

Shropshire's Voluntary, Community and Social Enterprise Sector (VCSE)

Shropshire Compact Briefing



**Shropshire
Compact**

What is the VCSE?

The Voluntary, Community and Social Enterprise Sector includes local community and voluntary groups, registered charities, foundations, trusts, social enterprises, and co-operatives. They may also be referred to as 'third sector' or 'civil society' organisations. The sector provides a range of services to different groups of service users. VCSE organisations share characteristics in the aims they pursue and they are independent of the Government. They also reinvest any profit they make to continue to support their aims. (See the Shropshire Compact Briefing 'What is the VCSE?' for more information).

What is Shropshire's VCSE sector?

The voluntary sector is well placed to meet the challenges ahead and deliver the support required by communities and individuals with the greatest needs. Understanding the voluntary and community sector and the contribution it makes to the economy and wider society is important alongside gaining an understanding of local needs and the issues service users are highlighting.

The size and scale of Shropshire's Voluntary, Community and Social Enterprise Sector (VCSE) is significant and its role in promoting economic growth and social value should not be underestimated.

- There are approximately 1,184 registered voluntary sector organisations in Shropshireⁱ.
- Research suggests that there are a further 1,127 small, informal community groups in operation within Shropshire.ⁱⁱ Those community groups may not offer more formal services and support but play an essential role in forming the social networks and community resilience that help prevent social isolation.
- The Voluntary sector remains an area of growth within the UK. At the national level the Charity Commission registers at least 2,500 organisations every year. In 2011, 5,020 new general charities were registered.ⁱⁱⁱ Despite overall growth in the voluntary sector nationally, the size of the voluntary sector in Shropshire has reduced. Between 2008 and 2010 the estimated number of registered voluntary organisations in Shropshire decreased by 13.5%.^{iv} If this trend continues, levels of need could increase, leaving more individuals and families without the support they require.

The economic contribution of the VCS

Whilst the majority of the voluntary and community sector organisations working in Shropshire may not primarily regard economic development as one of their main or intended outcomes, they do recognise their role in the successful delivery of their services as an engine for economic growth.

- The voluntary sector contributes £11.1 billion to UK gross value added, equivalent to 0.8% of the whole of the UK GVA (a greater contribution than that made by agriculture standing at £8.3 billion).^v
- The total UK income of voluntary organisations in 2010/11 was £38.3 billion (this figure includes £ 2.0 billion of grants from voluntary organisations which is arguably double counting). The income of the private sector was £1.7 billion.^{vi}
- In Shropshire 19% of voluntary sector organisations have an annual income of £60,001 or over, 8% have an annual income of between £30,001 and £60,000, 17 % have an annual

