual groups/organisations'; and 'providing training'. These appear to be the bedrock of what NAVCA members do, but they are not seen as equally important for organisations' missions. 'Supporting individual groups/organisations' is seen as the most important area of work by 39 out of 82 respondents, followed by 'representing, advocating and giving voice to the local sector' (24 out of 82 regard this is the most important area).

To gain an overall picture of what NAVCA members regard as important amongst their varied activities, figure 11 provides a comparison of the relative importance of each area of work in terms of meeting their missions, based on the rankings provided by survey respondents.

Figure 11: The relative importance of NAVCA members' activities[8]



Source: NAVCA Members Survey 2022; n=14-72

As might be expected, 'Supporting individual groups and organisations' gains the highest score (7.15 out of 10) and pulls quite far away from other key areas, such as 'Representing, advocating, giving voice to the local sector on strategic fora' (5.15 out of 10). These are considered by NAVCA members to be the two most important areas of work for their mission. Almost all respondents provide information and advice (ranked 1st, 99%), but it's relative importance falls somewhat (ranked 4th, scoring 4.61 out of 10).

The results in respect of 'volunteering - brokerage, promotion and support' are worth noting. Just over three quarters of respondents say they provide this (78%, ranked 6th out of 10 areas of work), but it is seen as the third most important area of work by respondents (scoring 4.76 out of 10). This suggests that some members recognise its importance but do not or cannot provide it. Conversely, over 9 in 10 NAVCA members say they provide training, but it is considered relatively less important (ranked 6th out of 10 areas of work, scoring only 2.9 out of 10).

A wide range of other activities were also indicated by respondents. They include involvement in social prescribing schemes (10 cases), providing employment/employability support (6 cases), running community transport schemes (5 cases), and managing grant programmes (4 cases). In addition, respondents also mentioned managing community centres and hubs, providing befriending and Good Neighbour schemes, carers support, Healthwatch, advocacy services, wheels to work, community led housing, and community health schemes such as community based counselling and mental health support for children and adults.

[8] The measure of relative importance is a weighted calculation where areas of work ranked first by each member are given a score of 5, those ranked second score 4, down to areas ranked fifth scoring just 1, and no score being given to areas not regarded by each member as amongst the top 5. The result is expressed out of 10 to ease comparison (where a score of 10 would arise if all respondents indicated that a particular area of work was the most important).

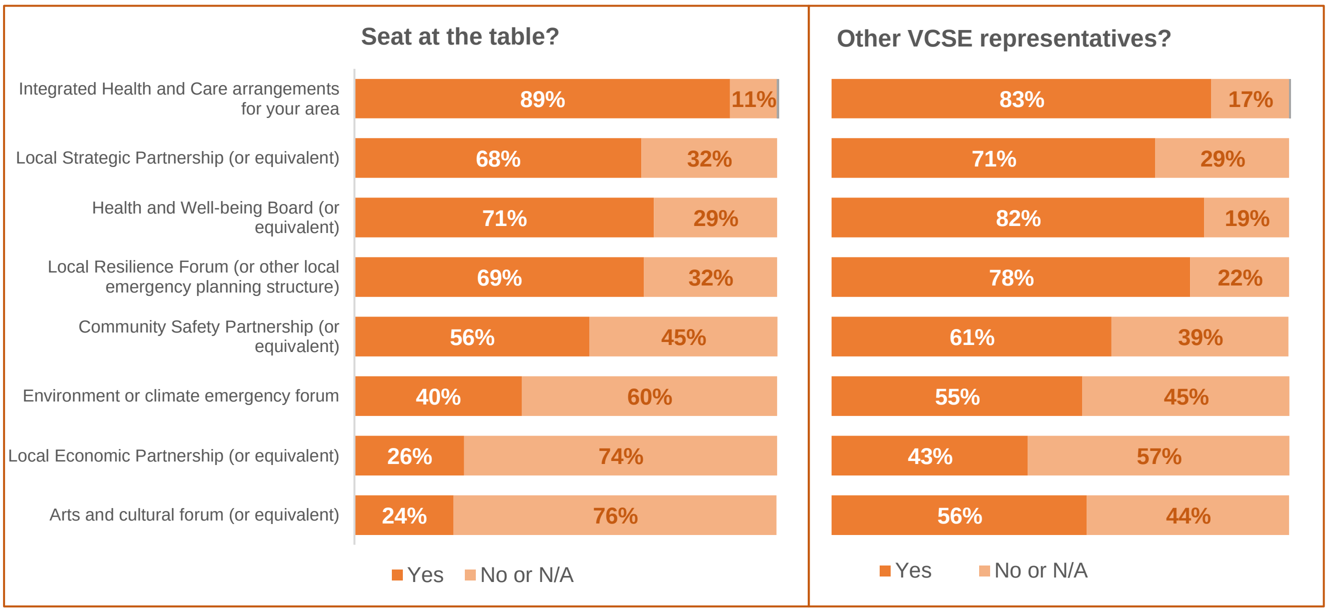
The breadth and variety of activities undertaken in addition to the common core of local infrastructure work reaches into a longstanding and often unresolved issue of core infrastructure and additional projects and activities: what is understood by the 'core', how and how well it is funded, and what are the drivers for pursuing other activities which may only be tangential to infrastructure. Interviewees reflected on these issues, where some LIOs felt that they were having to move their focus away from core work due to a lack of funding to cover its costs.

4.1. Leadership and advocacy

The survey asked NAVCA members a series of questions about their work as leaders in and advocates for the local sector. In part these were specifically designed to gauge involvement in a range of local strategic groups, forums and partnerships – from Integrated Care arrangements to arts and cultural forums.

Figure 12 below provides an indication of LIO and other VCSE sector presence within various strategic groups and partnerships, while figure 13 looks at deeper involvement and leadership by LIOs, illustrating the extent to which they are involved in, lead or chair particular sub-committees in these local strategic groups.

Figure 12: Seats at local strategic tables



Source: NAVCA Members Survey 2022; n=40-55

NAVCA members, and other local VCSEs, appear to have a good presence in a range of strategic groups, forums and partnerships – sizeable majorities of respondents report that they are involved at the table in integrated health and care arrangements, local strategic partnerships, health and well-being boards and local resilience forums.
One interviewee saw their role as one of 'banging the drum' for the sector:

