



Key findings from the Northern Rock Foundation Third Sector Trends Study in Cumbria

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November 2015



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Contents

1	Introduction and key findings	4
2	The Third Sector Trends Study.....	13
3	Employment in the Third Sector	15
4	Volunteers in the Third Sector	19
5	Legal form of Third Sector Organisations.....	21
6	Spatial area of operation of TSOs	23
7	Purpose and beneficiaries of TSOs.....	25
8	Income of Third Sector organisations	27
9	Organisational assets and use of reserves	37
10	TSO interest in borrowing money	39
11	Delivery of public services by contract	42
12	Relationship within and between sectors.....	46
13	Urban and rural areas compared.....	53
14	Expectations and preparation for the future	61
14	Where to find further analysis.....	65
	Appendix 1: Publications from the Third Sector Trends study and related projects	69

i Acknowledgements

I gratefully acknowledge the *Northern Rock Foundation* and *Cumbria Community Foundation* for commissioning this report. Thanks are due to Penny Wilkinson at Northern Rock Foundation and Karen Bowen at Cumbria CVS for their encouragement in the process of undertaking this research in Cumbria.

Simon Thorrington at Charity Bank also played an important role in developing the research on organisational assets and social investment. Carolyn Otley, of Cumbria CVS read the draft report and made many very useful suggestions to clarify findings.

I am immensely grateful to the many people in Third Sector organisations across Cumbria who have contributed to this study, particularly those who took part in our foresight panels, helped us with the case studies, and responded to our questionnaire surveys. We hope that our findings will be useful to them and for the sector as a whole.

I also acknowledge the role of fellow researchers: Professor Fred Robinson, Emma Dunkerley and Ian Zass-Ogilvie, at St Chad's College; and, Dr Victoria Bell and Dr Peter van der Graaf at Teesside University who were heavily involved in undertaking fieldwork and preliminary analysis in the TSO50 and TSO1000 studies in 2010 and 2012.

1 Introduction and key findings

This report provides a digest of findings from the Northern Rock Foundation Third Sector Trends study. The paper focuses on the situation in Cumbria, but provides some comparative evidence from North East England and Yorkshire and the Humber to strengthen understanding of how the third sector is faring in the county.

Unlike previous working papers, which have been more analytical in content, this report simply provides readers with key statistics to improve sector intelligence. A list of working papers which contain the methodological approach, underpinning analytical principles, in-depth findings and discussions implication can be found in an appendix to this report.

The report is based on a postal and online survey undertaken in Cumbria and North East England from June to October in 2010, 2012 and 2014. The 2010 survey, attracted 1,055 responses (298 in Cumbria), the 2012 survey received 1,700 responses (496 from Cumbria) and the 2014 survey drew in 1,318 responses (370 from Cumbria).

The principal findings from this paper on the structure of the Third Sector in Cumbria are as follows:

The size and composition of the Third Sector

- It is estimated that in 2014 there are about 4,512 TSOs in Cumbria of which about 2,852 are registered TSOs..
- About 83% of TSOs in Cumbria are registered charities, of which 76% are independent organisations while about 8% are branches of larger charities.
- About 17% of Cumbrian TSOs are Companies Limited by Guarantee (CLG), a smaller proportion than for North East and Cumbria (23%) or Northumberland (25%).
- Currently there are few Community Interest Companies in Cumbria (about 2% of all TSOs).
- About 4.6% of TSOs in Cumbria are Industrial and Provident Societies (a legal form often used for cooperatives), a higher proportion than the North East and Cumbria regional average of 3%.
- The term 'social enterprise' has no legal status, as such, but across the North East and Cumbria region as a whole, 4.8% described themselves as such. The population of social enterprises in Northumberland is the highest in the region at 8%, but it is much lower in Cumbria at 4%.

Employment

- It is estimated that in 2014 there were 9,105 FTEs in the Third Sector in Cumbria: suggesting a rise of about 50 FTEs since 2008.
- The Third Sector workforce accounts for about 3.5% of regional employment.
- The estimates suggest an increase in the number of TSOs which employ people: rising from about 730 in 2008 to 766 in 2014.
- For those organisations that employ staff?, The average number of FTEs per organisation appears to have fallen slightly since 2008 from 12.4 FTEs to 11.9 FTEs.
- The value of salaries has risen very slightly from £174m in 2008 to £175 in 2014.

Volunteers

- It is estimated that the number of volunteers in Cumbria has risen from 52,000 in 2008 to 53,737 in 2014. The number of volunteers appeared to have peaked in 2012 (54,100) and has fallen back a little since then.
- The average number of volunteers per TSO has changed little over time, remaining at around 19 per organisation (inclusive of trustees/ directors/ committee members).
- The estimated time invested by volunteers has risen from 3.7m to 3.9m hours between 2008 and 2014.
- The estimated economic value of volunteer time, as determined by the 'replacement cost' (paid at the current value of the National Minimum Wage at the time of study) had people been employed to do their work, has risen from about £24m in 2008 to £25m in 2014.
- The ratio of volunteers to full-time equivalent employees in Cumbrian TSOs appears to have risen between 2008 and 2014 from 5.75 to 5.90.

Spatial operation of TSOs

- 52% of TSOs (~1,489) in Cumbria work only at a local neighbourhood or village level. In the adjacent rural county of Northumberland, the percentage is higher at 63% whilst the regional average is 49%.
- About 23% of Cumbrian TSOs (~662) work within one District Council area – a similar proportion to the regional average of 21%, but higher than Northumberland (19%).
- 25% of TSOs in Cumbria (~702) operate at a wider level (from County to international levels). Such TSOs are most prevalent in the most urban area of the North East and Cumbria region, Tyne and Wear (44%), and are least numerous in Northumberland (19%).
- About 56% of TSOs in Cumbria (~1,589) mainly serve rural areas, the same proportion to those in Northumberland, also a predominantly rural area. The regional average is much lower at 37% (only 3% of Tyne and Wear TSOs serve mainly rural areas).

- About 32% of Cumbrian TSOs (~913) serve a mixture of urban and rural areas: the same proportion as in for Northumberland. The regional average is higher at 37%.
- Only about 12% of TSOs in Cumbria serve urban or inner city areas (~354): the same proportion as in the largely rural county of Northumberland. TSOs in urban areas clearly predominate in this activity: Tyne and Wear (56%) and Tees Valley (44%).

Purpose of TSOs

- About 30% of Cumbrian TSOs (~847) provide primary services (direct services to beneficiaries such as accommodation, training, social care, community transport, etc.): the same as the regional average but higher than for Northumberland (26%).
- The same percentage of TSOs in Cumbria provide secondary services to beneficiaries (such as advice and guidance, advocacy) as is the regional average (14%), but a higher proportion than in Northumberland (8%). TSOs in Tyne and Wear are the most likely to deliver secondary services (21%).
- About 18% of TSOs in Cumbria (~516) provide services to the Third Sector itself (such as grant makers, infrastructure support or research and campaigning organisations). This is a higher proportion than the North East and Cumbria regional average of 15% and for Northumberland (13%). It may be the case that these percentages are higher than expected due to the stronger likelihood of response from such organisations.
- Smaller TSOs which do not generally deliver direct or indirect services are the most prevalent in Cumbria (38%, ~1,087 TSOs); but to a lesser extent than in the predominantly rural county of Northumberland (54%)

Beneficiaries of TSOs

- 54% of TSOs in Cumbria serve people in general (~1,526) and as such can be regarded as general charities or organisations. They are more populous in the predominantly rural county of Northumberland (61%).
- The most popular beneficiary groups across Cumbria are: older people (38% ~ 1,072); people in rural areas (35% ~987); children and young people (31% ~870), health and mental health issues (23% ~647); and, people with physical disabilities (21% ~593).

Income of Third Sector organisations

- The majority of TSOs in Cumbria had an income below £50,000 in the last financial year (60% ~1,725) of which 32% (~ 921) had income below £5,000 (*this is likely to be a significant underestimate of the size of this part of the sector due to large numbers of 'below the radar' unregistered groups*).
- 15% of Cumbrian TSOs were medium size (with income between £50,000 and £250,000): a similar proportion to Northumberland (just under 15%) but a slightly smaller proportion than for the region as a whole (18%).

- About 15% of TSOs in Cumbria have income of between £250,000 and £1million: a lower proportion than the regional average of 19%.

Income fluctuations and stability

- In Cumbria, 78% of TSOs experienced income stability; a similar level to those TSOs in the predominantly rural county of Northumberland (77%), but higher than the regional average of 70%. This is largely due to the larger number of small TSOs in more rural counties areas.
- About 9% of TSOs in Cumbria reported that they had 'significantly rising' income in the last two years compared with 8% in Northumberland: TSOs in urban Tyne and Wear were almost twice as likely to have rising income (15%).
- Only 13% of Cumbrian TSOs had significantly falling income in the last two years compared with 16% in neighbouring Northumberland. Significantly falling income was more likely to be experienced in TSOs in the urban areas (Tees Valley, 27%; Tyne and Wear, 24%). This is largely due to the higher proportion of larger TSOs in the urban areas.

Income fluctuation in urban and rural areas compared (for Cumbria and North East England)

- TSOs in major urban areas (concentrated in North East England only) are more likely to have had substantially increased income (14%) when compared with TSOs in deeper rural areas (6%). This is likely to be due to a higher proportion of larger TSOs in the urban areas.
- Income stability is more common in deeper rural areas: only 61% of TSOs in major urban areas had stable income compared with 83% in deeper rural areas. This likely to be due to the higher proportion of larger TSOs in the major urban areas.
- Significantly falling income is most common in the major urban areas (25%) and is lowest in deeper rural areas (11%). This is likely to be due to the higher proportion of smaller organisations in rural areas.

Income fluctuation in richer and poorer areas (for Cumbria and North East England using the Index of Multiple Deprivation)

- The more affluent the area within which they are located, TSOs are more likely to experience income stability, rising from 69% in the least affluent areas to 81% in the most affluent areas.
- The more affluent the area within which they are located, TSOs are more likely to experience significantly rising income: rising from 6% in the poorest to 11% in the richest.
- The more affluent the area within which they are located, TSOs become less likely to have falling income: from 25% in the poorest areas to 9% in the richest

- Income stability is more likely for TSOs if they are based in more affluent areas, irrespective of whether they work in rural, mixed or urban environments.
- TSOs are much more likely to have substantially falling income if they are based in poorer areas.

Dependence on income sources

TSOs in Cumbria, as is the case in other areas, tend to be dependent upon a range of income sources. TSOs were asked to what extent they relied on a range of income sources (rather than report actual income from each source). Very few TSOs are reliant on just one source of income; even the larger 'social enterprising' TSOs tend to be heavily reliant on grants, for example.

- Grants are regarded by the Third Sector as source of income upon which TSOs are most reliant (69%). In Cumbria, 55% of TSOs state that grants are important or very important to them, compared with 64% in Northumberland and 73% in urban Tyne and Wear.
- Contracts form an important income source it is claimed by 42% of TSOs in the urban areas of Tyne and Wear. But reliance is much lower in Cumbria (18%) and Northumberland (22%).
- Earned income (excluding contracts) is of importance to 37% of TSOs across the North East and Cumbria. Levels of reliance are slightly stronger in Cumbria (37%) and Northumberland (40%) compared with the urban areas of Tyne and Wear (34%).
- Investment income is of more importance to TSOs in Cumbria (22%) when compared with Northumberland (15%) and Tyne and Wear (14%).
- In-kind support (from business, the public sector or other TSOs) is of importance to about 30% of TSOs. Similar levels of reliance exist in Northumberland, Tyne and Wear and Cumbria.
- About 43% of TSOs across the North East and Cumbria rely upon sponsorship income and about 29% upon subscriptions – these levels of reliance are quite similar across all sub-regions.
- Very few TSOs (3%) across the North East and Cumbria are reliant upon borrowed money at the present time – these levels of reliance are similar across all sub-regions.

Organisational assets

- About 38% of TSOs have wholly owned property assets, compared with 43% in Northumberland and 27% in urban areas of Tyne and Wear.
- Few Cumbrian TSOs have equity in mortgaged properties (5%) compared with about 8% in Northumberland and 9% in Tyne and Wear.
- About 52% of TSOs in Cumbria have stocks and other investments compared with 46% in Northumberland and 38% in urban Tyne and Wear.

- Most TSOs across the North East and Cumbria have reserves in their current account (87%). TSOs in Northumberland are the least likely to have no money in their current account (8%).
- About 67% of TSOs in Cumbria have fixed assets (such as vehicles, equipment, etc.). Levels of fixed assets are lower in Northumberland (63%) and urban Tyne and Wear (65%).

Organisational reserves

- About 20% of TSOs in Cumbria have no reserves of any kind: a similar level to the regional average of 22%. A further 44% do have reserves but have not drawn upon them in the previous year: a higher percentage than the regional average of 38%.
- About 15% of TSOs in Cumbria (15%) have used reserves for 'positive' purposes such as investment in new activities (including, for example, buying property, developing a new service, employing a development worker, etc.). This level of investment is slightly higher than the regional average of 13%.
- About 13% of TSOs in Cumbria have drawn on some of their reserves for essential spending such as salaries or rent and a further 2% have drawn heavily on reserves for such purposes. Levels of use of reserves of this kind are lower in Cumbria than the regional average of 19% because there are fewer larger TSOs in the County. The highest level of usage is in urban Tyne and Wear at 21%.

Delivery of public services by contract

- Most TSOs in Cumbria (82%) are aware of such opportunities but 55% are not interested as this runs counter to their organisational objectives.
- Some TSOs in Cumbria are not bidding for or doing contracts because they perceive barriers to such work (13%). It is not known, however, what percentage of such organisations would enter into the contract marketplace if such barriers were removed.
- The percentage of TSOs in Cumbria which are actively engaged in bidding for or doing contracts is relatively small (14%). They are, however, much more numerous in the urban areas of Tyne and Wear (22%).

Partnership bidding

- Cumbrian TSOs are the least likely in the region to have won contracts in partnership (12%) or to be bidding for them (3%). TSOs in the urban areas of Tyne and Wear (24%) are more likely to have been successful in winning contracts in partnership. They are also more likely to be bidding but without success to date (9%).
- Almost 10% of TSOs in Cumbria and 12% in Northumberland are considering the possibility of bidding in partnership for contracts, many fewer than in the urban areas of Tyne and Wear (19%).

- About 74% of TSOs in Cumbria are not interested in bidding for contracts in partnership, a higher level than in the mostly rural county of Northumberland (67%).

Relationships with the public sector

- About 74% of TSOs in Cumbria agree or strongly agree that public sector organisations value the work they do. This is a similar level to the regional average.
- About 72% of TSOs in Cumbria feel that public sector organisations understand their role; these views are similar to the regional average.
- Almost 66% of TSOs in Cumbria state that public sector organisations respect their independence. This view is broadly similar across the region.
- Fewer TSOs in Cumbria (47%) feel that public sector organisations inform them on issues of importance compared with a regional average of 53%.
- Only 30% of TSOs in Cumbria think that they are involved in public sector decision making processes on issues of concern to the third sector. More positive attitudes are noted in urban Tyne and Wear (40%).
- About 29% of TSOs in Cumbria think that public sector organisations act on third sector opinions/responses to consultations. TSOs in Tyne and Wear are the most positive in this respect (41%). Low levels of agreement in Cumbria are likely to be due the predominance of smaller TSOs which are less likely to engage with public policy initiatives.

Relationships with the private sector

- Over 37% of TSOs in Cumbria state that private sector businesses gifts of money is of 'some' or 'great' importance for their work. The percentages are broadly similar across the North East and Cumbria.
- Private sector businesses offer of free facilities is of 'some' or 'great' importance to 22% of TSOs in Cumbria. The highest level of support in this respect appears to occur in urban Tyne and Wear (27%).
- Volunteers from private sector businesses are considered to be of 'some' or 'great' importance by 23% of TSOs in Cumbria, a higher proportion than in neighbouring Northumberland (13%). TSOs in urban Tyne and Wear appear to get most support (25%).
- About a quarter of TSOs in Cumbria say that the expert advice from private sector businesses is of 'some' or 'great' importance to them, a higher level than neighbouring Northumberland (20%). The offer of advice is more likely to be given in the urban areas of Tyne and Wear (31%).
- About one fifth of TSOs in Cumbria state that support from business in terms of media activity or public relations is of 'some' or 'great' importance to them (about the same level as in urban Tyne and Wear), but a higher level than Northumberland (13%).

Relationships within the Third Sector

- Almost 69% of TSOs in Cumbria have useful informal relationships with other TSOs, but this is considerably below the regional average of 75%. The extent of such relationships is greatest in urban Tyne and Wear (82%) where there is a dense population of larger TSOs.
- 60% of TSOs in Cumbria and 64% in Northumberland work closely but informally with other TSOs, compared with 71% in urban Tyne and Wear.
- Formal partnership relationships are much less common in Cumbria (29%). In urban areas, where there are more larger organisations and more opportunities for contract working, the percentages are higher (40% in Tyne and Wear) although differences from the more rural county of Northumberland are not so pronounced (35%).

Expectations and preparation for the future

- About 27% of Cumbrian TSOs think that expenditure will increase in the next two years compared with (47%) in urban Tyne and Wear. These differences are connected to expectations on increased service demand.
- About 30% of TSOs in Cumbria think that statutory organisations expectations of their work will rise in the next two years – in these respect attitudes are stronger in the urban areas of Tyne and Wear (47%) due to higher levels of contract working.
- 27% of TSOs in Cumbria expect that their income will increase in the next two years, holding a similar level of optimism to TSOs in Northumberland (29%). The highest level of expectation is in urban Tyne and Wear (35%).
- About 22% of TSOs in Cumbria expect that the number of volunteers helping them do their work will increase in the next two years. TSOs are more optimistic in this respect in Northumberland (26%) and urban Tyne and Wear (33%).
- Only 21% of Cumbrian TSOs expect that partnership working will increase in the next two years. This is thought to be most likely by TSOs in Tyne and Wear (44%) where there are more opportunities for such work.
- About 9% of TSOs in Cumbria expect that the number of staff they employ will increase in the next two years compared with a regional average of 15%.

Preparation for the future

- About 32% of TSOs in Cumbria are taking action to increase earned income (including trading and/or contracts). TSOs in urban Tyne and Wear (44%) are the most likely to be doing so, but this is largely due to the concentration of larger organisations in these areas.
- In Cumbria 23% of TSOs are taking action to work more closely with other organisations in future. Due to the larger number of bigger TSOs in Tyne and Wear a larger percentage (37%) are now working more closely with other TSOs. In the more rural county of Northumberland, 29% are doing so.

- About 21% of TSOs in Cumbria are attempting to increase individual donations. TSOs in Tyne and Wear seem to be considerably more active in this respect (33%).
- Only 19% of TSOs in Cumbria are currently changing the way they run services. TSOs in the urban areas of Tyne and Wear are more likely to be doing so (36%).
- Around a quarter of TSOs across the region are attempting to work more closely with public sector organisations. More TSOs are doing this in urban areas (28-29%) compared with just 17% in Cumbria and 20% in Northumberland.
- Relatively few TSOs in Cumbria are taking action to work more closely with private sector companies (10%). A similar proportion of TSOs in the urban areas of Tyne and Wear are doing so (13%).
- The prospect of merging with another TSO is limited in most areas (around 5% of TSOs are taking action to do so). Similarly, very few TSOs are taking action to borrow money to enter into new areas of work (around 5%).

2

The Third Sector Trends Study

This report presents key findings from the Northern Rock Foundation Third Sector Trends study in 2014 in Cumbria.

The Third Sector Trends study was designed to examine how TSOs fare over time in the context of change. As a long-term longitudinal study, it was possible to devise a methodology which observed the Third Sector from a number of vantage points.

This included:

- **The TSO1000:** a survey of TSOs in the study region (the North East of England and Cumbria) was planned to take place in three phases. The first survey, attracting 1,055 responses (298 in Cumbria), took place in 2010. The second survey was completed in 2012 and drew in 1,700 responses (496 in Cumbria). The final survey took place in 2014 and attracted 1,318 responses (370 in Cumbria).
- **The TSO50:** a longitudinal study of fifty Third Sector organisations which was planned to take place over a period of seven years beginning in 2009. The second phase of the research fieldwork of the TSO50 was completed in 2012. The research involved observation, interviews and statistical research on a representative sample of organisations. A third and final phase of work is planned to take place in 2015.
- **Foresight Panels:** in 2010 three foresight panels were established, in Cumbria and in two areas of North East England (Northumberland and Tyne and Wear, and County Durham and Tees Valley). In 2010, 12 focus groups took place with the panels, together with three short on-line questionnaires to gauge opinion on sector wellbeing from a representative group of Third Sector, private sector and public sector stakeholders.

Work on the Third Sector Trends Study has been complemented by a number of related research projects.¹ These projects have widened the scope of the exploration of third sector activity by researching the interactions between the public and private sectors and the third sector.

The findings presented in this report are based on a robust research methodology which has evolved over the last eight years to produce comparable time-series data. The sample structure has been checked against comparable national studies to ensure that findings are as reliable as possible – and especially so when making estimates about sector employment and volunteering.²

¹ Studies have been undertaken for the Institute for Local Governance, Sunderland City Council, Northumberland County Council, Stockton Borough Council, Garfield Weston Foundation, Charity Bank and Involve Yorkshire and Humber. A full listing of publications from the Third Sector Trends study and related research is provided at the end of this report.

² Full details on comparability checks can be found in Chapman and Robinson (2014b) which are available from the authors.

Due to the disaggregation of sub-regional data in this report, the options for longitudinal analysis and the exploration of the situation of organisations of different sizes, structures or purpose is limited. Consequently, where further explanation is required, evidence summaries are presented which are drawn from in-depth analytical work on the complete North East and Cumbria data set.³

The report is divided into the following sub-sections:

- Employment in the Third Sector
- Volunteers in the Third Sector
- Legal form of Third Sector organisations
- Spatial area of operation of Third Sector organisations
- Purpose and beneficiaries of Third Sector organisations
- Income of Third Sector organisations
- Organisational assets and use of reserves
- Delivery of public services by contract
- Relationships within and between sectors
- Urban and rural areas compared
- Expectations and preparation for the future

³ Analytical longitudinal analysis on the relationship between organisation size and patterns of operation have already been reported in a headline findings report, see: Chapman and Robinson (2014b). More recent findings which are summarised in this report are explained in more depth in briefing papers which are available from the authors.

