action together

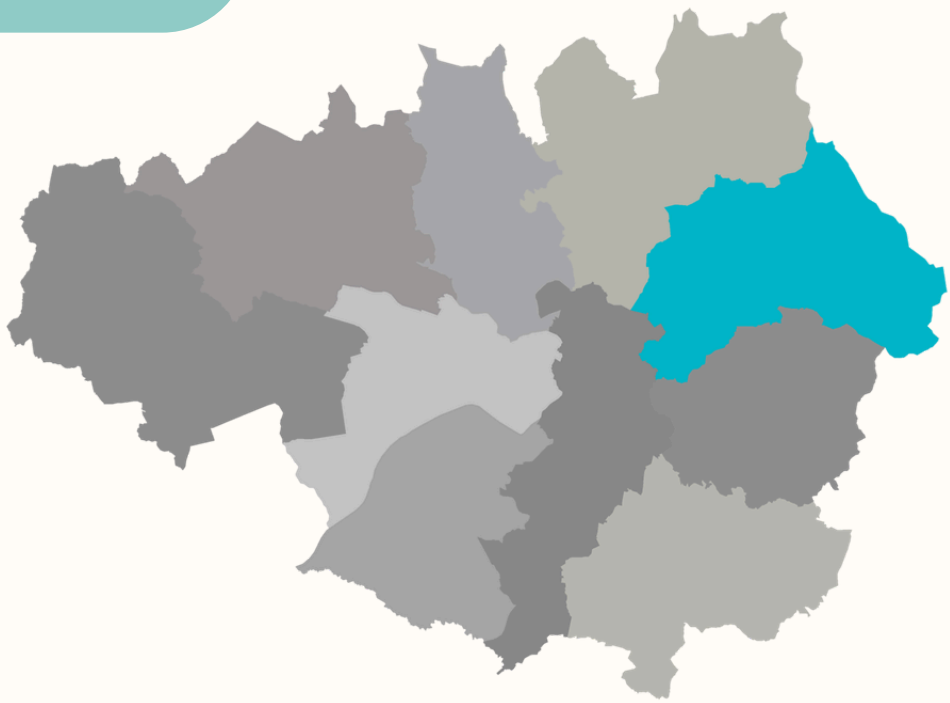
10GM

A joint venture to support the local VCSE sector in Greater Manchester

Oldham

State of the VCFSE Sector

2026



Acknowledgements

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We thank the organisations and groups that completed the survey and everyone who participated in the focus group. Their willingness to share their experiences, including the challenges of keeping support available for their communities, provides the foundation for this report.

Authorship and editorial responsibility

In this report, the foreword, conclusion, and highlighted reflections at the beginning of sections 3, 4, 5, and 6 are authored by Action Together. The executive summary is co-authored by Nottingham Trent University (NTU) and Action Together. All other sections are authored by NTU. Action Together reviewed the main report and proposed changes. NTU considered these suggestions and decided which to incorporate, retaining academic independence and responsibility for the analysis, interpretation and final wording of its sections.

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Foreword

Oldham's Voluntary, Community, Faith and Social Enterprise (VCFSE) sector is one of the borough's greatest strengths. It is where people organise around local need, build relationships, create spaces of belonging and step in when residents, families and communities need support. This report gives us a clearer picture of that contribution in 2026: its scale, its value, its local roots and the pressures that must be understood if the sector is to continue thriving.

The findings show a large and diverse sector. Oldham is home to an estimated 1,467 VCFSE organisations, most of them micro or small, generating around £132 million in income and providing an estimated 564,100 instances of support each year. This work is powered by paid staff, volunteers and trustees: almost 3,000 employees, and more than 35,000 volunteers including over 8,000 trustees and board members. Together, they represent a major social and economic contribution to Oldham, but the figures only tell part of the story. Behind them are neighbourhood groups, community centres, faith organisations, social enterprises, charities, sports clubs, cultural groups and informal networks that help people feel connected, supported and able to take part in community life.

A clear message running through the report is that Oldham's VCFSE sector reflects the borough it serves. Its activity is shaped by Oldham's young and diverse population, strong neighbourhood identities, changing demographics, poverty, health inequalities and the everyday pressures facing households. Organisations work across community development, inclusion, wellbeing, health and social care, physical activity, learning and community spaces. They support children, young people and families, older adults, Disabled people, migrant communities, people experiencing racial inequalities, people facing financial hardship and those living with long-term health conditions. These categories overlap because people's lives overlap. A food bank, mosque, community centre, youth group or neighbourhood association may be supporting whole families and mixed communities at the same time. This emphasises the importance of partnership working, and clear routes to support accessible by both the public and voluntary sector.

The report also shows that demand is rising and becoming more complex. Three quarters of organisations say demand for their services has increased, and more than seven in ten are supporting more people. This is not only about larger numbers of people seeking support. Residents are increasingly presenting with complex needs, with combinations of poverty, poor health, housing issues, isolation, migration-related need, barriers to education and multiple disadvantage. Voluntary and community organisations are often absorbing pressures that are also felt by health, council and wider public services. Their work is therefore central to prevention, early help and social connection.

Access to support remains deeply relational. People often find help through word of mouth, trusted local networks, direct contact, drop-ins, signposting and referrals. The strength of VCFSE-to-VCFSE referrals challenges any idea that community organisations work in isolation: groups are actively connecting people to one another's support. Public services are also referring residents into VCFSE provision, showing how much the system already relies on community-led activity. At the same time, lack of awareness, affordability, travel costs, stigma, digital exclusion and language or communication barriers continue to prevent some people from accessing the support that could help them. Improving access is therefore a shared system responsibility, not simply a task for individual organisations.

The workforce findings are equally important. Oldham's VCFSE sector depends on paid staff, volunteers and trustees, but recruitment is now the clearest pressure point. Retaining volunteers is less difficult than bringing new people in, which suggests that volunteering works when people are supported into it. The challenge is not simply to advertise opportunities, but to invest in the relationships, confidence-building, flexibility, training, expenses, wellbeing support and coordination that help people take the first step.

Oldham's volunteer strategy is important in this context, particularly for people facing barriers to participation, including those who are unemployed, economically inactive, or sanctuary seekers. Volunteering is a community asset, but it is also a pathway to wellbeing, reduced isolation, skills, confidence, connection and employment progression. Trustee roles are often overlooked and should also be recognised as a vital part of the borough's volunteering infrastructure, and for many organisations trustees are also involved in delivery of activities.



Financially, the research tells a story of achievement and fragility. Oldham's VCFSE sector has grown in scale and maturity over the last decade, supported by trusted local funding routes, capacity building and strong community relationships. Yet many organisations remain financially insecure. More than a third describe themselves as vulnerable, struggling or at risk, and many are using reserves to cover routine costs, gaps in funding, rising demand and emergencies. Organisations face intense competition, rising costs, limited access to suitable medium-scale funding, short-term funding cycles and grants or contracts that often do not cover the full cost of delivery. The sector is delivering significant public value, but too often through arrangements that are short term, underfunded and inequitable. The findings also demonstrate the variety with which organisations collect and act on feedback and insight, but a necessary focus on funding can often take precedence over groups demonstrating their impact.

This report should therefore be read as both evidence and invitation. It evidences the scale, reach and value of Oldham's VCFSE sector. It also invites partners, funders, commissioners and decision makers to think differently about what community-led activity needs in order to continue. If we rely on the sector for prevention, connection, crisis support, trusted relationships and neighbourhood resilience, then we must invest in the infrastructure that makes this possible: fair funding, full-cost recovery, longer-term agreements, volunteer development, trustee recruitment, accessible information, community spaces and local coordination.

Oldham's VCFSE sector is not peripheral to the borough's future. It is essential social infrastructure. It helps people to belong, participate, recover, lead, organise and support one another. The challenge now is to ensure that the recognition it receives is matched by sustained investment, shared responsibility and practical support, so that the people and organisations at the heart of Oldham's communities can continue to do their work well.

Thank you to all the local organisations who responded to this survey and all those who support the people of Oldham.



Executive summary

Across the UK, voluntary, community, faith and social enterprise (VCFSE) organisations are an essential part of community life and public service infrastructure. They provide practical help, specialist services, community spaces, social connection and opportunities for people to take part in their communities, often working through trusted relationships with people who may be less visible to, or less comfortable accessing, statutory services. This work is taking place in the long aftermath of COVID-19 and a cost-of-living crisis, alongside wider economic and social disruption that has increased demand for support. For many organisations, this means responding not only to more people but to needs that are increasingly complex and interconnected. At the same time, many grants and contracts have not kept pace with rising costs, formal volunteering remains below pre-pandemic levels, and organisations are increasingly being asked to prevent problems escalating while relying on short-term funding, reserves and stretched staff and volunteers.

Oldham sits within this wider context as a growing borough with a relatively young and ethnically diverse population. More than a fifth of residents are aged under 16, and almost a third identify with Asian, Black, mixed or other ethnic groups.[1] Oldham is also the second most deprived borough in Greater Manchester and the 11th most deprived nationally. More than two in five residents live in neighbourhoods among England's most deprived 10%, rising to more than half among children.[2] Children, young people and families are prominent in the sector's work, with organisations responding to financial hardship, poor health and barriers to learning and participation across the borough's different communities.

This report provides an up-to-date picture of Oldham's VCFSE sector in 2026, considering what organisations and groups do, where they work, the communities they support, their contribution to the borough and the pressures they face. It draws on 145 usable survey responses, one focus group, wider local and national evidence, and informed estimates of the sector's overall scale and contribution.

An estimated 1,467 VCFSE organisations and groups operate in Oldham, generating around £132 million in annual income and supported by a collective workforce of approximately 38,000 staff, volunteers and trustees or Board members. Together, they provide around 564,100 contacts or episodes of support each year. Much of this work is delivered by micro and small organisations rooted in neighbourhoods, where health, wellbeing, community development and inclusion are closely connected.

Organisations are responding to the needs residents bring to them, often broadening their work beyond its original purpose. Their local knowledge and relationships also help people find support elsewhere, with participants describing closer working between organisations through local networks.
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This ability to respond and connect people to help makes the sector an important part of Oldham's wider support system. Referrals from other VCFSE organisations and public services draw on that contribution, but they also bring further responsibilities to organisations already facing rising demand. Three quarters report increased demand, and more than seven in ten are supporting more people. Yet public-service referrals often arrive without funding, while existing awards provide limited scope to plan or absorb additional costs. Among grant or contract recipients, three in five say none of their funding is multi-year, and three quarters report no uplift in the past year. Organisations are therefore being relied on for continuing support through funding arrangements that often give them little certainty about how long they can sustain it.

The gap is being absorbed through reserves, repeated fundraising and additional work by existing teams. Reserves are covering everyday costs and funding gaps, while workforce shortages leave staff and volunteers contributing more time and experiencing increased stress and burnout. Bringing more people into volunteering could strengthen both organisations and communities, offering residents confidence, experience and routes into employment. However, more than two in five organisations struggle to recruit volunteers, and almost two in five do not have enough to meet their objectives. Helping people become involved requires time and support from the same organisations whose capacity is already stretched. More than a third describe themselves as vulnerable, struggling or at risk of closure, even as most expect to maintain or expand their work.

Ambitions for services to grow or be maintained depend on the continued presence of local groups, experienced people and trusted spaces. Building on them therefore means giving organisations greater continuity through longer funding commitments, recognition of rising costs and support to develop, alongside a meaningful role in shaping decisions.



Glossary

This table provides a glossary of terms, abbreviations, and acronyms used in the Oldham State of the Sector 2026 report. A detailed glossary can be accessed at: gmstateofthesector.org.

Term	Meaning in this report
Base / valid base	The number of respondents included in a percentage or analysis. A valid base excludes people who did not answer the relevant question and may also exclude invalid responses such as ‘don’t know’.
Below-the-radar (BTR) organisations	Informal or unregistered organisations and groups not captured on formal registers.
Full-time equivalent (FTE) / headcount	FTE expresses working hours as equivalent full-time posts: two people each working half-time equal one FTE. Headcount counts each employee individually.
Full cost recovery	Funding that covers direct delivery costs and an appropriate share of the organisation’s wider running costs.
Funding uplift	An increase in the value of a grant or contract to reflect rising costs.
GMCA	Greater Manchester Combined Authority, bringing together the city region’s ten councils and elected Mayor.
Instances of support	Contacts or episodes of support, rather than a count of different people. One person may receive support several times.
Local Infrastructure Organisation (LIO)	An organisation that supports, connects and represents the local VCFSE sector, including through advice, training and help accessing funding.

Glossary

Term	Meaning in this report
Modelled estimate / extrapolation	A sector-wide estimate produced by scaling up survey findings using the estimated number and profile of organisations.
Multi-year funding	Funding lasting three years or more, as defined in this survey.
Paid-staff economic contribution / GVA	An indicative estimate of gross value added (GVA), calculated using estimated FTE employment and industry output benchmarks.
Real Living Wage	A voluntary hourly pay rate calculated from living costs, distinct from the government's statutory National Living Wage.
Reserves	Funds retained to support future activity or manage gaps in income and unexpected costs.
Social enterprise	An organisation that trades for a social or environmental purpose and uses most of its profits to further that purpose.
Social prescribing	Connecting people with community activities and support that address needs affecting their health and wellbeing.
VCSE / VCFSE	Voluntary, community and social enterprise. VCFSE Voluntary, community and social enterprise. VCFSE explicitly includes the community work of faith organisations, which are also included within VCSE in this report.
Volunteer replacement cost	The estimated cost of replacing volunteer and trustee time with paid labour at the Real Living Wage.

1. Methodology

This report forms part of the wider 2026 Greater Manchester State of the VCFSE Sector project. The findings presented in this report relate specifically to VCFSE organisations based in Oldham and include estimates of the scale and contribution of Oldham's VCFSE sector. The full technical methodology can be accessed at www.gmstateofthesector.org

Survey

The survey ran from January to April 2026 and received 145 usable responses from VCFSE organisations based in Oldham. It asked about organisations' activities, who they support, where they work, demand for services, staff and volunteers, finances, and funding. Action Together distributed survey links through its networks. An anonymous response option was available. NTU prepared and analysed the data.

Focus group

One focus group took place with Oldham VCFSE organisations in March 2026. It explored the role of organisations in communities, workforce and volunteering, and finances and funding. NTU developed the areas for discussion using early survey findings and input from the project's core working group. Participants were recruited through Action Together and follow-up contact with survey respondents. NTU analysed the discussion alongside the other Greater Manchester focus groups to identify common themes and understand participant experiences in more detail.

How to read the survey findings

Based on the 145 usable responses and an estimated 1,467 VCFSE organisations in Oldham, the indicative margin of error is around ±7.7 percentage points at the 95% confidence level. For example, applying this margin to a finding of 60% gives a range of around 52% to 68%. This calculation assumes organisations were selected at random. However, organisations chose whether to take part, so this margin is only a guide and cannot account for differences between those that did and did not respond.

NTU compared the respondent profile with registered VCFSE organisations in Oldham. Estimated below-the-radar groups, which are not captured on formal registers, were excluded from this comparison because they could not be sampled directly. As part of the wider Greater Manchester analysis, NTU examined whether weighting by locality and organisation size materially changed the findings. Differences between weighted and unweighted findings were generally small and did not alter the overall patterns or conclusions. Survey percentages are therefore presented without weighting, meaning each organisation answering a question counts equally. Most percentages relate to the organisations answering the relevant question. Where a question applies only to a particular group, its findings describe that group. Some questions allow more than one answer, so percentages can total more than 100%.

Percentages are rounded to whole numbers. Combined percentages reported in the text are calculated from the underlying unrounded data, so they may occasionally differ by one percentage point from the sum of rounded chart values. Findings on changes in service delivery reflect organisations' own assessments. Income and expenditure source shares describe the average share among organisations reporting income or expenditure from each category. Success in funding applications describes experiences among applicants to each source.

How organisation size is defined

Organisation size is classified by reported annual income: micro (under £10,000), small (£10,000 to under £100,000), medium (£100,000 to under £1 million), large (£1 million to under £10 million), major (£10 million to under £100 million) and super-major (£100 million or more).[3] Large, major and super-major organisations are combined as 'large' when describing locality size profiles and comparing findings by organisation size across all reports, because of the smaller numbers in these bands.

Estimating the scale and contribution of the sector

Oldham is estimated to have 1,467 VCFSE organisations: 590 registered organisations and 877 groups not captured on formal registers, often described as below-the-radar (BTR). Registered organisations were identified through the Charity Commission, Companies House and the Financial Conduct Authority's Mutuals Register. Records were matched to Oldham using postcode data, and duplicate entries were removed. Below-the-radar groups were estimated using Office for National Statistics (ONS) population figures and the population-based approach developed by Mohan et al.[4] This estimated number and profile of organisations is referred to as the study's 'sample frame'.

The estimates in Section 2.1 scale selected survey findings to this wider sector. The main approach is extrapolation: averages are calculated within organisation-size groups, multiplied by the estimated number of organisations in each group, and added together. This allows the calculations to reflect differences between smaller and larger organisations. To improve the stability of the Oldham estimates, its estimated organisation-size profile was combined with Greater Manchester-wide averages or rates within the same size groups, rather than relying on smaller Oldham subgroups. Numeric checks were undertaken prior to extrapolation, and winsorisation was used to limit the influence of extreme values by capping them rather than deleting them. Estimates for income, expenditure and instances of support use 90% winsorised means; volunteer hours and paid staff use 95% winsorised means; and volunteer and trustee totals use cleaned means.

The report includes two economic value indicators. The replacement-cost value of volunteering estimates what it would cost to replace annual volunteer and trustee hours with paid labour at the Real Living Wage. The economic contribution associated with paid staff applies ONS output-per-job figures to the estimated number of full-time equivalent staff, adjusted to reflect the range of activities of responding organisations. Both are indicative measures of economic value and should not be interpreted as audited financial figures.