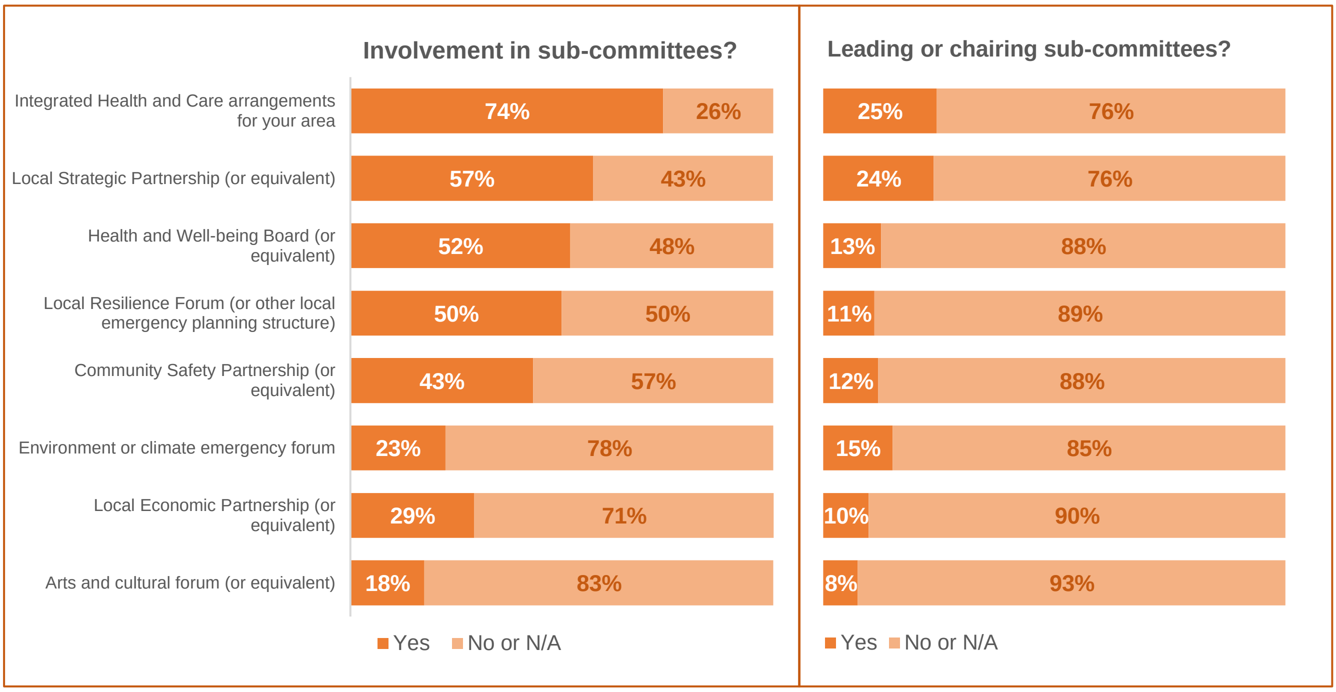
> *"making sure that the local grassroots groups are not disregarded in terms of the new strategies that are coming out from the ICS".*

Another put this vividly:

"my only agenda is going to be about promoting the voluntary sector, I don't have any other agenda... I am not there hoping to be commissioned to deliver a huge thing, I am there to champion…we call it 'shake our pompoms' internally".

Participation by LIOs appears to be less common in respect of local economic partnerships or arts and cultural forums, although to an extent other local VCSEs take on this role. The pattern of involvement in sub-committees shown in figure 13 below is somewhat similar to participation in the main strategic groups, forums and partnerships. Leading or chairing sub-committees is much less common.

Figure 13: Involvement of LIOs in strategic level sub-committees



Source: NAVCA Members Survey 2022; n=40-55

Two main points emerge from the reflections offered by NAVCA members. First, the structures and partnerships, and their significance, are quite fluid, and much has been changing as a result of the pandemic and the evolving integrated care agenda in health and social care:

"We of course had a massive uptick in work with the Local Resilience Forum through the pandemic. The importance of these forums is continuously shifting - for example, it seems to me that the LEPs are falling out of favour at present."

Some strategic groupings are more open to VCSE involvement than others:

"[the] economic forum has and remains impossible to penetrate and we have tried several routes. Local authority-led forums, generally open doors. NHS-led, mixed but improving."

Some scepticism comes through here in comments from respondents: *"Structures are shifting all the time, most effort is spent working at place level where services are delivered"*, which is due to *"time constraints and too many talking shops."* As another LIO observed *"I might sit on different groups now, but [we have] often been the "tick-box" VCS rep for local meetings".*

Second, capacity to attend and participate is limited: *"with far fewer resources all of this is getting harder to maintain".* Many respondents comment on how they have to prioritise where they devote their (generally unfunded) time, or how they share responsibilities with other local infrastructure organisations:

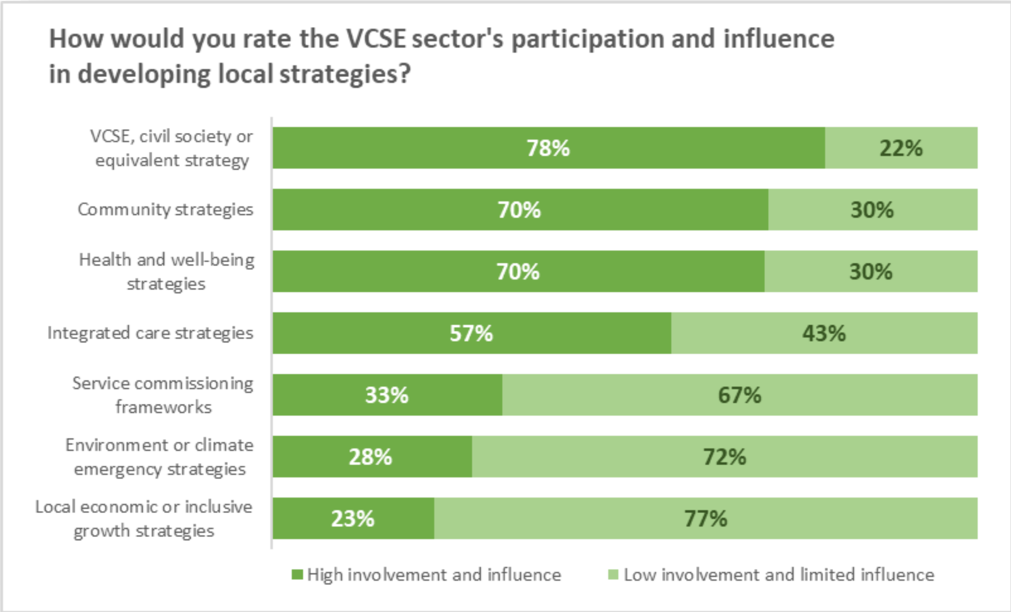
> *"[It is a] large geographical area for one person. [I'm] unable to be involved in everything so have had to focus on the ones we are directly involved in - no funding for this type of representation role so capacity is an issue."*

NAVCA members were asked to assess the local VCSE's participation and influence overall in developing a range of local strategies. Participation and influence are clearly not the same thing, but they were brought together in one question for simplicity. Again, LIOs were asked to respond to a scale of 1 to 6, where 1 implies low involvement and limited influence and 6 implies high involvement and influence, such as leading the production of a strategy.

> NAVCA members report high involvement and influence in developing specific local VCSE and civil society strategies, and broader health and well-being and community strategies, but lower involvement and limited influence in commissioning frameworks, environment or climate emergency strategies and local economic or inclusive growth strategies.

Figure 14 highlights the results. NAVCA members report high involvement and influence in developing specific local VCSE and civil society strategies (78%) or broader health and well-being and community strategies (both 70%). Worryingly, lower involvement and limited influence is reported over service commissioning frameworks (33%), environment or climate emergency strategies (28%) and local economic or inclusive growth strategies (23%).