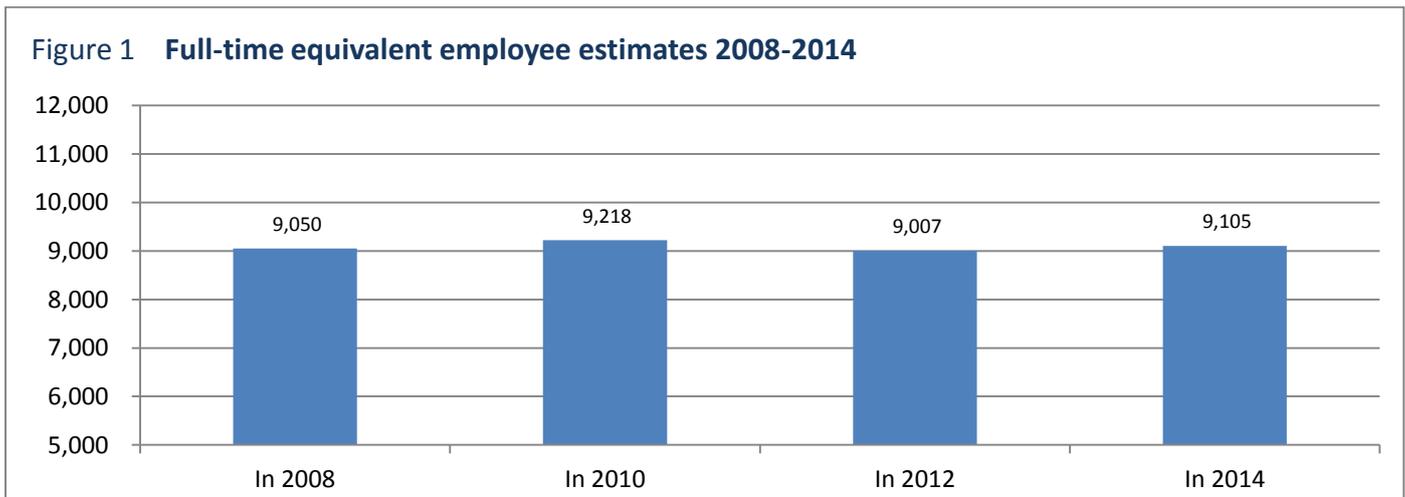
3

Employment in the Third Sector

Figure 1 shows the estimated number of full-time equivalent (FTE) employees in the Third Sector in Cumbria.

- It is estimated that in 2014 there are about 2,852 TSOs in Cumbria.⁴
- It is estimated that in 2014 there were 9,105 FTEs in the Third Sector in Cumbria: suggesting a rise of about 50 FTEs since 2008.⁵
- The Third Sector workforce accounts for about 3.5% of regional employment.
- The number of FTEs rose in 2010, presumably because of salary income that remained in the 'pipeline' following the 2008 financial crisis.

While these are estimated levels of employment, the pattern broadly follows national trends, using Charity Commission data, produced by the NCVO.⁶



⁴ Kane and Mohan (2010) recognised from detailed assessment of Guidestar data that a variety of organisations make up the third sector in Cumbria. In addition to 2,216 general charities, 468 other third sector organisations operate in Cumbria, including 19 housing associations, 200 companies limited by guarantee, 23 community interest companies, 119 industrial and provident societies and 107 faith groups. For 2014 (June) the Charity Commission holds records for 2,365 Registered Charities, a rise of 149 Charities (6%). The rise in general charities may, however, be greater than for other TSOs as Charities include many small organisations which do not employ staff. Taking a more cautious estimated rise of 5.25%, which is broadly in line with estimates for North East England, analysis proceeds on the best-guess assumption that the number of TSOs rose from 2,702 in 2008 to 2,852 in 2014.

⁵ In the survey questionnaire, respondents were asked to record how many full-time and part-time staff they had in 11 bands. For the analysis, the middle point of each band was used, where possible, to estimate how many people were employed. Part-time headcount estimates were reduced to 1.8 per The data were scaled up using a multiplier to reach an estimated total population of TSOs using Kane and Mohan's analysis (2010) as a baseline (which also incorporated estimates for other TSOs which were not registered charities such as Industrial and Provident Societies and Community Interest Companies). The multiplier was different for each year depending upon the size of the survey sample (n=296 in 2010, n=496 in 2012 and n= 370 in 2014. These data were cross-tabulated by organisational size, using Charity Commission income brackets in order to weight the data by national estimates of sector composition.

⁶ For detailed comparisons with national data, see Chapman and Robinson (2014b). Also see NCVO Almanac for employment trend data: <http://data.ncvo.org.uk/a/almanac15/workforce/>.

Figure 2 provides estimates on the number of employing organisations in the Third Sector and the average number of employees within such organisations.

- The estimates suggest an increase in the number of TSOs which employ people: rising from about 730 in 2008 to 766 in 2014.
- The average number of FTEs per organisation appears to have fallen slightly since 2008 from 12.4 FTEs to 11.9 FTEs.

Figure 2 Estimated number of employing TSOs and average FTE employees	Estimated Full-time equivalent employees	Estimated number of TSO employers	Estimated average number of FTE employees
2008 (baseline ⁷)	9,050	730	12.40
2010	9,218	742	12.42
2012	9,007	754	11.95
2014	9,105	766	11.89

Figure 3 shows estimates for the balance between part-time and full-time staff in TSOs in Cumbria.⁸ The percentage share of full-time and part-time employees seems to be changing significantly.

In 2010 it is estimated that 40% (3,725) of Third Sector FTE employees worked part-time. This appears to have risen to 50% (4,734) in 2014. It is suspected that this may be partly accounted for by an increase in the number of full-time staff who have 'temporarily' agreed to take reduced hours since 2010 due to reduced income of many TSOs. This assertion is supported by evidence from the TSO50 study which has run alongside the TSO1000 surveys.⁹

Figure 3 Estimated proportion of part-time and full-time staff	Estimated number of FTE employed staff	Estimated number of full-time employed staff	Estimated percentage of full-time employees	Estimated number of part-time FTE employed staff	Estimated percentage of part-time employees
2010	9,218	5,493	59.6	3,725.11	40.4
2012	9,007	5,801	64.4	3,206.13	35.6
2014	9,501	4,767	50.2	4,734.05	49.8

⁷ Baseline statistics are derived from Kane and Mohan's (2010) estimates.

⁸ These estimates need to be treated with some caution. In 2012, NCVO concluded, using 2010 data, that about 38% of staff worked part time in the voluntary sector (higher than in the private sector (25%) and public sector (30%)). Source: <http://data.ncvo.org.uk/a/almanac12/what-are-working-patterns-like-in-the-voluntary-sector/>. At that time, NCVO did not discern much change in this ratio over previous years. It is not possible accurately to estimate the actual number of part-time staff as it is not known how many, on average, part-time staff make up an FTE. NCVO uses a ratio of more than 2 part-time staff to each FTE, but it is not possible to confirm from the available data whether it applies to North East England.

⁹ In North East England, the rise in the proportion of part-time staff is also noted, but to a lesser extent: rising from 35% in 2010 to 43% in 2014.

Figure 4 presents estimates on the economic value of Third Sector employee salaries from 2008 to 2012.

Two estimates are provided. The first is based on average salaries while the second is based on 80% of this figure. The latter figure is thought to be the more reliable estimate.¹⁰

Using the lower estimate, the evidence suggests that the value of salaries has risen very slightly from £174m in 2008 to £175 in 2014.¹¹

Figure 4 Estimated economic value of FTEs in salary terms	Value of employees @ average wage ¹²	Value of employees @ 80% of average wage
2008	£217,960,200	£174,368,160
2010	£222,014,886	£177,611,909
2012	£216,932,732	£173,546,185
2014	£219,277,705	£175,422,163

Figure 5 shows the extent to which TSOs report change in their employee and volunteer workforce over the last two years. TSOs which do not have employees are excluded from the analysis.

- About 72% of TSOs in Cumbria report that the number of full-time and part-time employees has been stable over the last two years. This is a higher proportion than in Northumberland (65%) or for the North East and Cumbria as a whole (60%).
- Across Cumbria, 14% of TSOs report rising numbers of full-time employees in the last two years. A higher proportion than in Northumberland (11%) but slightly lower than the North East and Cumbria average (17%).
- In the two years preceding 2014 15% of TSOs in Cumbria report falling numbers full-time employees. This is a significantly lower percentage than in Northumberland (24%) or for the whole North East and Cumbria sample (24%).

¹⁰ NCVO data (2013) suggest that average weekly wages in the VCSE was £373 (£19,396 annual wage) compared with £457 (£23,764 per annum) in the private sector and £477 (£24,804 per annum) in the public sector. The voluntary sector average wage is 78% of public sector average wages and 81% of private sector averages. See: <http://www.3rdsectorworkforce.org.uk/what-is-the-state-of-pay-in-the-voluntary-sector/>. Additional 'on costs' of NI and Pensions could push up the expenditure costs by a further 20-30% (although pension elements are currently likely to be lower than public sector costs as charities may not operate a pension scheme – or make contributions to private pensions). Charities will be obliged to enrol employees in pension schemes by 2017 and will have to contribute a minimum of 3% of salary costs providing that employees are aged over 22 and earn more than the minimum wage). These costs are substantially lower than in the public sector and parts of the private sector. Source: <https://www.gov.uk/pension-rules-for-charities>.

¹¹ While these are estimates, analysis of TSOs' expenditure suggest that the figures are in the right range. In 2007/08, for example, expenditure was estimated by Kane and Mohan (2010a) at around £937m (scaled up *pro-rata* from Kane and Mohan's estimate for general charities). This provides further indication that the average wage is probably about 80% of the North East average wage.

¹² The wage level is the average for North East England rather than North West England. This has been used to keep the Cumbria and North East England reports broadly aligned in analytical terms as some charts in this report use both North East England and Cumbria data.

- About 31% of TSOs in Cumbria reported rising numbers of part-time staff; this is a higher proportion than in Northumberland (25%) or for the whole sample (27%).
- Nearly 10% of TSOs in Cumbria reported falling numbers of part-time staff compared with 13% in Northumberland and 16% for the North East and Cumbria as a whole.

Figure 5 Change in the proportion of full-time employees and part-time employees (2014)	Cumbria	Northumberland	North East & Cumbria
Increase in full-time employees	13.5	11.0	16.6
Full time employees stable	71.6	64.8	59.9
Fall in full-time employees	14.9	24.2	23.5
N=	141	91	579
Increase in part-time employees	31.4	24.6	26.8
Part time employees stable	58.6	62.3	56.7
Fall in part-time employees	10.1	13.1	16.4
N=	169	122	682

4

Volunteers in the Third Sector

Figure 6 presents estimates on the number of volunteers working in the Third Sector between 2008 and 2014.¹³

- It is estimated that the number of volunteers in Cumbria has risen from 52,000 in 2008 to 53,737 in 2014. The number of volunteers appeared to have peaked in 2012 (54,100) and has fallen back a little since then.
- The average number of volunteers per TSO has changed little over time, remaining at around 19 per organisation (inclusive of trustees/ directors/ committee members).
- The estimated time invested by volunteers has risen from 3.7m to 3.9m hours between 2008 and 2014.
- The estimated economic value of volunteer time, as determined by the 'replacement cost' had people been employed to do their work, has risen from between £24m - £52m in 2008 to between £25m – £54m in 2014.
- The estimates suggest an upward trend in the economic value of volunteering from 2008 to 2014, with a slight dip in 2012.
- The ratio of volunteers to full-time equivalent employees in Cumbrian TSOs appears to have risen between 2008 and 2014 from 5.75 to 5.90.

Figure 7 presents reported levels of stability, decline or rising numbers of volunteers over the last two years by TSOs in Cumbria. This analysis excludes TSOs which did not have any volunteers.

- About a quarter of TSOs in Cumbria had rising numbers of volunteers in the last two years. This percentage is in line with the North East and Cumbria regional average but a little higher than for Northumberland at 20%.
- About 11% of TSOs in Cumbria had falling numbers of volunteers in the previous two years compared with 14% in Northumberland and for the region as a whole.
- Most TSOs in Cumbria had a stable volunteer workforce (65%), the same level as for Northumberland, but higher than the North East and Cumbrian regional average of 61%.

¹³ The method used to estimate employees was repeated using John Kane and Mohan's (2010a) range of volunteer estimates as a baseline. The survey asked two questions on volunteering – how many volunteers (excluding trustees/committee members) and how many trustees. This was done to produce more reliable estimates. In the calculation of volunteer estimates, the average number of trustees (14) was adopted. Estimating the time given by volunteers work is contested by academics. For this analysis, Kane and Mohan's estimate is adopted which is broadly in line with other plausible estimates. The replacement cash cost of volunteers is difficult to estimate so two measures were adopted – minimum wage and average North East wage. This was done to calculate the replacement cost of volunteers had they been paid to do their work. No attempt has been made to estimate the social 'value' of volunteering – i.e. the social benefit above and beyond the estimated replacement cost by paid workers.

Figure 6 Estimated number of volunteers, time invested and equivalent salary values	Estimated number of Volunteers	Estimated average number of volunteers per TSO	Estimated time worked by volunteers (estimated 6 hrs weekly by volunteers)	Estimated value of time contribution by volunteers (2014 minimum adult wage = £6.50)	Estimated value of time contribution by volunteers (2013 average wage = £13.96)
2008 (base)	52,000	19.25	3,744,000	£24,336,000	£52,266,240
2010	54,100	19.66	3,895,198	£25,318,787	£54,376,965
2012	51,662	18.44	3,719,676	£24,177,893	£51,926,674
2014	53,737	18.84	3,869,051	£25,148,833	£54,011,954

Figure 7 Change in the proportion of volunteers (2014)	Cumbria	Northumberland	North East & Cumbria
Increase in volunteers	24.4	20.4	24.3
Volunteers stable	64.5	65.4	61.9
Fall in volunteers	11.1	14.2	13.8
N=	262	162	949

5 Legal form of Third Sector Organisations

Figure 8 shows what percentage of TSOs had a specific legal status as a charity or company.

- About 83% of TSOs in Cumbria are registered charities, of which 76% are independent organisations while about 8% are branches of larger charities: a very similar proportion to the North East and Cumbria regional average but there are slightly more independent charities.
- About 17% of Cumbrian TSOs are Companies Limited by Guarantee (CLG), a smaller proportion than for North East and Cumbria (23%) or Northumberland (25%).
- Currently there are few Community Interest Companies in Cumbria (about 2% of all TSOs): the proportion appears to be lower than for the North East and Cumbria regional average of 3%.¹⁴
- About 4.6% of TSOs in Cumbria are Industrial and Provident Societies (a legal form often used for cooperatives), a higher proportion than the North East and Cumbria regional average of 3%.
- The term 'social enterprise'¹⁵ has no legal status, as such, but data were collected on the percentage of TSOs which ascribed this title to themselves. Across the North East and Cumbria region as a whole, 4.8% described themselves as such. The population of social enterprises in Northumberland is the highest in the region at 8%, but it is much lower in Cumbria at 4%.

¹⁴ The proportion of CICs is highest in the urban areas of Tyne and Wear (4%) and Tees Valley (6%). It should be noted that since the Third Sector Trends study began, a new legal form has been established: the Community Interest Organisation (CIO). Those TSOs which have this status are recorded as 'other' in the dataset and it is not possible to determine how many CIOs exist at present. Future waves of the study would include this as a separate category as anecdotal evidence suggests that it is becoming a more popular legal form.

¹⁵ Many other TSOs work in a social enterprising way without describing themselves as such. In all three waves of the TSO1000 surveys, around 13% of TSOs, which specifically describe themselves as 'social enterprises' were found not to earn any income.

Figure 8 Legal status of TSOs in Cumbria (2014) (as a percentage of TSOs in each category)	Cumbria	Northumberland	North East & Cumbria	Estimated Cumbria TSOs N= ¹⁶
Registered charity - independent	75.9	71.6	73.8	2,164
Registered charity - Branch of larger organisation	7.8	11.8	9.7	222
Company Limited by Guarantee (CLG)	17.3	25.1	22.7	493
Community Interest Company (CIC)	1.9	2.4	3.2	54
Industrial & Provident Society (IPS)	4.6	2.4	2.7	131
Social enterprise	4.3	8.1	4.7	122
N=	370	211	1,318	2,852

¹⁶ These estimates are used by multiplying the number of TSOs in the sample to bring them up to the size of the total estimated population (excluding estimates for 'below the radar' organisations).

6 Spatial area of operation of TSOs

Figure 9 shows what percentage of TSOs work only locally, within a District Council area, or at a wider level.

- 52% of TSOs (~1,489) in Cumbria work only at a local neighbourhood or village level. In the adjacent rural county of Northumberland, the percentage is higher at 63% whilst the regional average is 49%.
- About 23% of Cumbrian TSOs (~662) work within one District Council area – a similar proportion to the regional average of 21%, but higher than Northumberland (19%).
- 25% of TSOs in Cumbria (~702) operate at a wider level (from County to international levels). Such TSOs are most prevalent in the most urban area of the North East and Cumbria region, Tyne and Wear (44%), and are least numerous in Northumberland (19%).

Figure 9 Area of operation of TSOs (Column percentages, 2014)	Cumbria	Northumberland	North East & Cumbria	Estimated Cumbria TSOs N= ¹⁷
TSOs operate at a local neighbourhood or village level	52.2	62.6	48.6	1,489
TSOs operate on a District Council area level	23.2	19.0	21.4	662
TSOs operate at a wider level (from regional to international)	24.6	18.5	30.0	702
N=	370	211	1234	2,852

Figure 10 presents data on the types of urban, rural or mixed spatial areas which TSOs mainly serve. Respondents were asked to state if they operated 'mainly in rural areas', 'a mixture of urban and rural areas', 'mainly in urban areas', or in 'inner city areas'.

- About 56% of TSOs in Cumbria (~1,589) mainly serve rural areas, the same proportion to those in Northumberland, also a predominantly rural area. The regional average is much lower at 37% (only 3% of Tyne and Wear TSOs serve mainly rural areas).
- About 32% of Cumbrian TSOs (~913) serve a mixture of urban and rural areas: the same proportion as in for Northumberland. The regional average is higher at 37%.
- Only about 12% of TSOs in Cumbria serve urban or inner city areas (~354): the same proportion as in the largely rural county of Northumberland. TSOs in urban

¹⁷ These estimates are used by multiplying the number of TSOs in the sample to bring them up to the size of the total estimated population (excluding estimates for 'below the radar' organisations).

areas clearly predominate in this activity: Tyne and Wear (56%) and Tees Valley (44%).

Figure 10 TSOs serving mainly rural or urban areas (column percentages, 2014)	Cumbria	Northumberland	North East & Cumbria	Estimated Cumbria TSOs N= ¹⁸
Mainly in rural areas?	55.7	56.0	34.3	1,589
A mixture of rural and urban areas?	32.0	32.0	37.3	913
Mainly in urban areas?	10.3	12.0	22.9	294
Mainly in inner city areas?	2.1	0.0	5.5	60
N=	341	200	1152	2,852 ¹⁹

¹⁸ These estimates are used by multiplying the number of TSOs in the sample to bring them up to the size of the total estimated population (excluding estimates for 'below the radar' organisations).

¹⁹ This estimate does not use a multiplier of smaller unregistered TSOs or reduce the larger number than expected bigger TSOs.. In Figure 13, a larger estimate of 4,512 to take this into account.

7 Purpose and beneficiaries of TSOs

This section presents findings on the principal activities of TSOs and which beneficiary groups they serve. Figure 11 shows what proportion of TSOs provide mainly primary, secondary or tertiary services.

- About 30% of Cumbrian TSOs (~847) provide primary services: the same as the regional average but higher than for Northumberland (26%).
- The same percentage of TSOs in Cumbria provide secondary services as is the regional average (14%), but a higher proportion than in Northumberland (8%). TSOs in Tyne and Wear are the most likely to deliver secondary services (21%).
- About 18% of TSOs in Cumbria (~516) provide services to the Third Sector itself (such as grant makers, infrastructure support or research). This is a higher proportion than the North East and Cumbria regional average of 15% and for Northumberland (13%).²⁰
- Smaller TSOs which do not deliver direct or indirect services as such are the most prevalent in Cumbria (38%, ~1,087 TSOs); but to a lesser extent than in the predominantly rural county of Northumberland (54%)

Figure 11 TSOs providing different types of services (2014)	Cumbria	Northumberland	North East & Cumbria	Estimated Cumbria TSOs N= ²¹
Primary services (direct services to beneficiaries such as training, accommodation, social care, etc.)	29.7	25.6	29.1	<i>847</i>
Secondary services (indirect services to beneficiaries such as advice and guidance, information, etc.)	14.1	8.1	14.1	<i>402</i>
Tertiary services (including grant makers, infrastructure organisations, research bodies)	18.1	12.8	15.4	<i>516</i>
Smaller organisations (TSOs which do not provide services as such but cater for other needs such as sport, leisure, community activity, etc.)	38.1	53.6	41.4	<i>1,087</i>
N=	370	211	1239	

²⁰ It may be the case that TSOs offering infrastructure support may be exaggerated to some extent as they may be more likely to have responded to the survey than other organisations.

²¹ These estimates are used by multiplying the number of TSOs in the sample to bring them up to the size of the total estimated population (excluding estimates for 'below the radar' organisations).

Figure 12 shows the percentage of TSOs in Cumbria which serve the needs of particular groups of beneficiaries. In many cases, TSOs service the needs of a range of beneficiaries and responded positively to more than one category of beneficiary.

- 54% of TSOs in Cumbria serve people in general (~1,526) and as such can be regarded as general charities or organisations. They are more populous in the predominantly rural county of Northumberland (61%).
- The most popular beneficiary groups across Cumbria are: older people (38% ~ 1,072); people in rural areas (35% ~987); children and young people (31% ~870), health and mental health issues (23% ~647); and, people with physical disabilities (21% ~593).
- In Northumberland, the top three beneficiary areas are also people in rural areas (41%); older people (35%); and, children and young people (34%).

Figure 12 Beneficiaries served by TSOs (2014)	Cumbria	Northumber- land	North East & Cumbria	Estimated Cumbria TSOs N= ²²
People in general	53.5	60.7	53.6	1,526
Older people	37.6	35.5	36.2	1,072
People in rural areas	34.6	41.2	25.2	987
Children and young people	30.5	33.6	31.6	870
People with health or mental health difficulties	22.7	19.9	25.2	647
People with physical disabilities	20.8	22.7	23.8	593
Carers	13.2	8.1	13.4	376
People in disadvantages urban areas	11.4	13.3	16.3	325
Unemployed/workless people	10.3	12.3	15.1	294
Infrastructure organisation	8.9	7.1	9.2	254
Housing and Homelessness	7.8	7.1	9	222
People of a particular ethnic or racial origin	3.5	3.8	6.3	100
People with concern about gender and sexuality	3.5	0.9	3.6	100
People in general	53.5	60.7	53.6	1,526

²² These estimates are used by multiplying the number of TSOs in the sample to bring them up to the size of the total estimated population (excluding estimates for 'below the radar' organisations).