2. Headline findings

The headline findings are presented in two parts. Section 2.1 presents modelled estimates for Oldham's VCFSE sector as a whole. These informed totals are produced using survey data and an estimate of the number and profile of VCFSE organisations in Oldham. The survey findings are scaled up from responding organisations to the estimated whole sector, so the figures should not be read as exact counts. Section 2.2 presents what organisations and groups in Oldham told us directly through the survey.

2.1. Estimated scale and contribution of Oldham's VCFSE sector

1,467 organisations

Oldham's VCFSE sector is estimated to include 590 registered organisations and 877 below-the-radar organisations not captured on formal registers.

£131.79 million annual income

Oldham's VCFSE sector generated an estimated £131.79 million in income during 2024/25.

Mostly micro and small

We estimate that micro organisations and groups account for more than three quarters (76%) of the sector. Small organisations make up 14%, medium organisations 9%, and large, major and super-major organisations 1%.

35,200 volunteer and trustee roles

The sector's work is powered by an estimated 27,148 volunteers and 8,090 trustees or Board members.

564,100 instances of support

Oldham's VCFSE sector is estimated to provide 564,100 contacts or episodes of support to people and communities each year.

3.72 million volunteer and trustee hours

Volunteers and trustees contribute around 71,534 hours each week, equivalent to 3.72 million hours a year.

£49.96 million estimated value of volunteering

The estimated annual cost of replacing the time given by volunteers and trustees with paid staff earning the Real Living Wage.

2,227 full-time equivalent paid staff

This represents an estimated 2,999 individual employees working in Oldham's VCFSE organisations.

£112.18 million estimated annual economic contribution from paid staff

The estimated contribution made to the economy each year by full-time equivalent paid staff working in Oldham's VCFSE sector.

2.2. What Oldham organisations told us

145 Oldham VCFSE organisations made their voices heard, sharing their experiences of working with and supporting communities across the borough.

Demand is rising
Three quarters of organisations say demand for their services increased over the past year (75%), while more than seven in ten are supporting more people (71%).

Financial vulnerability
More than a third describe their organisation as vulnerable, struggling or at risk of closure (36%). In contrast, around one in eight feel strong, secure and well-equipped for future challenges (12%).

Funding not keeping pace
Among grant or contract recipients, nine in ten (90%) say less than half of their funding is multi-year and three quarters (76%) report no uplift for rising costs.

Reserves filling gaps
Among organisations using reserves, more than half have drawn on them for routine operating costs (55%), while almost half have used them to plug funding gaps (48%).

Funding risks
Almost three in five identify competition for funding as a leading financial risk (58%), followed by rising costs (50%) and reduced donations or trading income (32%).

Volunteer capacity
More than two in five report difficulty recruiting volunteers (44%), and almost two in five say they do not have enough volunteers to carry out their work and meet their objectives (39%).



3. Oldham's VCFSE sector: what it does, where it operates, and who it supports

Action Together reflections

Oldham's VCFSE sector reflects the borough it serves: locally rooted, community-led and shaped by the needs, assets and inequalities of its neighbourhoods. Its activity is closely linked to Oldham's young and diverse population, strong neighbourhood identities and economic pressures, which all shape where organisations work and who they support.

Most responding organisations work at neighbourhood or Oldham-wide level, reflecting a sector made up largely of micro and small groups with strong local relationships. Their main areas of work – community development, inclusion, wellbeing, health, social care, physical activity and community spaces – show how much activity is about connection, prevention and everyday support. The findings mirror existing local knowledge of what the local sector delivers, and show communities responding directly to local need, often by creating support from within their own neighbourhoods.

The communities supported mirror this context. The high proportion of organisations working with children, young people and families links to Oldham's young population and to overlapping household needs. Groups supporting migrant communities, people experiencing poverty, faith communities or people with health needs may also be supporting children and young people within those households.

The data also points to Oldham's diversity and economic pressures, with significant support for people experiencing financial disadvantage, racial inequalities, disability, long-term health conditions and barriers to education.

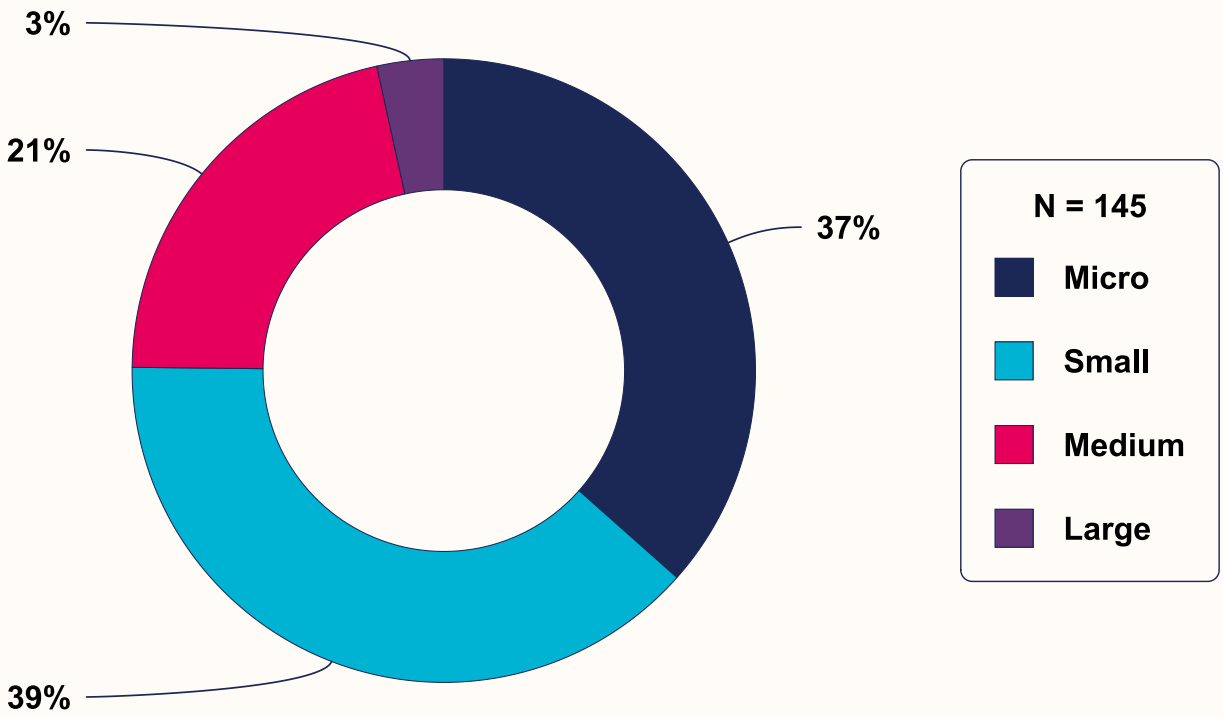
Oldham's VCFSE sector operates in a growing borough with a relatively young and diverse population. Oldham's population grew by 7.6% between the 2011 and 2021 censuses; more than a fifth of Oldham's residents were aged under 16, a larger share than seen nationally, while almost a third of residents identified with Asian, Black, mixed or other ethnic groups in the most recent census.[1]

This growth has taken place alongside widespread deprivation, with more than two in five residents living in neighbourhoods among England's most deprived 10%.[2] Oldham's VCFSE organisations are locally rooted in these neighbourhoods supporting health and wellbeing while creating opportunities for residents to participate and build connections within their communities.

3.1. Size, legal form and social enterprise status

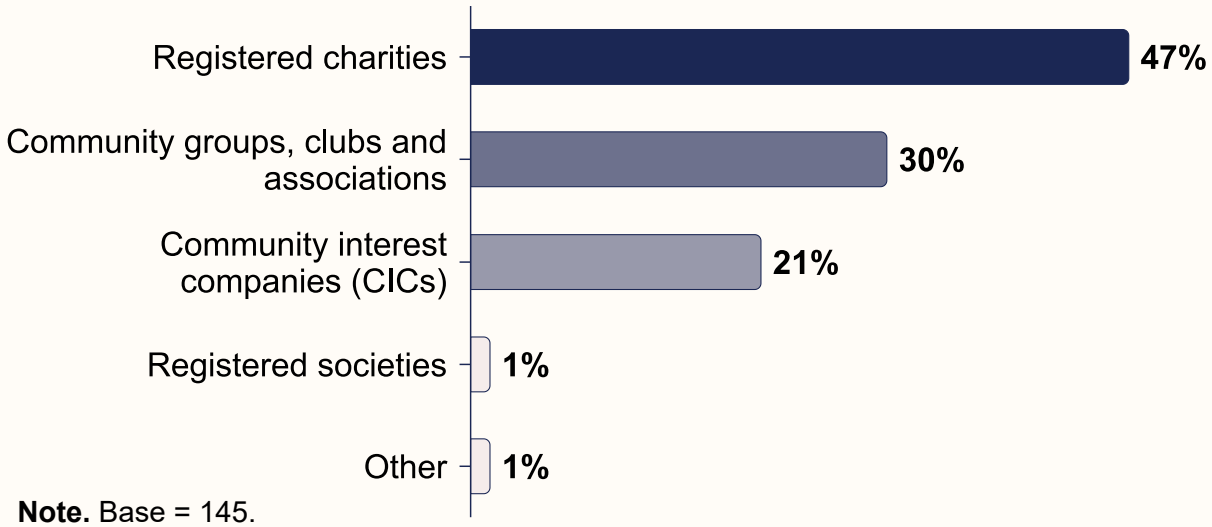
Three quarters of responding organisations and groups are micro (37%) or small (39%). Around one in five are medium-sized (21%), while large organisations account for the remaining 3%.

Figure 3.1. Proportion of responding organisations by size



Registered charities account for almost half of responding organisations (47%). Just under a third are community groups, clubs or associations (30%), and around one in five are community interest companies (21%). More than two in five identify as social enterprises (42%), showing that trading and enterprise are part of how many organisations pursue their social purpose.

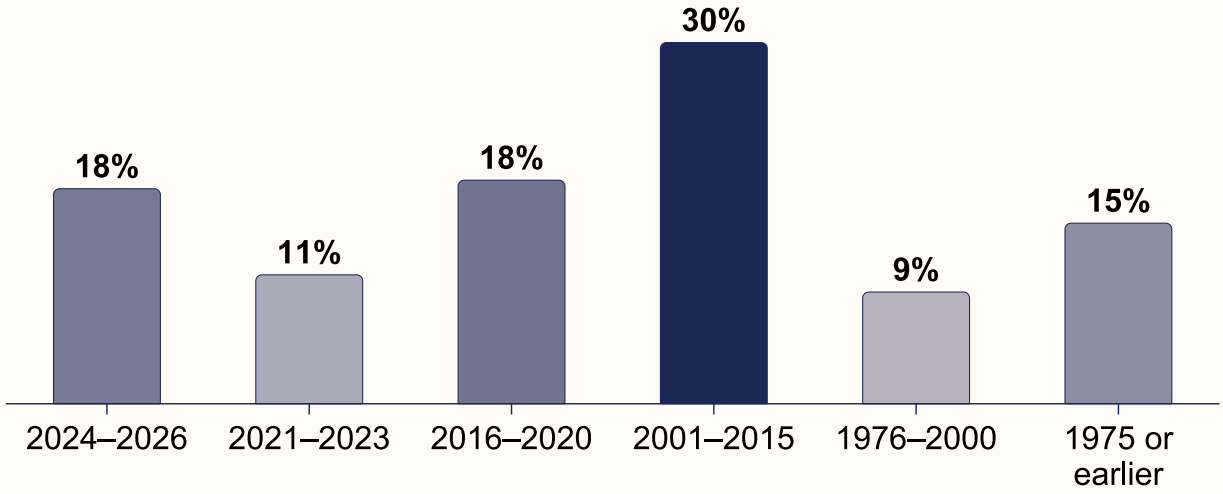
Figure 3.2. Proportion of responding organisations by legal status



Note. Base = 145.

Oldham's VCFSE sector combines long-established organisations with newer groups. Almost three in ten were established within the last five years (29%), while almost one in five were established between 2016 and 2020 (18%). Three in ten were established between 2001 and 2015 (30%), and almost a quarter were established in 2000 or earlier (24%).

Figure 3.3. Year in which organisations were established



Note. Base = 142.

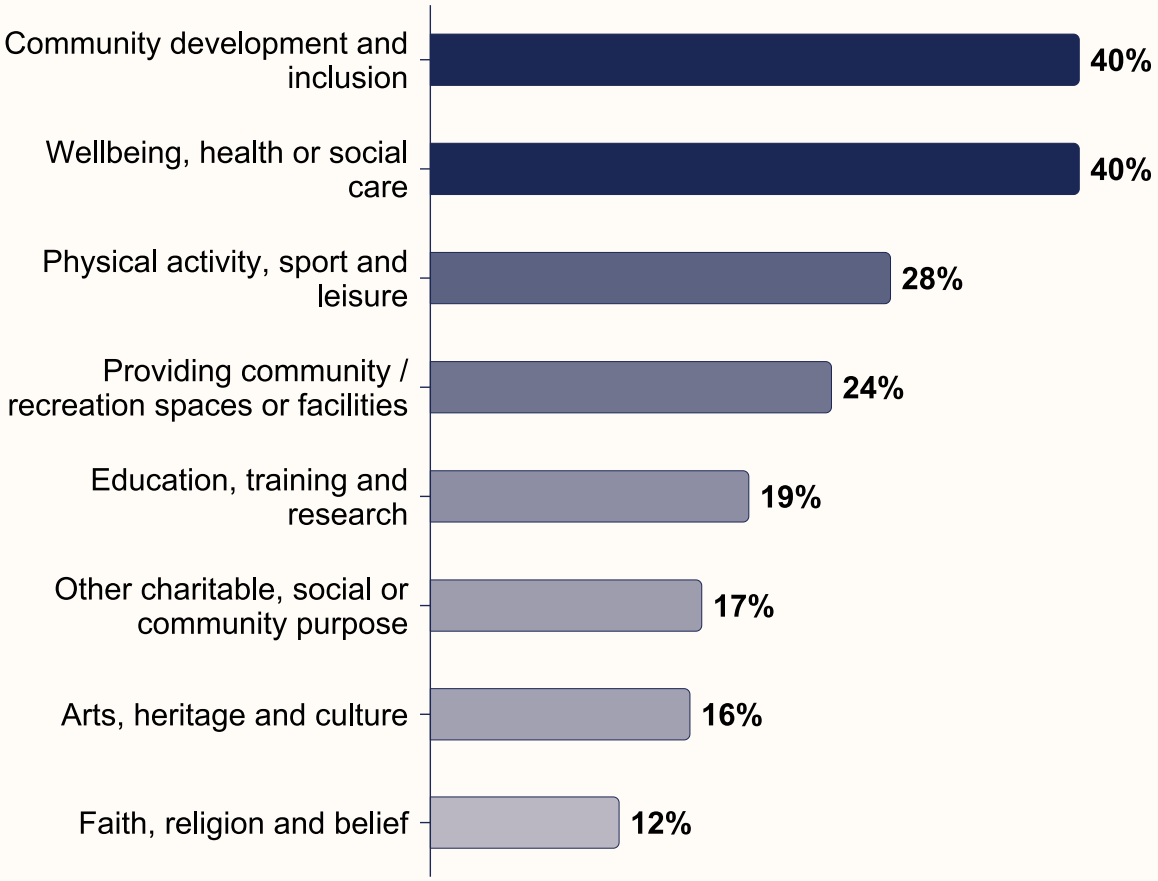
3.2. What they do

Oldham's VCFSE organisations support people's wellbeing in ways that often combine practical help, social connection and opportunities to take part in community life. Two in five work in wellbeing, health or social care (40%), and the same proportion in community development and inclusion (40%). More than a quarter provide opportunities for physical activity, sport and leisure (28%), around a quarter provide community or recreation spaces (24%), and one in five work in education, training or research (19%).

Focus group participants described how these different activities can form part of a wider pathway of support, with accessible community activities helping people reduce isolation, build confidence and become more involved over time:

> "Our key goal is to ease social isolation and empower people to achieve skills using our shared workspaces and equipment… [we aim to] get people out of the house… to bring out people's self-confidence, and to get them socialising, [so they] can take it further."

Figure 3.4. Main areas in which organisations work (top 8)

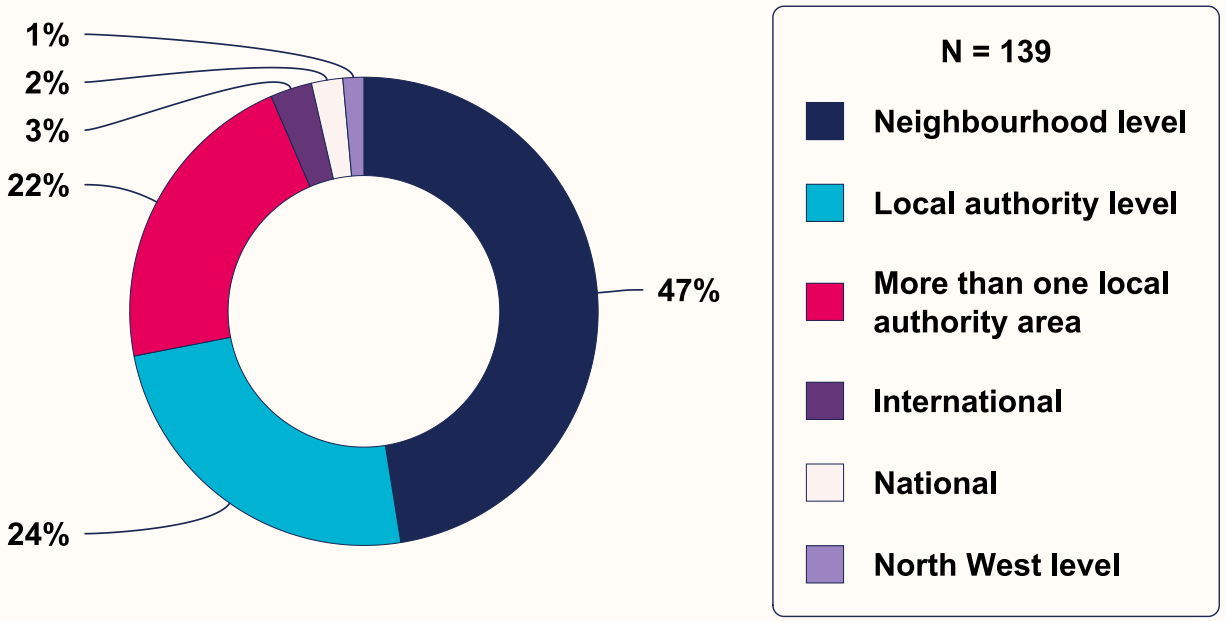


Note. Base = 139. Respondents could select more than one option, so percentages do not sum to 100%.