Figure 14: The local VCSE sector's participation and influence in local strategies



Source: NAVCA Members Survey 2022; n=51-54

The pandemic provides a relatively strong context in which to understand the sector's participation and influence in local strategies. As indicated in section 3 of this report, there is a prevailing view that the VCSE sector's role during the pandemic has been highly praised and appreciated. It provides fertile ground for greater involvement, and sometimes influence, in local service planning and developments. COVID-19, as one respondent explains:

> *"created those conditions for the local VCSEs to be further involved in the sector's strategic design. It gave the opportunity to grassroots organisations to get a more active role, and at the same time [the LIO] was able to advocate on their behalf".*

This is affirmed elsewhere:

> *"The voluntary sector is now more valued than pre-Covid … The positive impact of Covid is that the third sector is now more connected to council planning and the delivery of services".*

However, a fairly mixed and complicated picture of participation and influence arises overall through this research. Some LIOs appear to have seen significant advances, as indicated by one NAVCA member who reported that: *"The VCSE (and [the LIO] specifically) are at the centre of a current conversation about the future of civil society and community strategies in the city",* which, informed by earlier work at neighbourhood level, has *"an established direction of travel towards a more locally focused community-led approach".*

Others can see progress in parts – for example:

> *"more involvement in strategies that focus on the health agenda, especially at a local level. Covid response has provided a challenge but an opportunity for*

the ...sector to be appreciated for what it brings to the solution. Their voice is being recognised more than ever before but bureaucracy is still creating barriers to involvement".

Another LIO describes the particular approach they take on leadership and advocacy:

"what we've tried to instil in the sector is that, you know, it's not just about money, it's about influencing and having a voice about what's happening in localities and [area] wide so we've been working on that quite a lot, to change attitudes".

Finally, there are some doubts about whether work to influence decision makers is listened to or acted on, as indicated here:

"Despite attending more meetings during the pandemic and having the ear of key council and health officials, it is not clear that we are really influencing the key decisions that are taken, particularly at Local Authority level".

A view echoed elsewhere by another respondent:

"We're seeing a lot of strategies coming out without much engagement at all. It's currently quite a concern".

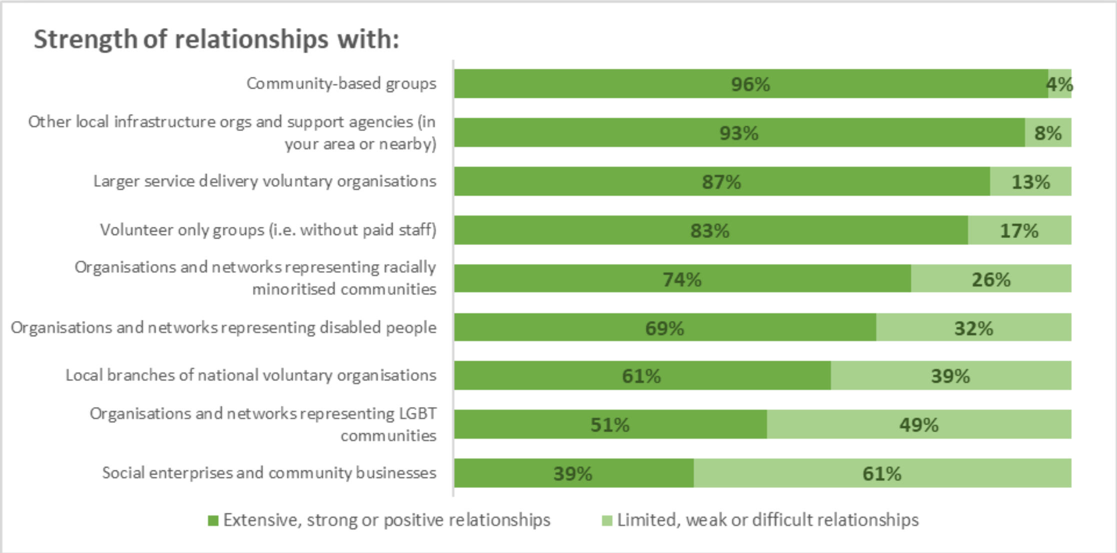
4.2. Partnerships and collaborations

The survey asked NAVCA members to rate the strength of the relationships they have with other kinds of organisation in their area. A simple 1-6 scale was used, where 4, 5 and 6 would imply progressively more extensive, strong or positive relationships, and 3, 2 and 1 would imply gradually more limited, weak or difficult relationships. Figure 15 shows the broad results for relationships LIOs have with other parts of the sector, while figure 16 shows how NAVCA members rate the strength of the relationships they have with different kinds of external stakeholders in their area; that is, relationships beyond the VCSE sector itself.

Particularly strong relationships are reported with community-based groups and volunteer-only groups, other local infrastructure and support agencies, and larger service delivery voluntary organisations. More than four-fifths of respondents rated these types of relationships as relatively more extensive, strong or positive.

Relationships with local branches of national voluntary organisations and with organisations and networks representing LGBT communities are regarded as not being quite so extensive, strong or positive. Relationships with social enterprises and community businesses are reported to be least well developed - three fifths of NAVCA members consider these relationships to be limited, weak or difficult.

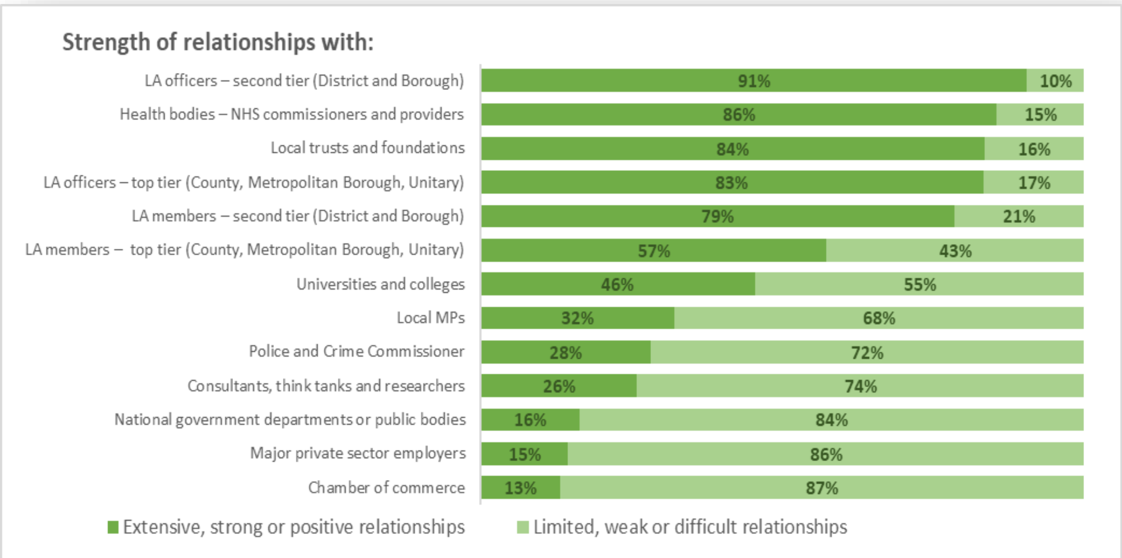
Figure 15: Relationships between local infrastructure organisations and other VCSE organisations



Source: NAVCA Members Survey 2022; n=53-54

In explaining their answers further, several respondents noted variable relationships – some stronger, some weaker – within each category, and therefore the difficulties of generalising: "*We have some excellent relationships and some non-existent ones!*" Lower scores are seen in the extent and quality of relationships with various marginalised groups and communities, and also with social enterprises and community businesses. Some respondents noted that the former often related to the lack of groups locally representing these communities – sometimes they operate on a wider regional (such as London-wide) or sub-regional basis.