8

Income of Third Sector organisations

The levels of income TSOs in Cumbria gained in the last financial year are shown in Figure 13 in five bands.

- The majority of TSOs in Cumbria had an income below £50,000 in the last financial year (60% ~1,725) of which 32% (~ 921) had income below £5,000 (*this is likely to be a significant underestimate of the size of this part of the sector due to large numbers of 'below the radar' unregistered groups*).
- TSOs in the predominantly rural county of Northumberland were also most likely to have income below £50,000 (59%) compared with 45% in urban Tyne and Wear.
- 15% of Cumbrian TSOs were medium size (with income between £50,000 and £250,000): a similar proportion to Northumberland (just under 15%) but a slightly smaller proportion than for the region as a whole (18%).
- About 15% of TSOs in Cumbria have income of between £250,000 and £1million: a lower proportion than the regional average of 19%.
- The estimated number of TSOs in Cumbria with income above £1m is likely to be exaggerated significantly due to sample bias: a more realistic estimate will be in the region of 100-125 organisations. The proportion of the biggest organisations is similar to the regional average but much higher than in Northumberland (5%).

Figure 13 TSO income in five bands (2014)	Cumbria	Northumber- land	Tyne & Wear	North East & Cumbria	Estimated Cumbria TSOs N= ²³
Micro (under £5,000)	32.3	30.0	15.5	25.2	921 (~2,800 ²⁴)
Small (£5,001-£50,000)	28.2	28.5	20.3	26.3	804
Medium (50,001-£250,000)	15.1	14.5	20.9	17.9	431
Larger (£250,001-£1m)	14.5	21.7	24.4	18.8	414
Biggest (£1,000,001 or more)	9.9	5.3	19.0	11.8	282 (~100 ²⁵)
N=	365	207	316	1,216	4,512

²³ These estimates are used by multiplying the number of TSOs in the sample to bring them up to the size of the total estimated population (excluding estimates for 'below the radar' organisations).

²⁴ It is likely that there could be up to three times as many such informal groups and organisations operating in the region below the radar.

²⁵ This is likely to be an over-estimate as the largest TSOs with income above £1m were over-represented in the sample: twice the number expected when compared with national data, see: Chapman and Robinson (2014b) Figure 5, p. 12.

Figure 14(a) shows the extent to which income has changed significantly over the last two years in Cumbria, Northumberland and across the North East and Cumbria as a whole.²⁶

- In Cumbria, 78% of TSOs experienced income stability; a similar level to those TSOs in the predominantly rural county of Northumberland (77%), but higher than the regional average of 70%. This is largely due to the larger number of small TSOs in more rural counties areas.
- About 9% of TSOs in Cumbria had significantly rising income in the last two years compared with 8% in Northumberland: TSOs in urban Tyne and Wear were almost twice as likely to have rising income (15%).
- Only 13% of Cumbrian TSOs had significantly falling income in the last two years compared with 16% in neighbouring Northumberland. *Significantly falling income was more likely to be experienced in TSOs in the urban areas (Tees Valley, 27%; Tyne and Wear, 24%). This is largely due to the higher proportion of larger TSOs in the urban areas.*

Figure 14(a) Change in levels of income in the last two years (2014)	Cumbria	Northumberland	North East & Cumbria
Risen significantly	9.1	7.7	10.6
Remained about the same	77.6	75.8	70.3
Fallen significantly	13.3	16.4	19.0
N=	353	207	1204

Analysis at Cumbria district level, with a dataset of only 370 cases, must be treated with caution. However, it is of interest to compare 'indicative' findings for District Council areas to see if there are major differences in income fluctuation over the last two years.

Figure 14(b) shows quite clearly that TSOs in the predominantly urban areas of Barrow in Furness and Carlisle have been much more likely to have significantly falling income (26% and 22% respectively) when compared with more rural areas.

The highest levels of income stability are found in Copeland (84%) and South Lakeland (83%). Rising income is most evident in Allerdale (15%) and Copeland (13%). To reiterate, these findings must be treated with extreme caution given the very small number of respondents at district level (and particularly so in Barrow n=23 and Copeland n=31).

²⁶ A detailed appraisal of the interaction between size of TSO and income fluctuation from 2010 to 2014 is presented in Chapman and Robinson (2014).

Figure 14(b) Change in levels of income in the last two years: Cumbria districts (2014)	Allerdale	Barrow in Furness	Carlisle	Copeland	Eden	South Lakeland
Risen significantly	14.9	4.3	7.3	12.9	8.0	6.3
Remained about the same	74.3	69.6	70.9	83.9	78.7	83.2
Fallen significantly	10.8	26.1	21.8	3.2	13.3	10.5
N=	74	23	55	31	75	95

A more secure way of undertaking analysis, where organisational characteristics can be taken into account, is to use the complete North East and Cumbria dataset. In the analysis which follows, this has been done to explore whether TSOs of varying sizes have been fared differently in financial terms over the last few years.

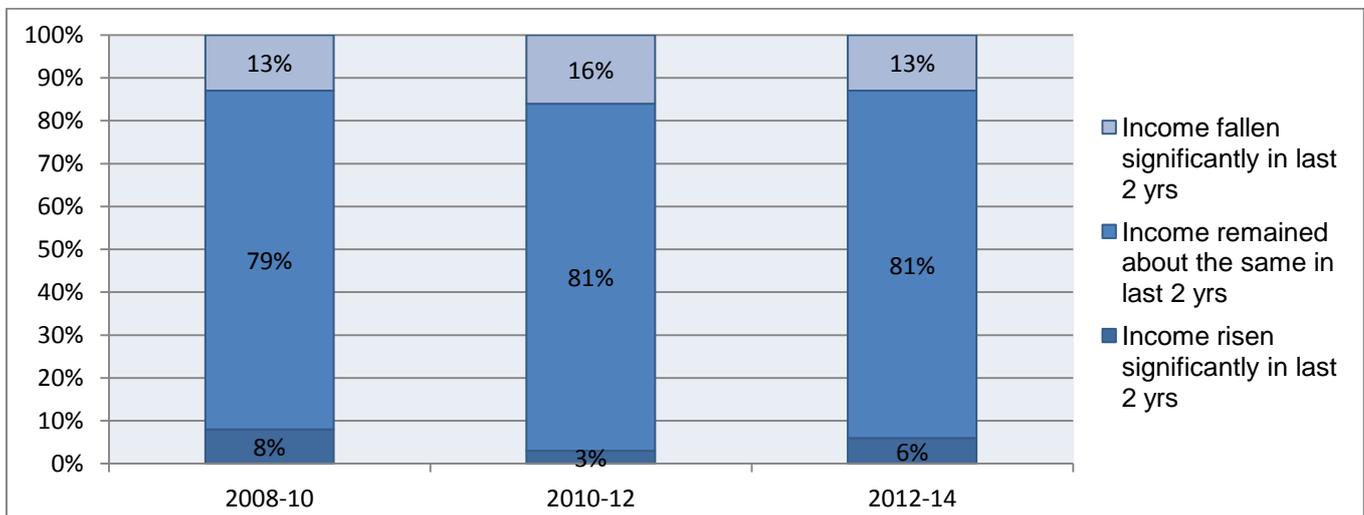
Figures 15(a) and 15(b) compare, in turn, the situation of smaller 'less formal' TSOs and larger 'more formal' TSOs.

Smaller less formal TSOs

Figure 15(a) shows that the vast majority of smaller TSOs (with income below £25,000 in the last year) have experienced a measure of income stability over time. It is clear that:

- About 80% of smaller TSOs have experienced income stability between 2008-2014.
- About 8% of smaller TSOs had rising income in 2008-2012. This fell to 3% in 2010-12, but in 2012-14 about 6% had rising income.
- In 2008-10, 13% of smaller TSOs had significantly falling income. In 2010-12 the situation seemed to worsen with 16% reporting significantly falling income, but by 2012-14, only 13% of TSOs reported falling income.

Figure 15(a) **Income fluctuation and stability amongst smaller TSOs: 2008-2014**
(North East and Cumbria data)

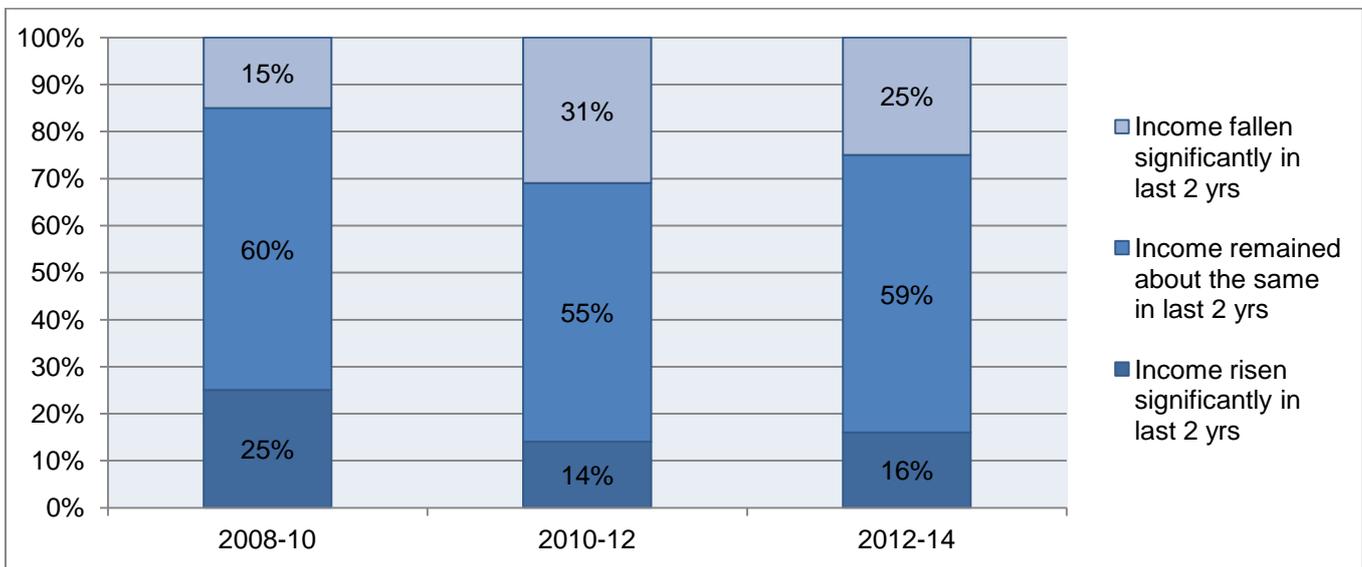


Larger, more formal TSOs

As Figure 15(b) shows, amongst larger, more formal TSOs (with income above £50,000), there is more evidence of income fluctuation between 2008-2014.

- The percentage of larger TSOs experiencing income stability has remained fairly constant at between 55-60% over six years.
- The percentage of TSOs with significantly rising income has reduced since 2008-10 from 25% to 16% in 2012-14. But this does not represent a downward trend as there is some evidence of recovery in the last two years from only 14% of TSOs reporting rising income in 2010-12.
- The percentage of TSOs experiencing significantly falling income was at its highest in 2010-12 (31%). And while the proportion with falling income has not returned to levels of 2008-10 (15%), there are signs of improvement. But still, 25% of TSOs experience significantly falling income in 2012-14.

Figure 15(b) **Income fluctuation and stability amongst larger TSOs: 2008-2014**
(North East and Cumbria data)



The situation of TSOs in poor or affluent areas

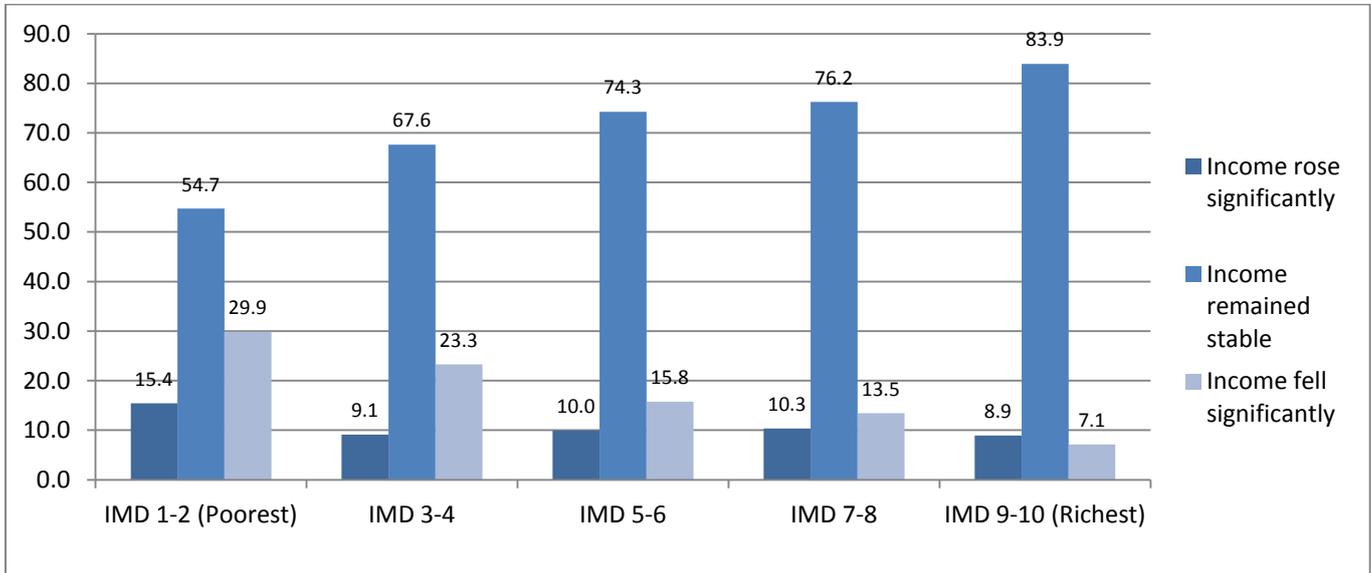
TSOs in areas of deprivation have not fared as well, economically, as their counterparts in more affluent areas over the last two years.²⁷ Figure 16(a) shows the extent to which TSOs experienced significantly rising, stable or significantly falling in come in the last two years.

- TSOs in the poorest areas (IMD 1-2) were more than four times as likely to have lost income significantly in the last two years (30%) when compared with the richest areas (7%).
- TSOs in the richest areas (IMD 9-10) were much more likely to maintain stable income (84%) than in the poorest areas (55%).

²⁷ TSOs were sorted by post-code to locate them on the ten point Indices of Multiple Deprivation. These were then collapsed into quintiles to ease the interpretation of data. For a more detailed discussion of the methodology and in-depth analysis, see Chapman 2015.

- TSOs in the poorest areas (IMD 1-2) were more likely to have significantly rising income in the last two years (15%) when compared with the most affluent areas (IMD 9-10 = 8%).

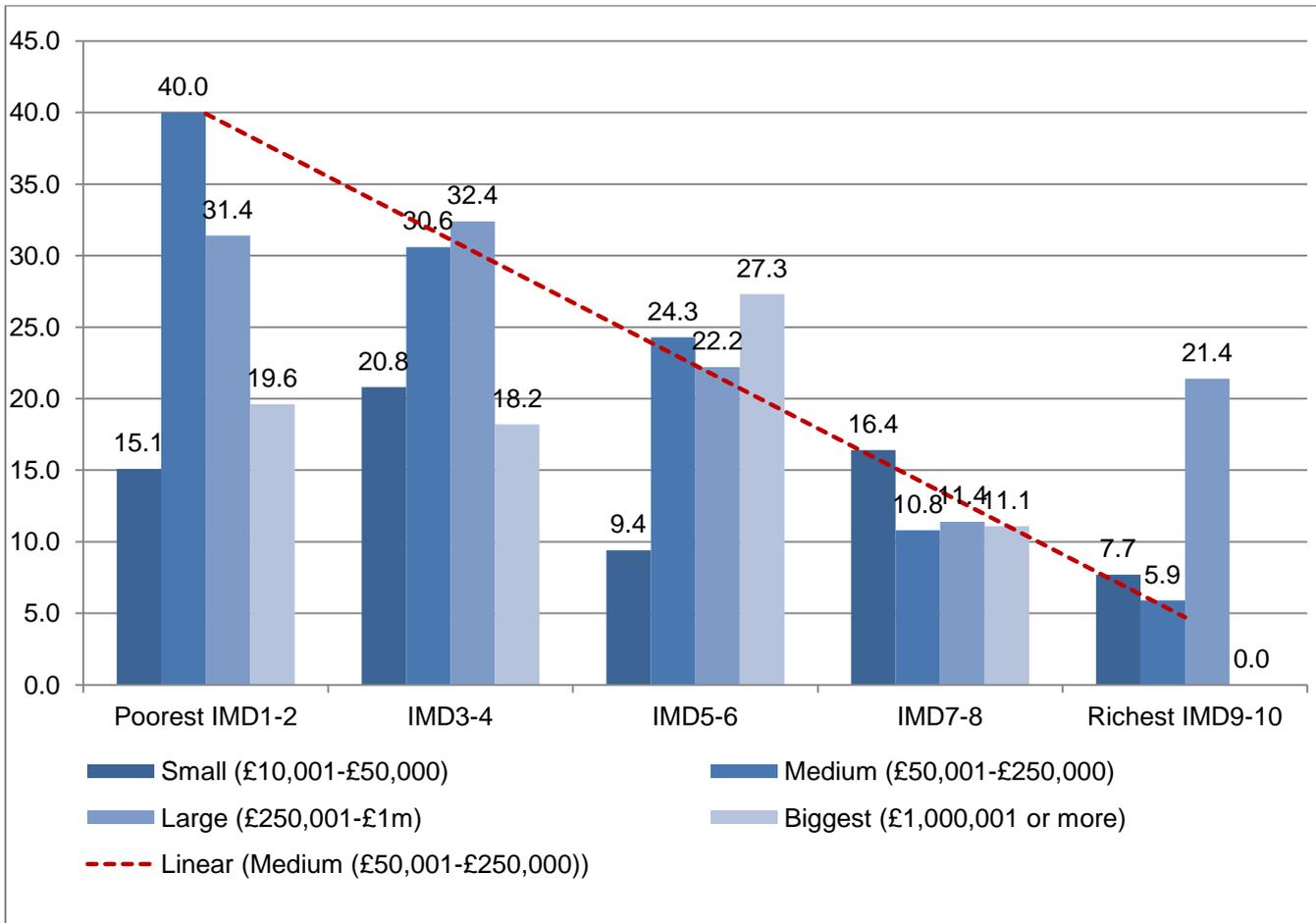
Figure 16(a) **Percentages of TSOs' income change in richer and poorer areas (2014, North East and Cumbria data)**



To find out whether the above findings are an anomaly produced by sample bias, in Figure 16(b), TSOs are compared by size and the relative affluence of the area within which they operate.

- **Small organisations** are affected by the relative affluence or deprivation of the area within which they are located, twice as many TSOs in poor areas (IMD 1-2) had significantly falling income (15%) when compared with the most affluent areas (IMD 9-10, 8%).
- **Medium sized TSOs** operating in poorer areas are much more likely to have had falling income (40% in the poorest areas compared with just 6% in the richest).
- The same pattern exists for **larger organisations** too, but the effect is less pronounced (falling from 31% in the least affluent areas to 21% in the most affluent).
- The pattern for the **biggest organisations** is more difficult to discern – but as they tend to practice across a much wider area in operational terms the data are, in any case, less meaningful.

Figure 16(b) **Percentage of TSOs of different sizes experiencing significant falls income in the last 2 years by affluence of area**



Reliance on different sources of income

No data have been collected in the Third Sector Trends study on ‘actual’ levels of income from different sources.²⁸ Instead, data have been collected upon perceptions of the extent of reliance of TSOs on different sources of income. This is a valuable source of information as it provides a clearer understanding of how the balance of reliance on different income sources changes over time.

Figure 17 shows what percentage of TSOs state that different sources of income are amongst the ‘most important’ or ‘of importance’ to them.²⁹ In this Figure, a new column has been added to compare with the predominantly urban area of Tyne and Wear to get a better understanding of differing levels of dependence on income streams.

²⁸ Previous attempts to collect such information have generally failed to present a convincing picture of Third Sector income, including work by the major government funded National Third Sector Studies in 2008 and 2010. The reason for this is largely to do with respondents not being willing to provide such information. This may be due to lack of easy access to such information or worries about divulging such data. In the Third Sector Trends study, a simpler approach was adopted, by asking TSOs the extent to which they valued different sources of income. Data do not therefore refer to the sum of income, but the extent of relative reliance on income sources.

²⁹ The remaining categories on the questionnaire were of ‘some importance’, ‘of little importance’ and ‘of no importance/not relevant’. Respondents gave a response to each of the categories to give a clear indication of relative reliance rather than asking them to prioritise sources of income.

TSOs in Cumbria, as is the case in other areas, tend to be dependent upon a range of income sources, very few are reliant on just one source of income; even the larger 'social enterprising' TSOs tend to be heavily reliant on grants, for example.³⁰

- Grants are regarded by the Third Sector as source of income upon which TSOs are most reliant (69%). In Cumbria, 55% of TSOs state that grants are important or very important to them, compared with 64% in Northumberland and 73% in urban Tyne and Wear.
- Contracts form an important income source it is claimed by 42% of TSOs in the urban areas of Tyne and Wear. But reliance is much lower in Cumbria (18%) and Northumberland (22%).³¹
- Earned income (excluding contracts) is of importance to 37% of TSOs across the North East and Cumbria. Levels of reliance are slightly stronger in Cumbria (37%) and Northumberland (40%) compared with the urban areas of Tyne and Wear (34%).
- Investment income is of more importance to TSOs in Cumbria (22%) when compared with Northumberland (15%) and Tyne and Wear (14%).
- In-kind support (from business, the public sector or other TSOs) is of importance to about 30% of TSOs. Similar levels of reliance exist in Northumberland, Tyne and Wear and Cumbria.
- About 43% of TSOs rely upon sponsorship income and about 29% upon subscriptions – these levels of reliance are quite similar in different areas.
- Very few TSOs (3%) are reliant upon borrowed money (see further analysis below on purposes for borrowing) at the present time.

Figure 17 Sources of income that are 'most important' or 'important' to TSOs (2014)	Cumbria	Northumberland	Tyne and Wear	North East & Cumbria
Grants	54.9	64.4	72.9	64.9
Contracts	18.1	21.8	42.1	28.1
Earned income (exc. Contracts)	37.2	39.8	33.9	36.8
Investments	21.5	15.2	14.7	15.9
In-kind support	28.3	30.8	29.3	31.6
Sponsorship	43.0	43.1	42.6	43.1
Subscriptions	24.7	29.5	25.4	27.8
Borrow	2.8	4.3	3.5	2.9

³⁰ For a detailed analysis, see Chapman and Robinson (2014).