3.3. Where they operate

Many responding organisations work close to the communities they support. Almost half operate primarily at neighbourhood level (47%), while a quarter work across Oldham as a whole (24%). More than one in five work across more than one local authority area (22%), and fewer work across the North West region, nationally, or internationally.

Figure 3.5. Geographic scope of organisations' work

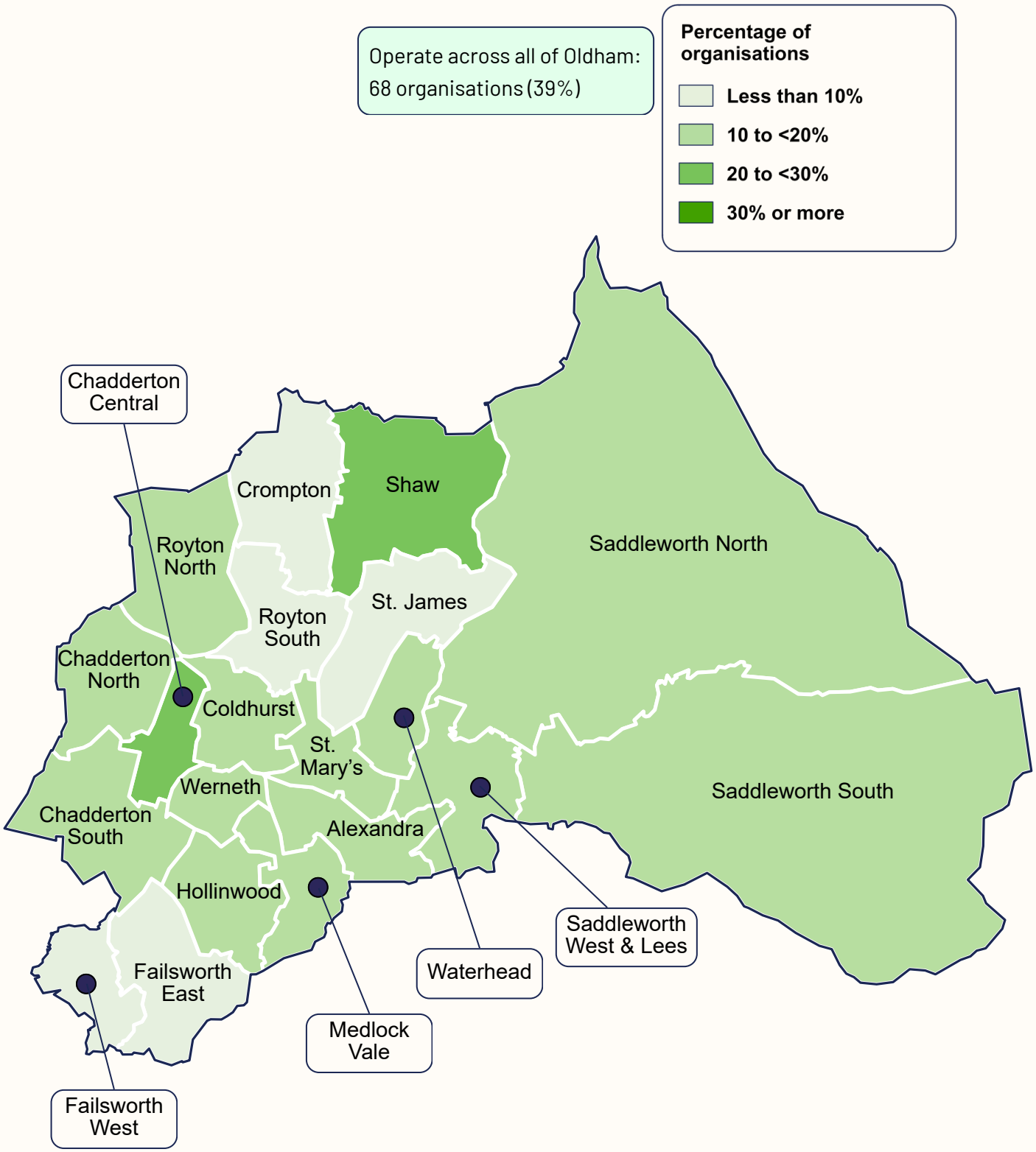


Residents of Oldham are also supported by VCFSE organisations based outside the borough. We therefore asked all organisations that selected Oldham as one of the main areas in which they carry out their activities which parts of the borough they work in. Almost two in five said they operated across all of Oldham (39%).

Respondents who did not select 'All of Oldham' could identify one or more individual wards. Among this group, Chadderton Central was the most commonly selected (24%), followed by Shaw (20%). St James' (4%) and Failsworth West (6%) were the least selected.

Responding organisations also report activity in Oldham's three most deprived wards, Alexandra (15%), Coldhurst (12%) and St Mary's (11%).[2] However, differences in reported activity may reflect local need, survey participation or gaps in provision.

Figure 3.6. Ward-level coverage of organisations delivering activities in Oldham



Note. Map shows the proportion of organisations delivering activities in each Oldham ward. This includes organisations based elsewhere in Greater Manchester that reported operating in Oldham.

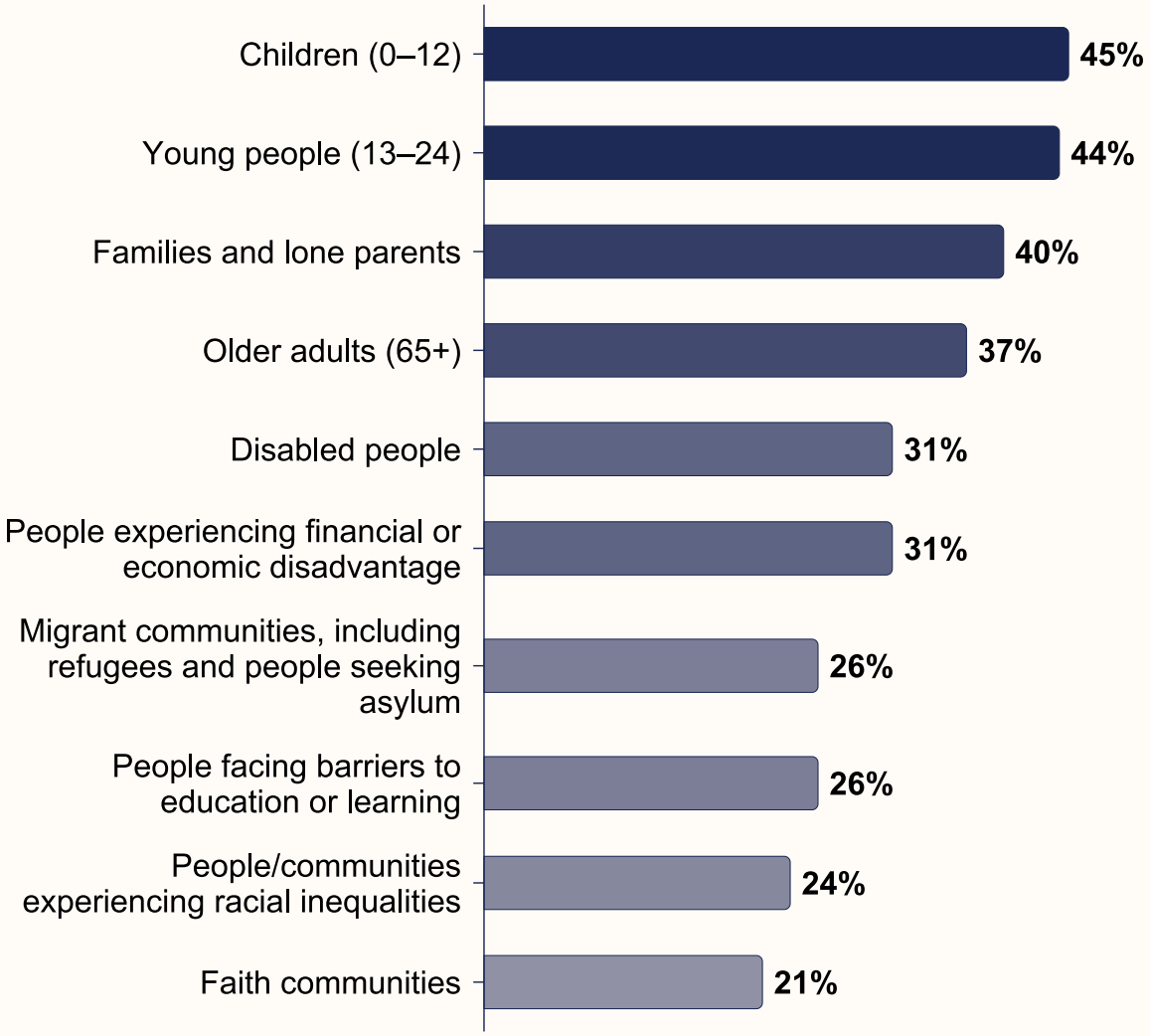
'All of Oldham' uses the full valid base (N = 178); individual ward percentages use respondents who did not select 'All of Oldham' (N = 108).

3.4. Who they support

Oldham has a relatively young population, with more than one in five residents aged under 16,[1] but deprivation is widespread and unevenly distributed. More than a third of neighbourhoods are among England's most deprived 10% and around two in five children live in relative poverty after housing costs.[5] Health and disability deprivation can create additional or overlapping needs for some communities.[2] Responding organisations therefore work across life stages and with communities connected by identity, background and shared experiences.

Children and young people are the most commonly supported age groups, with more than two in five responding organisations working with children aged 0 to 12 (45%) and with teenagers and young adults aged 13 to 24 (44%). Two in five also support families or lone parents (40%), and almost a third work with people experiencing financial or economic disadvantage (31%), a particularly relevant area of support in a borough where around 42% of children live in relative poverty after housing costs.[5]

Figure 3.7. The people and communities that organisations support (top 10)



Note. Base = 140. Respondents could select multiple options so percentages do not sum to 100%.

More than a third of responding organisations support older adults (37%). Although Oldham's population is relatively young, its JSNA projects that the number of residents aged 85 and over will grow by around 39% between 2025 and 2035.[6] Supporting people to remain connected and independent in later life will therefore remain part of the sector's work as the borough's population changes.

Organisations also support communities connected by shared circumstances or identity, including people who face additional barriers to services and community life. Almost a third work with Disabled people and those living with long-term health conditions, including mental health conditions (31%). Around a quarter support people facing barriers to education or learning (26%), migrant communities, including refugees and people seeking asylum (26%), or people experiencing racial inequalities (24%).



4. Staff, volunteers and trustees

Action Together reflections

Oldham's VCFSE sector depends on paid staff, volunteers and trustees, but the clearest pressure point is recruitment. The sector includes a mix of paid and unpaid organisations, with many micro and small groups still heavily volunteer-led and reliant on a small number of people holding activity together.

The findings suggest that volunteering works once people are connected: retaining volunteers is less difficult than recruiting them. This means the challenge is not simply advertising opportunities, but investing in the relationships, confidence-building and practical support that help people take the first step into volunteering.

Oldham's volunteer strategy is important in this context. It can strengthen routes into volunteering for people facing barriers to participation, including people who are unemployed or economically inactive, sanctuary seekers, refugees and people seeking asylum. Volunteering should therefore be understood as both a community asset and a pathway to wider benefits, including wellbeing, reduced isolation, skills, confidence, connection and employment progression.

This also has implications for recognition and investment. Volunteers and trustees should be valued as part of Oldham's social infrastructure, but recognition cannot stop at celebration. Organisations need resources for training, expenses, supervision, flexible opportunities, wellbeing support and trustee recruitment. Volunteering is not a free resource and requires sustained infrastructure, coordination and development.

The people working in and with Oldham's VCFSE organisations are central to the sector's contribution. They include paid staff, volunteers, trustees and board members, many of whom are motivated by purpose, lived experience, social connection and a commitment to their communities. Their work is practical, but also relational: building trust, holding local knowledge, supporting people sensitively and sustaining relationships over time. That commitment gives the sector much of its strength. The findings in this section also show that it creates risk when organisations rely on unpaid time and a limited number of people to keep support available.

4.1. Paid staff

There are an estimated 2,227 full-time equivalent paid staff working in Oldham's VCFSE sector, representing 2,999 individual employees. The work carried out by these staff is estimated to contribute £112.18 million to the economy each year through the services and activities they deliver.

Oldham's VCFSE sector is estimated to employ **2,999** people

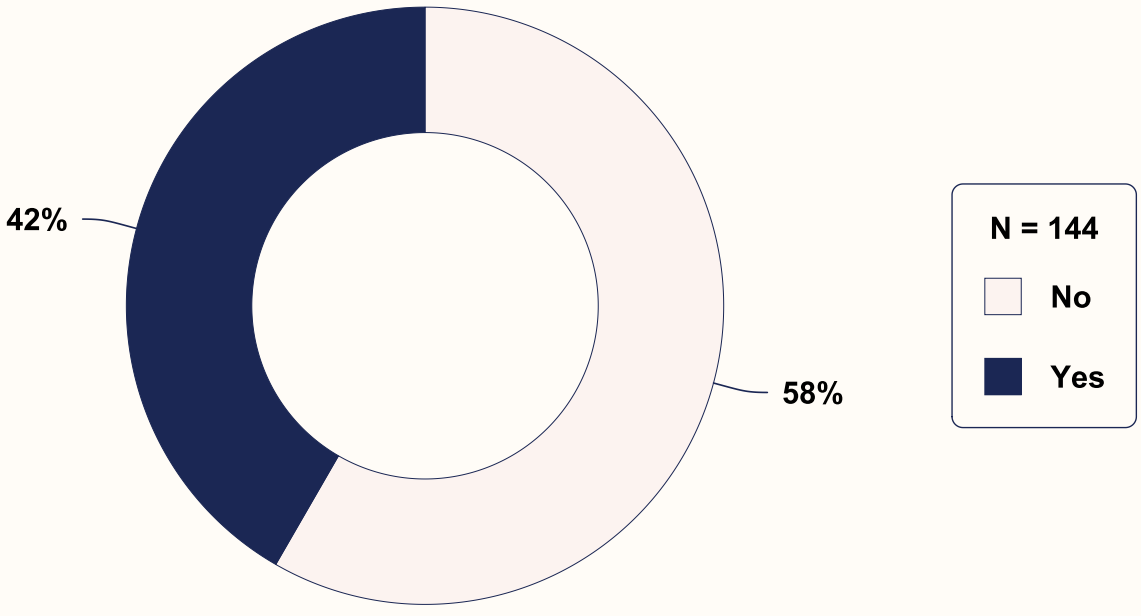
Estimated annual economic contribution from paid staff

£ 112.18 million

Around two in five responding organisations have paid staff (42%), and more than four in five of these organisations say they pay the Real Living Wage to all eligible employees (82%). Paid employment is concentrated in larger organisations: four in five large organisations (80%) and a similar proportion of medium organisations (77%) report a paid workforce, compared with around half of small organisations (49%) and fewer than one in ten micro organisations (9%).

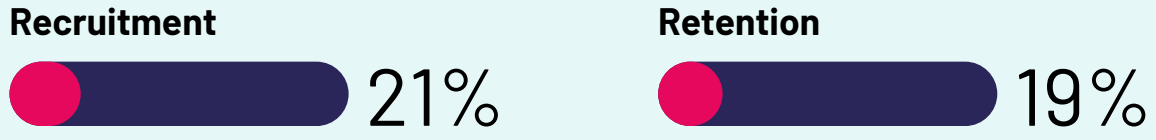
Two thirds of organisations with paid staff have fewer than five paid FTE employees (66%). A quarter have between five and 19 FTE posts (25%), while fewer than one in ten have 20 or more (8%).

Figure 4.1. Organisations with a paid workforce



Whilst the majority of organisations with paid staff report no difficulties with staff recruitment and retention, around one in five have found recruitment difficult over the past year (21%), while a similar proportion have struggled to retain staff (19%).

Figure 4.2. Staff recruitment and retention difficulties



Note. Question shown only to organisations with paid staff. Base: recruitment = 57; retention = 59. Shows the proportion answering 'Yes'. 'Don't know' responses excluded.

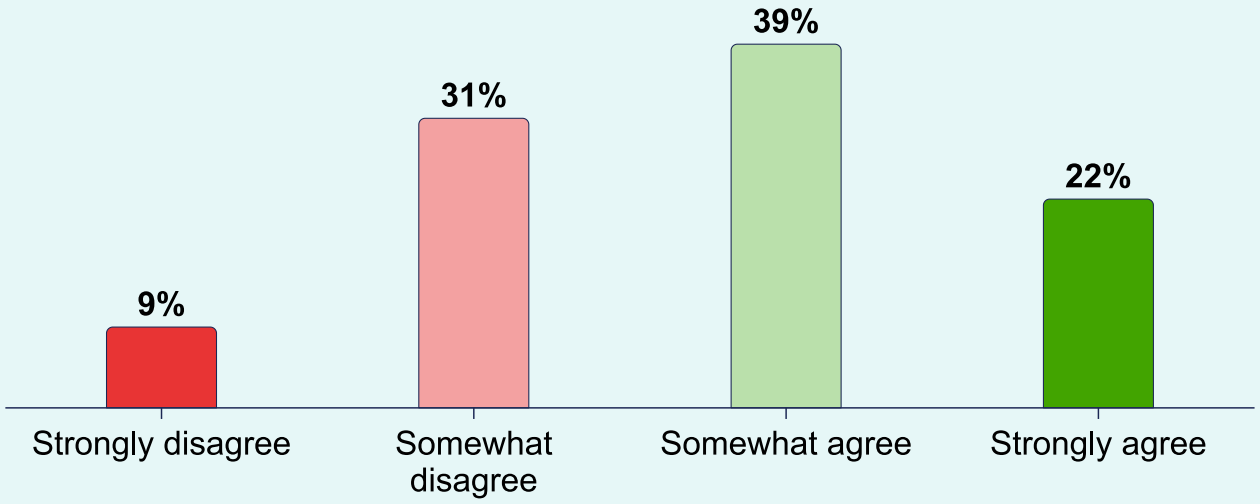
4.2. Volunteers and trustees

Across Oldham, the VCFSE sector is estimated to involve 27,100 volunteers and 8,100 trustees or board members, contributing around 71,500 hours each week. Over a year, this is equivalent to 3.72 million hours spent supporting residents, running activities and governing organisations. Replacing that time with paid labour at the Real Living Wage would cost an estimated £49.96 million each year.