Figure 16: Relationships between local infrastructure organisations and external stakeholders



Source: NAVCA Members Survey 2022; n=42-55

Relationships with key stakeholders outside the sector appear to be split into two groups. Those with local authorities and local health bodies tend to be very well developed: extensive, strong or positive. For local authorities, relationships tend to be stronger with officers than members - these are likely to be the day-to-day contacts with key staff responsible for the local sector in these authorities. One interviewee described the approach they took:

> *"it's just about building that trust and building that whole relationship... What are they trying to achieve and then you are finding that common ground".*

Relationships with a range of other stakeholders seem to be less well developed – that is, limited, weak or difficult - with, for example, national government departments or public bodies, and particularly with the private sector: major private employers and chambers of commerce.

Once again respondents note the mixed picture across different kinds of stakeholder, and how variation within the categories makes it hard to generalise:

> *"Another mixed bag of very strong relationships to weak / non-existent - often limited to the extent of our resources and time to develop these relationships".*

Wider circumstances – staff cuts and turnover of key people - appear to thwart the development of strong relationships: *"Relationships are very personal and can change as people move, this has been an issue".*

4.3. Community development and practical support (capacity building)

An overwhelming majority of NAVCA members – more than 9 in 10 - provide practical guidance and support to local VCSEs on a one-to-one basis. This can take the form of specific advice on issues like governance or strategic planning for individual VCSEs, or broader community development work supporting communities to work to address priorities amongst their group or in their local neighbourhoods and villages.

Nearly half of NAVCA members (46%) indicate that such practical work with local VCSEs has increased compared with the previous 12 months, and 44% say it has stayed the same. In the last complete year for which figures are available, NAVCA members have provided practical support to an estimated 36,463 local VCSEs. Over half of NAVCA members (54%) expect that this kind of work will increase in the next 12 months, while 44% expect it to stay at the same level. Only 2% expect it to decrease.

Many LIOs have dedicated staff or teams for this work funded through core grants or contracts from their main funders, such as local authorities. However, what is more noticeable from the survey is how such practical support for VCSEs in many LIOs is funded through a complex patchwork of sources, and organised across a wider staff team, with people multi-tasking across a range of roles and activities, as indicated here:

> *"Pretty much all the team do this in some way with even the finance manager and Comms manager providing advice and support to groups in their respective areas. We look to utilise the different team skills and experience to ensure the best person is advising on a given ask".*

As indicated in section 3, much of this kind of practical support and community development work focuses on assistance with fundraising and funding bids. NAVCA members estimate that in combination, and as far as it is possible to tell, this work has helped local VCSEs secure an estimated £139m to support their work in the last 12 months.

NAVCA members helped local VCSEs secure an estimated £139m to support their work in the last 12 months

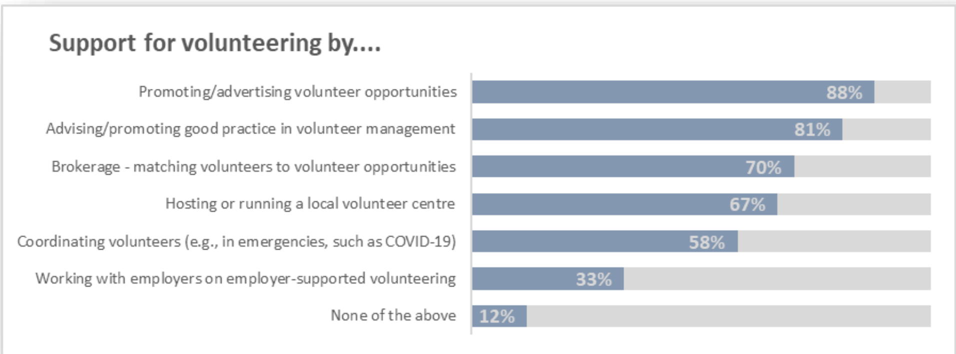
In addition to practical support, nine in ten NAVCA members (88%) provide training for local VCSEs. Estimates from the survey indicate that 42,534 people from the VCSE sector have been on training courses provided by NAVCA members in the last year for which figures are available. Sometimes training is coordinated or delivered by dedicated staff, often by development workers who also provide one-to-one practical support with groups, but again the survey suggests that training for the sector in many LIOs is organised and delivered across a whole staff team, and occasionally through external specialists.

4.4. Volunteering

NAVCA's membership involves local infrastructure organisations which have an integrated volunteering service, some that do not provide volunteering support, and also those whose sole or main purpose is to promote volunteering. As shown in figure 17 below, nine in ten NAVCA members (88%) provide some form of support for volunteering. However, the nature of this support varies:

- 81% provide advice or promote good practice in volunteer management,
- 70% provide a brokerage or matching function,
- 67% host or run a local volunteer centre,
- 58% coordinate volunteers, for example in specific emergency circumstances, and
- 33% work with employers on employer supported volunteering.

Figure 17: NAVCA members' support for volunteering



Source: NAVCA Members Survey 2022; n=57

For those that don't support volunteering at all, the main reason given is that other Volunteer Centres provide this locally.

From the survey it is estimated that around 330 FTE staff (and volunteers where applicable) are devoted to work supporting volunteering across the network. In the last year NAVCA members have dealt with an estimate of 225,283 volunteer enquiries. Around 30,000 organisations have used volunteering services provided by NAVCA members – of which 9 in 10 are local VCSEs and one tenth are other kinds of organisation.

5

Looking ahead – prospects, sustainability and support

This section looks ahead by discussing future prospects of NAVCA members, their strategies for sustainability and the support they need. Information is again drawn from the survey and interviews with LIOs.

Key Points

- NAVCA members have a mixed view of financial prospects, perhaps reflecting the uncertainty of the post-pandemic funding context.
- While income increased for most NAVCA members through COVID-19, there are significant doubts over whether this will be sustained.
- The most commonly pursued strategies for sustainability are around demonstrating impact, building stronger strategic relationships with local government and health authorities, and building alliances and collaboration with other VCSEs.
- NAVCA members report their main support needs are around evaluation and demonstrating impact; funding and business development; and leadership and strategic thinking.

5.1. Prospects

The survey asked NAVCA members about the prospects for their organisations over the next two to three years. Overall survey respondents have a rather mixed view of financial prospects, perhaps reflecting the uncertainty of the post-pandemic funding context. While income certainly increased for most NAVCA members through COVID-19, there are significant doubts over whether this will be sustained. As table 3 shows, NAVCA members are divided in equal measure in seeing likely income increases, decreases and income staying more or less the same over the next 2-3 years: 28% think it will increase, 29% think it will decrease, and 28% think it will stay more or less the same.

Table 3: Prospects for overall income in the next 2-3 years

Overall income will…	Freq.	Percent
likely increase	22	27.5
stay more or less the same	22	27.5
likely decrease	23	28.8
It is unclear	13	16.3
Total	**80**	**100.0**

Source: NAVCA Members Survey 2022; n=80

NAVCA members are more optimistic about the prospects for the impact and reputation of their organisation in the next 2-3 years. Four in five (80%) respondents think its impact and reputation will have grown slightly (45%) or substantially (35%) in the next 2 to 3 years. Only 5% think it will have decreased.

Two main sets of reflections seem to be in play for those who think income in the next few years will increase, depending upon the extent to which LIOs can readily point to specific developments in train. First, some LIOs refer to recent successes in being awarded new grants or contracts or being asked (by statutory partners) to take on more activities.