³¹ This claim is puzzling as most of the data collected in this study points to just 15-18% of TSOs relying on income on contracts to delivery public services. In answering this question, 61% of TSOs stated that contracts were not relevant to them or they did not reply to the question. The fact that TSOs may be delivering contracts to other clients may partially explain the claim that 33% rely on contracts, but nevertheless, the percentage still seems to be too high and should therefore be treated with caution.

Figure 18(a) shows the level of reliance on different income sources for smaller TSOs between 2008-2014.

- There has been a significant growth in relative reliance upon grants rising from 27-39% of smaller TSOs. A similar rise can also be noted for earned income rising from 9% to 20%.
- Conversely, reliance on other sources of income has declined for smaller TSOs in relative terms including: investment income (falling from 22% to 13%); gifts (falling from 33% to 27%); and subscriptions (falling from 36% to 23%).

It needs to be restated that these percentages refer to proportions of TSOs which state that such income is important or very important to them and do not refer to the *levels of income* as such.

What is abundantly clear, however, is that the smaller TSOs rely most heavily on grants, gifts and subscriptions.

Figure 18(a) **Smaller TSOs' reliance on income sources 2010-2014** (North East and Cumbria data)

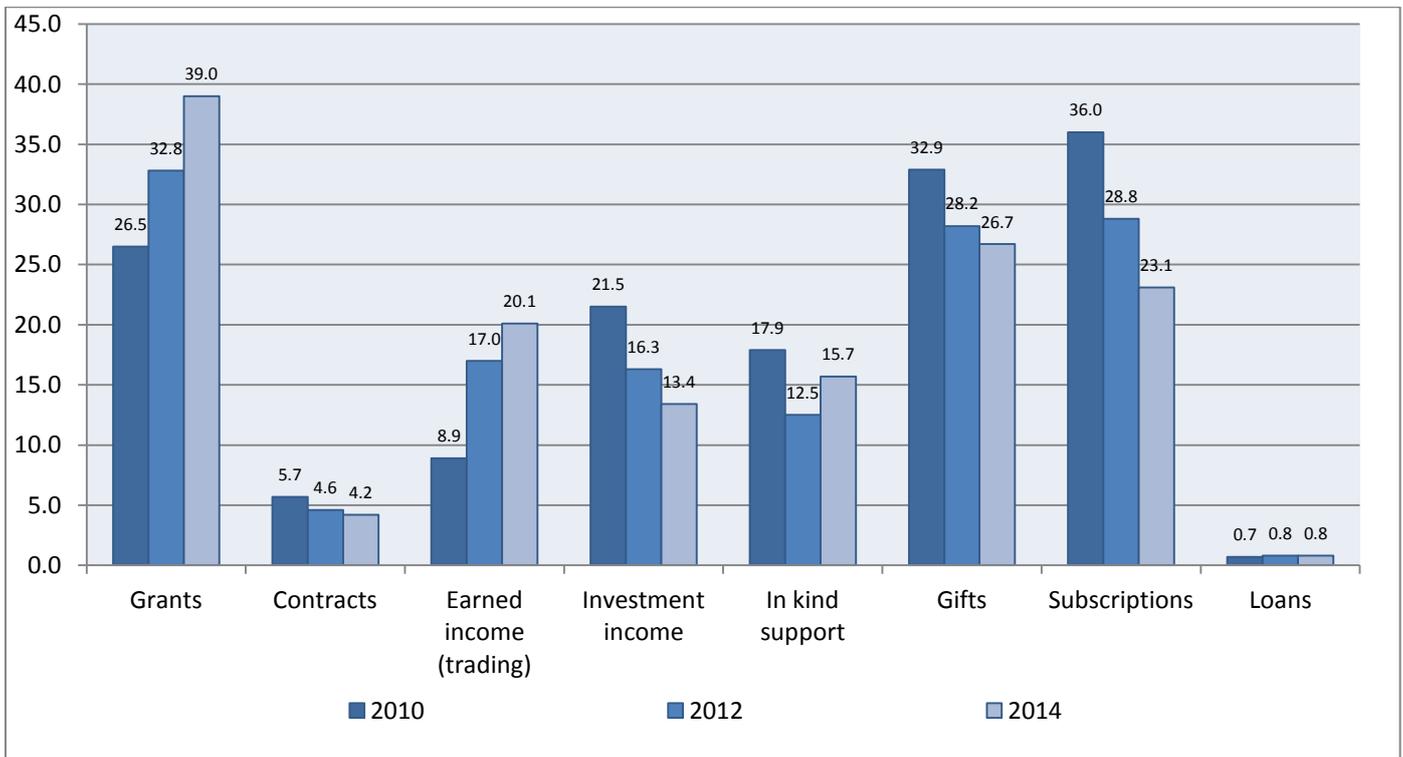


Figure 18(b) repeats the analysis for medium sized TSOs (with income between £50,000 and £250,000 in the previous financial year).

- Medium sized TSOs show very strong and increasing levels of reliance on grants (rising from 48% in 2010 to 60% in 2014). Medium sized TSOs' level of dependence on grants is much higher in 2014 (60%) when compared with smaller TSOs (39%).
- The importance of earned income is also rising for medium sized TSOs (from 13% to 32%).

- Delivering work to contract has fallen from 36% to 26% between 2010-2014, although this is not a continuous trend.
- The relative importance of investment income, gifts and subscriptions has fallen over time for medium sized organisations.

The overall indication, for medium sized TSOs, is an increased perception of dependence on grants and earned income in tandem with a decreased reliance on investment income, subscriptions and gifts.

Figure 18(b) **Medium sized TSOs’ reliance on income sources 2010-2014** (North East and Cumbria data)

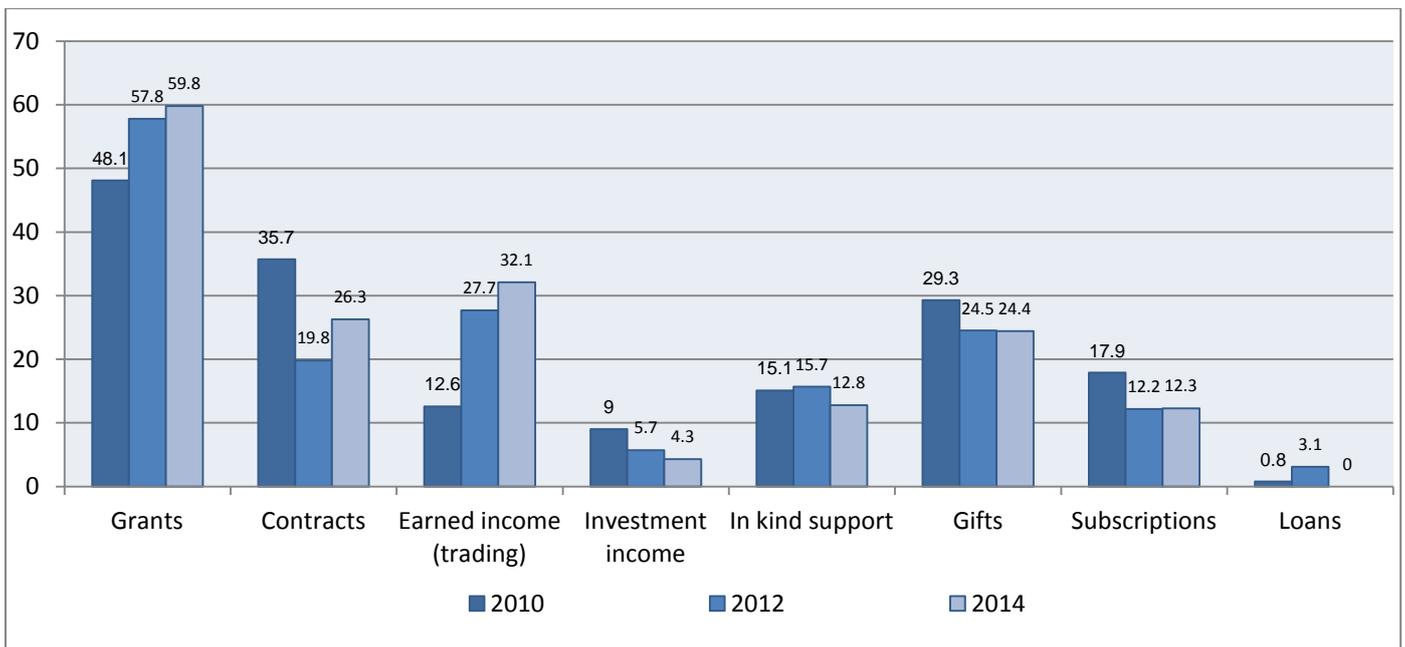
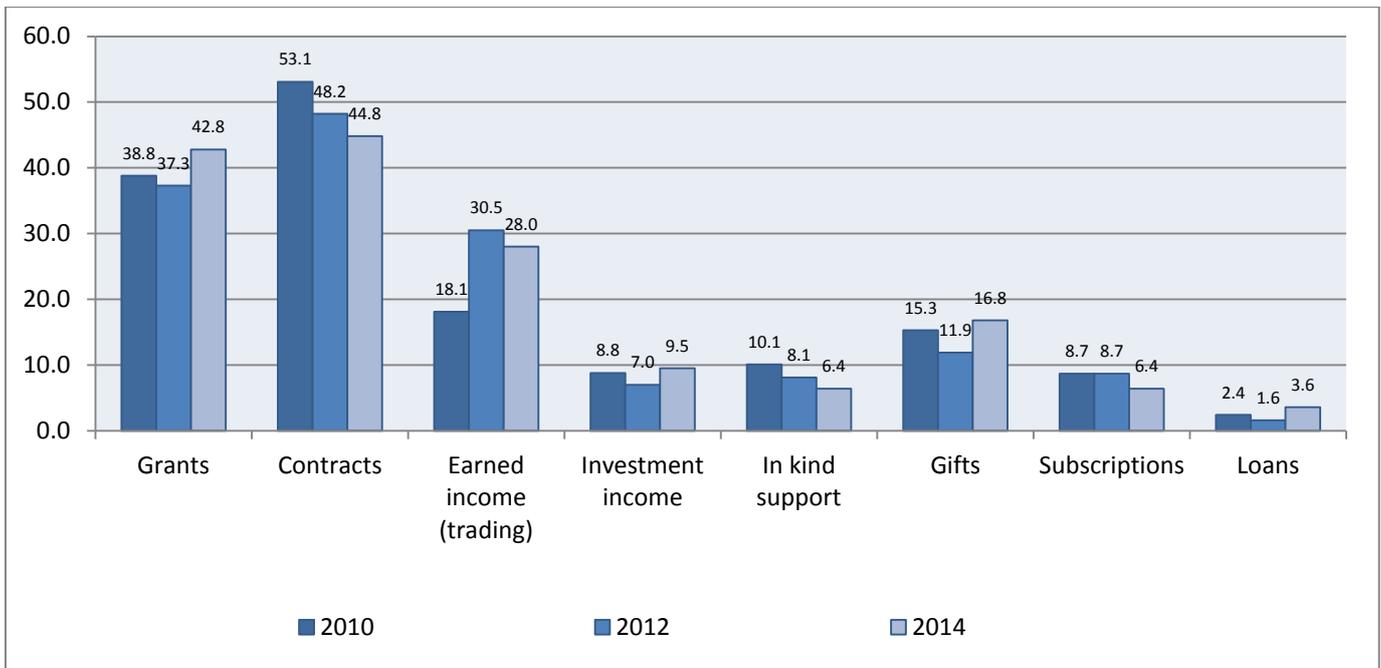


Figure 18(c) presents data on larger organisations (with income above £250,000 in the last financial year).

- Almost 43% of larger TSOs stated in 2014 that grants were important or very important to them – compared with about 60% for medium sized TSOs.
- Reliance on grants has increased from 39% to 43%, stemming what looked like a decline in 2012 when reliance was 37%.
- Contracts are of considerable importance to larger TSOs, but their relative importance has declined from 53% in 2010 to 46% in 2014.
- Reliance on earned income is on an upward, but not linear, trend from 18% in 2010 to 28% in 2014.
- Investment income, in kind support, gifts and subscriptions are regarded as of lesser importance, in relative terms, by larger TSOs.
- Perceived reliance on borrowed money is minimal for larger organisations at present at about 4%, although this is higher than in previous studies and above the level of medium and small sized TSOs.

Larger TSOs are clearly more dependent upon grants, contracts and other sources of earned income than on other sources of income or in-kind support. But it is important to note that these data nevertheless indicate reliance on a wide range of income sources rather than a single income source.

Figure 18(c) **Larger TSOs' reliance on income sources 2010-2014** (North East and Cumbria data)



9 Organisational assets and use of reserves

Many TSOs have very limited levels of assets, as is indicated in Figure 19. The relatively limited asset base in the Third Sector as a whole is, perhaps, indicative of its financial vulnerability.³²

- Around 64% of TSOs across the region do not have wholly owned property assets. The property asset base of TSOs is strongest in Cumbria (38% own property) compared with 43% in Northumberland and 27% in urban areas of Tyne and Wear.
- Few Cumbrian TSOs have equity in mortgaged properties (5%) compared with about 8% in Northumberland and 9% in Tyne and Wear (but this is likely to be due to the larger number of TSOs with wholly owned property).
- About 52% of TSOs in Cumbria have stocks and other investments compared with 46% in Northumberland and 38% in urban Tyne and Wear.
- Most TSOs have reserves in their current account (87%). TSOs in Northumberland are the least likely to have no money in their current account (8%).
- About 67% of TSOs in Cumbria have fixed assets (such as vehicles, equipment, etc.). Levels of fixed assets are lower in Northumberland (63%) and urban Tyne and Wear (65%).

Figure 19
Percentage of TSOs which have the following assets

	<i>Cumbria</i>		<i>Northumberland</i>		<i>Tyne and Wear</i>		<i>North East & Cumbria</i>	
	Assets	No assets	Assets	No assets	Assets	No assets	Assets	No assets
Wholly owned property	37.8	62.2	43.1	56.9	26.8	73.2	35.6	64.4
Equity on mortgaged property	4.9	95.1	8.1	91.9	9.2	90.8	7.1	92.9
Stocks and investments	52.1	47.9	46.4	53.6	37.6	62.4	44.0	56.0
Current account assets	88.3	11.7	91.6	8.4	84.0	16.0	87.1	12.9
Fixed assets	57.2	42.8	63.1	36.9	65.4	34.6	62.6	37.4

³² A much more detailed analysis of the relationship between assets and organisational wellbeing is available. See Chapman (2014); Chapman and Robinson (2014)

Figure 20 shows the extent to which TSOs have drawn upon their reserves over the last financial year. These data indicate whether reserves have been used for different purposes to give an indication of the general financial wellbeing of the sector as a whole.

- About 20% of TSOs in Cumbria have no reserves of any kind: a similar level to the regional average of 22%. A further 44% do have reserves but have not drawn upon them in the previous year: a higher percentage than the regional average of 38%.
- Some TSOs in Cumbria (15%) have used reserves for 'positive' purposes such as investment in new activities (including, for example, buying property, developing a new service, employing a development worker, etc.). This level of investment is slightly higher than the regional average of 13%.
- About 13% of TSOs in Cumbria have drawn on some of their reserves for essential spending such as salaries or rent and a further 2% have drawn heavily on reserves for such purposes. Levels of use of reserves of this kind are lower in Cumbria than the regional average of 19%. The highest level of usage is in urban Tyne and Wear at 21%.

Figure 20 Extent to which TSOs have drawn upon assets in the previous year (2014)	Cumbria	Northumberland	Tyne and Wear	North East & Cumbria
No, we don't have any reserves	20.3	19.0	20.6	21.8
No, we have not drawn on our reserves	43.8	32.7	38.9	37.9
Yes, we have used 'some' of our reserves to invest in new activities (such as buying property, developing a new service, employing a development worker)	13.0	14.2	11.5	11.8
Yes, we drawn 'heavily' on our reserves to invest in new activities (such as buying property, developing a new service, employing a development worker)	1.6	1.9	0.9	1.5
Yes, we have used 'some' of our reserves for essential costs (such as salaries, rent etc.)	13.0	14.2	16.5	14.4
Yes, we have drawn heavily on our reserves for essential costs (such as salaries, rent etc.)	1.9	6.2	4.7	4.3
We have used 'some' reserves for both investment and essential costs	3.8	6.2	2.5	4.3
We have drawn 'heavily' on reserves for both investment and essential costs	0.5	1.4	1.9	1.4
Other	2.2	3.3	2.2	2.1

10 TSOs' interest in borrowing money

There is much interest in government at the present time on encouraging TSOs to engage with social investment programmes (such as social impact bonds) by borrowing working capital. But few TSOs borrow money. This is likely to be due to a mix of cultural resistance to the idea and a lack of tangible assets against which to secure loans.³³

As Figure 21 indicates, over 98% of TSOs in Cumbria have not borrowed money in the last two years: a very similar level to Northumberland and the region as a whole.

Figure 21 Percentage of TSOs which have borrowed money in the last two years (2014)	Cumbria	Northumberland	Tyne and Wear	North East & Cumbria
We have not borrowed money in the last two years	97.8	97.1	97.4	97.6
We have borrowed money to invest in the development of new activities or services (e.g. any form of investment capital)	0.3	1.5	1.0	1.0
We have borrowed money to bridge a gap in our cash flow (e.g. any form of working capital)	0.8	1.0	0.7	0.7
We have borrowed money to buy a property (e.g. a mortgage)	0.6	0.0	0.7	0.4
We have borrowed money to upgrade a property to deliver a better service	0.3	0.5	0.3	0.3
We have borrowed money to upgrade a property to earn income (e.g. from rent or retail activity)	0.3	0.0	0.0	0.1
N=	361	206	305	1195

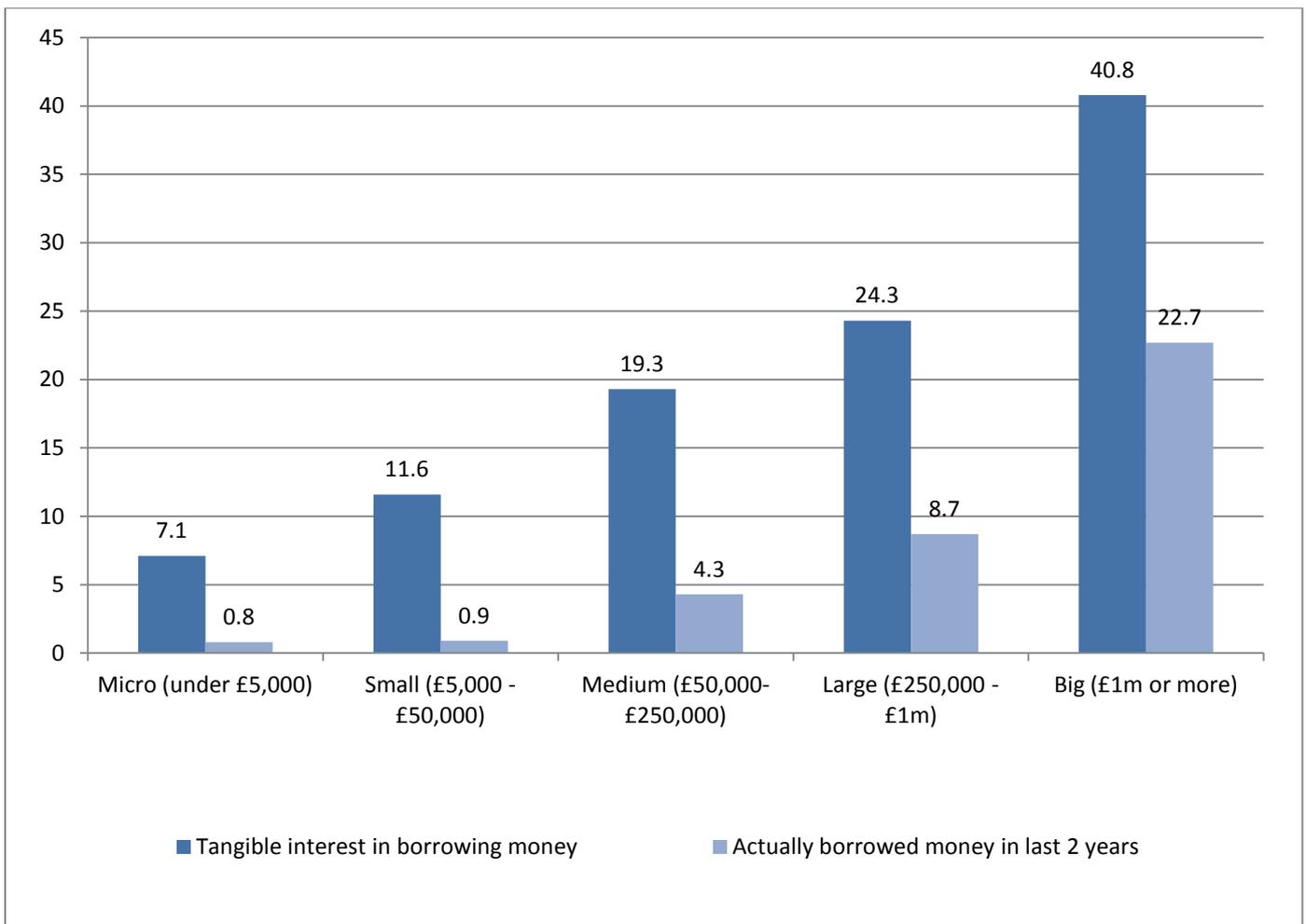
It is not possible to disaggregate Cumbria TSOs by size of organisation due to the limitations incurred by the size of the data set, consequently, analysis proceeds using combined data from the whole Yorkshire and Humber, North East and Cumbria dataset. Larger TSOs are much more likely to borrow money than smaller ones, as

³³ For detailed analysis, see Chapman (2015).

indicated by Figure 22 (which includes data from across Yorkshire and North East and Cumbria).

Over 40% of the biggest TSOs have a 'tangible' interest in borrowing compared with just 7% of micro TSOs. 22% of the biggest TSOs have actually borrowed money in the last two years compared with 4% of medium sized organisations (£50,000-25,000 annual income) and 9% of larger TSOs (income between £250,000 and £1m).

Figure 22 **TSOs which have borrowed money in the last two years or have a tangible interest in borrowing by size of organisation** (Cumbria, North East & Yorkshire data N=2200)



More detailed analysis has been undertaken on the inter-linkage between organisational assets and reserves which used Third Sector Trends data from North East England, Cumbria and Yorkshire and the Humber.³⁴

Figure 23 shows the extent to which the asset base of TSOs interact with interest in taking loans. Assets are defined in broad terms to include property which is wholly owned, equity on a property with a mortgage, investments and fixed assets. Many TSOs have a combination of these four types of assets, but they are categorised according to the highest level of assets held in any one of these categories.