More than two in five responding organisations have fewer than ten volunteers (44%), while over a quarter have between ten and 24 (28%) or 25 or more (28%). Organisations support volunteers in practical and developmental ways. The most common forms of support are recognition or social activities (62%), training, development or progression opportunities (59%), and reimbursing expenses (52%).

Three in five organisations say they have enough volunteers to carry out their work and meet their objectives (61%), leaving almost two in five that do not (39%).

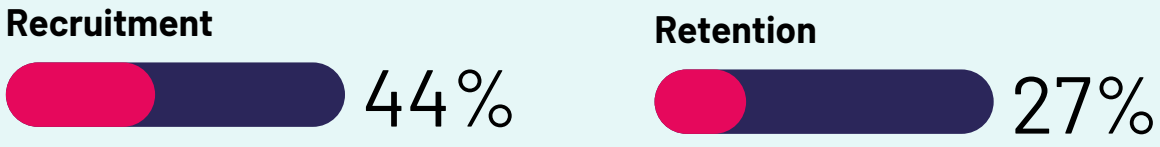
Figure 4.3. Whether organisations have enough volunteers to carry out work and meet their objectives



Note. Base = 140. 'Don't know' responses excluded.

Recruitment appears to be the greater pressure. More than two in five organisations (44%) have found it difficult to recruit volunteers over the past year, compared to more than a quarter that have found it difficult to retain volunteers (27%).

Figure 4.4. Volunteer recruitment and retention difficulties



Note. Base: recruitment = 138; retention = 139. Shows the proportion answering 'Yes'. 'Don't know' responses excluded.

This pressure sits within a longer national decline in volunteering. In England, the proportion of adults volunteering formally at least once a month fell from 27% in 2013/14 to 17% in 2024/25. The decline has been particularly pronounced in the period since the COVID-19 pandemic, falling from 23% in 2019/20 to 17% in 2020/21.[7]

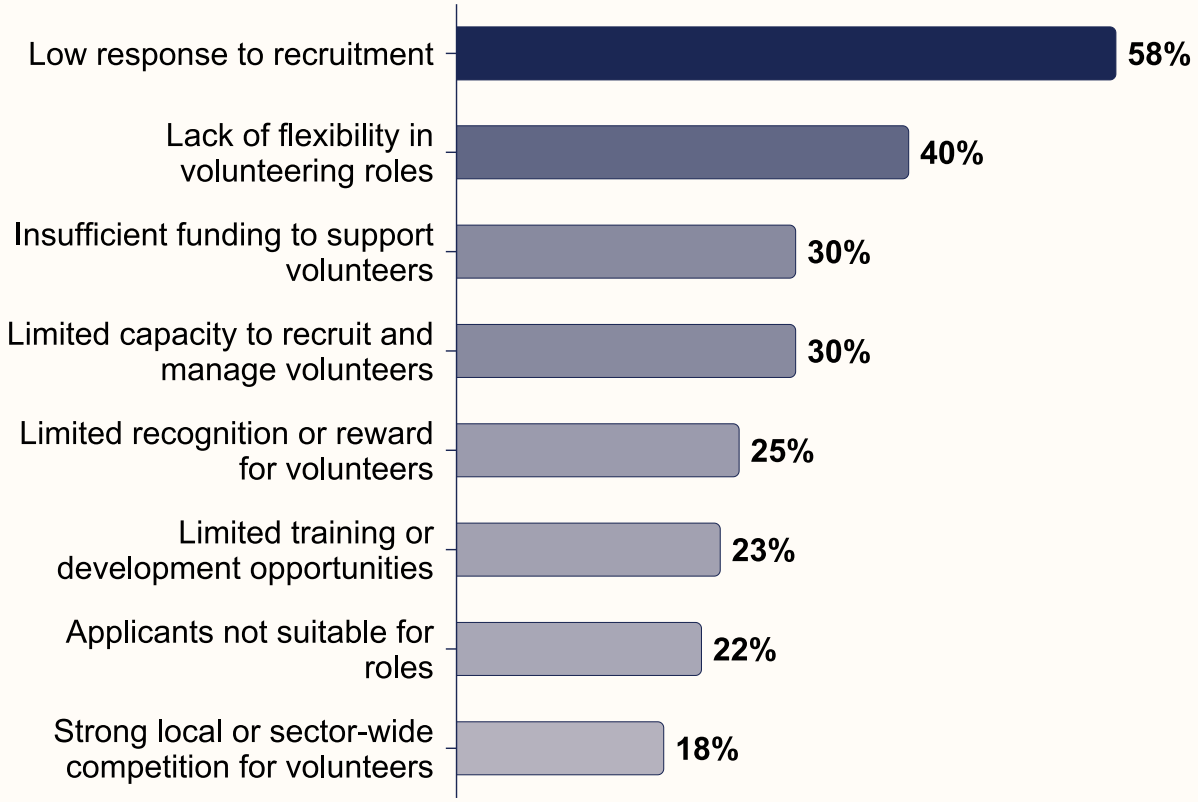
Against this wider decline, focus group evidence shows how falling volunteer numbers can directly affect organisational capacity, particularly where services depend heavily on volunteers to operate. One participant described having fewer than half the volunteers they had before the pandemic, while emphasising how central their contribution remains:

> "Pre-COVID we had 102 volunteers, now we have 45 volunteers... they do immense work and without them we wouldn't be able to function."

Almost three in five of those experiencing recruitment difficulties say a low response to recruitment activities is a barrier (57%). Adults in England's least deprived neighbourhoods are around twice as likely to volunteer formally each month as those in the most deprived neighbourhoods (23% compared with 11%),[7] and around 43% of Oldham's residents live in neighbourhoods among England's most deprived 10%.[4] This points to another potential challenge for Oldham's VCFSE organisations: many that are locally rooted in more deprived areas may find it more difficult to recruit volunteers.

Two in five organisations experiencing recruitment difficulties also identify a lack of flexibility in volunteering roles as a barrier (39%). Just under a third point to insufficient funding to support volunteers or limited capacity to recruit and manage them (both 30%).

Figure 4.5. Volunteer recruitment barriers (top 8)

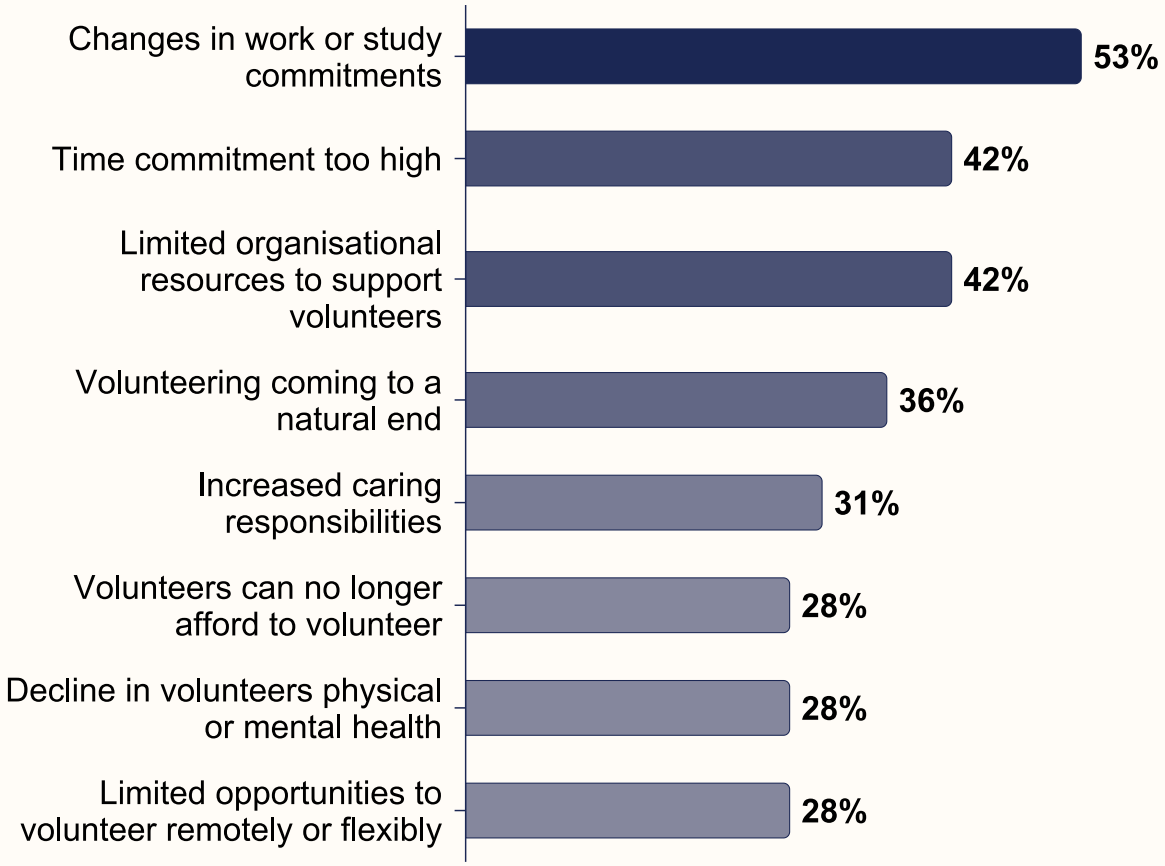


Note. Base = 60. Question shown only to organisations reporting volunteer recruitment difficulties. Respondents could select more than one option, so percentages do not sum to 100%.

While recruitment difficulties are more widespread, just over a quarter of organisations also found it difficult to retain volunteers (27%). Among this group, more than half identify volunteers' work or study commitments as a barrier to retention (53%), suggesting that competing demands on people's time can limit their ability to remain involved. This reflects wider national evidence showing that work commitments are the most common barrier among adults who do not volunteer at least monthly, reported by more than half (51%).[7] VCFSE organisations can provide important experience for people looking for paid employment, but this can also contribute to turnover. In the focus group, one organisation described how a former nurse who had spent time away from employment volunteered with them before returning to work in care with the support of an organisational reference.

Retention difficulties are also shaped by the demands of volunteering itself and the capacity organisations have to support volunteers. More than two in five point to a high time commitment or limited organisational resources to support volunteers (both 42%), while more than a third say retention is made harder by volunteering coming to a natural end as projects finish or as long-serving volunteers step back (36%).

Figure 4.6. Volunteer retention barriers



Note. Base = 36. Question shown only to organisations reporting volunteer retention difficulties. Figure shows the eight most commonly selected retention barriers. Respondents could select more than one option, so percentages do not sum to 100%.

4.3. Consequences of workforce shortages

When asked how these workforce difficulties affect their organisation, respondents described both the human and operational impacts. When staff, volunteer or trustee capacity is stretched, demand does not stop. Services may continue because the people involved work longer or take on more responsibility, or the alternative is that organisations are unable to meet demand. We describe this as the cost of 'doing good': people within organisations absorb the strain to protect support for communities.

More than two in five of those experiencing recruitment or retention difficulties say staff and volunteers have experienced increased stress or burnout (43%) as a result. Almost a third say employees are working longer hours (31%), a quarter say volunteers are contributing more time (25%), and one in five report higher volunteer turnover (21%).

Figure 4.7. How recruitment or retention difficulties are affecting organisations (top 8)



Note. Base = 61. Question shown only to organisations reporting staff/volunteer recruitment or retention difficulties. Respondents could select multiple options, so percentages do not sum to 100%.

The focus group showed how organisational achievements can depend on staff and volunteers absorbing considerable pressure. One participant described gaining recognition and a stronger voice in decisions affecting their communities, but questioned whether this was sustainable given the long hours involved:

> “I do think a lot of voluntary sector are burnt out, they're struggling working 80 hours a week and actually not being paid for a lot of that… we're never going to be sustainable if we continue like that.”

These experiences reflect wider evidence from across the sector. National research shows staff and volunteers contributing more of their time in response to organisational pressures,[8] while other evidence identifies high levels of work-related stress, anxiety and emotional exhaustion among voluntary sector workers.[9,10] Fair Collective’s research with leaders of small organisations also found significant impacts on leaders’ own mental health and limited budgets to support wellbeing.[11]

Alongside these pressures on staff and volunteers, workforce shortages also affect organisations’ ability to operate and respond to need. Almost a third of organisations experiencing difficulties say shortages have led them to pause some operations (31%), while a quarter have been left unable to meet demand (26%).

5. Communities supported, demand, and access

Action Together reflections

Oldham's VCFSE sector supports a wide and overlapping range of communities, reflecting the borough's young, diverse population and the social and economic pressures residents face.

Children, teenagers, young people and families appear prominently, but this should be read alongside support for other groups. Many organisations work with whole households or mixed communities, so needs often overlap rather than sit in neat categories.

Demand is rising, with most organisations reporting both increased demand and more people supported, but the bigger issue is growing complexity. Residents are presenting with combinations of poverty, poor health, housing issues, isolation, migration-related need and multiple disadvantage, placing pressure on voluntary, community and faith organisations as well as public services.

Access to support remains relationship-led: word of mouth, direct contact, drop-ins, referrals and signposting all matter because trust and local connection are central. Referral data shows the sector is already a key part of prevention and support pathways, with strong links between VCFSE organisations and from public services. However, lack of awareness, affordability, travel costs, stigma, digital exclusion and language barriers show that access is still a shared system challenge. Investment in community-led activity also does not match the level of reliance placed on it.

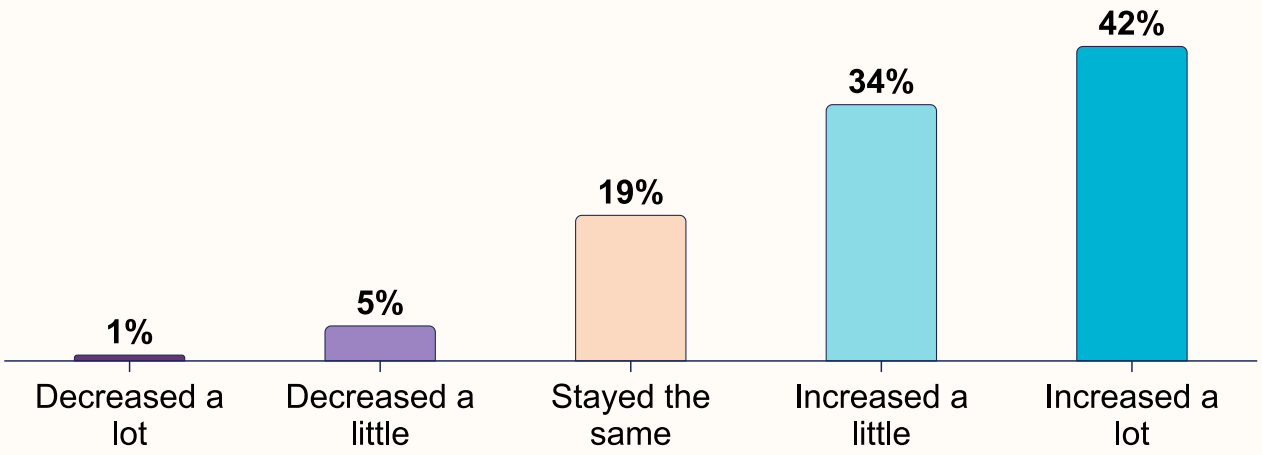
Oldham's VCFSE sector is estimated to provide around 564,100 contacts or episodes of support to people and communities each year.

In a borough where deprivation is particularly marked across income, employment, health and education,[2] Oldham's VCFSE organisations provide everyday social infrastructure through community spaces, relationships and connections. Their local knowledge, flexibility and trust within communities make them important routes into support for residents and cross-sector partners.

5.1. Demand for services

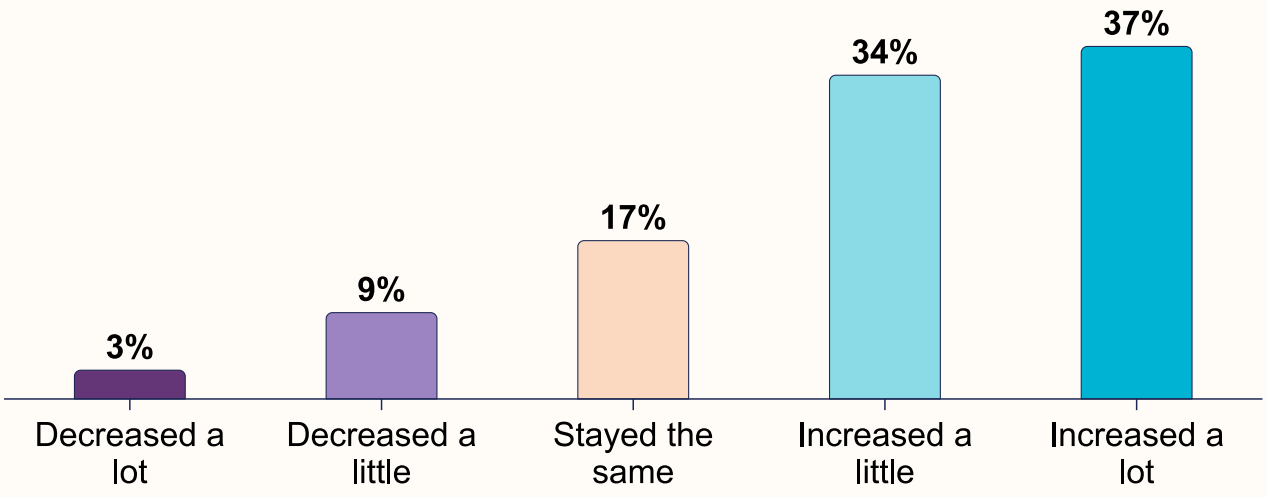
When asked how demand for services had changed over the past 12 months, three quarters of responding organisations report an increase (75%), including more than two in five saying it has increased a lot (42%). Seven in ten say the number of people they support has also increased over the past year (71%).