This relates to a broader observation, that work in health and social care is growing generally, linked to integrated care and health service transformation agendas, as stated by one respondent: *'We're developing well and working with ICS partners, which we anticipate will only grow'.* A second respondent appears to be confident that internal developments will yield increasing income:

> *"We are developing and operating enterprises with a growth business plan and opportunities via larger scale tendering to deliver services across a wider area or under single contract. There is potential for further mergers and for taking on new initiatives."*

A second group appears to be a little more speculative but hopeful about increasing income in the next 2-3 years. One LIO advises *"We are planning to increase our fundraising efforts in order to increase our income streams',* and another states *'I hope/trust there is short-term funding available for projects in 2022 that may lead to longer-term income streams".*

Some of those who think income in the next 2-3 years will stay more or less the same have foreseeable stability in their income because of ongoing support from key funders or they had just successfully negotiated new funding agreements. For example, one LIO advised that:

> *"We have negotiated three-year funding packages with our key core funders which sustains a steady core income for the next 18 months to two years".*

Others noted that *'Income last year was inflated by one off COVID-19 contributions. We anticipate our core income remaining unchanged'; 'We have two main funding streams and both have 2 years still to run. Hence, we are stable financially but work and demand are growing';* and *'As grants have reduced, we've moved towards earned income - COVID significantly impacted our ability to earn income and it will take 3-5 years to bring it back to a similar level'.*

The pandemic features as a key contextual factor for those who think their income will decrease in the next 2-3 years. They point specifically to the temporary uplift in their resources because of emergency COVID-19 grants to support cashflow and for specific crisis response and recovery projects, or as sizeable funding for subsequent distribution to groups or individuals. As one respondent observes:

> *"We have received additional funding in the last and current financial year to assist with the response to the pandemic and its aftermath. There is no expectation that this level of investment will continue in coming years."*

Other factors are also in play for those foreseeing declining income. These include the slow recovery likely from the COVID-related toll on earned income streams, such as rental income for office space and events, and general pressures on the budgets of local authorities and others, leading to cuts in core grants and projects. As one respondent explains:

> *"Our core grants from the local authority are agreed on a year-by-year basis, and both our district and county councils are facing budget pressures".*

Some are continuing on a very fragile basis:

> *"I think we were getting closer and closer to that critical mass… and saying well, 'at what point do we need to start making difficult decisions around cutting services, cutting staff posts, because we can't continue".*

The fragility of current funding arrangements came across in interviews with other LIOs, with several highlighting a precarious existence. For example, one in a relatively secure position still voiced a note of caution:

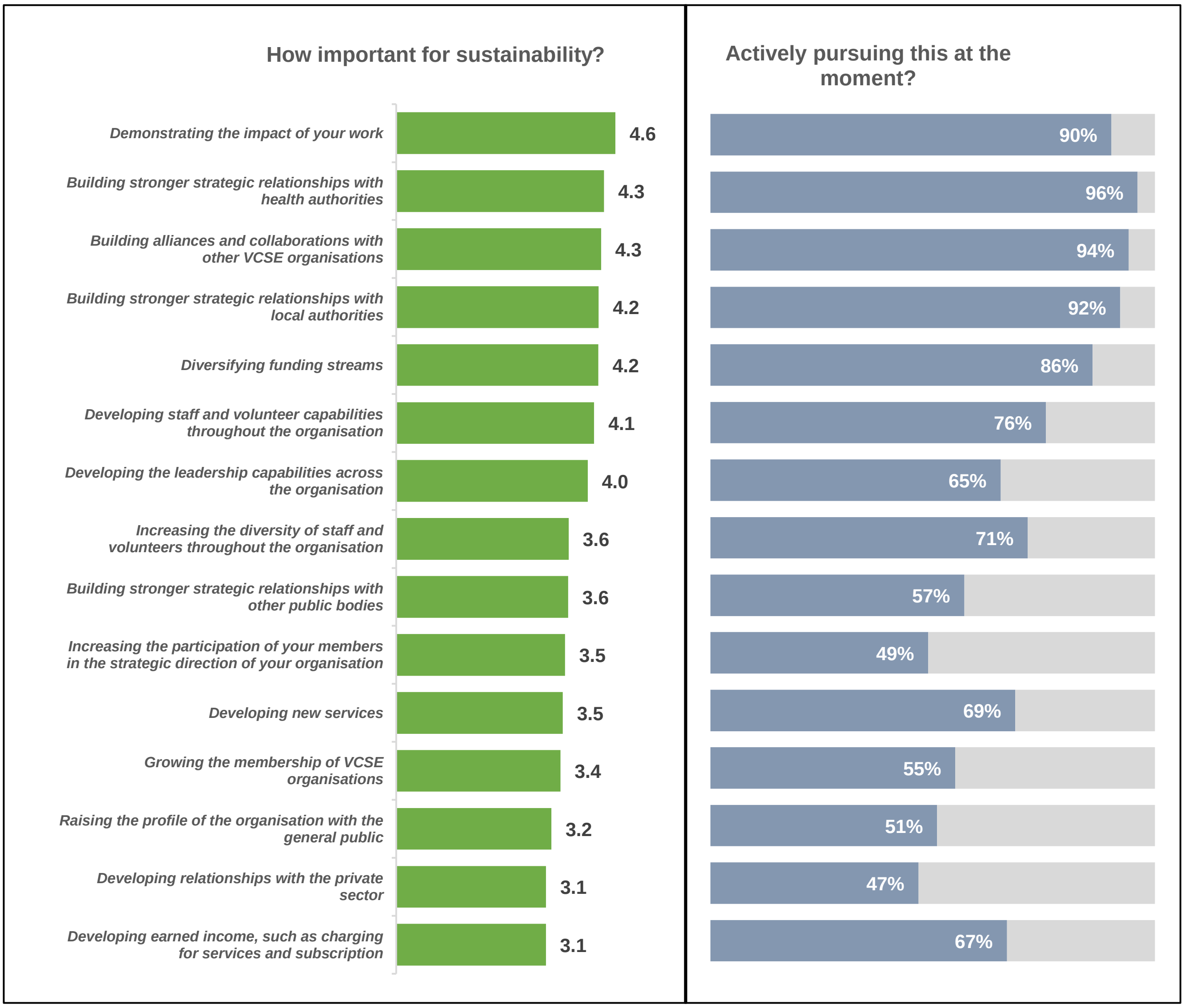
> *"we're better equipped to be able to bring in a sort of smorgasbord of funding. But all it would take is a few shifts of opportunity incentives, and if that kind of thing dried up or … we lost some key people, it could make us a bit more vulnerable".*

5.2. Sustainability

NAVCA members are pursuing a wide range of activities to try to ensure the sustainability of their organisations over the next few years. They are all seen as important, but some strategies are viewed as more important than others. The survey presented NAVCA members with a list of fifteen different strategies they might adopt to ensure the sustainability of their organisation over the next few years.

Respondents were asked to identify how important each would be for sustainability (on a scale of 1-5, where 1 would be ‘not very important’ and 5 would be ‘very important’), and whether they were actively pursuing this strategy at the moment. Figure 18 below shows the results: the importance of each strategy is taken as an average out of 5, and whether each strategy is pursued or not given as a percentage.

Figure 18: Sustainability strategies for local infrastructure organisations



Source: NAVCA Members Survey 2022; n=47-51

The five areas which members consider to be most important are:

- 'Demonstrating the impact of your work' (4.6 out of 5),
- ‘Building stronger strategic relationships with health authorities’ (4.3),
- 'Building alliances and collaborations with other VCSE organisations' (4.3),
- 'Building stronger strategic relationships with local authorities' (4.2), and
- 'Diversifying funding streams' (4.2).