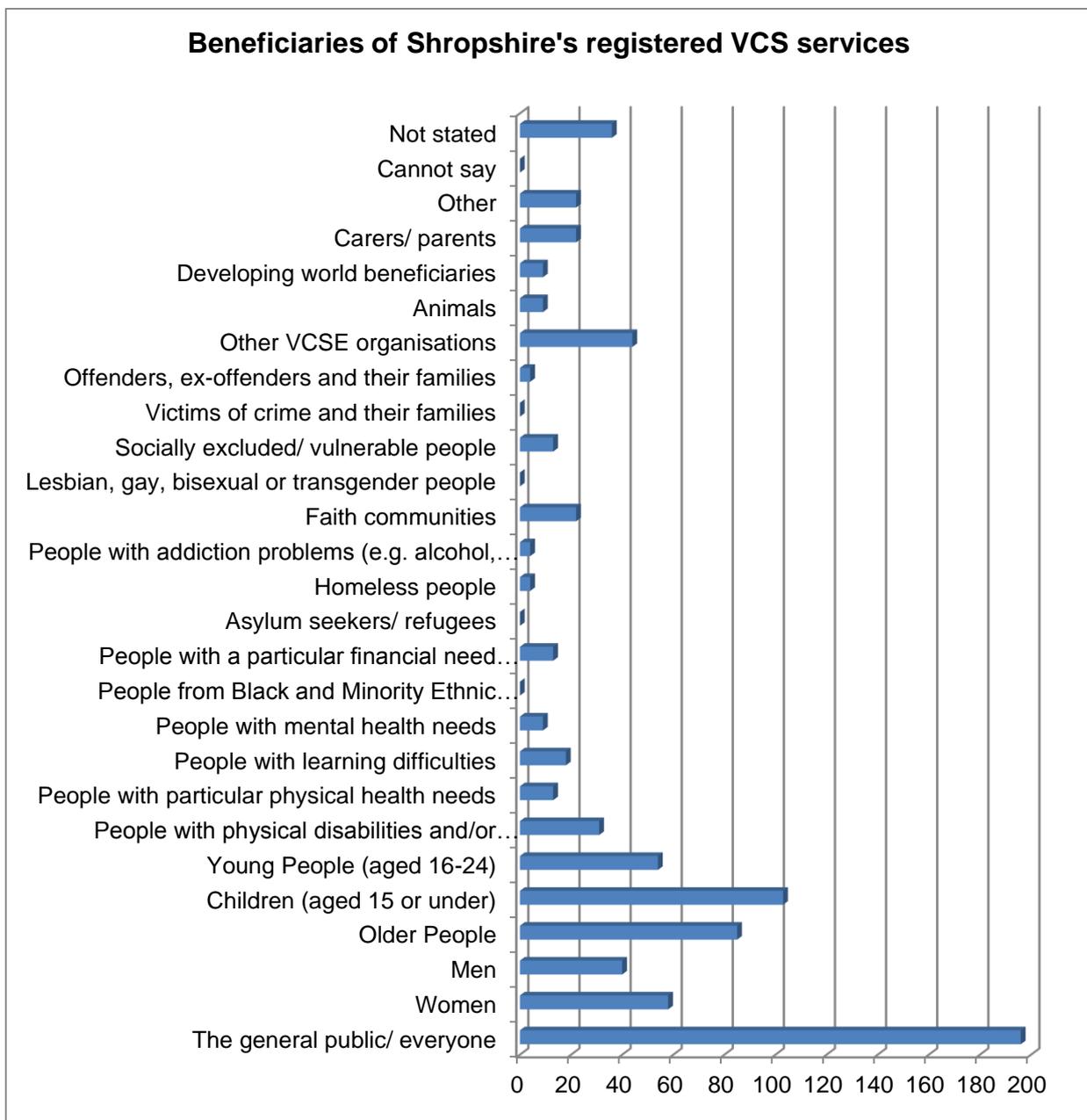
income of between £10,001 and £30,000 and 48% have an annual income of £10,000 or less.

- The Marches voluntary sector also plays an important contribution to the local economy through inward investment. Perhaps the main voluntary sector funder is the National Lottery, which has contributed £30,863,228 Shropshire since 1st April 2011 (a significant proportion of that income coming through the local voluntary sector). This was significantly more than neighbouring local authorities, Telford and Wrekin accessed £3,799,654 and Herefordshire accessed £11,246,250.

Supporting local people

- Registered voluntary sector organisations working in Shropshire offer a diverse range of services and meet the needs of a diversity of different social groups and individuals (see chart below).^{vii} The voluntary sector contains both generic and highly specialist services and groups equipped to deal with many of the mental, physical needs, lifestyles and circumstances that can lead to social exclusion.

Main beneficiaries of Voluntary Sector organisations in Shropshire



Employment and the Voluntary Sector

Although the size of voluntary sector organisations in Shropshire tends to be small and most can be considered micro- enterprises, the volume of micro enterprises the sector provides collectively generates a significant source of employment.

- Nationally the voluntary sector employs 2.6% of the UK workforce.^{viii}
- Shropshire's voluntary sector employs an estimated 2,920 people.^{ix}
- A survey of 446 of Shropshire's voluntary sector organisations showed that 22% of the sector employs between 1 and 5 Full Time Equivalent (FTE employees), 2% employ 6-10 FTE, 2% employ 11-30 people, 3% employ 31 or more people.^x
- The Voluntary sector provides a skilled workforce with significantly more voluntary sector employees educated to degree level (38% of the workforce) and higher education level (14%) compared to the private sector (23% have degrees and 8% have received higher education).^{xi}
- National research has shown that the majority of voluntary organisations (56%) provide both on-the-job and off-the-job training in their organisation. This could equate to 7,850 registered VCS organisations in Shropshire.^{xii}

Volunteering and its contribution

Volunteering is an important contributor to the local economy, and also provides essential unpaid support, often to those most under represented and socially excluded. Volunteering is also a key way of developing the skills, experience and confidence that allow many individuals to move on to find paid employment.