Figure 5.1. Change in demand for services, last 12 months



Note. Base = 130. 'Don't know' responses excluded.

Figure 5.2. Change in the number of people that organisations support, last 12 months



Note. Base = 132. 'Don't know' responses excluded.

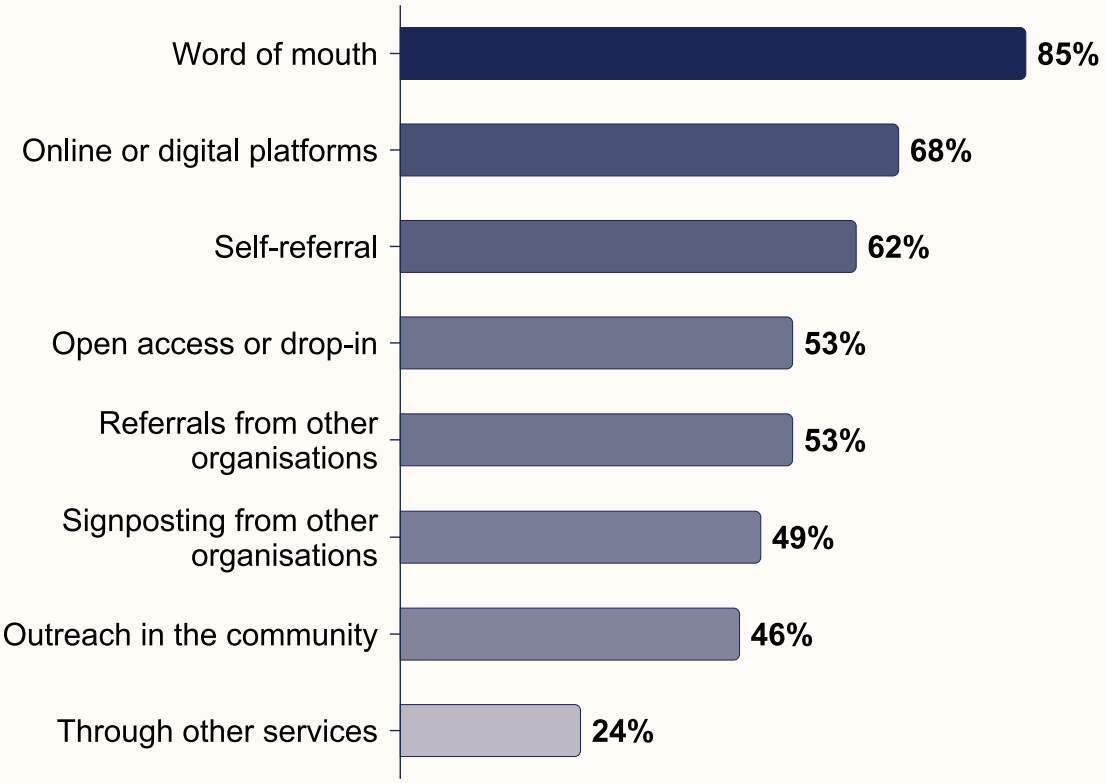
For some organisations, responding to this demand often means providing support beyond their original purpose. One focus group participant whose organisation set out to support young people into employment described taking on a wider range of community work. They explained that helping people move towards volunteering or work can first mean supporting them with confidence, anxiety and wider wellbeing:

> “I set it up to employ young people, but we've ended up doing a whole host of other community work that's needed… since COVID and since some community provisions got centralised, I'm seeing a lot more people struggling with confidence and anxiety… sometimes it’s just getting them through the door and to a place where they're feeling better.”

5.2. How people access services

People often find Oldham’s VCFSE organisations through local knowledge and relationships. Word of mouth is the most common route, reported by more than four in five organisations (85%), followed by contact through online or digital platforms (68%) and direct contact or self-referral (62%). More than half say that people come into contact through open-access or drop-in sessions (53%). Around half say people are referred (53%) or signposted (49%) by other voluntary or public sector organisations and services.

Figure 5.3. How people come into contact with VCFSE organisations



Note. Base = 139. Respondents could select more than one option, so percentages do not sum to 100%. Figure shows the eight most commonly selected responses.

Among organisations receiving referrals, over nine in ten receive them from other VCFSE organisations or groups (94%), seven in ten from public sector organisations or services (70%), and just over a quarter from the private sector (26%). The majority of referrals received relate to social prescribing, community wellbeing, adult social care, and connections with other community organisations.

In the focus group, organisations described the value of knowing other organisations and what they could offer. One participant explained how being part of networks helped their organisation build closer relationships with other groups, which in turn helped with volunteering and helping beneficiaries navigate what support is available:

> “We respond to whatever comes at our door. If we can't do it, then we will support people to access services elsewhere… since we've been working with Action Together, I see so much more cohesion… there are other organisations that we have formed relationships with because of the network meetings… If I compare to ten years ago, there's much, much closer working in our experience.”

These findings show how fostering relationships with others in the sector can help ensure that people receive the right type of support at the time they need it, supporting both local approaches, such as Action Together’s Oldham social prescribing service,[12] as well as the wider Greater Manchester Live Well approach.[13]

While referrals are an important part of connecting people to trusted help, they also shift demand onto organisations that are already supporting more people and with fewer resources. At least three in five organisations receiving referrals from public sector organisations or services say that no funding is received to accommodate them. Providing accessible support that is sustainable depends on adequate resources being provided to the organisations expected to deliver that support.

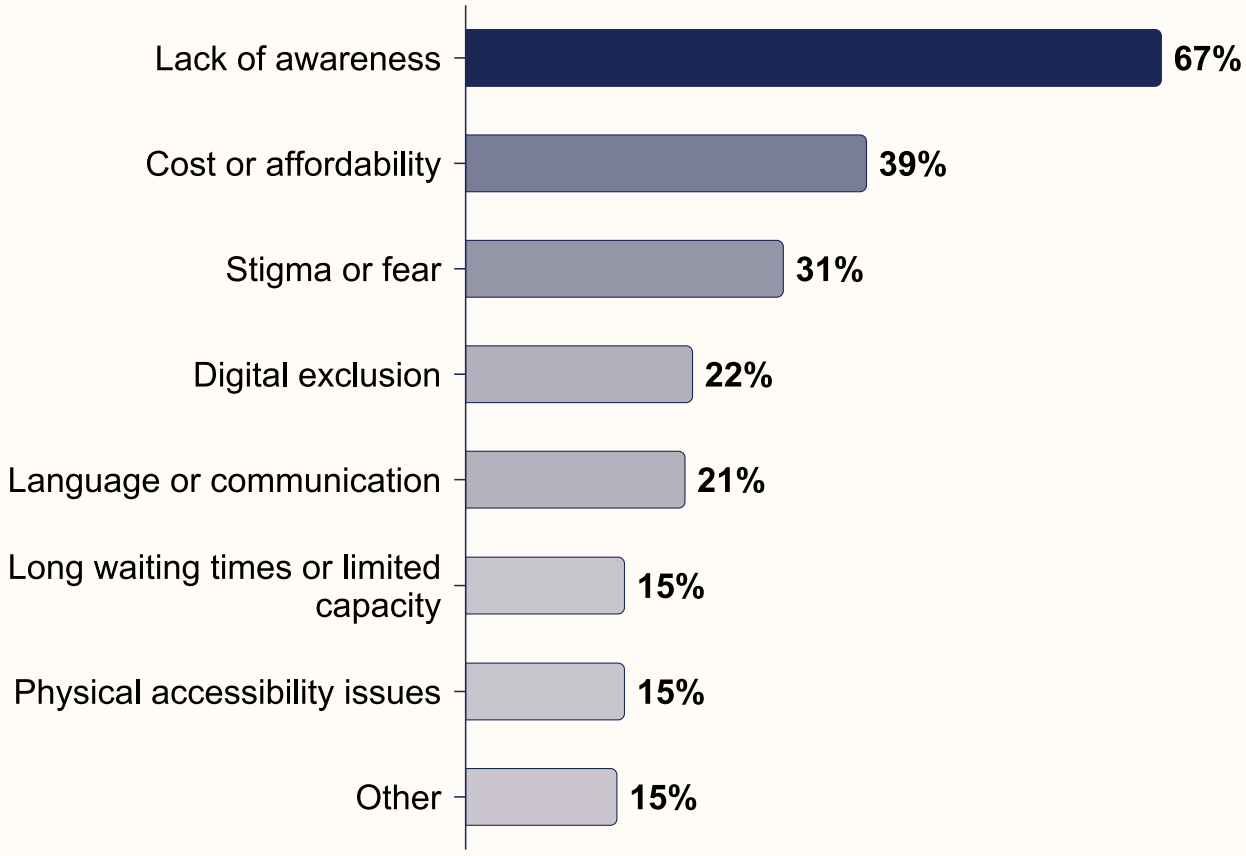


5.3. Barriers to access

Oldham's VCFSE sector supports a diverse range of communities, some of which face structural barriers to accessing services, while others encounter cultural or practical barriers that can make it harder to find or engage with support. The most commonly identified barrier is a lack of awareness of available services (67%). In the focus group, one town-centre organisation described the time and expense involved in promoting its activities, relying heavily on social media while visitors repeatedly said they had not known it was there.

Almost two in five identify affordability or the cost of taking part (39%) as a barrier, just under a third point to stigma or fear (31%), and just over one in five identify digital exclusion (22%) or language and communication (21%).

Figure 5.4. Barriers to accessing services



Note. Base = 137. Figure shows the eight most commonly selected responses. Respondents could select more than one option, so percentages do not sum to 100%.

5.4. Measuring impact and delivery quality

Organisations use a range of methods to understand and demonstrate what their work achieves. Almost three in five gather feedback from beneficiaries or service users (57%), while more than half use informal observation and practitioner reflection (52%). Half use case studies or stories of change (50%), while a similar proportion use data on reach and outputs (49%). These approaches allow organisations to describe people's experiences alongside the scale of their activity.

Figure 5.5. How organisations measure impact

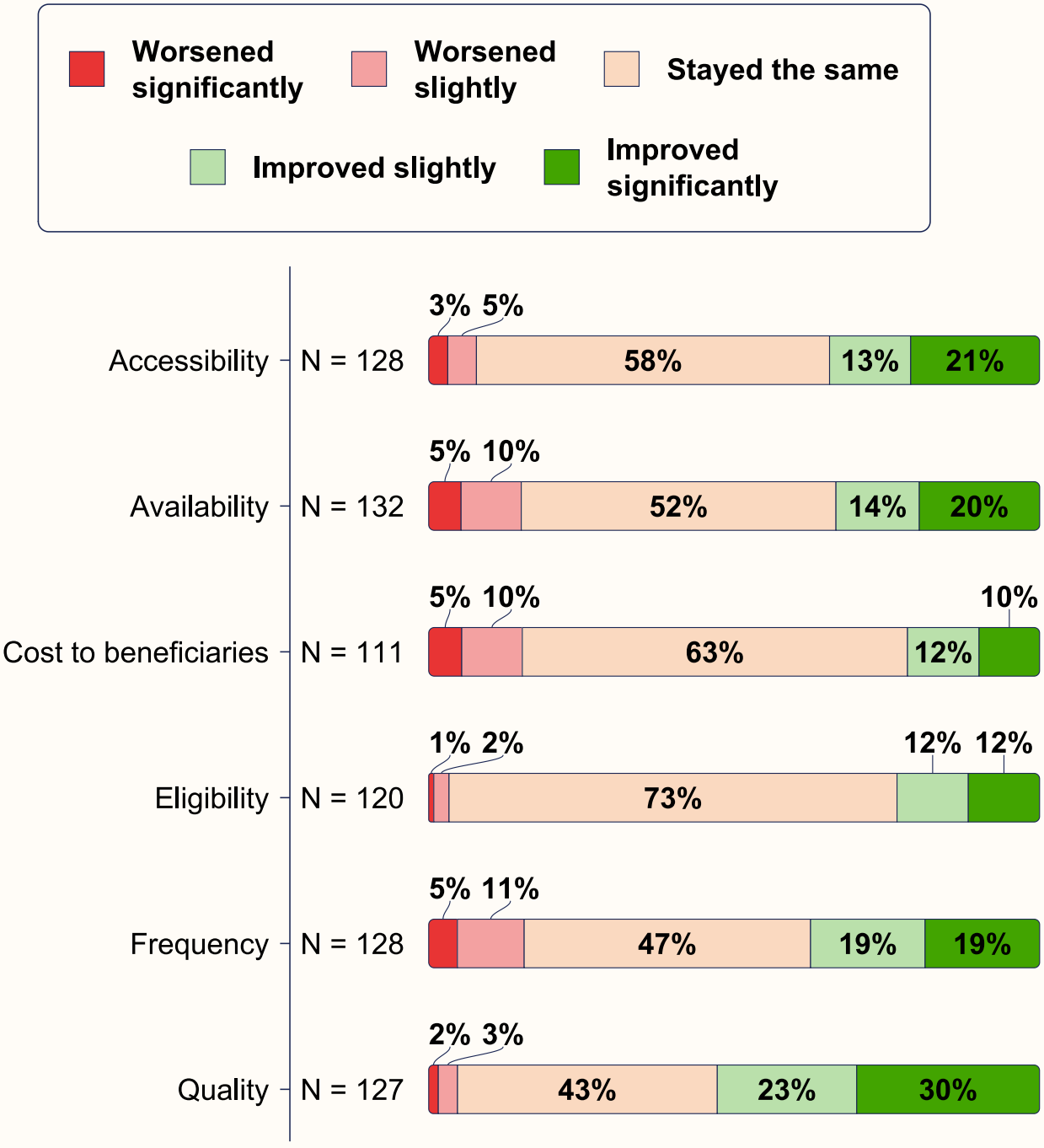


Note. Base = 139. Respondents could select more than one option, so percentages do not sum to 100%.



Although many organisations are supporting more people compared to a year earlier, over half say the quality of their services improved over the previous year (53%). More than a third report improved frequency (38%), and around a third report better accessibility (34%) or availability (33%). Around one in seven report worsening frequency (16%), costs to the people they support (15%) or availability (15%).

Figure 5.6. Changes in services over the past 12 months



Note. Bases are shown in the chart and vary by metric. 'Don't know / not applicable' responses excluded for each metric. Percentages may not sum to 100% due to rounding.

6. Finances and the funding landscape

Action Together reflections

Oldham's VCFSE sector brings major social and economic value to the borough, generating substantial income, employment and community benefit. The findings suggest a sector that has grown in scale and maturity over the last decade, supported by trusted local funding routes, capacity building and strong community relationships. However, this progress sits alongside continued financial fragility.

Around half of organisations describe themselves as stable but concerned about the future, while many others are vulnerable, struggling or at risk. Groups are managing rising demand, higher delivery costs and intense competition for funding, often with thin reserves and limited capacity to apply for suitable support.

Local infrastructure funding is an important and trusted route, but many organisations still struggle to find medium-scale funding that fits their needs – repeatedly applying for small pots can hamper a group's growth and lead promising organisations to become overstretched or scale back. Funding awards also often fail to cover the full cost of delivery, are rarely uplifted for rising costs, and are usually short term rather than multi-year. The findings show both achievements and challenges: Oldham's VCFSE sector is delivering significant public value, but too often through short-term, underfunded arrangements that demand a focus on fundraising rather than delivery and impact.

VCFSE organisations across the UK have been navigating an increasingly challenging financial and funding landscape in recent years. Shrinking public budgets and reduced donations have made it harder to generate income, while rising energy, wage and overhead costs have increased the cost of delivery.[14,15] At the same time, the communities they support are facing greater pressures, driving demand during a period of constraint and uncertainty.

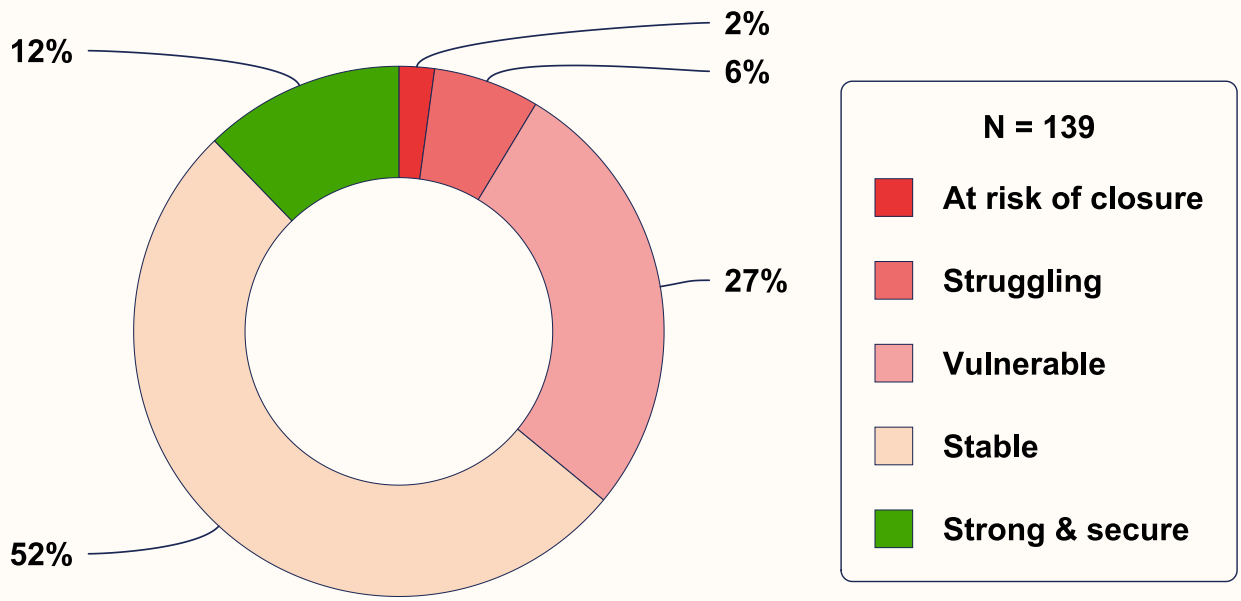
Oldham's VCFSE organisations face similar pressures, operating in an increasingly competitive funding landscape with funding arrangements that are often short-term and fail to keep pace with delivery costs, leaving organisations relying on reserves to cover running costs and having to increase fundraising efforts.