These are also the five most common strategies being pursued across the membership - each is being actively pursued by over 85% of members.

Looking more closely at the charts, three sustainability strategies appear to show a slight divergence between assessments of how important they are and the extent to which they are actively being pursued:

- ‘Developing new services' and 'Developing earned income' are perhaps being given more attention by respondents than their relative importance would suggest. Each is being pursued by around two-thirds of members (69% and 67% respectively), and thus ranked 8th and 9th respectively out of 15 strategies. Yet in terms of their perceived importance, they are ranked lower: 11th and 15th respectively.

- Conversely 'Increasing the participation of your members in the strategic direction of your organisation' is seen as the 10th most important strategy (out of 15), yet only 14th out of 15 in terms of its prevalence, being pursued by less than half of respondents (49%).

5.3. Support

NAVCA members were asked whether they had accessed external support from other organisations or specialist consultants to develop their own organisation in the last three to five years. Survey respondents outlined some 99 different instances of support they had received, and what is striking is the wide range of areas for which specialist support has been sought.

Leadership development, such as coaching and mentoring, and project or programme development, top the list of issues (11 instances each), followed by funding and business development (10 instances), and strategic planning support (9 instances). Other topics around which LIOs have sought external support include human resources and workforce development, IT and digital, networking, collaboration and partnership working, and research and impact evaluation. Over half of these identified areas of accessed support were provided by consultants (52%), one in ten through pro bono support, and one in twenty from peer LIOs. Just over half of the support projects were funded through internal resources or reserves (51%), just over a quarter were provided for free or as part of a pro bono service (27%), and just under a quarter were funded through a dedicated grant (22%).

The survey also asked respondents what support is needed by their organisation over the next two to three years. Broadly the support needed mirrors the support previously accessed, but with some crucial differences. The three main areas where LIOs report that they need support are inter-linked: around evaluation and demonstrating impact; funding and business development; and leadership and strategic thinking.

Support with demonstrating the value of local VCSE infrastructure has been a longstanding concern. It has risen up the agenda again and now dominates the thinking of many LIO leaders – as seen from figure 18 – in part due to the further squeeze on resources in the post-pandemic period. One interviewee thought that demonstrating impact had been neglected *"because we’re all running around like crazy trying to meet other priorities”* while another noted:

"*a big challenge for a lot of our charities and for ourselves is shouting about how great we are and what we do, it's a challenge because we spend all of our time doing what we need to do to support people.*"

For some the concern with impact involves the whole approach to information gathering, management and use, as indicated here by one respondent:

"We need more support around … how we record what we do, how we monitor what we do, how we evaluate what we do and how we then gather this information and use it to usefully enhance our ability to influence our LA and the health infrastructure".

Several respondents mention the need to support and develop leadership capacity and capability in their organisations. One describes vividly how this is as much about space for reflection to support decision making as about skills development:

"[We need] thinking time for the CEO and senior managers… The pace of change and the demands on this small organisation mean that really significant decisions are taken routinely with little head space... What the organisation needs [is] more support for its leadership - Board and executive - to ensure we are still steering in the right direction and making the best judgement calls we can".

6

Conclusion – making the case for effective local VCSE infrastructure

By way of conclusion, this section first discusses the case made by NAVCA members in support of local VCSE infrastructure, including how they view what effective and high quality local infrastructure involves, and second, poses two key challenges ahead for the network and other stakeholders invested in supporting local VCSE infrastructure.

Key Points

- NAVCA members consider that the three most important things an effective and high quality local VCSE infrastructure organisation should be doing are: providing practical advice and support; building connections and relationships; and enabling voice, advocacy and influence.
- NAVCA members highlight the organising, coordinating and linking roles played by local VCSE infrastructure, but often also use metaphors to explain what it is for.
- Local VCSE infrastructure faces two broad challenges: the financial context emerging beyond COVID-19 and into the cost-of-living crisis, and convincing others about the value of local VCSE infrastructure organisations.

6.1. Making the case

NAVCA members use a wide range of inter-connected arguments in support of the role and value of local VCSE infrastructure. Some of this involves trying to tell the story of what infrastructure is for and what it enables. 'Support' is used frequently in these arguments, and of 'unlocking' the value in communities:

"If we didn't have it, we would need to invent it. We have a huge community asset… in every part of the country and infrastructure is a way of unlocking all that it has to offer so communities get maximum value from support and involvement in their local sector".

Much of local infrastructure's work is hidden or behind the scenes, and several refer to infrastructure as the foundations or 'glue' that holds the local sector and communities together:

"We're [the] glue between the amazing community action… by bonding the action together we can see it and multiply it".

Another argues that:

"Community, social and volunteering infrastructure is the bedrock of our society. We've always depended on it, and never more so than we did through the Covid crisis... and we still need it more than ever".

Others point to the role of infrastructure in 'stitching' communities together, or to the 'scaffolding' provided by infrastructure:

"The built environment needs infrastructure; drainage, power lines, roads, a trained workforce – VCSE infrastructure performs the same functions… - it keeps information flowing, it builds capacity, it connects and enables partnerships and good things to happen".

There are also more concrete and day-to-day reference points around the organising, coordinating and linking value of local infrastructure. Some of this refers directly to the experience of mobilising the sector during COVID-19[9], as noted here:

"look at the pandemic - we supported the VCS to get organised and get connected to support in a crisis... We held the sector and supported knowledge and insight at a critical time to know what was happening. We were the frontline in the city".

Another interviewee reiterates this point:

"The Covid pandemic… really gave us a platform to say 'this is why infrastructure exists. This is what we do' and we've been far more able to communicate and articulate what a local infrastructure organisation is [and] does".

[9] See also: McMullan, J. and Macmillan, R. (2021) *Stepping up: coordinating local voluntary sector responses to the COVID-19 crisis* (Sheffield, VCSEP), September 2021

Beyond the pandemic, NAVCA members highlight their role in organisation and coordination, linked to the voice of the local sector:

> *"Infrastructure is needed to ensure the sector is properly coordinated and organisations can function effectively. We can amplify the voices of small grass roots organisations".*

This is echoed by another respondent,

> "*Infrastructure helps bring together and co-ordinate a very diverse and fast changing sector… The sector is stronger and can have more influence when it speaks with one voice - infrastructure helps provide that voice".*

The argument broadens into the practical support offered by infrastructure organisations:

> *"We are the "business link" for charities. We let our charities focus on delivering front line support to residents, and save them money by offering their staff and volunteers training, finding grants for them, and focusing their actions on the most needed priorities".*

Some arguments focus on the value found in the way infrastructure operates, particularly around 'getting things done' in the often unnoticed work of providing expertise - *"a local front door that has a wealth of knowledge"* - in the support of others, as indicated here:

> *"We allow other organisations to do the do - they are our service users! Supporting and developing them allows their service users to have the best possible services available".*

This role involves working as trusted, knowledgeable and professional partners, whose work permeates across sectors:

> *"Our hearts are with the communities and our members groups, but our heads are speaking the language of other sectors to influence and demonstrate the impact of all the great work out there".*

One respondent argues that the LIO *"leads and acts as a catalyst in the advancement of the VCSE sector as a strategic partner and deliverer of services"*. Another takes this further, arguing that infrastructure helps provides assurance:

> *"We are the charity whose job is to help local charities be the best they can be. Because we know and provide support to our local charities we can give you confidence, that if you fund or work with them, they will have everything in place to be professional and safe and secure".*

Some respondents talk specifically about the reach and impact of local VCSE infrastructure: *"Why support 1 charity when you can support 1,000?"* There is an efficiency argument for funders here, underpinned by a note about leverage, the ability to bring additional resources into an area where funding advice and support work leads to a valuable return on investment:

"What most shocks people is when I tell them we work with 3,500 community groups across [the county] - they have no clue of the scale and scope of what we are doing".