³⁴ See Chapman (2015)

The data show that there is quite a strong association between levels of assets and borrowing in the last two years:

- About 4% of TSOs with assets valued between £50,000-£250,000 took loans; compared with 14% of TSOs with assets valued above £250,000.
- Only about 2% of TSOs with no assets or assets below £50,000 borrowed money.

In short, this analysis shows that larger TSOs, which tend to have a stronger asset base, are the most likely to borrow money.

Figure 23 **Propensity of TSOs to borrow according to their asset base** *North East and Cumbria (2014), Yorkshire and Humber (2013)*



11 Delivery of public services by contract

The percentages of TSOs engaging in the delivery of services by contract in the North East are shown in Figure 24.

- Most TSOs in Cumbria (82%) are aware of such opportunities but 55% are not interested as this runs counter to their organisational objectives. TSOs in urban areas are less likely to eschew the idea of bidding for contracts. This is mainly due to the concentration of larger TSOs in urban areas.³⁵
- Some TSOs in Cumbria are not bidding for or doing contracts because they perceive barriers to such work (13%). It is not known, however, what percentage of such organisations would enter into the contract marketplace if such barriers were removed.
- The percentage of TSOs in Cumbria which are actively engaged in bidding for or doing contracts is relatively small (14%). They are, however, much more numerous in the urban areas of Tyne and Wear (22%) where more contracts are let and there is a concentration of larger TSOs which have the interest, capability and capacity to do such work.

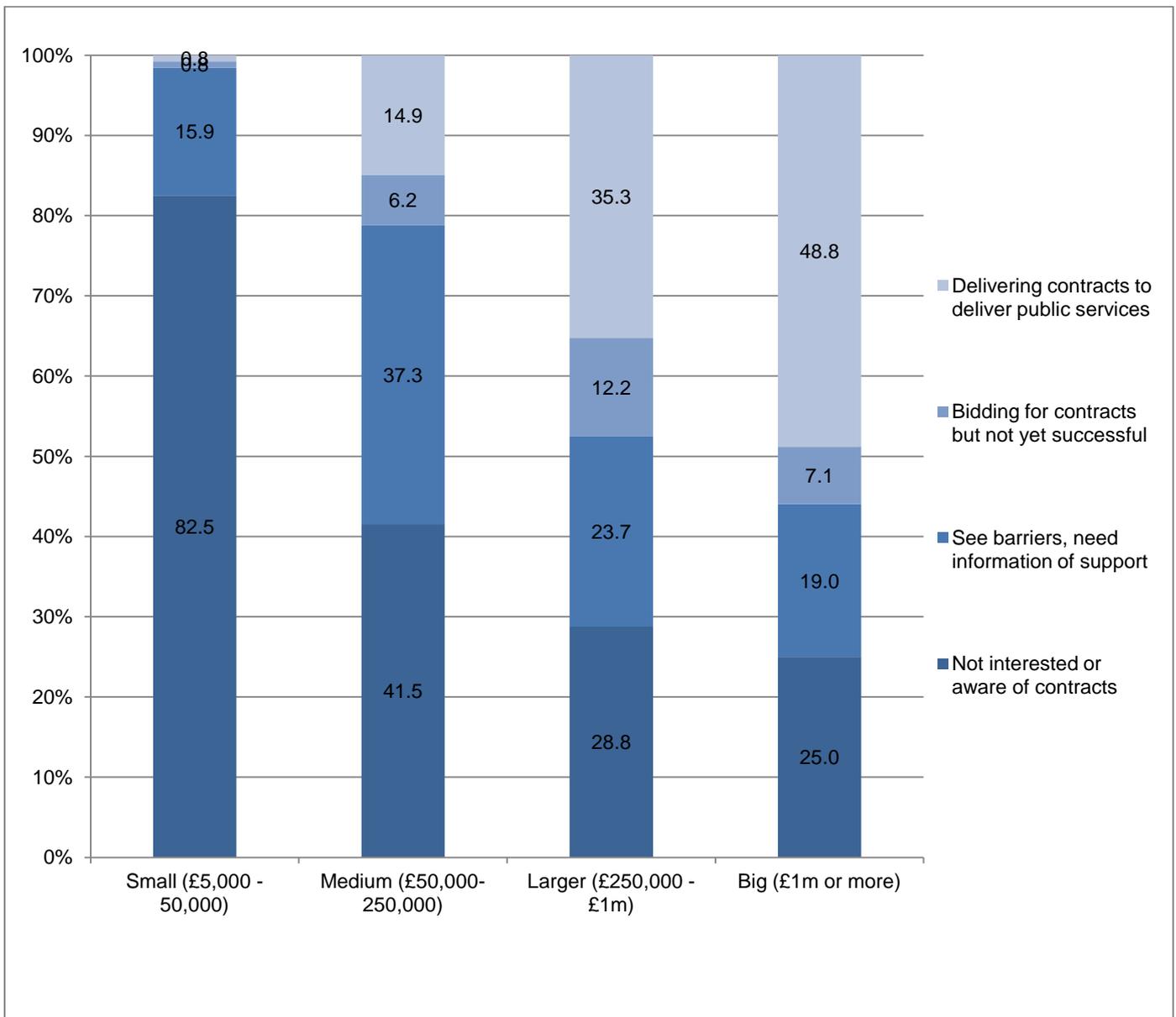
Figure 24 Percentage of TSOs interested in working to contract to delivery public services (2014)	Cumbria	Northumberland	Tyne and Wear	North East & Cumbria
We are not aware of these opportunities	18.1	18.7	15.9	16.2
We are aware of these opportunities but they are not relevant to our organisation's objectives	55.0	49.2	37.0	47.5
We are aware if these opportunities but need more information	4.1	4.1	4.9	4.7
We are interested in this option but would need extra support to do this	5.3	9.3	10.7	8.8
We are interested in this option but feel there are barriers in the tendering process	3.2	6.7	9.4	7.1
We are already bidding to deliver public sector services	3.5	2.6	3.9	3.6
We are already delivering public sector services for which we have tendered	10.8	9.3	18.2	12.1
N=	342	193	308	1161

³⁵ See Chapman and Robinson (2014) *Third Sector Trends in North East England and Cumbria: Headline findings*

Amongst TSOs, there is considerable variation in the levels of participation in contract working. As Figure 25 shows, in 2014 organisations were progressively more likely to engage in contract working as they grow in size: rising from less than 1% for very small TSOs to 49% for the biggest organisations.

It should, nevertheless, be noted that even amongst the biggest TSOs, 25% consider that delivering contracts is not appropriate for their mission and a further 19% only have a 'tangible' interest in doing such work which may never translate into bidding for or delivering contracts, even if barriers to engagement were removed.

Figure 25 **Participation in contract delivery by size of organisation (2014 North East and Cumbria)**



Partnership bidding

TSOs which are interested in bidding for contracts often do so in partnership. This is generally due to the way that local authorities or other government agencies issue lets. Figure 26 shows what percentage of TSOs in Cumbria have been successful in winning contracts or are currently bidding for contracts.

- Cumbria TSOs are the least likely to have won contracts (12%) or to be bidding for them (3%). TSOs in the urban areas of Tyne and Wear (24%) are more likely to have been successful in winning contracts in partnership. They are also more likely to be bidding but without success to date (9%).
- Almost 10% of TSOs in Cumbria and 12% in Northumberland are considering the possibility of bidding in partnership for contracts, many fewer than in the urban areas of Tyne and Wear (19%).
- About 74% of TSOs in Cumbria are not interested in bidding for contracts in partnership, a higher level than in the mostly rural county of Northumberland (67%).

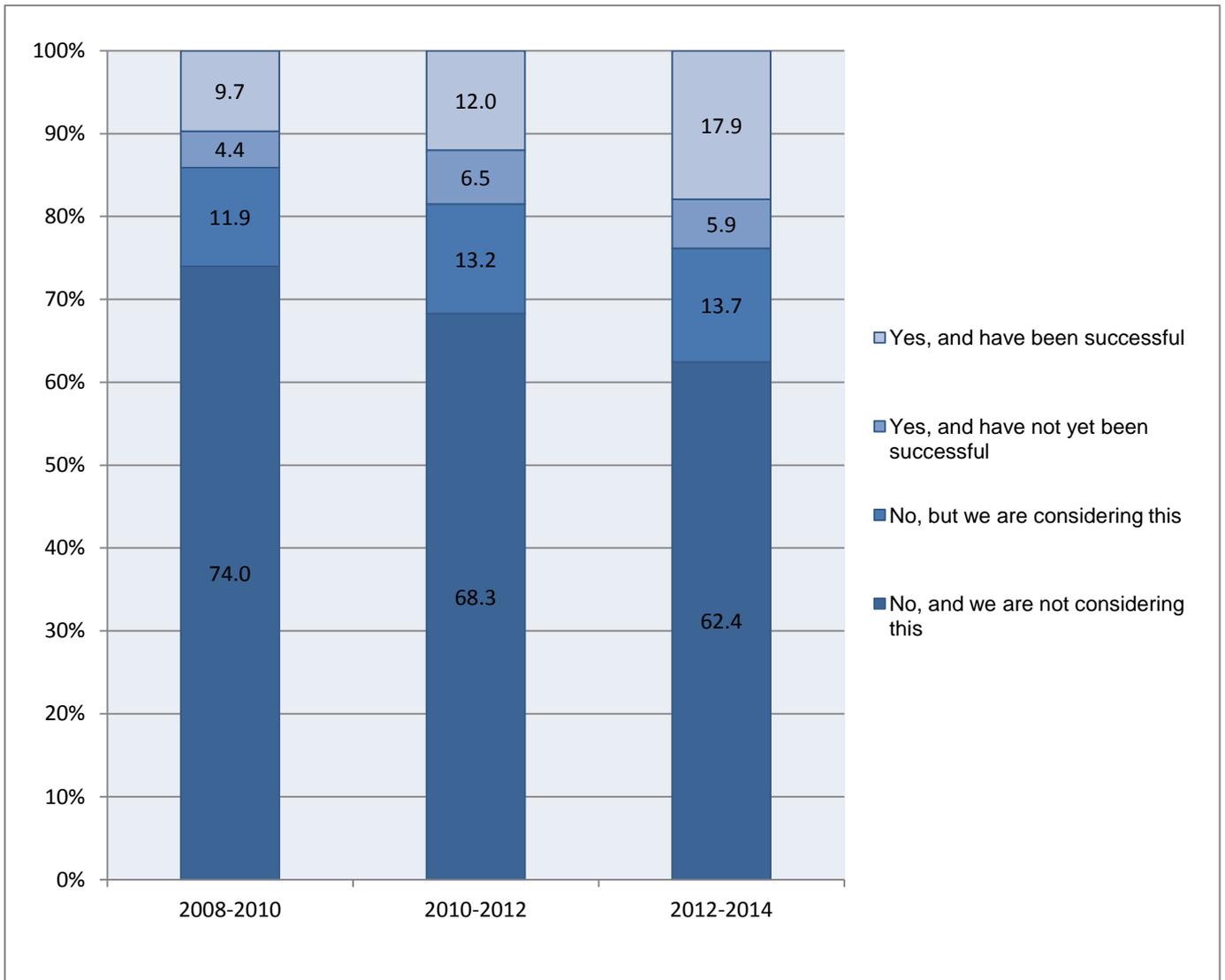
Figure 26 Willingness of TSOs to enter into contracts in partnership (2014)	Cumbria	Northumberland	Tyne and Wear	North East & Cumbria
Yes and have been successful	13.2	14.8	24.3	17.4
Yes and have not been successful	3.2	6.2	9.7	6.3
No, but we are considering this	9.7	11.9	19.0	13.2
No and we are not considering this	73.8	67.1	47.0	63.0
N=	370	210	321	1234

Local authorities or other public sector bodies generally want to maximise the impact of work undertaken by contract by encouraging partnership or consortia bidding. Consequently, there is often an explicit or implicit expectation built into tender documentation that smaller TSOs should be incorporated into partnership bids to ensure that their ability to reach and engage with people in communities of place or interest can capitalised upon.

As Figure 27 shows, when considering the Third Sector as a whole, partnership working to deliver public sector contracts has increased considerably between 2008-10 and 2012-14: rising from 10% to 18% of TSOs which have successfully bid to do such work.

Furthermore, the percentage of TSOs which have been bidding for such work but have not yet been successful has increased from 4% to 6%. That stated, the majority of TSOs remain disinterested in the delivery of contracts in partnership; although the proportion of TSOs which take this view has fallen from 74% to 62% since 2008-10.

Figure 27 **Participation in delivery of contracts working in partnership** (*North East and Cumbria 2008-2014*)



12 Relationship within and between sectors

Relationships with the public sector

Figure 28 shows the extent to which TSOs 'agree' or 'strongly agree' that they feel valued by public sector organisations on a range of issues.

- About 74% of TSOs in Cumbria agree or strongly agree that public sector organisations value the work they do. This is a similar level to the regional average.
- About 72% of TSOs in Cumbria feel that public sector organisations understand their role; these views are similar to the regional average.
- Almost 66% of TSOs in Cumbria state that public sector organisations respect their independence. This view is broadly similar across the region.
- Fewer TSOs in Cumbria (47%) feel that public sector organisations inform them on issues of importance compared with a regional average of 53%.
- Only 30% of TSOs in Cumbria think that they are involved in public sector decision making processes on issues of concern to the third sector. More positive attitudes are noted in urban Tyne and Wear (40%) where there is more likely to be interaction of this nature.
- About 29% of TSOs in Cumbria think that public sector organisations act on third sector opinions/responses to consultations. TSOs in Tyne and Wear are the most positive in this respect (41%). Low levels of agreement in Cumbria are likely to be due the predominance of smaller TSOs which are less likely to engage with public policy initiatives.

It is useful to compare the attitudes of larger TSOs and smaller TSOs by using data from across the North East and Cumbria. Figure 29(a) shows the views of smaller TSOs (which are less formal, have less than £25,000 income and rarely employ staff) about relationships with people in the public sector. The chart demonstrates that the vast majority of TSOs think that their work is valued, that their independence is respected and that their role is understood. There was a slight dip in confidence in 2012, but this has more than recovered in 2014.

These data also show that there is a rising sense of confidence in three categories: 'feeling informed', 'being involved' and the public sector 'taking action' on the basis of consultation. More than half of TSOs now think this is the case.

Figure 28 TSOs which agree or strongly agree with statements about relationships with the public sector (2014)	Cumbria	Northumberland	Tyne and Wear	North East & Cumbria
They value the work of our organisation	73.8	76.2	78.1	76.1
They understand the nature and role of our organisation	71.8	72.9	73.6	72.7
They respect our organisation's independence	65.8	69.0	71.6	69.2
They inform our organisation on issues which affect us or are of interest to us	47.0	56.7	54.5	53.3
They involve our organisation appropriately in developing and implementing policy on issues which affect us	30.4	31.1	39.9	34.6
They act upon our organisation's opinions and/ or responses to consultation	28.9	31.0	41.3	33.8

Figure 29(a) **Percentage of smaller 'less formal' TSOs which 'agree' or 'strongly agree' with a series of statements about relationships with the public sector** (North East and Cumbria, 2014: data refer only to those TSOs which have a relationship with the public sector)

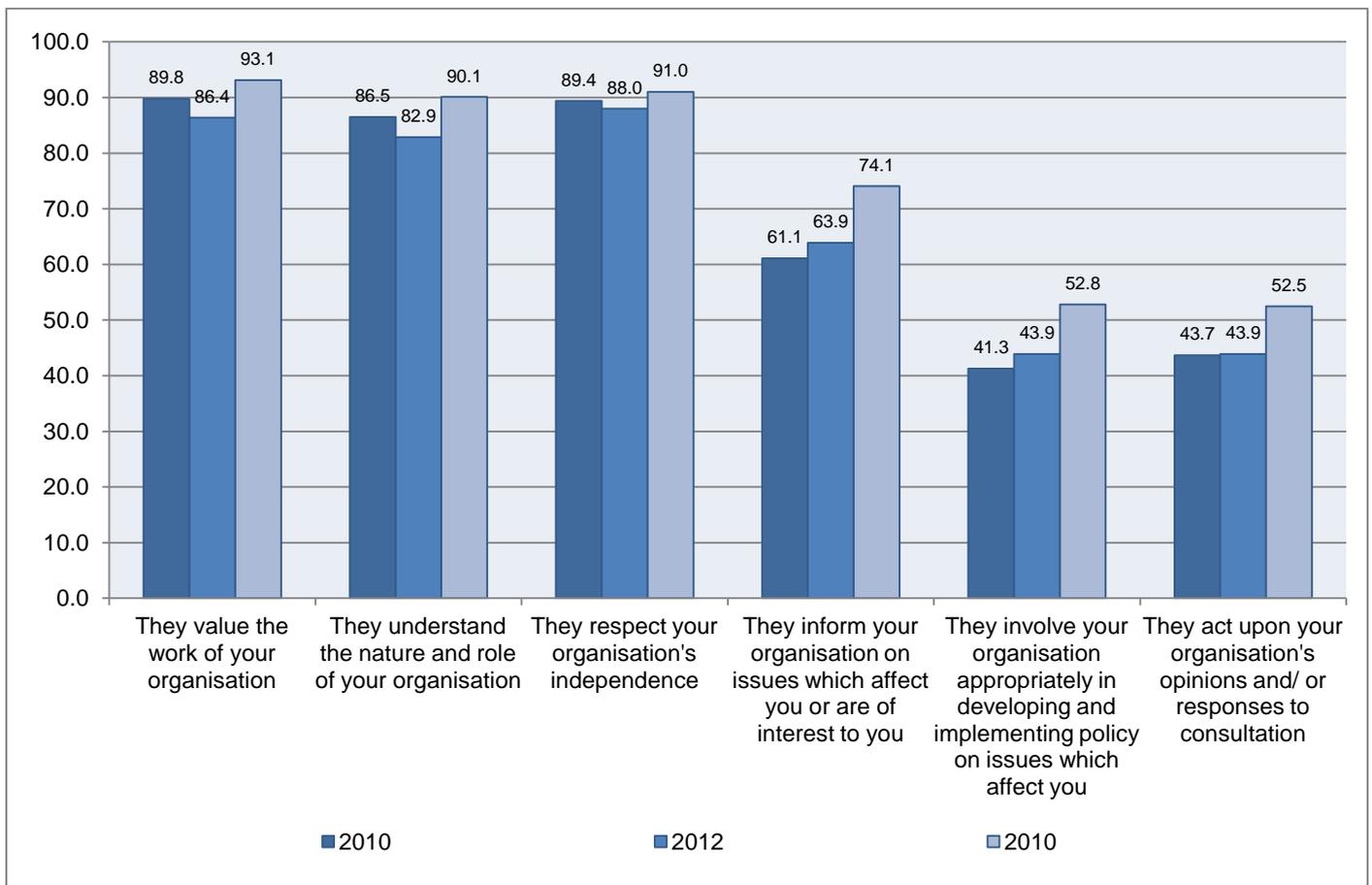
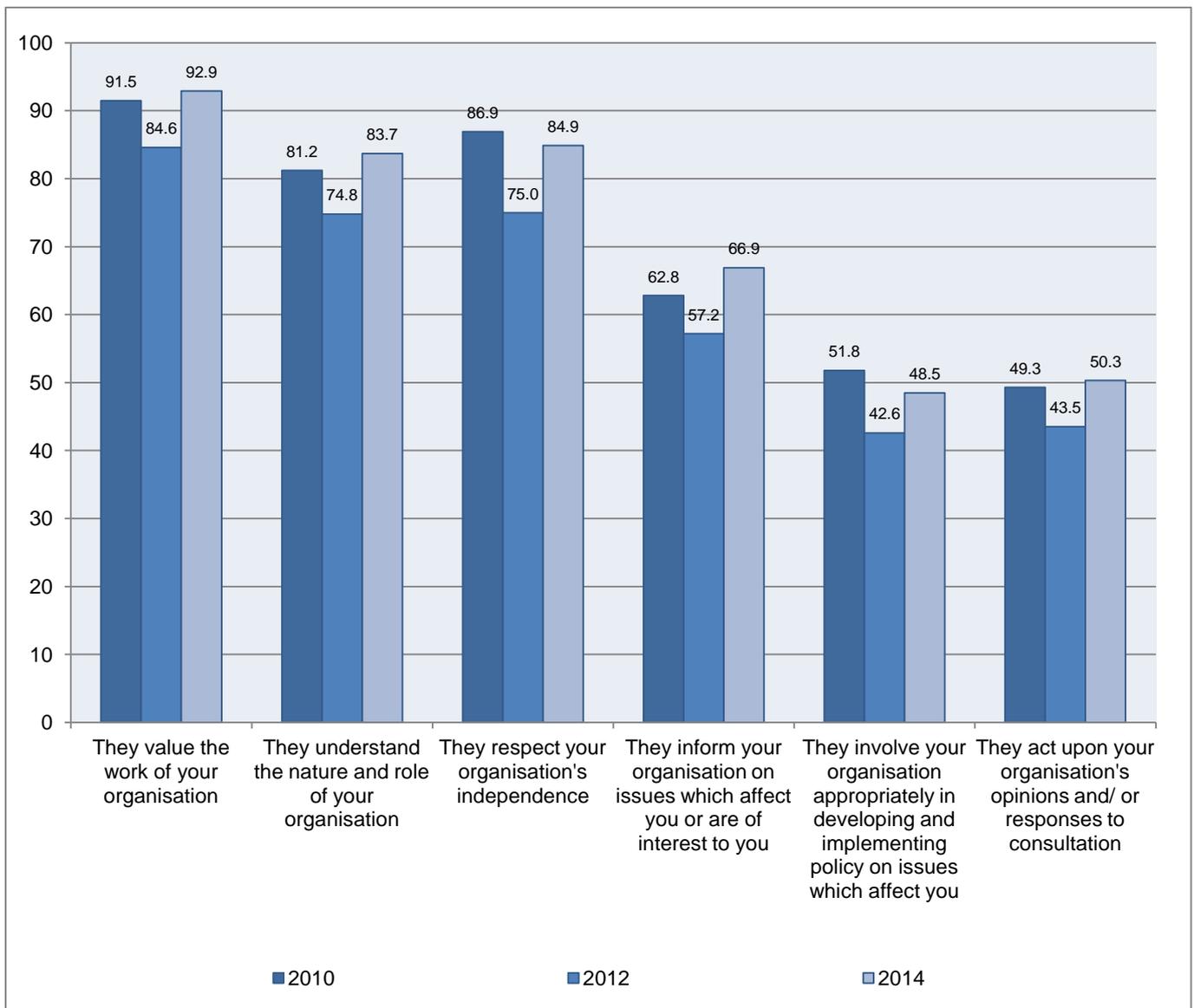


Figure 29(b) considers the situation for more formal TSOs (which have income above £50,000 per annum, generally employ staff and are more likely to be involved in contracts).