Oldham's VCFSE sector generated an estimated £132 million in income in 2024/25, with an estimated expenditure of £128 million.

6.1. Financial position

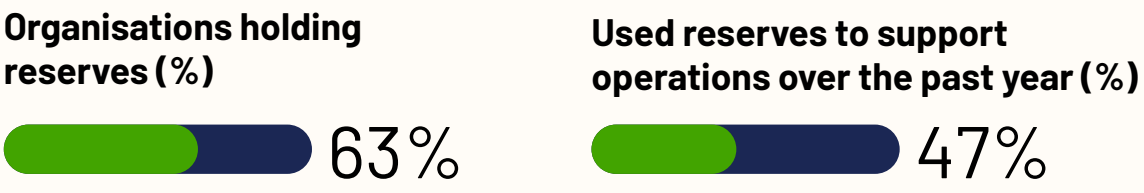
These estimates describe the scale of Oldham's VCFSE sector, but they should not be read as a sign that individual organisations feel, or indeed are, financially secure. Just over half of respondents describe their organisation as stable but with concerns about the future (52%). More than a quarter say they are vulnerable and facing significant pressure, with sustainability uncertain without changes being made (27%), while fewer describe themselves as struggling (6%) or at risk of imminent closure (2%). Around one in eight describe themselves as strong, secure and well-equipped for future challenges (12%).

Figure 6.1. Organisations' current financial operational state



Almost two thirds of responding organisations hold reserves (63%), and just under half have used them to support operations over the past year (47%).

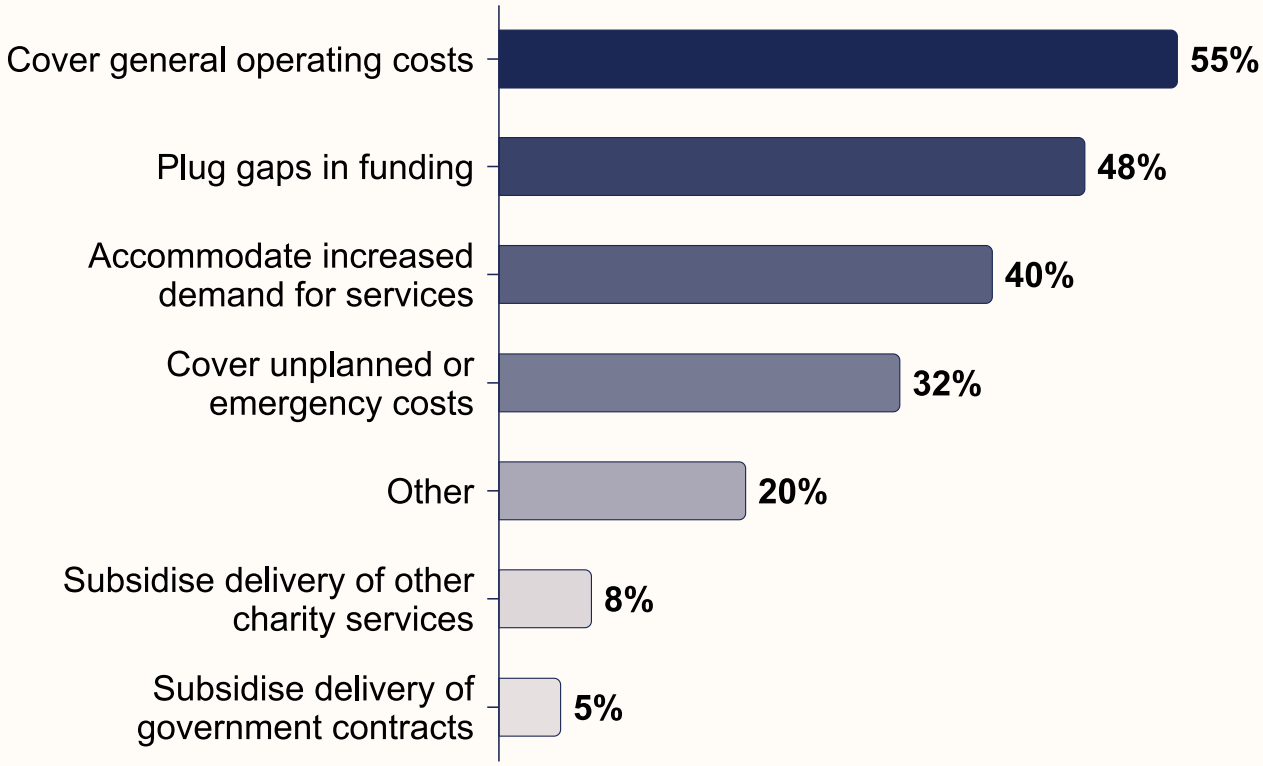
Figure 6.2. Use of financial reserves



Note. Base: holds reserves = 136; used reserves = 86. Figure shows the proportion answering 'Yes'. The 'used reserves' question was asked only of organisations that hold reserves.

More than half have drawn on reserves to cover routine operating costs (55%), almost half to plug gaps in funding (48%), and two in five to accommodate increased demand for services (40%).

Figure 6.3. Reasons for using reserves over the past 12 months

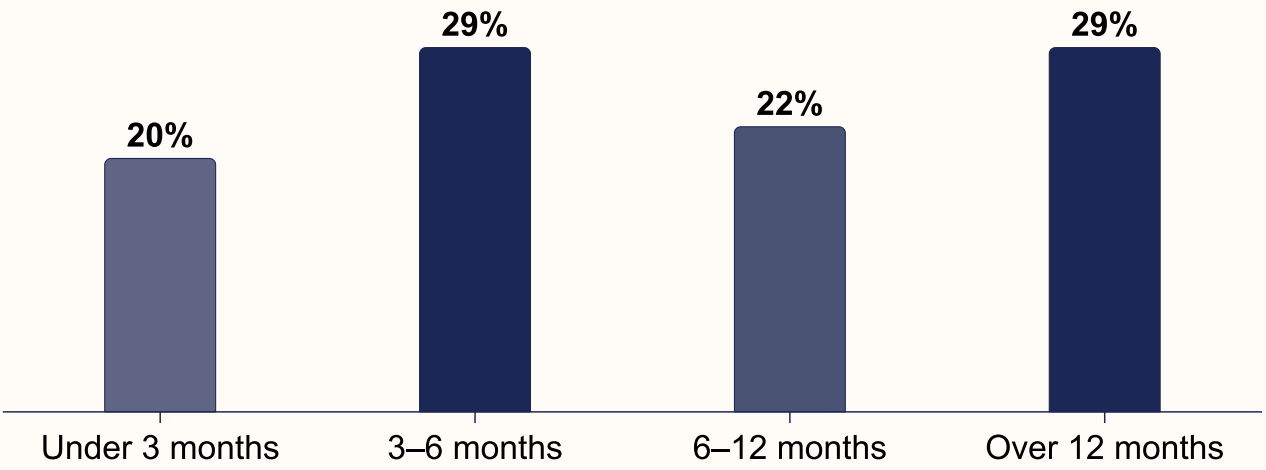


Note. Base = 40. Respondents could select more than one option, so percentages do not sum to 100%.

This suggests that more organisations are using reserves to support everyday operations and plug gaps in funding in order to keep support in place, rather than being held for emergencies or future investment. Using reserves in this way can protect services in the short term, but repeated use reduces the organisation's ability to absorb later shocks, manage delays in future funding, invest in development, or respond to emerging need.

When asked how long their reserves would last at current levels of income and expenditure, 29% of responding organisations report more than 12 months of cover, while the same proportion have three to six months. More than one in five have six to 12 months (22%), and one in five have fewer than three months (20%).

Figure 6.4. Number of months reserves are expected to last



Note. Base = 80. 'Don't know' responses excluded.

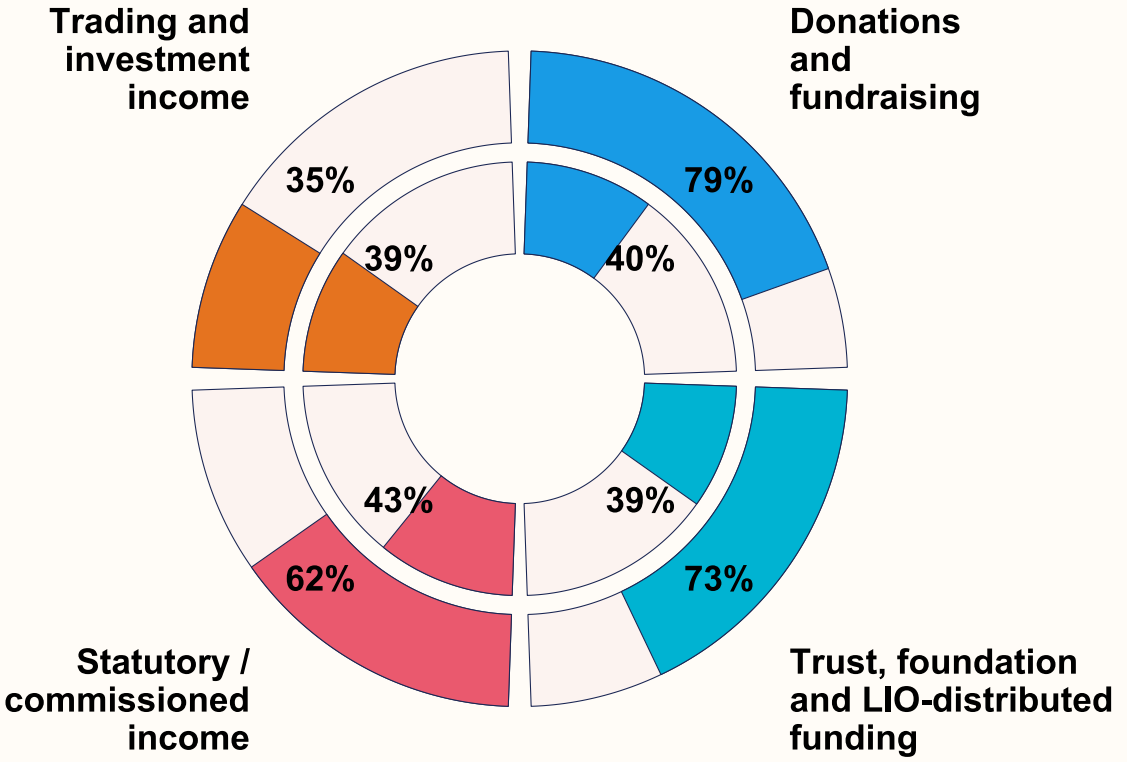
6.2. Income and expenditure

The ways in which VCFSE organisations generate income have changed in recent years. Nationally, the number of people donating has fallen by around six million over the past decade, and the total value of public donations in 2025 was almost 10% lower than the previous year.[16] Some organisations are looking to legacy fundraising, a source with long-term growth potential but uncertain time horizons.[17] While the number of government contracts delivered by VCFSE organisations continues to increase,[18] evidence shows that these often do not cover the true cost of delivering services.[19]

We asked organisations where their income comes from and how much each source contributes to their overall income. Income sources were grouped into four categories: statutory and commissioned income; funding from trusts, foundations and Local Infrastructure Organisations (LIOs); donations and fundraising; and trading and investment income. For each category, we calculated both the percentage of organisations receiving income and its average share of their total income. Organisations receiving no income from a category were excluded from that category's average, so the averages do not add up to 100%.

Four in five responding organisations receive income from donations and fundraising (79%), almost three quarters from trusts, foundations or LIOs (73%), while three in five receive statutory funding or commissioned income (62%). Fewer receive income from trading or investments (35%). On average, income is relatively evenly distributed across these sources. Statutory and commissioned income (43%), donations and fundraising (40%), funding distributed by LIOs, trusts and foundations (39%), and trading and investment income (39%) each account for a similar share of organisations' total income.

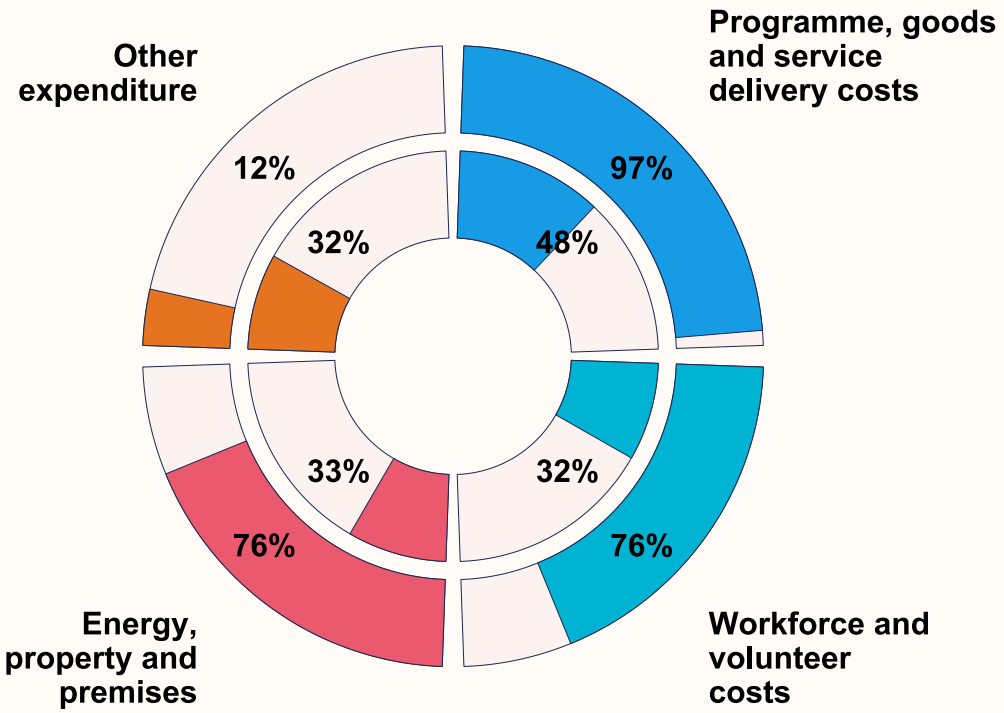
Figure 6.5. Income sources received and their average share of total income



Note. Outer ring shows the percentage receiving any income from each source (base = 117); inner ring shows the average share of total income among organisations receiving that source (base = 41–93, depending on source).

Expenditure was analysed in the same way as income, showing both the proportion of organisations reporting each category and its average share of total expenditure. Almost all organisations report programme, goods and service-delivery costs (97%), which also account for the largest share of total expenditure (48%). Three quarters report energy, property and premises costs or workforce and volunteer costs (both 76%), accounting for 33% and 32% of total expenditure respectively.

Figure 6.6. Expenditure areas and their average share of total expenditure



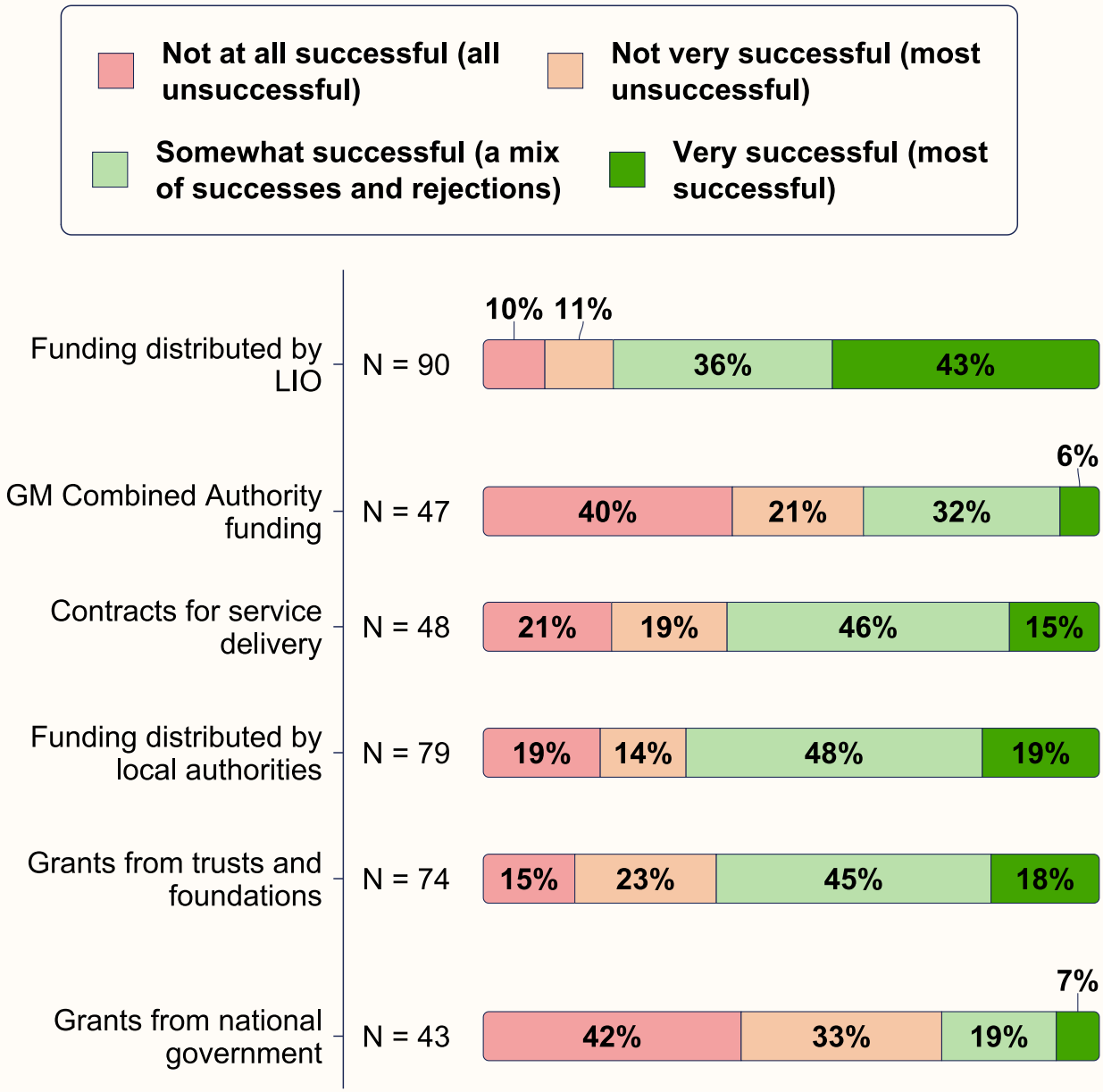
Note. Outer ring shows the percentage reporting any expenditure in each area (base = 123); inner ring shows the average share of total expenditure among organisations reporting expenditure in that area (base = 15–119, depending on area).