- Shropshire is home to approximately 135,611 formal volunteers and of those 89,380 volunteer regularly (at least once a month).^{xiii}
- Approximately 191,088 people living in Shropshire informally volunteer and of those 110,954 volunteer regularly (at least once a month).^{xiv}
- Every hour worked by Shropshire's army of 221,909 volunteers contributes just under £1.8 million (£1,775,272 million) to the local economy; based on Shropshire's average part time working wage of £8 an hour. (If the full time working wage was used at £10.42 an hour then the value would be £2,312,291).^{xv}
- A survey of 446 of Shropshire's registered voluntary sector organisations, showed only 4% don't work with volunteers. 43% have between 1 and 10 volunteers, 26% have between 11 and 20 volunteers, 8% have between 21 and 30 volunteers, 13% have 31 or more volunteers.
- Research shows that as many as 1 in 5 volunteers (22%) go on to find paid work after volunteering.^{xvi}

Understanding the contribution the voluntary sector makes is important, and will help inform changes in the way Shropshire's Voluntary and Community Sector works in light of changing economic and social circumstances and National Government policy.

Find out more

To find out more about the VCSE sector in Shropshire contact the Shropshire VCS Assembly:

 **Email:** VCSAssembly@shropshire.gov.uk  **Telephone:** 01743 252740

The Shropshire Compact

For more information about the Shropshire Compact use the details below:

 **Website:** <http://vcsvoice.org/the-compact/>

 **Email:** VCSAssembly@shropshire.gov.uk  **Telephone:** 01743 252740



References

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- ^v NCVO UK Civil Society Almanac 2013, NCVO 2013. <http://data.ncvo.org.uk/a/almanac13/almanac/voluntary-sector/finance-the-big-picture/what-is-the-voluntary-sectors-contribution-to-the-economy/> Based on data from the Office for National Statistics' Blue Book see: <http://www.ons.gov.uk/ons/rel/naa1-rd/united-kingdom-national-accounts/the-blue-book--2012-edition/index.html>
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- ^{viii} NCVO UK Civil Society Almanac 2013, NCVO 2013.
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- ^x Shropshire, Telford and Wrekin and Herefordshire area reports, National Survey of Charities and Social Enterprises 2010 Cabinet Office, Office for Civil Society. <http://www.nscsesurvey.com/results2010/download/>
- ^{xi} NCVO UK Civil Society Almanac 2013, NCVO 2013 <http://data.ncvo.org.uk/a/almanac13/almanac/voluntary-sector/work/what-skills-are-required-in-the-voluntary-sector-2/>
- ^{xii} NCVO UK Civil Society Almanac 2013, NCVO 2013 <http://data.ncvo.org.uk/a/almanac13/almanac/voluntary-sector/work/what-training-opportunities-are-there-in-the-voluntary-sector-2/>
- ^{xiii} Formal volunteering means giving unpaid help through groups, clubs or organisations to benefit other people or the environment. Cabinet office Findings from the 2012-2013 Community Life Survey, Giving of time and money, TNS BMRB July 2013 <http://communitylife.cabinetoffice.gov.uk/explore-the-data.html>
- ^{xiv} Informal volunteering means giving unpaid help as an individual to people who are not relatives. Cabinet office Findings from the 2012-2013 Community Life Survey, Giving of time and money, TNS BMRB July 2013 <http://communitylife.cabinetoffice.gov.uk/explore-the-data.html>
- ^{xv} Annual Survey of Hours and Earnings, 2013 Provisional Results ONS Crown Copyright Reserved [from Nomis on 19 December 2013]. <http://www.ons.gov.uk/ons/publications/re-reference-tables.html?edition=tcm%3A77-328216>
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