action together

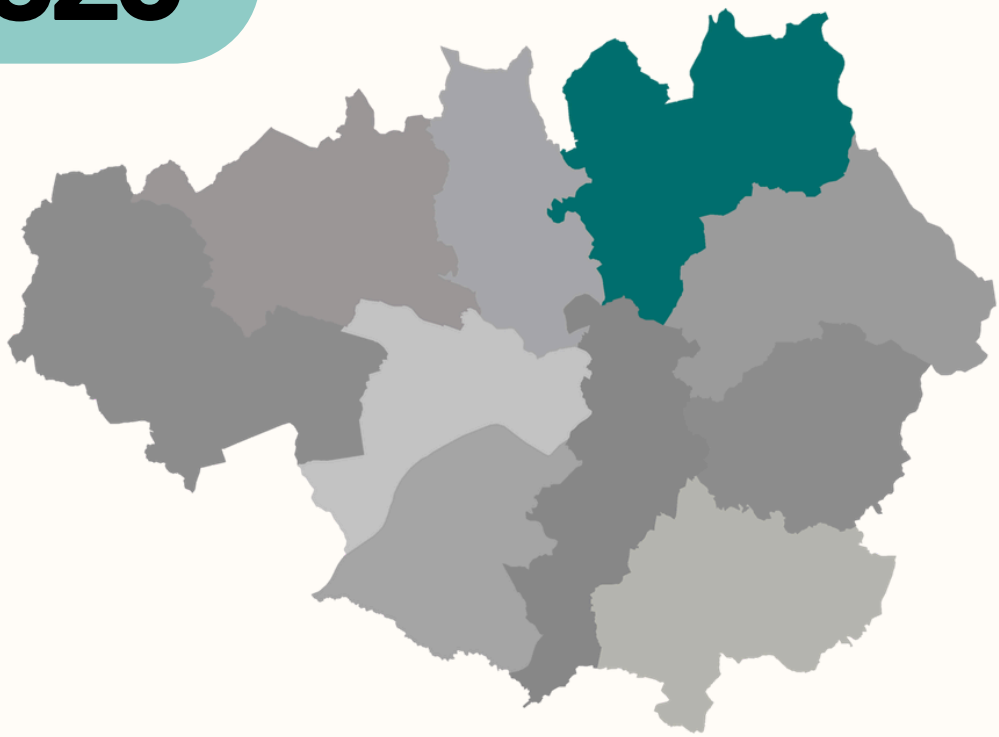
10GM

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

Rochdale

State of the VCFSE Sector

2026



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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

Rochdale's Voluntary, Community, Faith and Social Enterprise (VCFSE) sector is one of the borough's greatest strengths. It is made up of organisations and groups that are deeply rooted in local communities, shaped by residents' lived experience, neighbourhood relationships and a practical understanding of what people need. This report shows a sector that is an intrinsic part of Rochdale's communities. Organisations are present in the places where people live, trusted by residents, and able to respond in ways that formal systems and services can sometimes struggle to do.

What the sector does well is broad and often hard to capture in a single measure. Rochdale's VCFSE organisations support a wide range of local needs: health and wellbeing, community development, learning, culture, advice, advocacy, social connection, recovery, housing, family relationships and much more. They provide welcoming spaces, specialist support, trusted routes into help and the kind of informal, preventative activity that creates connections and solutions before problems escalate. They also bring people together: through volunteering, mutual support, neighbourhood activity and collaboration between groups. This continues Rochdale's strong history of co-operation.

Rochdale's strength lies in this combination of local rootedness and responsiveness. The borough has strong neighbourhood identities, a diverse population, long-standing local organisations, active community networks and a history of groups stepping forward where need is greatest. Our local sector is shaped by place: its work reflects Rochdale's social housing pressures, health inequalities, deprivation levels, racial inequalities, SEND needs, recovery communities and barriers to learning. These are the everyday realities that local organisations see, understand and respond to.

This is also a borough where relationships matter. The report highlights the importance of word of mouth, self-referral, outreach and referrals between organisations and from public services. That tells a positive story about trust, local reputation and collaboration. Rochdale's public sector partners recognise the value of community-based support, and strong foundations have been built. But the findings also make clear that recognition alone is not enough. Demand is being directed into community provision, but the resources needed to meet that demand do not always follow.

The challenges facing the sector are serious and urgent. Organisations are seeing rising and more complex need, with residents often facing overlapping pressures around poverty, poor health, housing insecurity, caring responsibilities, isolation and the cost of living. At the same time, the majority of organisations are small, volunteer-led or operating with limited staff capacity. As is the picture nationally, volunteer recruitment is becoming harder, trusteeship is under-recognised, and staff and volunteers are absorbing pressure to maintain service delivery. In many cases, the people holding communities together are themselves stretched and struggling to keep going.

The financial picture is equally important. Although Rochdale's VCFSE sector generates significant economic and social value, many organisations remain financially insecure. Funding is often short term, highly competitive, and insufficient to cover the true cost of delivery. Reserves are being used to plug gaps, cover routine costs and respond to increased demand. Some organisations are effectively subsidising public services that are vital to residents and valued by the wider system. This is not sustainable.

