Briefing

Yorkshire & the Humber
regional forum
voice of the voluntary & community sector

Third sector organisations in Yorkshire and the Humber

Summary of initial findings from the Third Sector Trends Study

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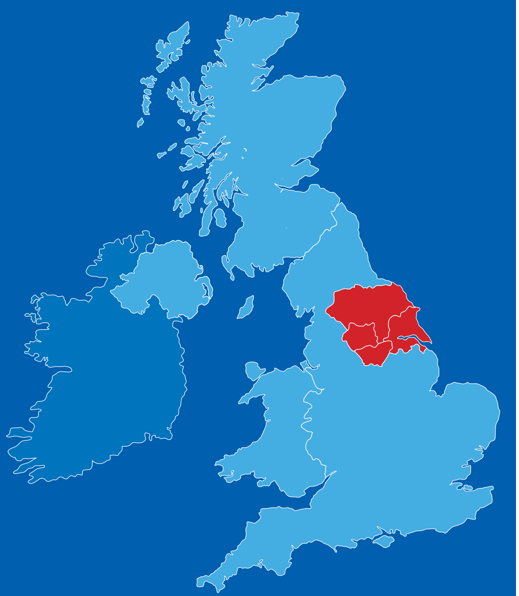

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Third Sector Organisations in Yorkshire and the Humber

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Summary

This briefing summarises initial findings from the Third Sector Trends Survey on the number, location and types of third sector organisations in Yorkshire and the Humber. The survey uses a robust and consistent methodology for assessing the number of organisations, their income and size. It also allows changes to be tracked over a period of time in the experience of third sector organisations relationships with each other and with the public sector. The analysis gives a picture of the registered sector at local authority level and breaks it down in to the different types of organisations that are registered with the Charity Commission and Companies House. The raw data has been drawn from Guidestar and the records of the Charity Commission and Companies House. Further analysis looks at the activities of organisations.

Background

Yorkshire and the Humber Regional Forum has been leading on work with infrastructure organisations over several years to identify the size and scope of the voluntary and community sector.

The Third Sector Trends Study arose out of discussions with the Northern Rock Foundation who had initiated similar research in the North East of England and Cumbria. The study is managed by the Regional Forum and Northern Rock Foundation and funded by Capacity Builders. It is part of the wider Northern Rock Foundation Third Sector Trends Study which seeks to improve understanding of the scale and dynamics of the third sector in the UK.

The five infrastructure consortia in Yorkshire and the Humber used Capacitybuilders funding to build up a consistent picture of registered and unregistered organisations. We will report on the picture of unregistered organisations when data becomes available, later in 2009.

The research has been led by Professor John Mohan of Southampton University and the research team at the National Council for Voluntary Organisations (NCVO). Previous small-scale studies used a variety of methodologies and definitions that invariably produced results which could neither be compared with each other nor aggregated to the regional level.

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Definitions

The space between the public and private sectors – 'the third sector' – is occupied by a wide range of organisations with varying legal, accountability and regulatory frameworks. The data presented allows us to focus on locally based organisations, excluding universities and those charities set up by Parliament. Segmenting the third sector by types of legal structure also means that we can (by proxy) identify a baseline of social enterprises. This is made up of a core number of organisations which are not charities but are also not 'profit distributing': community interest companies (CICs), companies limited by guarantee (CLGs) and industrial and provident societies (IPSs, which are often co-operatives). It is also clear that there are some general charities that are additionally engaged in enterprising activity, but the numbers are not yet clear. Whilst not entirely foolproof, this approach makes clear in headline terms what is included in our description of the third sector.

The initial findings only include registered organisations based in Yorkshire and the Humber. They do not include national organisations which do not have a registered base in the region. Future research will try and apportion the work of national organisations active in Yorkshire and the Humber.

Key findings about the third sector in Yorkshire and the Humber

Composition

The third sector in Yorkshire and the Humber comprises 14,109 organisations registered in the region, made up of:

- 10,662 general charities
- 2,497 'social enterprises' that are not also registered charities (1,984 companies limited by guarantee, 332 industrial and provident societies and 181 community interest companies)
- 682 faith charities
- 154 housing associations (registered as companies limited by guarantee or industrial and provident societies)
- 114 independent schools registered as charities

Income

The sector in this region has a total annual income of over £3.56 billion made up of:

- general charities - £1.59 billion
- 'social enterprises' - £979 million (companies limited by guarantee £671 million; industrial and provident societies £301 million, community interest companies £7 million)
- faith charities - £132 million
- housing associations - £590 million
- independent schools registered as charities - £274 million

General charities: primary activities

More than 70% (7,570) of general charities in the region focus their activities on 4 fields:

- 'Social services' (23.4%);
- 'Education' (20.58%);
- 'Culture and recreation' (14.68%),
- 'Development' (12.31%).

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

General charities: income sources

The funding mix for organisations based in each of the districts varies considerably. It is important to remember that major organisations in an area will have a large impact on the figures. For example, the statutory funding shown for Sheffield is increased by the presence of a national charity which administers a large government programme. Organisations in rural areas such as North Yorkshire and East Riding are characterised by a smaller average size of organisation and are more likely to receive funding from individuals.