As in the previous chart, there is evidence of a bounce back in TSOs' confidence in their relationship with the public sector since 2012. In fact this effect is more pronounced for the larger TSOs. The lowered level of confidence which was expressed in 2012 may be explained by uncertainties produced at the time by significant reductions in public sector funding.

While confidence is very high in relation to TSOs' work being valued and understood and their independence respected, the proportion of more formal TSOs which feel that they are fully involved or their opinions acted upon is still just about equal to those who disagree.

Figure 29(b) **Percentage of larger 'more formal' TSOs which 'agree' or 'strongly agree' with a series of statements about relationships with the public sector** (North East and Cumbria, 2014: data refer only to those TSOs which have a relationship with the public sector)



Relationships with the private sector

Figure 30 indicates whether TSOs state that their relationship with the private sector is of 'great importance' or 'some importance' in relation to a series of statements about their relationships with the private sector.³⁶

- Over 37% of TSOs in Cumbria state that the money private sector businesses give them to do their work is of some or great importance. The percentages are broadly similar across the North East and Cumbria.
- Private sector businesses offer of free facilities is of some or great importance to 22% of TSOs in Cumbria to do their work. The highest level of support in this respect occurs in urban Tyne and Wear (27%).
- Volunteers from private sector businesses are of great or some importance to 23% of TSOs Cumbria, a higher figure than in neighbouring Northumberland (13%). TSOs in urban Tyne and Wear appear to get most support (25%).
- About a quarter of TSOs in Cumbria state that receiving expert advice from private sector businesses is of some or great importance; a higher level than neighbouring Northumberland (20%). The offer of advice appears to be more likely to be given in the urban areas of Tyne and Wear (31%).
- About one fifth of TSOs in Cumbria state that getting support from business in terms of media activity or public relations is of some or great importance to them (about the same level as in urban Tyne and Wear), but a higher level than Northumberland (13%).

Figure 30 TSOs which state that they benefit greatly or to some extent from relationships with the private sector	Cumbria	Northumberland	Tyne and Wear	North East & Cumbria
They give us money to help us do our work	37.3	35.7	37.8	35.8
They provide free facilities to help us do our work	22.4	17.3	26.7	22.2
They provide volunteers to help us do our work	23.2	13.0	25.2	21.0
They provide free expert advice to help us work	26.0	19.5	31.3	25.5
They provide free media/PR support to help our work	20.9	13.2	20.6	18.7

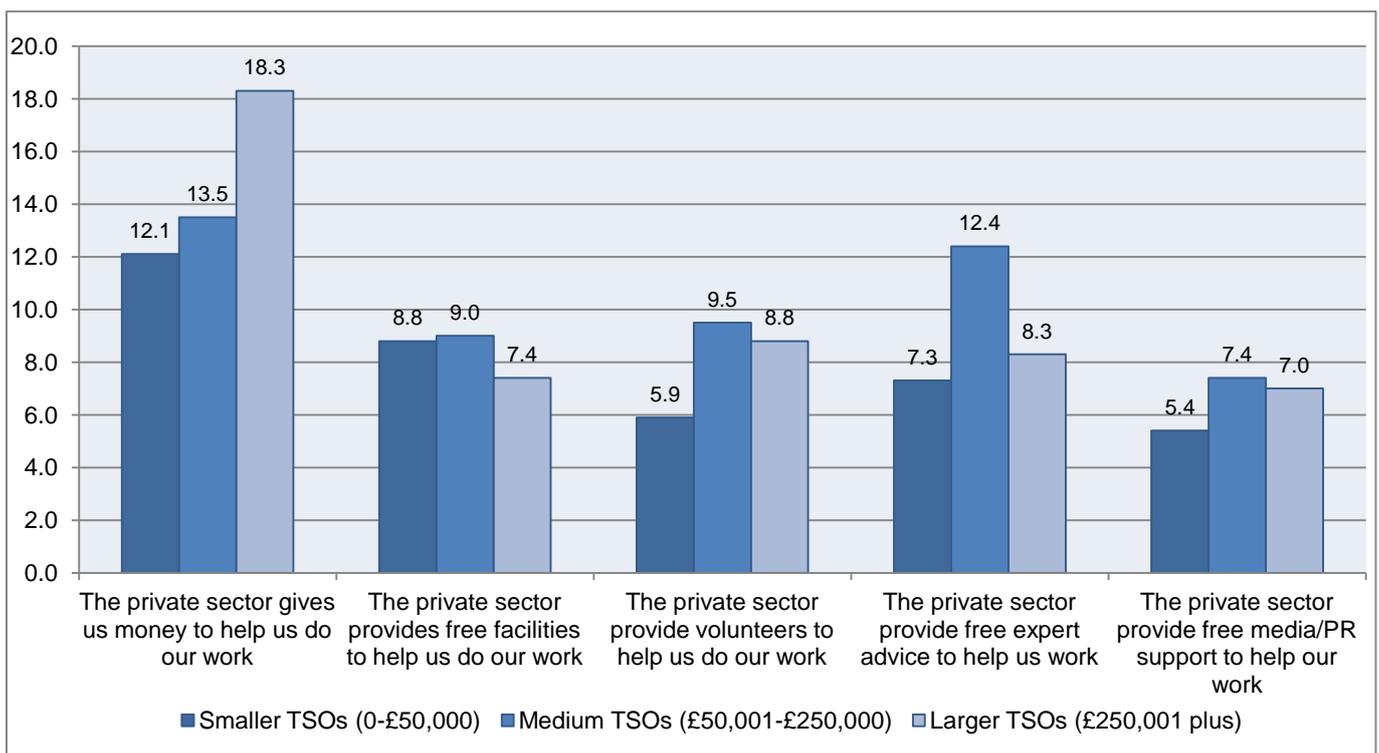
Using the larger regional dataset, Figure 31 assessed differences in the experiences of TSOs of different sizes. These data refer to TSOs which state that interactions with the private sector are of 'great importance' and are therefore considerably lower than those shown in Figure 30

³⁶ This question was introduced to the survey in 2014 so there is no scope for comparative analysis over time.

- Larger TSOs are much more likely to be the recipients of money from private sector companies to help them do their work (18%, compared with 14% of medium and 12% of small TSOs).
- TSOs are more or less equally likely to benefit from the provision of free facilities to do their work by private sector companies irrespective of their size (between 7% and 9% of TSOs).
- Relatively few TSOs benefit from the provision of volunteers from private sector companies. Small organisations are the least likely to get such help (6%) compared with 9-10% of medium and larger TSOs. It is likely that smaller TSOs are less likely to get such help because they are inaccessible to companies – although there is no evidence available to show this in the present study.
- Medium sized TSOs benefit the most from the provision of expert advice from private sector companies (12%) compared with 7-8% of smaller and larger TSOs. This is likely to be due to higher demand for such support from medium sized organisations.
- Some TSOs get support from private sector companies with their communications work (such as public relations and/or media support). The level of support is low for all TSOs (at between 5-7%).

These data give some indications of the extent to which private sector companies support the Third Sector. What cannot be gleaned from these data, however, is the balance between the demand for such support and its supply and how this changes over time. This could be a fruitful line of enquiry in future should the study continue beyond 2015.

Figure 31 **Benefits gained from interactions with the private sector** (TSOs stating that contributions were of 'great importance' North East and Cumbria, 2014)



Relationships within the Third Sector

Figure 32 shows the extent of engagement in informal or formal relationships between TSOs.

- Almost 69% of TSOs in Cumbria have useful informal relationships with other TSOs, but this is considerably below the regional average of 75%. The extent of such relationships is greatest in urban Tyne and Wear (82%) where there is a dense population of larger TSOs.
- 60% of TSOs in Cumbria and 64% in Northumberland work closely but informally with other TSOs, compared with 71% in urban Tyne and Wear.
- Formal partnership relationships are much less common in Cumbria (29%). In urban areas, where there are more larger organisations and more opportunities for contract working, the percentages are higher (40% in Tyne and Wear) although differences from the more rural county of Northumberland are not so pronounced (35%).

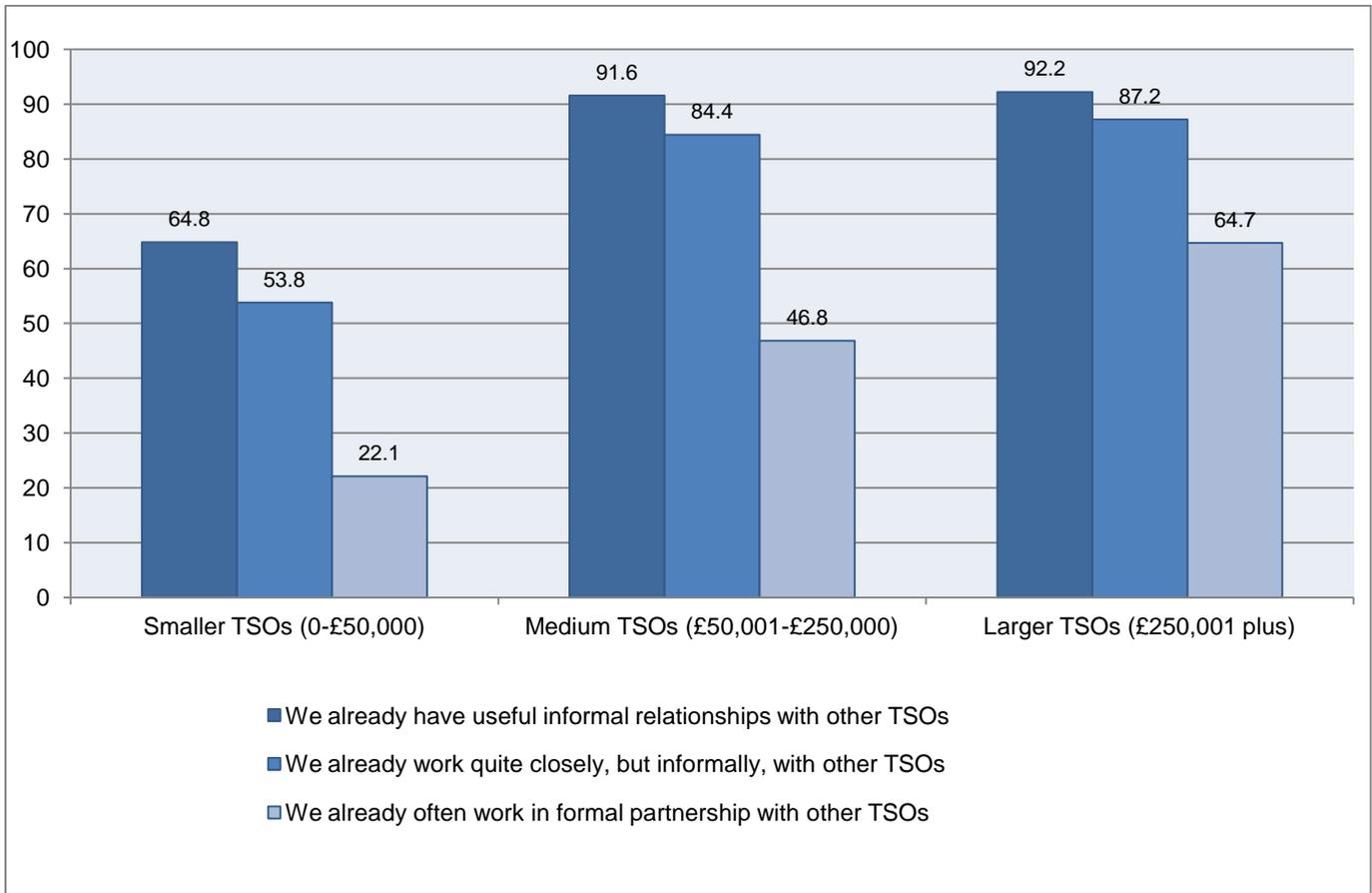
Figure 32 Extent of informal and formal relationships within the Third Sector (2014)	Cumbria	Northumberland	Tyne and Wear	North East & Cumbria
We have useful informal relationships with other voluntary organisations and groups	69.4	74.1	82.1	75.1
We often work quite closely, but informally, with other voluntary organisations and groups	60.1	64.0	71.3	66.2
We often work in formal partnership arrangements with other voluntary organisations and groups	28.7	34.5	39.7	35.4

Drawing upon the larger regional dataset, Figure 33 shows the extent to which TSOs of different sizes have formed positive relationships with other organisations within the Third Sector.

- 65% of smaller TSOs have useful informal relationships with other TSOs; 54% work closely, but informally, with other TSOs; and, 22% work in formal partnership with other organisations in the Third Sector.
- Medium sized and larger TSOs are much more likely to have useful informal relationships with other organisations in the Third Sector (92% compared with 65% of small TSOs)
- Medium sized and larger TSOs are more likely than small TSOs to work closely or informally with other organisations in the Third Sector (84% and 87% respectively).

- Large TSOs are the most likely to have formal working relationships with other TSOs (65%) when compared with medium sized organisations (49%) or smaller organisations (22%).³⁷

Figure 33 **Relationships within the Third Sector** (Percentage of TSOs which 'strongly agree' with each statement: North East and Cumbria, 2014)



³⁷ The percentage of larger TSOs working in formal partnership arrangements is higher than shown in the discussion of partnership in contract working (see Figure 26). The reason for this is that not all formal partnership relationships operate within contractual terms to deliver services on the behalf of a public sector organisation.

13 Urban and rural areas compared

Cumbria is a largely rural County but with substantive urban settlements in Barrow in Furness, Carlisle, Kendal, Keswick, Penrith, Whitehaven and Workington. Due to its varied geographical characteristics, it is important not to conclude this report without undertaking some additional analysis of differences in the experiences of TSOs in rural and urban areas.

Due to the limitations of sample size, the analysis which follows draws upon evidence from Cumbria and North East England. Three main indicators of TSOs' spatial position and activity are used in the analysis.

- TSOs are categorised according to where they work in three categories: 'work mainly in rural areas' (n=408) 'work in a mix of urban and rural areas' (n=471), and 'work in urban areas' (337). These categories provide an indication of the focus of organisational activity in spatial terms rather than their location.
- Using ONS/Defra categories of spatial location, three spatial areas have been defined: 'deeper rural areas' (n=184); 'intermediate areas' (n=298) and 'major urban areas' (n=620).³⁸
- TSOs are categorised according to the level of affluence of the area within which they are based using the Index of Multiple Deprivation (IMD). This measure allows for comparisons between TSOs operating in richer and poorer areas in three categories: 'least affluent' refers to TSOs based in IMDs 1-4 (n=508); 'intermediate areas' refers to IMD 5-6 (n=251); 'most affluent areas' refers to IMD 7-10 (n=343).

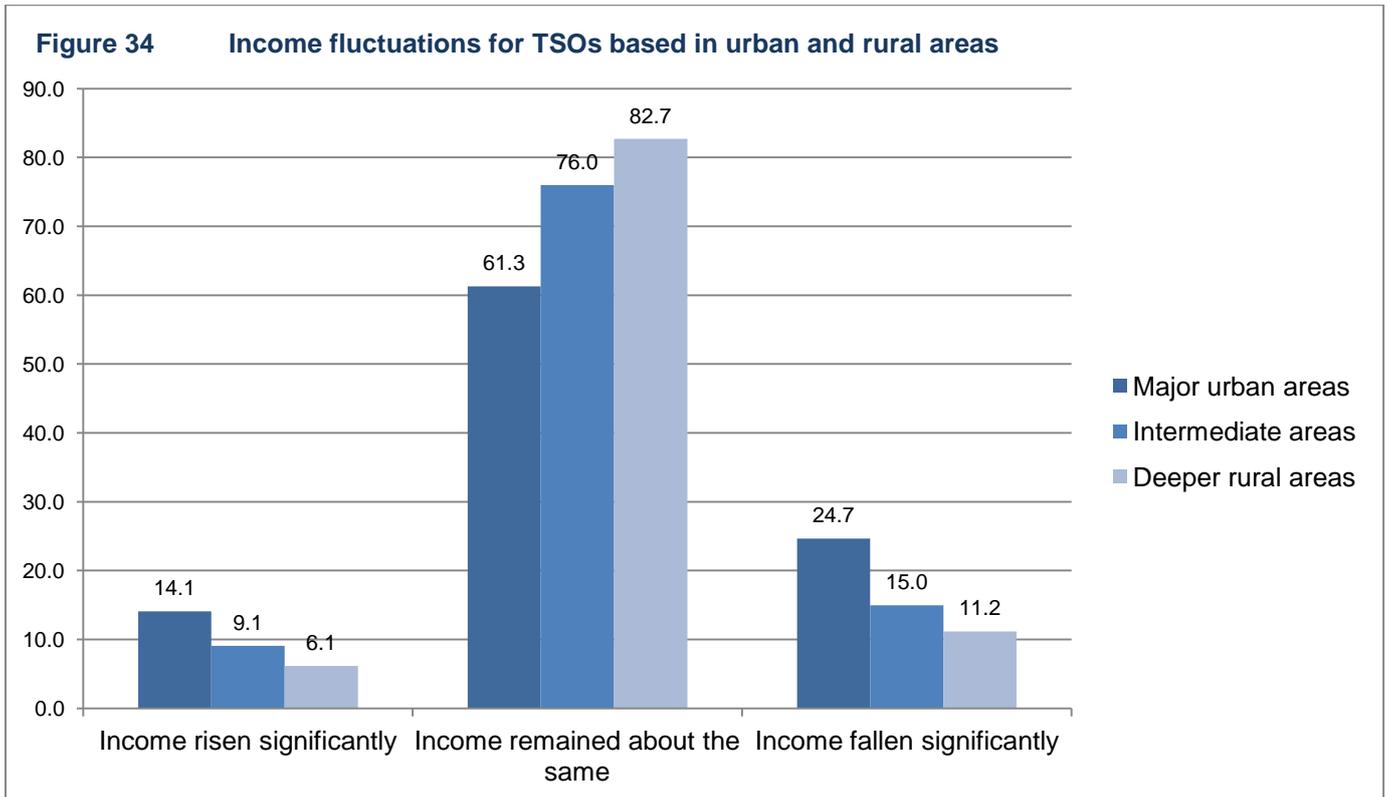
The purpose of the analysis is to assess how well TSOs have fared financially over the last two years using a simple indicator of organisational wellbeing which distinguishes between organisations which have had stable income, substantially rising income or substantially falling income.

Figure 34 shows the extent of income fluctuation for TSOs based in urban, intermediate or deeper rural areas. It is clear from these data that:

- TSOs in major urban areas are more likely to have had substantially increased income (14%) when compared with TSOs in deeper rural areas (6%). This is likely to be due to a higher proportion of larger TSOs in the urban areas.

³⁸ When Defra urban/rural categories are employed at District Council level, most of Cumbria is defined as a rural area apart from Barrow in Furness. See: C:\Users\Owner\AppData\Local\Microsoft\Windows\Temporary Internet Files\Content.IE5\Y5QK67NU\Quick_guide_to_Rurality_09.pdf. However, when divided into super output areas, as done in this analysis, there is a much wider range of classifications. It is not possible, however, with the current dataset to provide examples of where these TSOs are situated by named area. A useful map of Defra categories for Cumbria can be found at this address: http://www.google.co.uk/url?sa=t&rct=j&q=&esrc=s&source=web&cd=7&cad=rja&uact=8&ved=0CE8QFjAGahUKEwixyJi1-6jHAhUC2RoKHUdyBlg&url=http%3A%2F%2Fwww.cumbria.gov.uk%2F%2Flibrary%2F%2Fcontent%2F%2Finternet%2F%2F536%2F671%2F4674%2F5359%2F5360%2F39835163918.doc&ei=VxPOVfHAL4Kya8Dkm8AF&usq=AFQjCNHW_Htr-FI1bJcAac0cNhnqin1UA8w

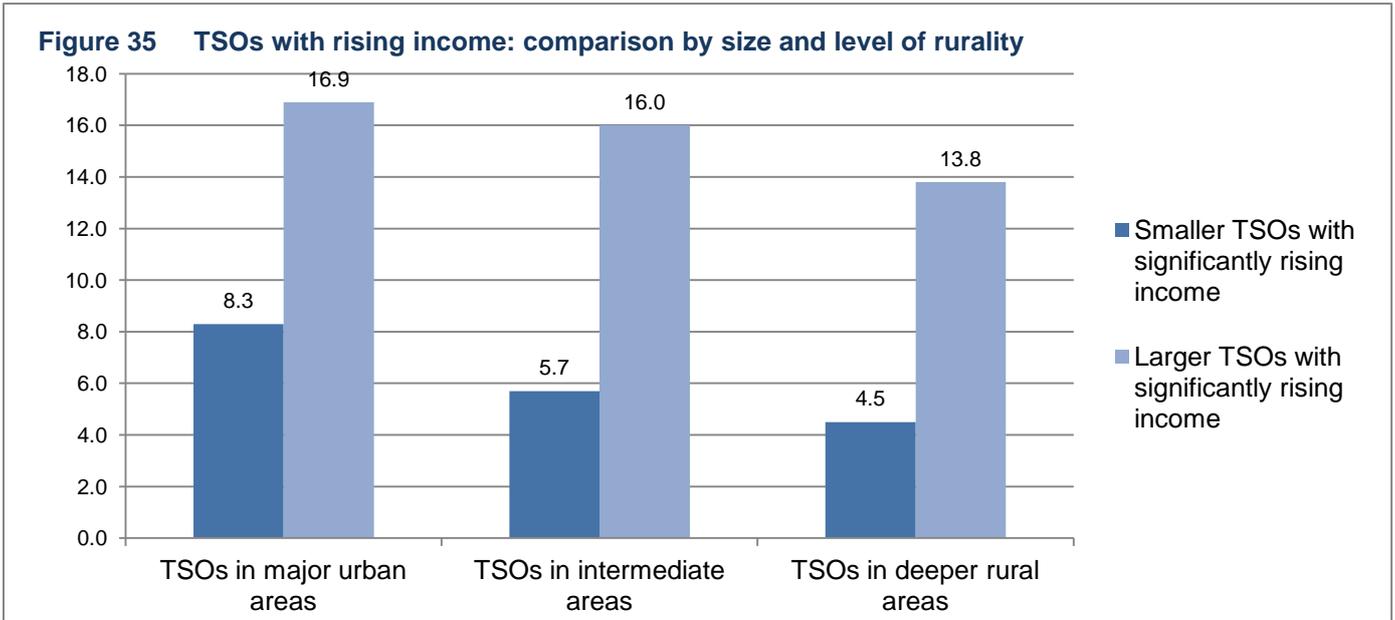
- Income stability is more common in deeper rural areas: only 61% of TSOs in major urban areas had stable income compared with 83% in deeper rural areas. This likely to be due to the higher proportion of larger TSOs in the major urban areas.
- Significantly falling income is most common in the major urban areas (25%) and is lowest in deeper rural areas (11%). This is likely to be due to the higher proportion of smaller organisations in rural areas.