6.3. Funding

When asked how successful they were in applying for funding sources relevant to them, almost four in five responding organisations reported being very or somewhat successful when applying for funding distributed by LIOs (79%). Oldham's LIO, Action Together, works with local public-sector partners, including Oldham Council, to provide established routes for community investment. One example is the One Oldham Fund, which brings together resources to support VCFSE organisations across priorities including recovery, children and young people, and community spaces.[20]

Around two thirds of applicants reported at least some success with local authority funding (67%), more than three in five with grants from trusts and foundations (62%), and three in five with service delivery contracts (60%). Success was substantially lower for GMCA funding (38%) and national government grants (26%).

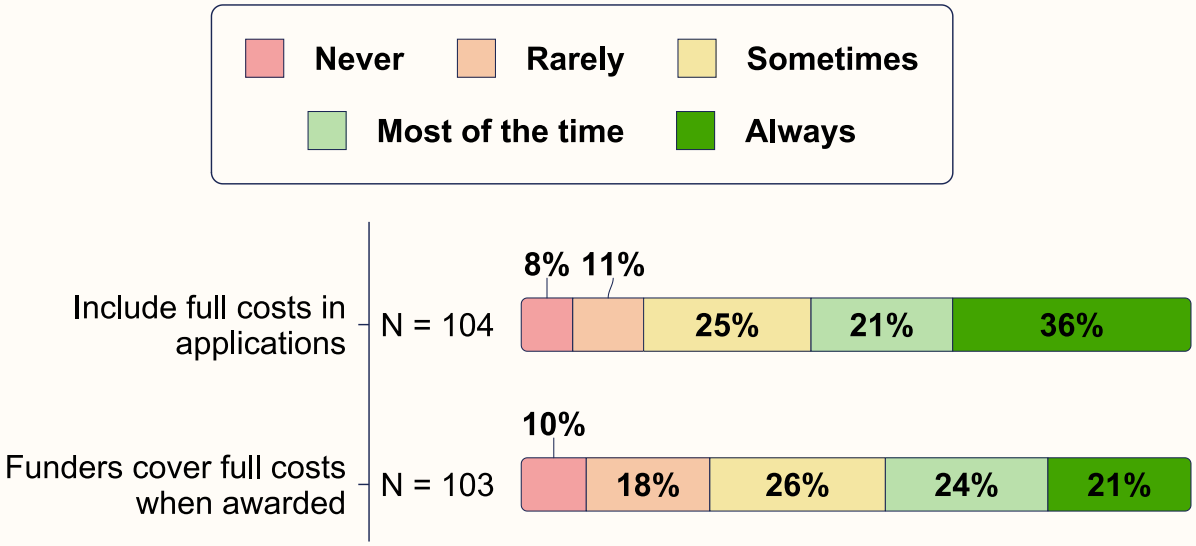
Figure 6.7. Success in funding applications over the past 12 months



Note. Bases are shown in the chart and vary by source. 'Didn't apply' responses excluded for each source. Shows outcomes among organisations that applied to each source. Percentages may not sum to 100% due to rounding.

A successful funding application does not always translate into financial security if the money is short term, restricted, or does not cover the real cost of delivering services. Almost three in five organisations say they always (36%) or mostly (21%) include full costs in applications, while fewer than half say funders always (21%) or mostly (24%) cover them when funding is awarded.

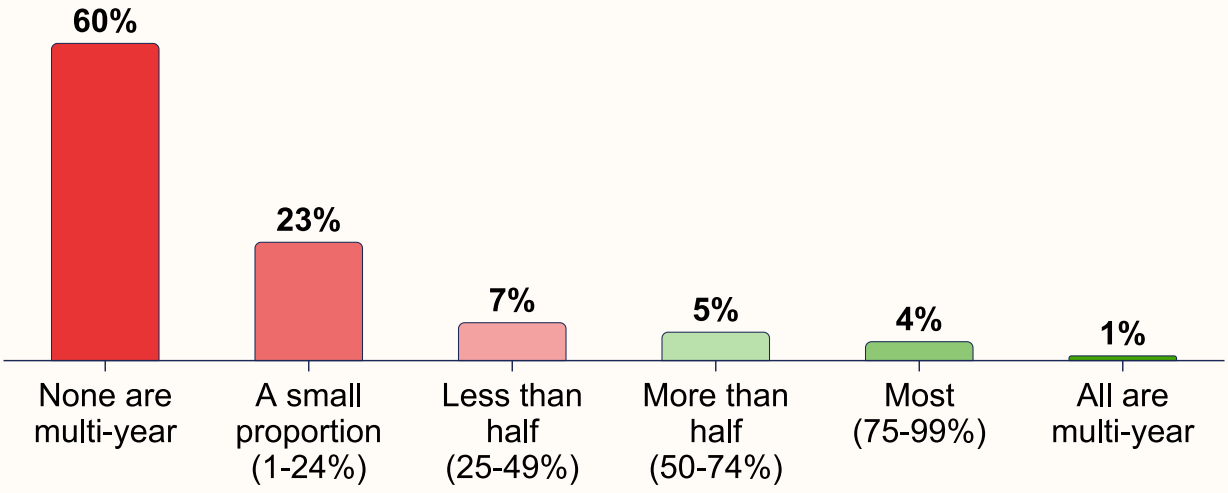
Figure 6.8. Full cost recovery



Note. Bases are shown in the chart. 'Don't know' responses excluded. Percentages may not sum to 100% due to rounding.

Longer-term funding gives organisations more scope to plan staffing and services, and IVAR's 2026 Funding Experience Survey found that multi-year grants were a leading priority for charities.[21] Yet among Oldham organisations receiving grant or contract income, nine in ten say less than half of this funding is multi-year (90%), including three in five that say none is (60%).

Figure 6.9. The proportion of organisations' grants or contracts that are multi-year (three years or more)



Note. Base = 111. Question shown only to organisations receiving income from grants or contracts from any source.

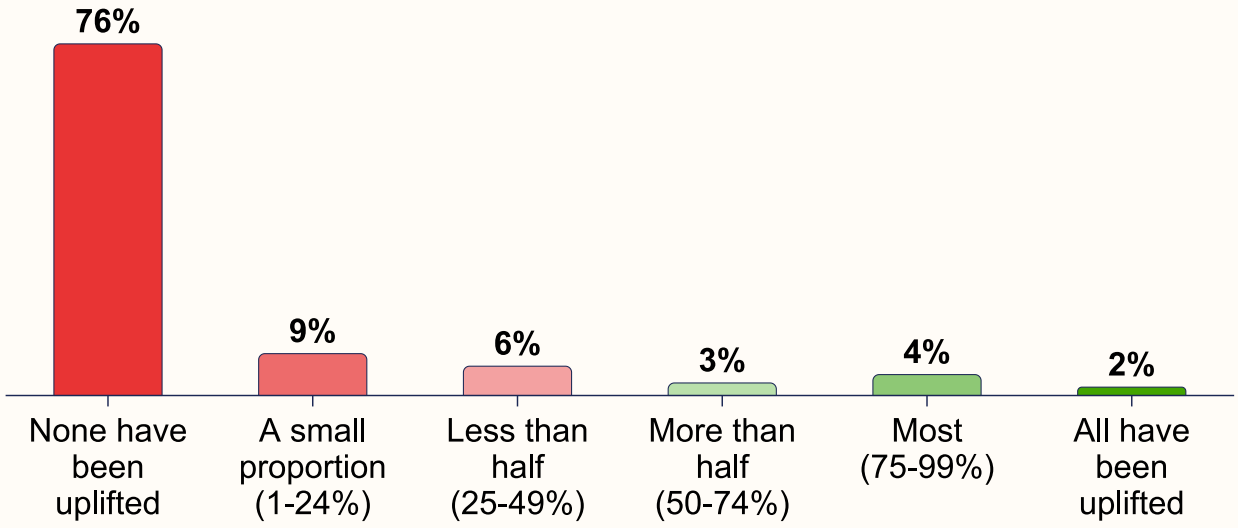
One consequence of short-term funding is that, just as support becomes established and trusted within a community, the funding needed to sustain it can come to an end. In the focus group, one participant described having to stop courses when project funding ended, even though people wanted to continue attending:

> “So when we've had funding… for a project, we've delivered it. And then we've got people asking us, when can I start the next course? And then that funding's gone… where do those people go?”

The focus group account points to the value of funding that gives organisations greater continuity and stability over time. Oldham Council’s three-year infrastructure grant to Action Together, agreed in January 2025, provides that longer-term commitment to the infrastructure supporting and funding VCFSE organisations. However, the council’s decision also recognised that keeping the annual award at the same level would reduce its value in real terms as costs increased.[22] Longer-term funding therefore needs to be considered alongside whether its value is sufficient to sustain the work over that period.

This makes uplifts particularly important where funding is committed over several years. Three quarters of organisations receiving grant or contract income say none had been uplifted to reflect rising costs over the previous year (76%), while only 6% say most or all had been uplifted. Where funding does not keep pace with costs, organisations may have to absorb the difference through other income, reserves or unpaid work, a pattern also identified nationally in the VCFSE sector’s delivery of public services.[19] However, these findings cover grants and contracts from all sources and should not be interpreted as an assessment of any single funder.

Figure 6.10. The proportion of organisations’ grants or contracts that have been uplifted over the past 12 months



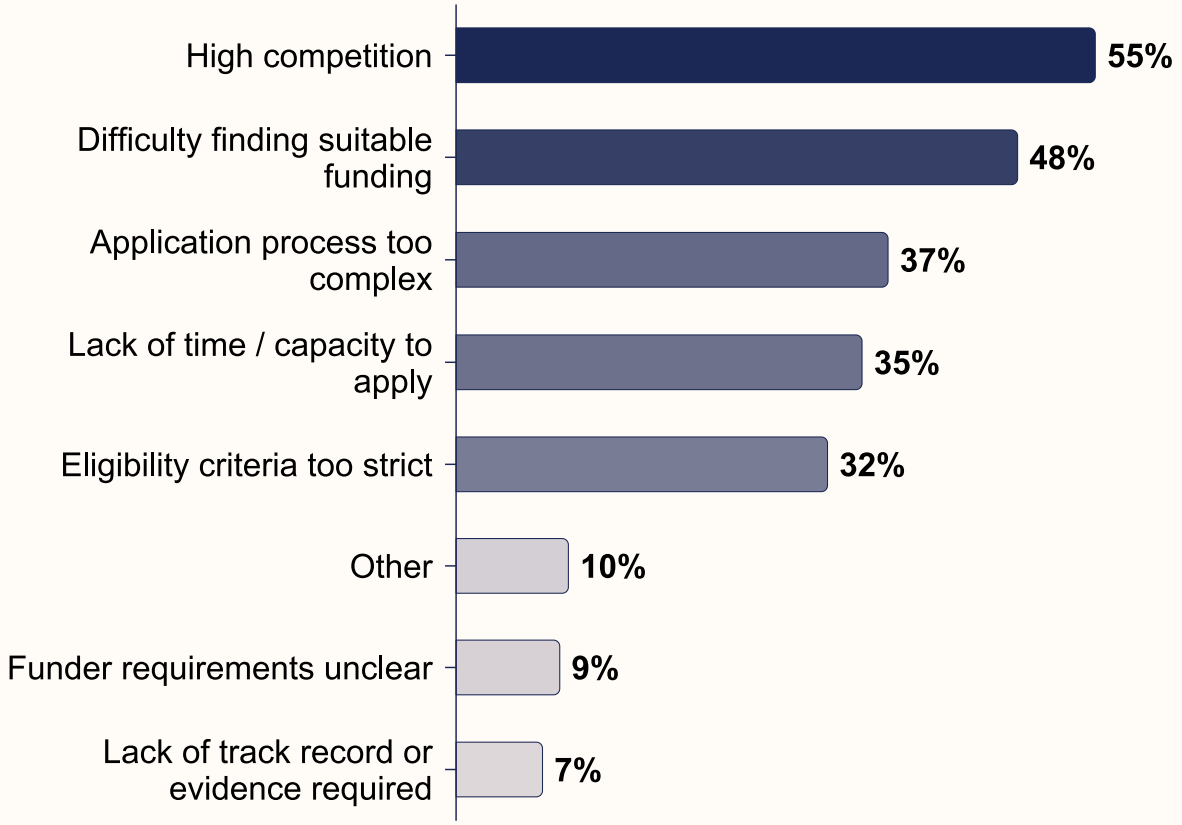
Note. Base = 111. Question shown only to organisations receiving income from grants or contracts from any source. Percentages may not sum to 100% due to rounding.

Multi-year contracts that remain fixed as delivery costs rise can lose value over time, leaving organisations to absorb the shortfall. One focus group participant described how this can force difficult choices between protecting staff, maintaining services and finding additional income:

> “You bid for a contract and it's over three or four years and the contract doesn't go up. It stays the same… unless you remodel every year, you lose members of staff because your contract's not worth what it was… the contract won't go up, but everything else is going up.”

Finding additional income to cover these shortfalls is itself becoming more difficult, with competition for funding increasing and funders reporting growing numbers of applications.[14] This is reflected in the survey: increased competition is the most commonly reported challenge with finding, applying for and securing funding (55%). Just under half struggle to identify suitable opportunities (48%), more than a third point to complex application processes (37%), and a third lack the time or capacity to apply (35%). Collectively, these pressures can make securing funding more time-consuming and uncertain, while limiting organisations’ ability to plan ahead, despite ongoing demand for their services.

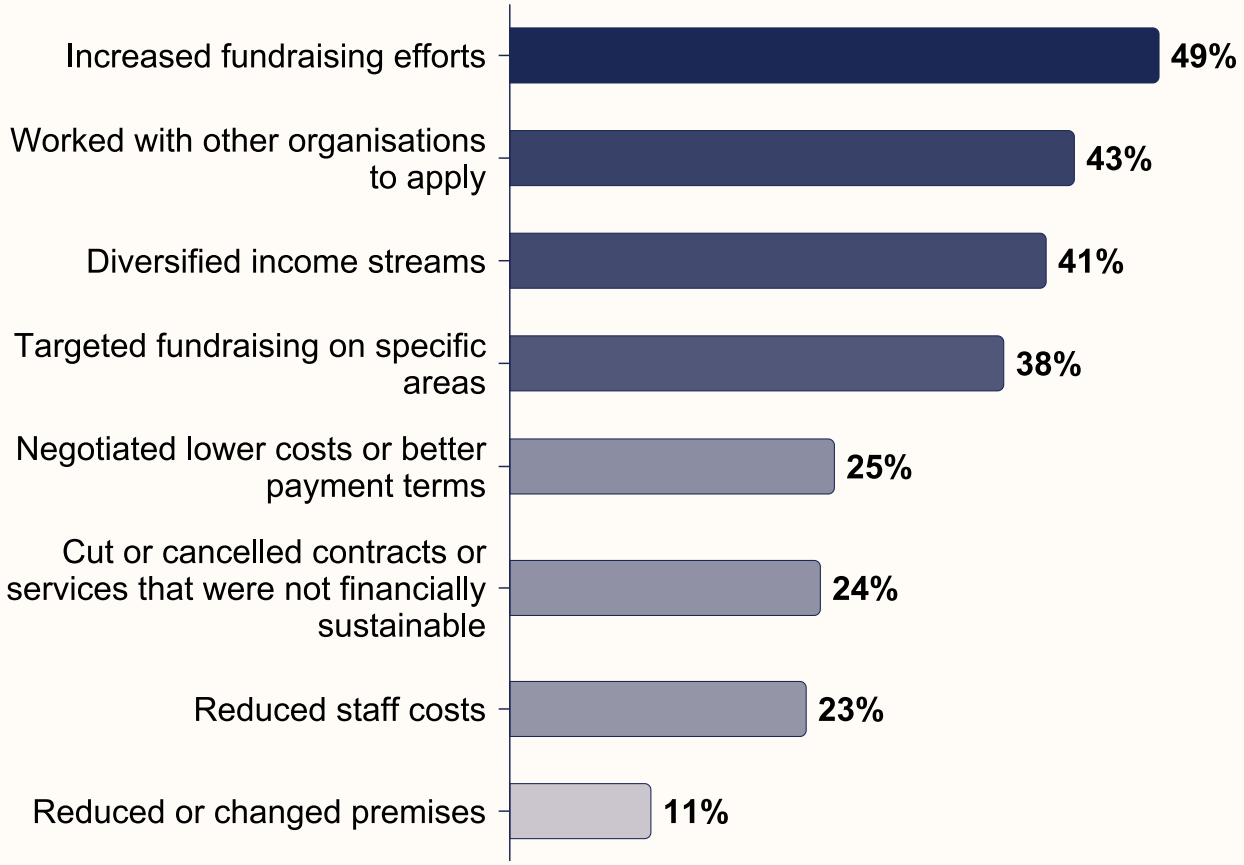
Figure 6.11. Funding challenges



Note. Base = 135. Respondents could select more than one option, so percentages do not sum to 100%.