One LIO points to the benefits of the sector's 'preventative' and 'upstream' role, supported by infrastructure, which:

"enables the VCSE sector to access the support it needs to be able to deliver its services safely, legally, with agility and successfully and provide support to the community which alleviates some of the pressures placed on statutory services".

6.2. What constitutes quality local VCSE infrastructure?

While there are many different kinds of arguments used to make the case for local VCSE infrastructure, there is no settled view of what effective and high quality VCSE infrastructure looks like. To aid the conversation on this, the survey asked NAVCA members for reflections on the three most important things they would expect an effective and high quality local infrastructure organisation to be doing.

As might be expected, there is quite a variety of views on this question, but broadly five themes stand out, as indicated in the illustrative comments from NAVCA members presented in figure 19. The themes overlap somewhat, and in practice several comments cover more than one theme. Nonetheless we gain a broad brush idea of what matters most for local VCSE infrastructure organisations.

The largest collection of comments and reflections can be grouped together around 'practical advice and support'. This refers to the day-to-day work of supporting groups, organisations and individuals with direct information, advice and guidance, and training, around issues such as funding and business development, governance, and recruiting, retaining and supporting volunteers.

Clusters of comments around 'connections and relationships' and 'voice, advocacy and influence' feature next, although they overlap to some degree. The former refers to the work LIOs do in bringing networks together, facilitating collaboration and strengthening relationships within the VCSE and between the sector and other partners. The latter focuses on the role of LIOs in championing the VCSE sector, enabling and articulating its many voices, and seeking to influence policy and practice.

'Approach' consists of a group of reflections on how LIOs should operate: less on what they do, and more about their ways of working and style.

Finally, a small number of comments coalesced around the idea of knowledge, intelligence and understanding needs – keeping in touch with issues arising in the sector and in communities, and from a knowledgeable position being able to articulate those concerns.

Figure 19: What should effective and high quality local VCSE infrastructure be doing?

Practical advice and support

- *'Providing the type of support/ training that is needed right now - financial planning, EDI, digital adoption - not the same stuff as 10 years ago'*
- *'Helping organisations understand their known unknowns and at the same time helping them recognise their unknown unknowns'*
- *'Linking up voluntary and community groups with the resources and skills they need to prosper'*
- *'Keeping in touch, listening and following up with advice, information, guidance and resources'*
- *'Providing high quality support that is reflective of and responsive to the needs of members and the communities they serve'*

Connections and relationships

- *'Getting people to increase collaboration and to reduce competition'*
- *'Inspiring individuals within communities to come together to address the issues that impact on them'*
- *'Bringing the sector together to be stronger than the sum of its parts'*
- *'Working collaboratively and positively with public sector partners for the benefit of the sector and local communities'*
- *'Working together as one and seeing the bigger goal'*

Voice, advocacy and influence

- *'Being a voice to shout for those who are busy doing. Raise the profile and value of the sector'*
- *'Collecting insights and intelligence from members and using this to amplify and influence'*
- *'Protecting the integrity and reputation of the sector - championing and shouting about their work'*
- *'Being a strong voice for the sector in the most hostile or ignorant places – head above the parapet!'*

Approach

- *'Not overpromising but delivering consistently, reliably and honestly: do what you say you will do every time'*
- *'Communication - what we do, what is available, how to get involved'*
- *'Challenge - when things are not good enough, when voices aren't being heard, and gaps in need not being met'*
- *'Promote equality, diversity and positive change for their local communities'*

Understanding needs

- *'Keeping up to date with the activity of the wider VCSE in their geographic area, including continuing to reach out to new organisations'*
- *'Providing accurate and valued information on the needs of local communities based on having a strong relationship with community groups on the ground'*

6.3. A strong network, and two challenges ahead

Through a survey of NAVCA members, interviews with a sample of local infrastructure organisations, alongside analysis of Charity Commission data, the research presented here has provided a timely and up to date picture of the state of local VCSE infrastructure - in terms of NAVCA's membership of local VCSE infrastructure organisations - in 2022.

The research shows, above all, the broad reach of NAVCA members, and their wide ranging activities in supporting and promoting local voluntary and community action. They work at local and community level all across England, serving areas covering around 84% of the population. They have a combined membership of nearly 90,000 local VCSEs and reach into and have connections with many more. In the last year they have provided practical support to around 36,000 local VCSEs, training to 43,000 people from the sector and dealt with 225,000 volunteer enquiries. As well as practical work supporting individual organisations and volunteers, they support networks of VCSEs and build relationships with key statutory bodies. As noted by one interviewee, they connect locally:

> *"where our bread and butter is really, is being able to say 'well, you've got this brilliant idea, you've got this motivation and passion, I can see how it connects locally, let me talk to you about the right people'. But that needs to be done at place-based level, we need to look at our asset-based approach".*

To support this work, NAVCA members mobilised in total some £173m in 2020-21. This was the first year of COVID-19, and this and other research highlights the significant contribution made by local infrastructure organisations during the pandemic: in coordinating local VCSE responses, acting as a vital communication channel between statutory authorities, local VCSEs and communities, providing essential emergency services and mobilising volunteers in the relief and mass vaccination efforts.

In many ways, therefore, the network of local infrastructure organisations looks reasonably strong, having shown its importance and potential during the COVID-19 crisis – it was there when needed. Many NAVCA members have come into their own through the pandemic, and have grown in capacity in recent years, and their profile, stature and local influence has been enhanced.

However, there is also evidence that the network of LIOs faces considerable strains, pressure and ongoing fragility. Attending to these may help put the value and benefits of LIOs on a firmer footing. There are two main challenges in the current context, although they both relate to longer term developments: first, the financial context through which local infrastructure organisations continue to operate, and second, arguments around the value of local VCSE infrastructure.

1. Financial context

Many NAVCA members seem optimistic about future prospects, despite also being aware of the constrained post-pandemic outlook. In recent years many have been able to do more to fulfil their roles as leading local VCSE sector umbrella bodies, after years of neglect and disinvestment. This is certainly not a uniform picture – some LIOs are facing intense struggles to keep going in the face of challenging local political, policy and funding contexts. They may be subject to fierce criticism, local competition or have been underfunded and neglected for many years.

Emergency funding for the VCSE sector and local infrastructure to support an enhanced response during the pandemic has been hugely beneficial but brings two significant risks as attention turns away from COVID-19 and towards other concerns, such as the deteriorating economic situation and the impact of rising energy and other costs on households and communities.

The first risk is of raised expectations about what local infrastructure organisations can do and the role they can play, as they (and others) stepped up in the crisis response of COVID-19. This was only possible because of a combination of extraordinary effort, beyond the call of duty, by many staff and volunteers, plus lifeline emergency support funds from statutory bodies and grant-making trusts and foundations. A key question and concern for many NAVCA members is whether meeting those expectations over a longer term or even permanent basis is realistic, as increasingly worn out staff and volunteers try to rise to the challenge of the next crisis.