As Figure 35 shows, the size of TSOs makes a substantial difference when comparing TSOs with significantly rising income irrespective of spatial location: smaller, less formal TSOs which are unlikely to employ people, are much less likely to have had rising income when compared with larger TSOs which do employ people.

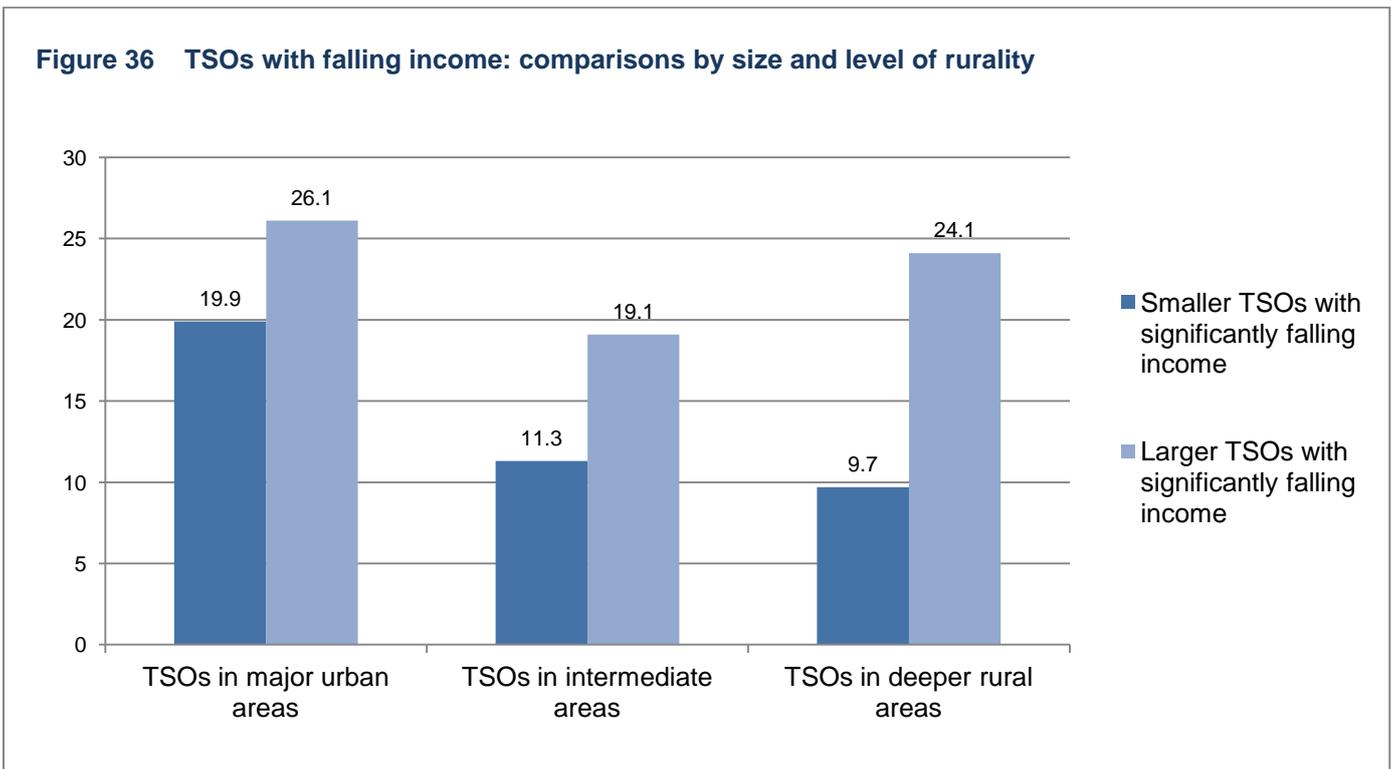
But spatial location does make a marginal difference to the experience of TSOs:

- In major urban areas, only 8% of smaller TSOs had rising income compared with 5% in deeper rural areas.
- In major urban areas 17% of TSOs had significantly rising income, compared with 14% of TSOs in deeper rural areas.



When the analysis is repeated for TSOs with significantly falling income, some interesting findings emerge, as shown in Figure 36.

- Smaller TSOs in deeper rural areas are much less likely to have experienced significantly falling income (10%) when compared with major urban areas (20%).
- Larger TSOs in deeper rural areas, by contrast, are almost 'as likely' to have experienced significantly falling income (24%) as TSOs in major urban areas (26%).



Another way of comparing the situation of TSOs is by comparing those which work primarily in rural areas or urban areas, rather than considering the spatial location of their main office. Figure 37 shows that:

- The likelihood of smaller TSOs having substantially increased income in the last two years is similar, irrespective of where they work (a range of 5-6%)
- Larger TSOs working mainly in rural areas are less likely to have had substantially rising income (9%) when compared with TSOs working in both rural and urban areas (18%) or in urban areas (16%).

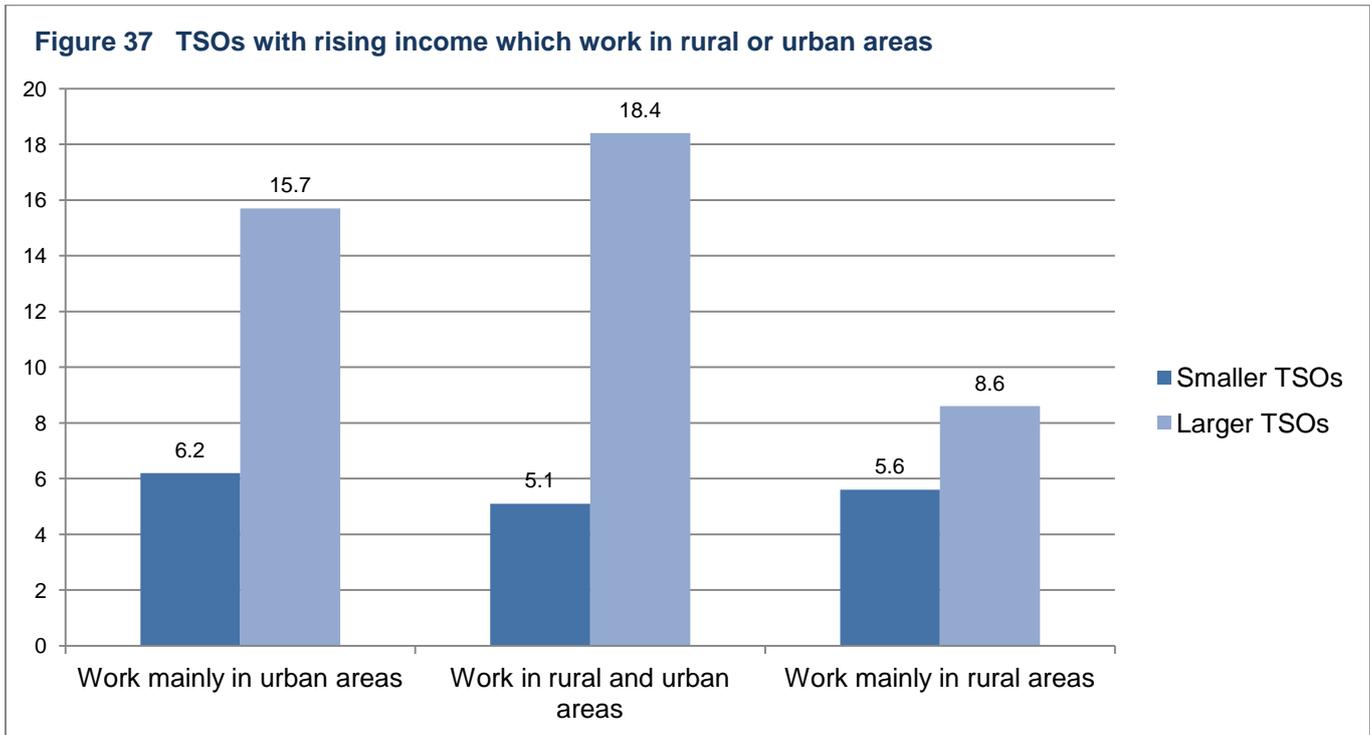
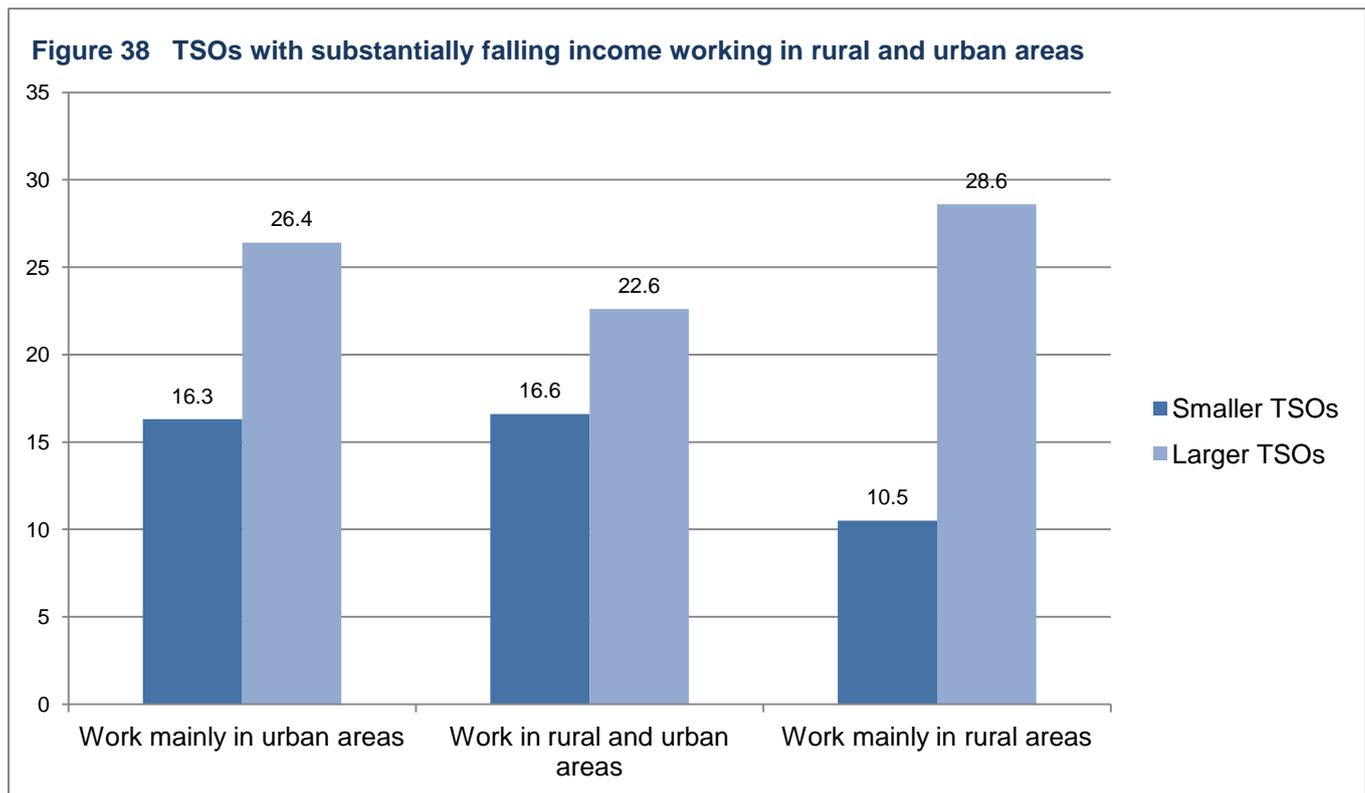


Figure 38 compares the experiences of TSOs with substantially falling income over the last two years.

- Smaller TSOs working mainly in rural areas were less likely to have substantially falling income (10%) when compared with those working in urban (16%) or urban and rural areas (17%).
- Larger TSOs working mainly in rural areas were slightly more likely to have substantially falling income (29%) than TSOs working in urban areas (26%) or working both in rural and urban areas (23%).



The above analysis paints a complex picture on the situation of TSOs *based in, or working in* rural areas. The headline finding is that smaller TSOs in rural areas have been less likely to have falling income when compared with urban counterparts. While the larger TSOs working in rural areas seemed to have fared less well (or equally badly) as their urban counterparts.

The main factor which produces such variation, as shown in Section 8 of this report, is the relative affluence or wealth of an area. In richer areas, TSOs tend to be much more likely to experience income stability than in poorer areas. The final stage of the analysis is to compare the experiences of TSOs working in less affluent or more affluent urban and rural areas.

Rural areas with different levels of affluence have varied patterns of income fluctuation or stability, as shown in Figure 3:

- The more affluent the area within which they are located, TSOs are more likely to experience **income stability**, rising from 69% in the least affluent areas to 81% in the most affluent areas.
- The more affluent the area within which they are located, TSOs are more likely to experience **significantly rising income**: rising from 6% in the poorest to 11% in the richest.
- The more affluent the area within which they are located, TSOs become less likely to have **falling income**: from 25% in the poorest areas to 9% in the richest.

Figure 39 Income fluctuation for TSOs working in rural/urban areas by IMD (North East and Cumbria 2014)	<i>Working mainly in rural areas (column percentages)</i>		
	IMD 1-4 (Least affluent)	IMD 5-6	IMD 7-10 (Most affluent)
Income risen significantly	5.6	6.4	10.6
Income remained about the same	69.4	78.4	80.6
Income fallen significantly	25.0	15.2	8.8
N=	72	125	160

The patterns of income fluctuation or stability for TSOs working both rural and urban areas are as follows (as shown in Figure 40):

- The more affluent the area within which they are located, TSOs are more likely to experience **income stability**, rising from 56% in least affluent areas to 76% in the most affluent areas.
- TSOs working in 'rural and urban areas' are most likely to have rising income if they are based in areas of intermediate affluence (19%) when compared with the poorest areas (14%) and the richest areas (10%).
- The more affluent the area within which they are located, TSOs become less likely to have **falling income**: from 30% in the poorest areas to 14% in the richest

Figure 40 Income fluctuation for TSOs working in rural/urban areas by IMD (North East and Cumbria 2014)	<i>Working in a mixture of rural & urban areas (column percentages)</i>		
	IMD 1-4 (Least affluent)	IMD 5-6 (intermediate)	IMD 7-10 (Most affluent)
Income risen significantly	13.7	18.5	10.3
Income remained about the same	56.3	67.7	75.6
Income fallen significantly	29.9	13.8	14.1
N=	197	65	78

The patterns of income fluctuation or stability for TSOs working mainly in urban or inner city areas are as follows (as shown in Figure 41):

- The more affluent the area within which they are located, TSOs are more likely to experience **income stability**, rising from 59% in least affluent areas to 81% in the most affluent areas.
- TSOs are more likely to have had **significantly rising income** if they are located in poorer areas: rising from 5% in the richest areas to 16% in the poorest.

- The more affluent the area within which they are located, TSOs become less likely to have falling income: from 25% in the poorest areas to 14% in the richest.

Figure 41 Income fluctuation for TSOs working in rural/urban areas by IMD (North East and Cumbria 2014)	<i>Working mainly in urban/inner city areas (column percentages)</i>		
	IMD 1-4 (Least affluent)	IMD 5-6	IMD 7-10 (Most affluent)
Income risen significantly	15.5	5.7	5.4
Income remained about the same	59.4	71.4	81.1
Income fallen significantly	25.1	22.9	13.5
N=	187	35	74

To create greater clarity on the significance of these findings, data have been reconfigured graphically.

Figure 42 shows graphically that:

- TSOs working in mainly in rural areas are progressively more likely to have rising income, the more affluent area they are based in (6% in poorest, 11% in the richest).
- TSOs working mainly in urban areas are much more likely to have falling income if they are based in poor areas (16%) compared with the richest areas (5%).

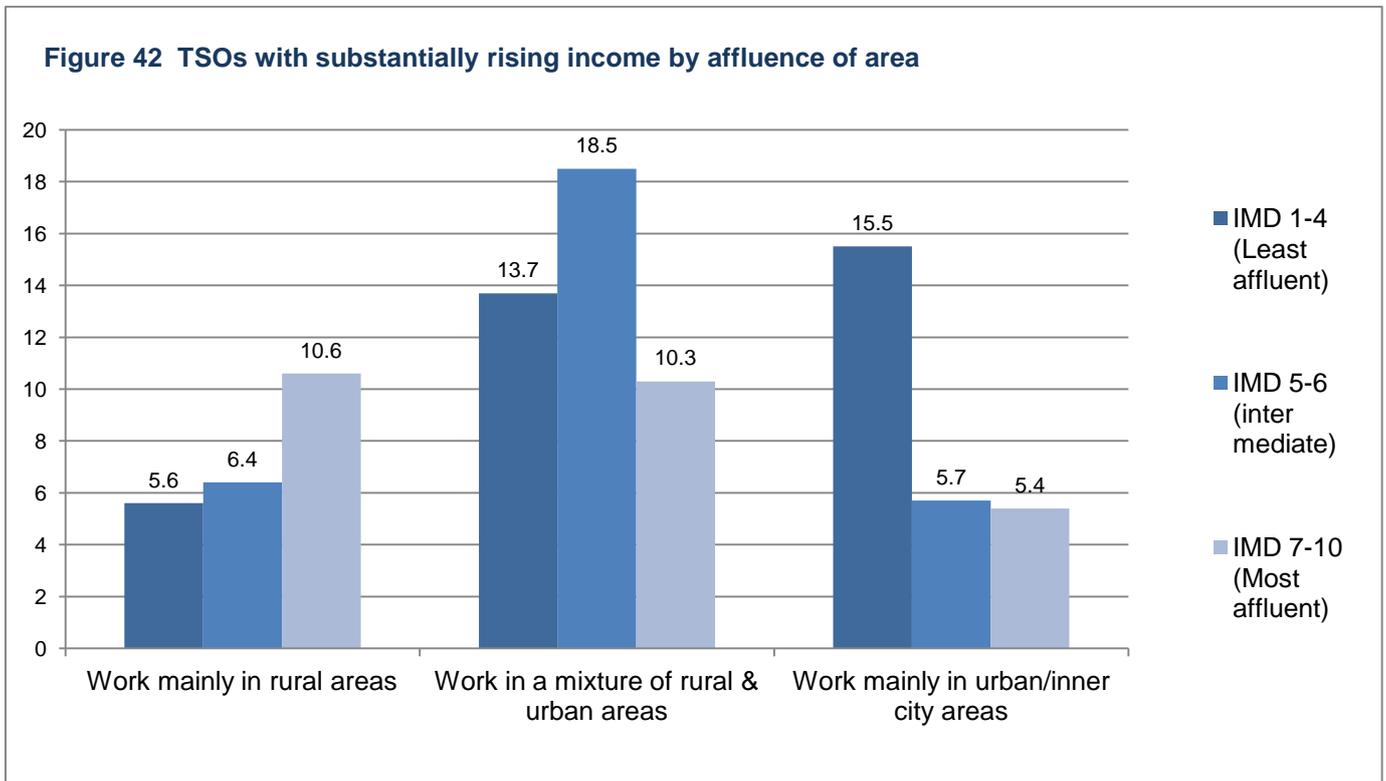


Figure 43 shows that income stability is more likely for TSOs if they are based in more affluent areas, irrespective of whether they work in rural, mixed or urban environments.

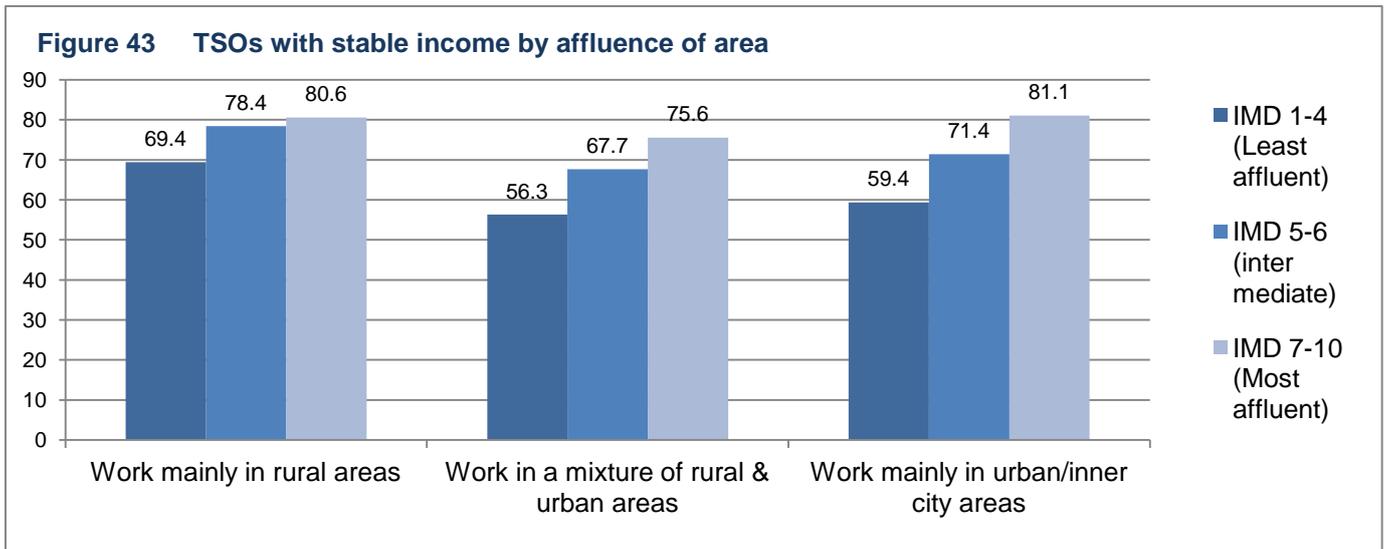
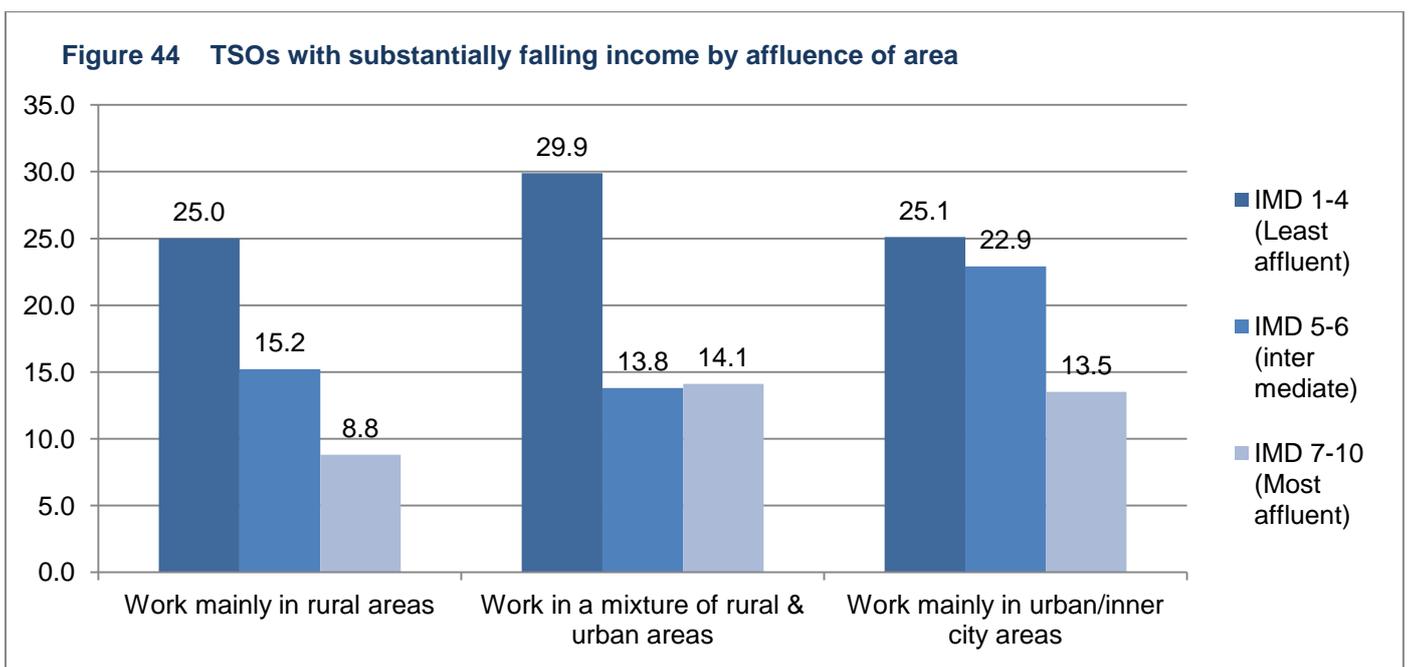


Figure 44 shows that TSOs are much more likely to have substantially falling income if they are based in poorer areas.

