Cost of Living Pulse Survey

DEMAND IS UP. MONEY IS DOWN.

VCSE respondents were unconfident, very unconfident or unsure that they can continue to deliver high-quality services over the next year. More than a quarter of respondents will use their reserves to cover costs if key challenges are not resolved.

If key challenges are not resolved

- 73% ‘Our delivery will be impacted.’
- 14% ‘We will close our organisation entirely.’

Offers and Asks

Offers:
- Increasing collaborative working, including joint funding bids, sharing knowledge and expertise as well as resources.
- A way to access and coproduce with communities that face marginalisation, as these local charities, community organisations and social enterprises have been continually working to address inequality and poverty within these communities.
- Access to the additional value brought by service providers who have both staff and volunteers with grassroots insight – to then successfully deliver services designed by the community for the community.

Asks:
- Allow organisations to rebuild their reserves - by allocating additional unrestricted funds for this, even within restricted-purpose grants.
- Invest in time for organisations to work together in partnership - leading to actual innovation and real social return on this investment.
- Recognising that many essential and/or preventative services run by the sector will soon be greatly reduced or lost entirely - acknowledging that the funding needed to avert this is far less than the long-term cost on public services.
Between February 8th and March 10th, we conducted a survey of local community organisations, asking them how the cost of living crisis has affected their organisations’ services and sustainability. The responses detailed a concerning picture for the viability and vitality of many third sector organisations in Bristol.

Of particular concern is the increased demand that VCSE organisations now face. Again and again, respondents informed us that their service users are greater in number, greater in need and “hitting crisis points a lot sooner than usual.”

This uptick in demand is coinciding with other significant pressures faced by organisations. Internally, community organisations are reporting difficulty in keeping up with their own rising energy bills. The organisations that have increased staff salaries in line with inflation report financial insecurity; those organisations unable to increase salaries in line with inflation report pressures on retention, with staff seeking better-paid, or second, jobs.

Externally, the funding picture was described by respondents as more competitive than before – and this is already within a context of short-term, insecure funding streams as the norm. Multi-year grants are not covering rising costs, and those same rising costs make budgeting, and therefore applying for grants, more difficult.

Quantitatively, these challenges elicited significant concern. 44% (20) of the 45 VCSE sector respondents were either unconfident, very unconfident or unsure that they can continue to deliver high-quality services over the next year. One organisation told us that the board had already made the tough decision to close their day centre at the end of March 2023 – leaving many people without the support or service provision from which they currently benefit. The cost to the public purse of escalating issues for people unable to access the holistic, preventative approaches of a day centre will almost certainly be more than the cost of running the day centre.

When asked what would happen if the key challenges outlined around utility costs, funding, staffing costs and delivery costs are not solved, more than a quarter of respondents (27%) told us that they would use their reserves to cover staff and delivery costs – with some already doing so. 73% of respondents reported that delivery would be impacted: either delivering a reduced service to the same number of people, delivering the same service to a reduced number of people, putting on hold select services or closing some services altogether. 14% of respondents told us that they would close their organisation entirely if its current challenges are not resolved; 0% of respondents declared that their delivery would be unaffected.

We asked organisations what would help them during this crisis. We received a resounding, almost uniform, response: financial support. Many respondents cited unrestricted funding. Some called for a return to the recent scheme reducing energy bills. Others asked for a cash-injection.

These data paint a stark picture. They indicate that local community organisations have severe concerns about their ability to continue delivering services, to retain staff and in some cases to survive at all. For most, the loud-and-clear ask is for increased financial assistance.

Voscur is here to support VCSE organisations and their funders - get in touch on 0117 909 9949 or info@voscur.org