49.7% of the income of general charities in the region comes from 'statutory sources', considerably higher than the national figure of 36.3%.

Nationally, contracts account for 65% of income from statutory sources. The region's general charities received half of their statutory income in the form of grants and half as contracts. York had the highest proportion of grants at 74.3% and Sheffield the highest proportion of contracts at 66.1% (or 85.1% if £150m received by the University for Industry is included).

The figure for income from 'individuals' (including donations and legacies) is 29.6%, compared with 37.9% nationally.

General charities in the region also have significantly less internally generated income (through, for example, assets and interest) at 6.2%, than the national figure of 11.5%.

Distribution of organisations

The number of organisations in nearly all of the categories is highest in West Yorkshire, followed by South Yorkshire, North Yorkshire and the Humber.

The very large urban areas have high numbers of charities (Sheffield 980, Leeds 1,166, and Bradford 798). However, this pattern is reversed in the Humber where the largely rural East

Riding has 909 general charities but Kingston upon Hull has 336, which is only 13 more than the less populous Craven District in North Yorkshire.

The raw numbers of organisations only tell part of the story. The ratio of numbers of organisations to population shows much higher proportions of organisations per 10,000 people in rural areas compared to urban areas. Sheffield has only 27.3 organisations per 10,000 people and Leeds 22.4. The range in rural North Yorkshire is 61.9 to 69.6 per 10,000 people.

Future phases of the research will explore the historical and contextual reasons for the disparities in the numbers of organisations in relation to population and geography.

Local Authority	General charities	Housing associations	CLG[1], CIC[2] and IPS[3]	Faith charities	Independent schools	Total registered TSOs[4]	TSOs[4] per 10,000 population
Barnsley	323	4	90	26	3	**446**	19.86
Doncaster	430	1	102	31	4	**568**	19.51
Rotherham	326	6	103	39	1	**475**	18.75
Sheffield	980	24	366	68	10	**1,448**	27.31
South Yorks	**2,059**	**35**	**661**	**164**	**18**	**2,937**	
Bradford	798	13	264	62	10	**1,147**	23.06
Calderdale	446	8	119	24	2	**599**	29.94
Kirklees	711	10	177	39	12	**949**	23.67
Leeds	1,166	45	380	101	14	**1,706**	22.41
Wakefield	372	2	116	34	6	**530**	16.48
West Yorkshire	**3,493**	**78**	**1,056**	**260**	**44**	**4,931**	
Kingston upon Hull	336	5	141	23	1	**506**	19.69
East Riding of Yorkshire	909	4	120	68	5	**1,106**	33.21
North East Lincolnshire	190	4	63	15	2	**274**	17.3
North Lincolnshire	351	0	69	21	2	**443**	27.79
Humber	**1,786**	**13**	**393**	**127**	**10**	**2,329**	
York	632	11	89	39	9	**780**	40.35
Craven	323	5	42	13	7	**390**	69.64
Hambleton	494	2	37	9	4	**546**	62.83
Harrogate	695	7	63	26	5	**796**	50.13
Richmondshire	265	1	37	11	4	**318**	61.87
Ryedale	315	0	25	7	3	**350**	65.67
Scarborough	338	2	67	19	6	**432**	39.85
Selby	262	0	27	7	4	**300**	37.13
North Yorkshire	**3,324**	**28**	**387**	**131**	**42**	**3,912**	

[1] **CLG**: company limited by guarantee
[2] **CIC**: community interest company
[3] **IPS**: industrial & provident society
[4] **TSO**: third sector organisation

Distribution of Organisations

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Conclusions

Organisations in all sectors that provide support for third sector organisations need to take account of this information to help shape their services, funding and consultation mechanisms.

- The evidence obtained from this study is important in informing the development of the Integrated Regional Strategy and other planning in the region.
- The third sector in Yorkshire and the Humber contributes even more to the regional economy than previously estimated (even when considering the registered part of the sector only).
- There are significant differences in the composition, activities and structure of the sector across the region and within sub-regions

What happens next?

We will produce another briefing that gives a picture of the unregistered third sector in Yorkshire and the Humber. We will also produce information about the work of national organisations in the region. We will investigate further the differences across the region that this research has highlighted.

We will use this research and other findings to advocate on the sector's behalf at the regional and national levels.

The Regional Forum is leading a bid to the Big Lottery Research Fund to analyse the experience of organisations in the third sector. The bid includes resources to repeat this survey in three years time so that we can measure the changes in the sector and analyse their causes. Third sector organisations will have the opportunity to contribute, which will continue to ensure the validity and credibility of the research. We will know by Autumn 2009 whether this bid has been successful.

More information

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Northern Rock Foundation - www.nr-foundation.org.uk/thirdsectortrends/tt_yorks.html

Guidestar - www.guidestar.org.uk

Charity Commission - www.charity-commission.gov.uk

Third Sector Organisations in Yorkshire and the Humber

Companies House – www.companieshouse.gov.uk

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

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