- Amongst TSOs working mainly in rural areas, 25% have falling income in the poorest areas compared with just 9% in the richest.
- Amongst TSOs working in a mixture of urban and rural areas, 30% in the poorest areas have substantially falling income compared with just 14% in the richest areas.
- Amongst TSOs working mainly in urban areas, only 14% have substantially falling income, compared with between 23-25% in less affluent areas.



14 Expectations and preparation for the future

Figure 35 shows what percentage of TSOs believe that each of a series of key factors will 'increase' or 'increase significantly' over the next two years. The factors are listed in descending order of importance for TSOs in Cumbria.

It should be noted that in previous rounds of the TSO1000, organisations have tended to be more ambitious about future change than is perhaps warranted. While optimism should be lauded in many respects, it can skew organisational strategy if too far out of line with the likely realities of the future.

- There is a widespread expectation that the need for TSOs services will increase in Cumbria (40%). Such expectations are much stronger in the urban areas of Tyne and Wear (67%) and to a lesser extent in Northumberland (50%). Higher percentages in urban areas are mostly related to the higher proportion of larger TSOs in such areas and the availability of contracts to deliver services.
- About 27% of Cumbrian TSOs think that expenditure will increase in the next two years compared with (47%) in urban Tyne and Wear. These differences are connected to expectations on increased service demand noted above.
- About 30% of TSOs in Cumbria think that statutory organisations expectations of their work will rise in the next two years – in these respect attitudes are stronger in the urban areas of Tyne and Wear (47%) due to higher levels of contract working.
- Perhaps surprisingly, 27% of TSOs in Cumbria expect that their income will increase in the next two years, holding a similar level of optimism to TSOs in Northumberland (29%). The highest level of expectation is in urban Tyne and Wear (35%).
- About 22% of TSOs in Cumbria expect that the number of volunteers helping them do their work will increase in the next two years. TSOs are more optimistic in this respect in Northumberland (26%) and urban Tyne and Wear (33%).
- Only 21% of Cumbrian TSOs expect that partnership working will increase in the next two years. This is thought to be most likely by TSOs in Tyne and Wear (44%) where there are more opportunities for such work.
- About 9% of TSOs in Cumbria expect that the number of staff they employ will increase in the next two years compared with a regional average of 15%.

Figure 35
TSO expectations about the future (*% expecting an 'increase' in the next two years*) (2014)

	Cumbria	Northumberland	Tyne and Wear	North East & Cumbria
The need for our services will increase	40.5	49.5	67.1	52.1
Expenditure will increase	33.6	45.4	47.3	43.0
Statutory agencies expectations will increase	29.6	34.0	47.2	37.0
Income will increase	27.7	28.9	34.7	31.7
Number of volunteers will increase	21.5	26.0	33.1	28.0
Working in partnership will increase	21.2	29.4	44.3	32.5
Number of paid staff will increase	8.7	13.8	17.8	14.6

Given the above findings about what TSOs expect to happen over the next two years, it is useful to report what actions are being taken to tackle such challenges by organisations.

Figure 36 presents data on the percentage of TSOs which are currently pursuing action to tackle the challenges and opportunities of the future. The categories of action are listed in priority order for TSOs in Cumbria.

- About 32% of TSOs in Cumbria are taking action to increase earned income (including trading and/or contracts). TSOs in urban Tyne and Wear (44%) are the most likely to be doing so, but this is largely due to the concentration of larger organisations in these areas.
- In Cumbria 23% of TSOs are taking action to work more closely with other organisations in future. Due to the larger number of bigger TSOs in Tyne and Wear a larger percentage (37%) are now working more closely with other TSOs. In the more rural county of Northumberland, 29% are doing so.
- About 21% of TSOs in Cumbria are attempting to increase individual donations. TSOs in Tyne and Wear seem to be considerably more active in this respect (33%).
- Only 19% of TSOs in Cumbria are currently changing the way they run services. TSOs in the urban areas of Tyne and Wear are more likely to be doing so (36%).
- Around a quarter of TSOs across the region are attempting to work more closely with public sector organisations. More TSOs are doing this in urban areas (28-29%) compared with just 17% in Cumbria and 20% in Northumberland.
- Relatively few TSOs in Cumbria are taking action to work more closely with private sector companies (10%). A similar proportion of TSOs in the urban areas of Tyne and Wear are doing so (13%).

- The prospect of merging with another TSO is limited in most areas (around 5% of TSOs are taking action to do so). Similarly, very few TSOs are taking action to borrow money to enter into new areas of work (around 5%).

Figure 36 Percentage of TSOs which have already taken action to tackle future challenges (2014)	Cumbria	Northumberland	Tyne and Wear	North East and Cumbria
Increasing earned income	31.7	36.7	44.4	39.3
Working more closely with another voluntary/ not-for-profit organisation	22.8	28.9	37.3	29.9
Increasing individual donations	21.3	24.1	33.9	24.9
Changing the way you run your services or activities	19.3	21.1	35.7	27.4
Working more closely with a public sector organisation	16.9	20.2	27.8	22.8
Working more closely with a private sector company	9.8	9.0	12.6	10.0
Merging with one or more similar organisations	5.6	4.8	5.9	5.5
Borrowing money to increase volume of activity/enter new areas of work	2.4	6.0	5.1	4.3

Figure 36 presents North East and Cumbria data on the percentage of TSOs across North East and Cumbria which are taking action now to tackle challenges and chase opportunities in the future. Organisations which are currently planning to change, but not actually doing so, are not included in this analysis.

Largest organisations

- Larger TSOs are the most active in attempting to increase earned income (60%), followed by changing the way they run services (52%); working more closely with another TSO (46%); and working more closely with a public sector organisation (41%).
- Larger TSOs are less active in several domains: only 32% are trying to increase individual donations; and, 18% are working more closely with private sector companies.
- There is little evidence of interest in increasing the volume of activity or moving into new areas of activity (9%) and very limited activity surrounding merging with another TSO (5%).

Medium sized organisation

- The order of priorities to change practices amongst medium sized organisations is quite similar to the largest TSOs. But the intensity of activity is generally 10-15% lower than for the largest organisations.
- Activity is most prevalent in increasing earned income (47%), working more closely with another TSO (36%); changing the way services are run (32%);

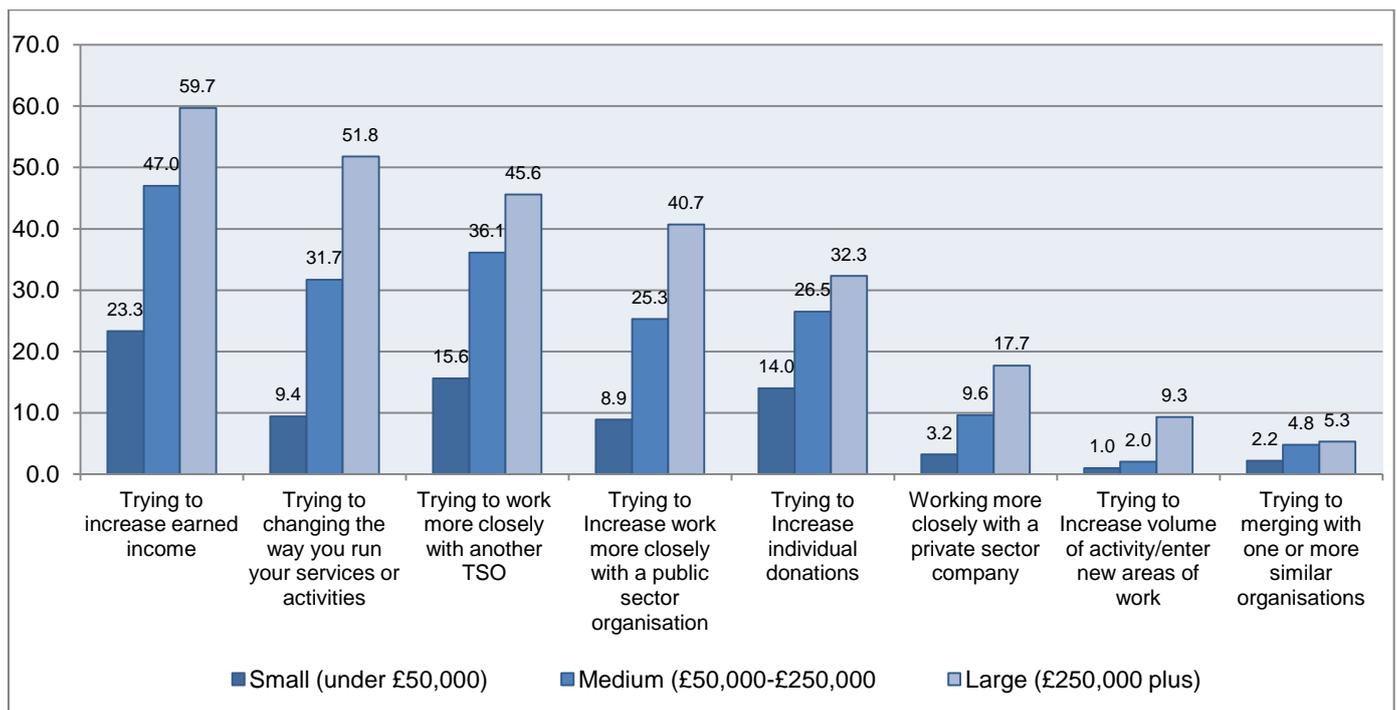
increasing individual donations (27%); and, working more closely with a public sector organisation (25%).

- As with the largest TSOs, there is minimal action being undertaken to effect a merger with another TSO (5%) and rather less activity involving entering new areas of work or scaling up activity (2%). There is some activity surrounding work with the private sector (10% compared with 18% of larger TSOs).

Smaller organisations

- The smallest organisations are much less likely to be changing their practices. As has been shown in previous reports, small organisations tend to be quite resilient and durable as they depend almost completely on voluntary contributions of time to keep running. Money is a lesser concern, in short, than is the case for larger TSOs and therefore, less attention has to be given to strategic thinking to address change.
- The evidence presented in Figure 35 shows that small TSOs are much less likely to be taking action to earn income (23%) when compared with larger organisations (60%): and less likely still actively to be changing the way they run their services (9% of small organisations or groups compared with 52% of the largest TSOs).
- The most likely areas of new activity are, in order of priority: increasing earned income (23%), working more closely with another TSO (16%) and increasing donations (14%).
- Taking action to work more closely with the public sector, or change the way they do things, is a priority for only about 9% of smaller TSOs. Action to enter new areas of work is very rare (1% of small TSOs) and there is virtually no active interest in merging with another organisation (2%).

Figure 36 **Levels of current activity to change practices and strategies to tackle future challenges and opportunities by organisational size (North East and Cumbria: 2014)**



14

Where to find further analysis

This section provides details of where to find further analysis from the Third Sector Trends study by topic. Many of the reports have wide-ranging content and are, therefore, often included under several topic headings.

All Northern Rock Foundation publications are available to download at no cost at this website address: <http://www.nr-foundation.org.uk/third-sector-trends.php>.

Trends analysis

Chapman, T. and Robinson, F. (2015) *Key findings from the Northern Rock Foundation Third Sector Trends Study in North East England*, Newcastle: Northern Rock Foundation.

Chapman, T. (2015) *Key findings from the Northern Rock Foundation Third Sector Trends Study in Cumbria*, Newcastle: Northern Rock Foundation.

Chapman, T. and Robinson, F. (2014) *Third Sector Trends in North East and Cumbria: headline trends 2008-2014*, Newcastle, Northern Rock Foundation.

Chapman, T. (2014) *Third Sector Trends in Yorkshire and Humber*, Leeds: Involve Yorkshire and Humber.

Robinson, F., Bell, V., Chapman, T., Dunkerley, E., Zass-Ogilvie, I. and van der Graaf, P. (2013) *Taking the Temperature: how are third sector organisations doing?*, Newcastle: Northern Rock Foundation.

Chapman, T., Robinson, F., Bell, V., Dunkerley, E., Zass-Ogilvie, I. and van der Graaf, P. (2012) *Journeys and Destinations: the impact of change on third sector organisations*, Newcastle: Northern Rock Foundation.

Sector structure, volunteering, employment and funding

Chapman, T. and Robinson, F. (2015) *Key findings from the Northern Rock Foundation Third Sector Trends Study in North East England*, Newcastle: Northern Rock Foundation.

Chapman, T. (2015) *Key findings from the Northern Rock Foundation Third Sector Trends Study in Cumbria*, Newcastle: Northern Rock Foundation.

Chapman, T. (2015) *An assessment of third sector organisations' willingness to borrow money: evidence from Yorkshire, North East and Cumbria*, Newcastle, Northern Rock Foundation.

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Chapman, T. (2014) *Third Sector Trends in Yorkshire and Humber*, Leeds: Involve Yorkshire and Humber.

Robinson, F. and Chapman, T. (2013) *The Reality Check: final report from the second phase of the Third Sector Trends Study*, Newcastle: Northern Rock Foundation.

Chapman, T. and Robinson, F. (2011) *Taking Stock, Moving On: a summary report on the results of the Northern Rock Foundation Third Sector Trends Study*, Newcastle: Northern Rock Foundation.

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Mohan, J., Rajme, F.G. and Kane, D. (2011a) *Paid work and volunteering in the Third Sector in Cumbria*, Newcastle: Northern Rock Foundation Third Sector Trends Study Working Paper.

Mohan, J., Rajme, F.G. and Kane, D. (2011b) *Paid work and volunteering in the Third Sector in Cumbria*, Newcastle: Northern Rock Foundation Third Sector Trends Study Working Paper.

Chapman, T. and Crow, R. (2008) *A Thriving Third Sector: a study of North Yorkshire and City of York*, Middlesbrough: Social Futures Institute.

Sector wellbeing

Chapman, T. and Robinson, F. (2014) *Keeping it simple: how to work effectively with the third sector, a discussion paper and evidence review*: Durham: Institute for Local Governance.

Pharoah, C., Chapman, T. and Choudhury, R. (2014) *An insight into charity funding in the North East*, London: Garfield Weston Foundation.

Bell, V., Robinson, F., Chapman, T., van der Graaf, P., Shaw, S., Brown, J. and Chinaka, G. (2010) *Forearmed with Foresight: speculations on the future development of the third sector in North East and Cumbria*, Newcastle: Northern Rock Foundation.

Chapman, T., Crow, R. Brown, J. and Ward, J. (2006) *Facing the Future: a Study of the Impact of a Changing Funding Environment on the Voluntary and Community Sector in the North East of England*, Middlesbrough: Social Futures Institute.

Defining and estimating sector size and structure

Chapman, T. Robinson, F., Brown, J. Ford, C., Shaw, S. Crow, R. and Bailey, E. (2009) *A Mosaic, Jigsaw or Abstract: getting a big picture perspective on the Third Sector in North East and Cumbria*, Newcastle: Northern Rock Foundation.

Mohan, J., Kane, D., Wilding, K. Branson, J. and Owles, F. (2010) *Beyond 'flat earth' maps of the Third Sector*, Newcastle: Northern Rock Foundation Third Sector Trends Study Working Paper.

Kane, D. and Mohan, J. (2011) *Mapping registered Third Sector Organisations in Yorkshire and the Humber*, Newcastle, Northern Rock Foundation.

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Kane, D. and Mohan, J. (2010b) *Mapping registered Third Sector organisations in Cumbria*, Newcastle: Northern Rock Foundation Third Sector Trends Study Working Paper.

Mohan, J., Kane, D., Branson, J. and Barnard, S. (2011) *Entering the lists: what can be learned from local listings of third sector organisations? Results from a study of Northern England*, Newcastle: Northern Rock Foundation.

Mohan, J., Kane, D. and Balodis, L. (2011) *Beyond the regulated third sector: a survey of organisations in the North East*, Newcastle, Northern Rock Foundation.

Organisational governance

Robinson, F., Bell, V. and Chapman, T. (2011) *Building Better Boards: What's the problem?* Newcastle: Northern Rock Foundation.

Chapman, T. and Robinson, F. (2013) *On the Money: how does the way third sector organisations think about money affect the way they work?*, Newcastle: Northern Rock Foundation.

Chapman, T., Bell, V. and Robinson, F. (2012) *Measuring Impact: easy to say, hard to do, A think-piece to stimulate sector debate from the Third Sector Trends Study*. Newcastle, Northern Rock Foundation.

Chapman, T., Robinson, F., Bell, V., Dunkerley, E., Zass-Ogilvie, I. and van der Graaf, P. (2013) *Walking a Tightrope balancing critical success factors in hard times*, Newcastle: Northern Rock Foundation.

Chapman, T., Robinson, F., Brown, J., Crow, R., Bell, V. and Bailey, E. (2010) *What makes third sector organisations tick? Interactions of foresight, enterprise, capability and impact'*, Newcastle: Northern Rock Foundation.

Understanding and developing organisational capability

Chapman, T. and Robinson, F. (2013) *On the Money: how does the way third sector organisations think about money affect the way they work?*, Newcastle: Northern Rock Foundation.

Chapman, T., Bell, V. and Robinson, F. (2012) *Measuring Impact: easy to say, hard to do, A think-piece to stimulate sector debate from the Third Sector Trends Study*. Newcastle, Northern Rock Foundation.

Chapman, T., Robinson, F., Bell, V., Dunkerley, E., Zass-Ogilvie, I. and van der Graaf, P. (2013) *Walking a Tightrope balancing critical success factors in hard times*, Newcastle: Northern Rock Foundation.

Chapman, T. and Robinson, F. (2013) *The Crystal Ball: how do Third Sector Organisations see their future, and what are they doing about it?* Newcastle: Northern Rock Foundation.

Chapman, T., Robinson, F., Brown, J., Crow, R., Bell, V. and Bailey, E. (2010) *What makes third sector organisations tick? Interactions of foresight, enterprise, capability and impact'*, Newcastle: Northern Rock Foundation.

Organisational finances, contracts, borrowing and attitudes to money

Chapman, T. (2015) *An assessment of third sector organisations' willingness to borrow money: evidence from Yorkshire, North East and Cumbria*, Newcastle, Northern Rock Foundation.

Chapman, T. and Robinson, F. (2013) *On the Money: how does the way third sector organisations think about money affect the way they work?*, Newcastle: Northern Rock Foundation.

Chapman, T., Robinson, F., Brown, J., Crow, R., Bell, V. and Bailey, E. (2010) *What makes third sector organisations tick? Interactions of foresight, enterprise, capability and impact'*, Newcastle: Northern Rock Foundation.

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Third Sector funding and assets

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Appendix 1: Chronological list of publications from the Third Sector Trends study and related projects

Reports and working papers

- Chapman, T. (2015) *Key findings from the Northern Rock Foundation Third Sector Trends Study in Cumbria*, Newcastle: Northern Rock Foundation.
- Chapman, T. and Robinson, F. (2015) *Key findings from the Northern Rock Foundation Third Sector Trends Study in North East England*, Newcastle: Northern Rock Foundation.
- Chapman, T. (2015) *An assessment of third sector organisations' willingness to borrow money: evidence from Yorkshire, North East and Cumbria*, Newcastle, Northern Rock Foundation.
- Chapman, T. and Robinson, F. (2014) *Third Sector Trends in North East and Cumbria: headline trends 2008-2014*, Newcastle, Northern Rock Foundation.
- Chapman, T. (2014) *Third Sector Trends in Yorkshire and Humber*, Leeds: Involve Yorkshire and Humber.
- Chapman, T. and Robinson, F. (2014) *Keeping it simple: how to work effectively with the third sector, a discussion paper and evidence review*: Durham: Institute for Local Governance.
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- Robinson, F. and Chapman, T. (2013) *The Reality Check: final report from the second phase of the Third Sector Trends Study*, Newcastle: Northern Rock Foundation.
- Chapman, T. and Robinson, F. (2013) *On the Money: how does the way third sector organisations think about money affect the way they work?*, Newcastle: Northern Rock Foundation.
- Chapman, T. and Robinson, F. (2013) *The Crystal Ball: how do Third Sector Organisations see their future, and what are they doing about it?* Newcastle: Northern Rock Foundation.
- Chapman, T., Robinson, F., Bell, V., Dunkerley, E., Zass-Ogilvie, I. and van der Graaf, P. (2013) *Walking a Tightrope balancing critical success factors in hard times*, Newcastle: Northern Rock Foundation.
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- Mohan, J., Kane, D., Branson, J. and Barnard, S. (2011) *Entering the lists: what can be learned from local listings of third sector organisations? Results from a study of Northern England*, Newcastle: Northern Rock Foundation.
- Kane, D. and Mohan, J. (2011) *Mapping registered Third Sector Organisations in Yorkshire and the Humber*, Newcastle, Northern Rock Foundation.
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- Robinson, F., Bell, V. and Chapman, T. (2011) *Building Better Boards: What's the problem?* Newcastle: Northern Rock Foundation.
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Published September 2015 by Northern Rock Foundation

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Charity Commissioners' Reference Number
1063906