To understand how organisations are responding to these funding challenges, we asked what steps they had taken over the previous year. Seven in ten (70%) had taken at least one action. Of this group, almost half increased their overall fundraising efforts (49%), while more than two in five worked with other organisations on applications (43%) or diversified their income or funding streams (41%). Almost two in five targeted specific funding areas or opportunities (38%). For the three in ten taking no new action over the previous year (30%), this may reflect limited scope to respond or measures already introduced before that period.

Figure 6.12. Actions taken in response to funding and income challenges



Note. Base = 93. Excludes respondents selecting 'No actions taken' (N = 40). Respondents could select more than one option, so percentages do not sum to 100%.

6.4. Premises

Physical premises are part of the sector's contribution, providing places where people can meet, take part in activities and access support. Responding organisations use a mix of premises arrangements: almost half lease or rent premises (49%), almost a quarter use premises with shared or free access (23%), and one in five own premises (20%). 15% do not use physical premises.

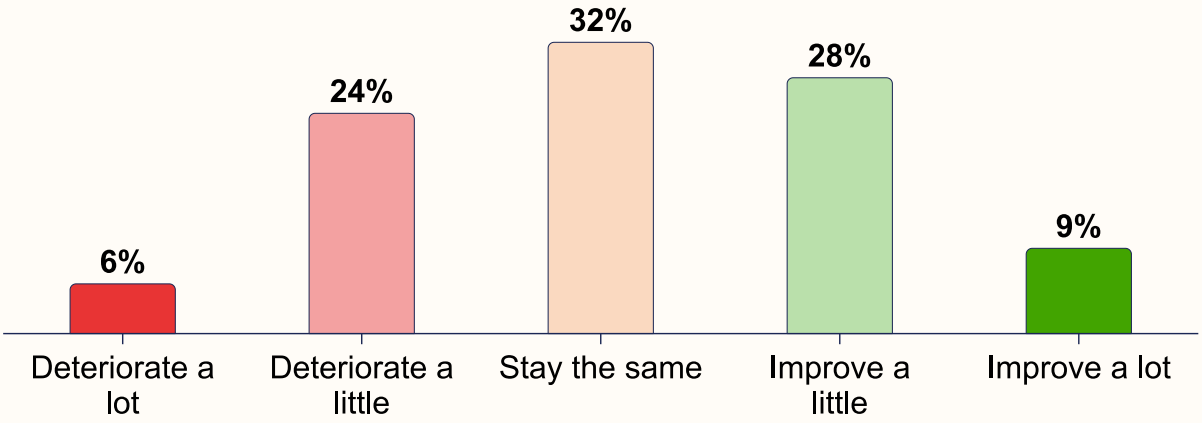
Keeping these spaces in community use also brings responsibility for their upkeep, which can place additional demands on organisations. One participant described taking on a community building after years of underinvestment and finding that the work required considerably more time and capacity than expected:

> “We inherited an old building that had been underinvested in for a long time… that's taken over a lot more time and a lot more energy than we initially thought.”

6.5. Future outlook

Oldham’s VCFSE organisations are planning for the next year while supporting more people and operating in an increasingly competitive funding landscape. This is reflected in mixed expectations for the next 12 months: almost two in five expect their financial position to improve (38%), while just under a third expect it to remain the same (32%) or deteriorate (30%).

Figure 6.13. Expected financial position over the next 12 months

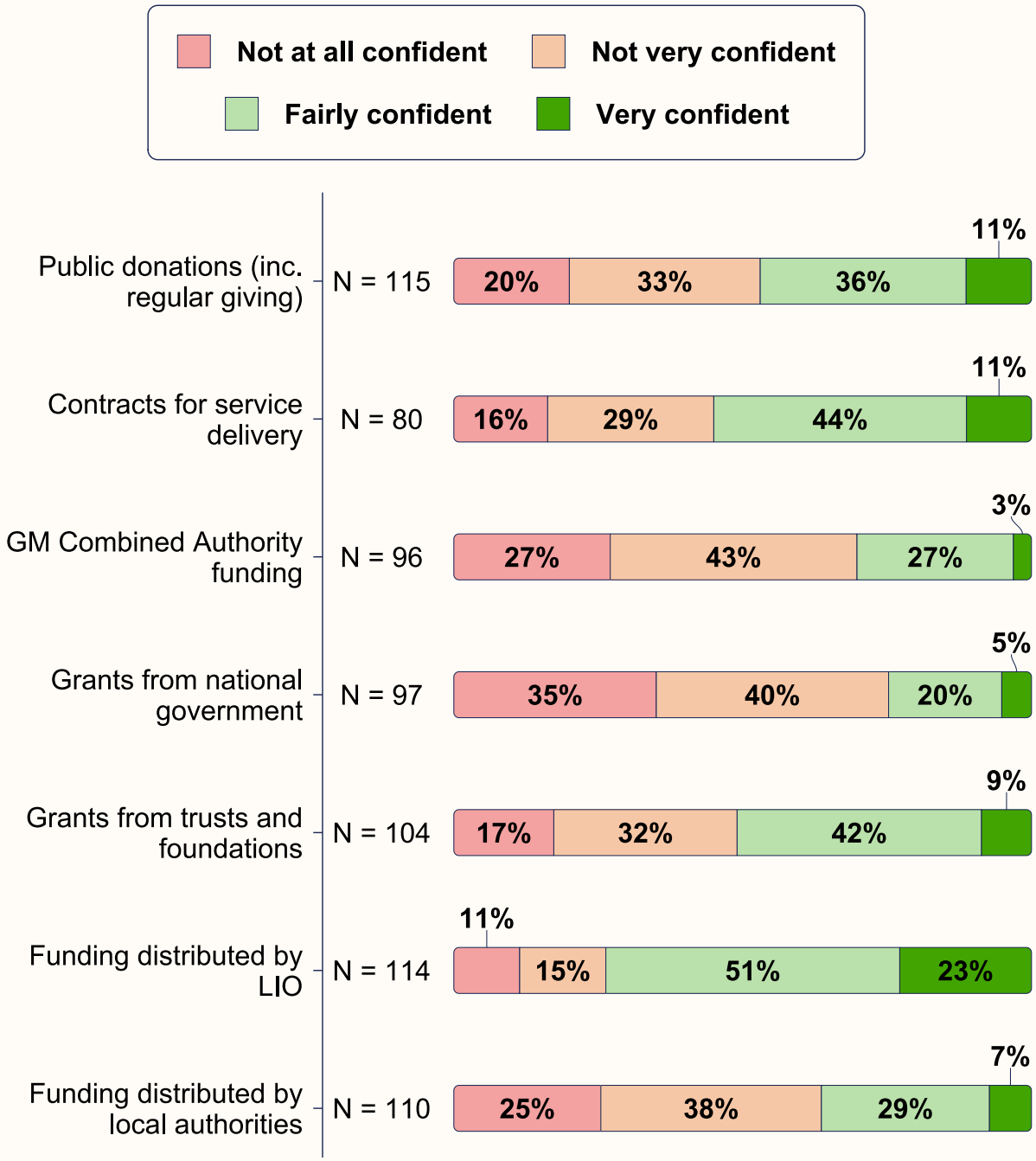


Note. Base = 127. ‘Don’t know’ responses excluded.

These mixed views are also reflected in organisations’ confidence in being able to secure funding from different sources over the next year. Among organisations that considered each source relevant to them, three quarters feel fairly or very confident in securing funding distributed by LIOs (74%), which was also the source with the highest success rate among previous applicants. More than half feel confident about service delivery contracts (55%) or grants from trusts and foundations (51%).

Confidence in local authority funding is lower, despite the success reported by previous applicants: almost two thirds are not very or not at all confident about securing it over the next year (64%). Three quarters are not confident about national government grants (75%), while seven in ten are not confident about GMCA funding (70%).

Figure 6.14. Confidence levels in funding over the next 12 months

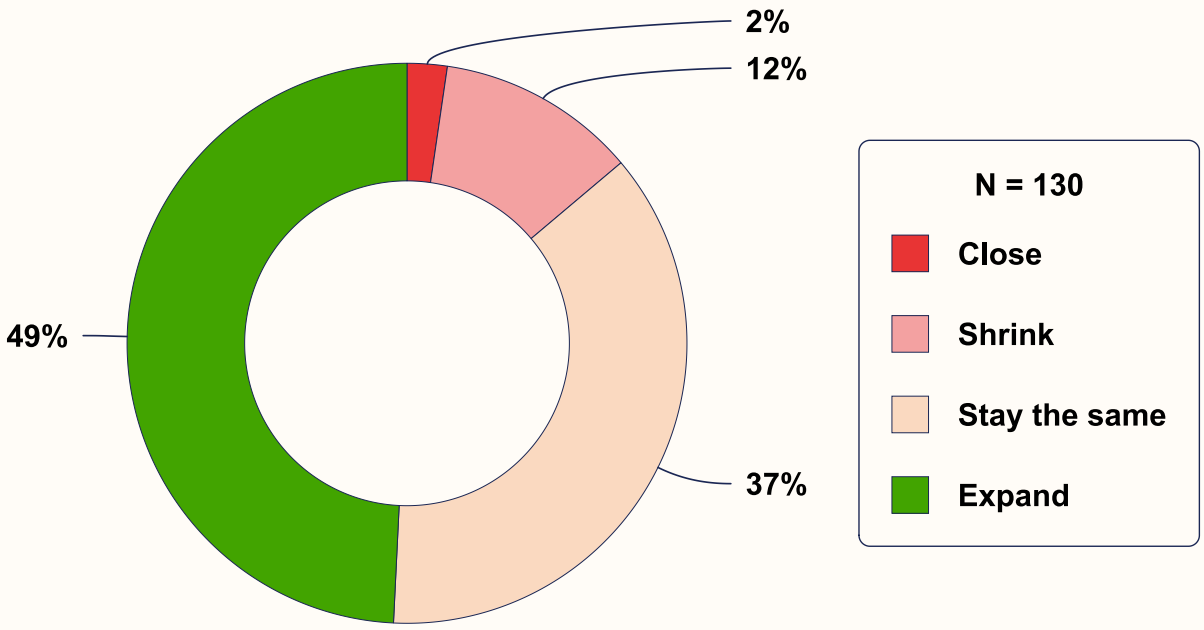


Note. Bases are shown in the chart and vary by source. 'Not applicable' responses excluded for each source. Percentages may not sum to 100% due to rounding.

These findings suggest that organisations feel most confident in funding built on trusted relationships, local knowledge and an understanding of community need. Confidence is lower for public sector funding, including at local authority level, where funders may face significant pressures on their own resources.

Looking ahead, almost half of responding organisations expect their operations to expand over the next year (49%), while almost two in five expect to continue at a similar level (37%). Around one in eight expect to shrink (12%), and 2% expect to close.

Figure 6.15. Organisational expectations for the year ahead



Ambitions to grow or maintain operations sit alongside a number of **financial risks**, with organisations pointing to competition for funding (58%), rising costs (50%), reduced donations or trading income (32%), and short-term funding cycles (31%) as the main risks to their financial sustainability.

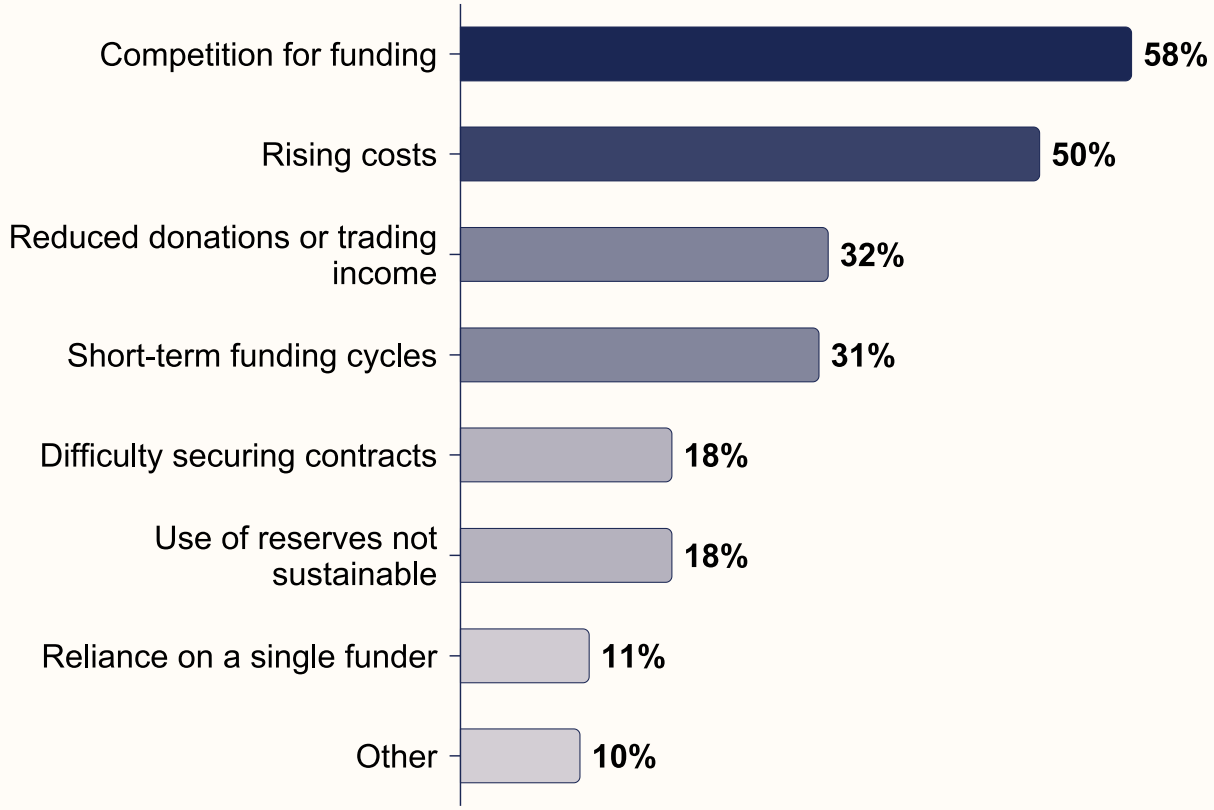


These interconnected pressures can have a cumulative impact on organisations. Rising costs make services more expensive to run while leaving residents with less money to donate or spend on the activities organisations provide. As more people also turn to the sector for support, organisations face pressure to secure additional funding both to meet growing demand and to cover shortfalls in existing income, adding to competition for available funds. Short funding periods make this harder to manage, leaving organisations repeatedly seeking money to sustain work their communities already depend on. One focus group participant described the implications of facing these pressures:

> “We're in quite a difficult position because we rely heavily on funding. There doesn't seem to be much long-term funding around… we've had to put an announcement out about closing some of these groups. They are vital crisis support for the community, but we're running them at a massive loss… We can get funding for projects, but not for the bills and to keep the space warm, and that is a big challenge for us.”

Project funding may enable individual activities to continue for a time, but without longer-term income for core costs, organisations can still face difficult decisions about reducing or closing services that communities are using.

Figure 6.16. Risks to financial sustainability



Note. Base = 125. Respondents could select more than one option, so percentages do not sum to 100%.

Conclusion

This report presents a clear call to action: Oldham's VCFSE sector must be recognised, supported and invested in as essential social infrastructure, not an optional extra or a free resource.

First, partners should use these findings to strengthen prevention and early help. VCFSE organisations are already providing trusted routes into support, social connection, practical help and neighbourhood-based activity. The growth of social prescribing and the connections made between services have proven these benefits. Public services, funders and commissioners should build this contribution into planning from the start, rather than relying on it informally once pressures have already escalated.

Second, access to support needs to be easier and more joined up. Lack of awareness, affordability, travel costs, stigma, digital exclusion and language barriers are not issues for individual organisations to solve alone. Oldham needs better-connected information, stronger referral pathways, support for community spaces and continued investment in trusted local connectors who can help residents, professionals and organisations find the right support. There has been good work done already within the sector to address this.

Third, volunteering and trusteeship need sustained infrastructure. Recruitment is the main pressure point, so action should focus on helping people take the first step into volunteering through confidence-building, flexible opportunities, training, expenses, wellbeing support and clear pathways. Oldham's volunteer strategy has made this a focus and should be used to widen participation, including for people who are unemployed or economically inactive, sanctuary seekers, refugees and people seeking asylum. Trustee recruitment should also be treated as a core part of volunteering, governance and sector resilience.

Fourth, funding arrangements need to change. Short-term, underfunded and highly competitive grants cannot sustain long-term community value. Funders and commissioners should move towards fairer, longer-term funding that covers the full cost of delivery, recognises rising costs, supports core capacity and creates routes for small and growing organisations to access suitable medium-scale investment.

Finally, the sector's insight should shape local decisions. Oldham's VCFSE organisations understand communities because they are rooted in them. Their evidence, relationships and lived experience should inform how the borough responds to rising demand, complex need and inequality. The task now is to match reliance on the sector with shared responsibility: sustained investment, practical support, stronger partnership and a commitment to the people, places and relationships that help Oldham's communities respond, adapt and lead change. The cost of not doing this would be far greater than the investment needed now.

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Oldham's State of the VCFSE Sector dashboard:
https://action-together.gmstateofthesector.org/

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