The second risk is related: the withdrawal of emergency COVID-19 funding and continued uncertainty in obtaining funding from a range of sources. This will mean that LIOs may have to reassess the delivery of some of their activities and services. And yet it is unlikely that the issues facing many communities, which require a supportive and engaged infrastructure, will diminish in the near future. As well as the pandemic casting a long shadow of intensified need over the years to come – a 'COVID decade' according to one comprehensive analysis[10] – households and communities are facing additional strain through spiralling energy prices and the rising cost of living. As the next crisis unfolds, LIOs and others in the sector face the same dilemma of increasing demand and constrained income, but this time with increasing pressures on their own costs.

2. Understanding the value of effective local VCSE infrastructure

Funding for infrastructure is likely to remain a challenge for the foreseeable future, but a related concern expressed by NAVCA members is the need for more discussion and support around demonstrating the value and impact of infrastructure, and telling the story of what it is for, why it is needed and what it can achieve. Although explaining the purpose, role and value of any VCSE organisation is an ongoing and important task, in many ways local VCSE infrastructure has faced an uphill struggle in recent years to convince key stakeholders about its role and value.

This is not a universal challenge: some LIOs are very well regarded in their local context by local VCSEs, statutory partners and other stakeholders. Over the last decade or so, however, the policy and financial context has not been entirely supportive to the idea of VCSE infrastructure, as many funders and others have prioritised frontline activities in the VCSE sector to meet pressing needs, rather than invest in the relatively hidden 'back office' of VCSE infrastructure. This was stated firmly by one LIO interviewee:

> *"I think one of the things that's disappointed me since 2010 is how difficult it's been to make the case for local infrastructure. So, now that there seems to be*

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[10] British Academy (2021) *The COVID decade: Understanding the long term societal impacts of COVID-19* (London, British Academy).

this kind of continuing search for the new and you know, putting us in the box of like too traditional or not diverse enough to, you know, not tackling the real issues or whatever, I just don't, that's just not been my experience on the ground".

Critical voices have often pointed towards what they see as the patchiness of local VCSE infrastructure, in terms of quality and reach, but without much solid evidence beyond anecdote to support the claim. Like any part of the VCSE, LIOs are typically on perpetual journeys of reflection and improvement, and support along the way is often useful. Unrealistic expectations of somehow 'proving' the value of local VCSE infrastructure are less helpful. But a sustained, shared and measured dialogue about quality, outcomes and impact across the network and with key stakeholders – a quality circle - does have more potential. Such an approach is likely to make more of a difference across the breadth of LIOs than a push to find an acceptable metric for the complex behind-the-scenes work involved in infrastructure.

The research presented here, and the two challenges of finance and value, open the way for a more serious and strategic conversation - between NAVCA, its members and other local VCSE infrastructure networks, alongside local, national and independent funders and policymakers – about two key areas:

1. **What might a firmer and more secure funding settlement to support the role of local VCSE infrastructure look like, and how might it be realised?**

2. **What reasonable expectations might work alongside such a settlement, about how VCSE infrastructure should be organised and what it would deliver, in terms of level of service, quality and outcomes?**

Future iterations of this research should return to these questions to provide an assessment of the extent to which progress has been made on these two fronts.

Appendix – research methodology

A

The research involved analysis of three data sources for NAVCA members: Charity Commission data, an online survey of members, and a set of semi-structured interviews with NAVCA members

Charity Commission data

Charity Commission records were analysed to provide an overview of headline financial information for NAVCA members, beyond what might be possible through a survey. The data was also mapped against area profiles using Office for National Statistics datasets on type of local authority, population, deprivation and an urban-rural classification.

Online survey

A survey of NAVCA members was carried out between 1st March and 3rd May 2022, involving a mixture of closed and open-response questions across six 'modules':

About your organisation Legal form; Age; Geography; Activities; Finances; Income sources and types; Staffing; Trustees	**About partnerships and collaborations** Networking opportunities; Consortia; Strength of relationships within the sector and with key stakeholders
About your local sector/context and responding to COVID-19 Responses to COVID-19; Opportunities and challenges facing the sector; Relationships within the sector	**About leadership and advocacy** Role in strategic fora and partnerships; Participation and influence; VCSE Assemblies
About practical support, training and volunteering Staffing and funding on practical support, training and volunteering	**About sustainability, support and the future** Prospects; Strengths and areas for development; Sustainability; On NAVCA's role; Making the case for infrastructure

Table 4 shows the final survey response at its closure on 3rd May.

Table 4: Survey response

	Number	Percent
NAVCA members	187	100.0
Fully completed responses	53	28.3
Partially completed responses	42	22.5
Total fully/partially completed	95	50.8
Useable responses	83	44.4

'Fully completed responses' are where respondents moved through to the end of the questionnaire and submitted their response. 'Partially completed responses' are where the survey has been opened but not finally submitted, although their responses can be used. The figure for 'useable responses' is after twelve responses have been excluded from the dataset - NAVCA members who opened the survey and provided contact details but did not proceed any further. The survey response is broadly representative of the wider membership in terms of income and region.

Semi-structured interviews

Following the survey, a diverse sample (by region, size and context) of fifteen NAVCA members were approached for semi-structured interviews, to gain a richer understanding of the circumstances, contexts, challenges and opportunities faced by different LIOs. Interviews were undertaken in May and June 2022.

Interview topic guide - high level questions

1. Can you tell us a bit about your role and background, and how long you've been with the LIO?
2. How has your organisation changed, if at all, as a result of COVID-19?
3. Can you talk me through your organisation's mission, aims and current strategy?
4. Financially, how has the organisation been faring in recent years?
5. Turning towards relationships within the sector…
    - What is your assessment of relationships between local VCSEs?
    - What is your assessment of relationships amongst infrastructure organisations and other support providers?
6. How would you rate the VCSE sector's participation and influence in local decision-making and developing local strategies?
7. What are the main challenges and opportunities your organisation faces?
8. What are the main strengths of your organisation?
9. What role do you think NAVCA should play in supporting its members?
10. Is there anything else you'd like to add?

Notes of caution

This study is of NAVCA's member local infrastructure organisations, and not of local VCSE infrastructure across England as a whole. There are other forms of local VCSE support, some local infrastructure organisations choose not to be members of NAVCA, and the survey was not completed by all NAVCA members.

Although the survey response was broadly representative of the overall membership in terms of size and region, there may be biases in the response. It is possible that survey respondents are more optimistic about future prospects than the membership as a whole, in so far as LIOs under particular strain may not have been able to participate. The research has nonetheless yielded a substantial picture of local VCSE infrastructure (given that NAVCA's membership covers 80% of all distinct local authority areas in England).

The survey has been used to generate estimates for the wider NAVCA membership for: the total number of FTE staff, volunteers, volunteer hours, member VCSEs, organisations and individuals accessing practical support and volunteer services, volunteering support staff, attendees on training courses, and funding secured for local VCSEs through LIO help. Because they are based on a partial survey response, they should be taken more as rough guides than exact figures. To mitigate some potential bias from the survey, each calculation was weighted to the profile of the membership as a whole by size (annual income) of organisations, in four bands (less than £250K; £250K-£499K; £500K-£999m; £1m+).