This report tells two stories in one. The first is a story of strength: a committed, co-operative, locally trusted sector that reaches people where they are, builds relationships and responds creatively to Rochdale's changing needs. The second is a story of pressure: increasing demand, constrained funding, rising costs, workforce strain and fragile sustainability. Both stories are true, and they need to be understood together.

The task now is to use this evidence well and respond to the needs of the local sector, and in turn of our communities. This report demonstrates that Rochdale's VCFSE sector not only provides services, but is essential social infrastructure. It should inform decisions about investment, prevention, neighbourhood working, community engagement and leadership, and how funding flows through the system. This evidence should also help the sector tell its own story with greater confidence: not only what it delivers, but why it matters. The survey findings and Individual Insight Reports, which provide each responding organisation with a tailored summary of their own results, will help organisations reflect on their strengths and identify where they may want to develop further. This will help local groups continue to build on the responsiveness and adaptability that already characterise Rochdale's VCFSE sector.

Rochdale's diverse communities are experiencing increasingly complex and overlapping pressures. The VCFSE sector is already responding, but the challenge for the whole borough is to ensure that the support, recognition and investment around the sector match the scale of what it contributes.

Thank you to all the Rochdale-based organisations who responded to this survey.

Maddy Hubbard, Director Rochdale, Action Together



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.

Rochdale sits within this wider context as a growing borough with a relatively young population, while older age groups have also grown. This demographic change is taking place in one of the most deprived local authorities in England. Rochdale is the third most deprived borough in Greater Manchester and the 17th most deprived nationally, with around a third of its small neighbourhoods among the most deprived 10% in England.[1,2] Employment deprivation is particularly widespread, while poor health, child poverty and barriers to education and skills add to the pressures experienced across many communities. The sector's work reflects this range of need, from support for children and young people, families, older residents and disabled people to work around housing insecurity, financial hardship, migration and barriers to learning.

This report provides an up-to-date picture of Rochdale'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 144 usable survey responses, one focus group, wider local and national evidence, and informed estimates of the sector's overall scale and contribution.

An estimated 1,337 VCFSE organisations and groups exist in Rochdale, supported by a collective workforce of around 34,000 staff, volunteers and trustees and generating approximately £113 million in annual income. Together, they provide around 480,000 contacts or episodes of support each year. The sector is strongly shaped by place, with many organisations working at neighbourhood or borough level and combining grassroots, relationship-based support with more formal service delivery. Wellbeing, health and social care, community development and inclusion, and education and training are prominent areas of work, alongside support around housing and homelessness, recovery and substance misuse, SEND, migration and racial inequality.

People often reach this support through word of mouth, direct contact, outreach and open-access routes, while VCFSE organisations are also receiving referrals from other community organisations and public services. These referral relationships are particularly prominent around adult social care, NHS services and social prescribing. Yet lack of awareness remains a major barrier to support, alongside affordability, stigma, and language or communication barriers. Focus-group participants also described people presenting with a wide range of mental health needs, from grief and isolation through to more complex conditions requiring specialist help, exposing the limits of what non-clinical community organisations can reasonably provide.

This increasing demand is being managed by a sector already experiencing pressure on its people and finances. Volunteer recruitment is a particular difficulty in Rochdale, and where staff, volunteer or trustee capacity is stretched, people are working longer and experiencing greater stress or burnout. For some organisations this is already affecting delivery, including being unable to meet demand, pausing parts of their work or reducing what they can provide. Financially, many organisations describe themselves as vulnerable or concerned about the future, with many holding short-term funding and using reserves to plug gaps in funding and cover routine operating costs.

Rochdale has, however, developed local routes both for funding community activity and for involving VCFSE organisations in wider system work. Action Together's Rochdale Communities Fund provides an established route for locally distributed funding, while the council's Crisis and Resilience Fund includes VCFSE grants within a wider response to pressures around housing, food, work and skills, digital inclusion and resilience. The Rochdale Live Well Leadership Collaborative goes further by funding selected VCFSE organisations for the time and costs involved in participating alongside public-system leaders.

Local routes for funding community activity, such as Rochdale Communities Fund and the Crisis and Resilience Fund, provide investment into crisis support and enable community organisations to influence wider decisions, but they do not remove the pressures identified in this report. Sustaining Rochdale's preventative and relational support will require investment that reflects local need and the real cost of delivery, including the people, organisational capacity and time required to work collaboratively as well as the services and activities communities see directly.



Glossary

This table provides a glossary of terms, abbreviations, and acronyms used in the Rochdale 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 VCSE 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 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 Rochdale and include estimates of the scale and contribution of Rochdale'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 144 usable responses from VCFSE organisations based in Rochdale. It asked about organisations' activities, who they support, where they work, demand for services, staff and volunteers, and 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 Rochdale 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 144 usable responses and an estimated 1,337 VCFSE organisations in Rochdale, 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 Rochdale. Estimated below-the-radar groups, which are not captured on formal registers, were excluded from this comparison because they could not be sampled directly. The Rochdale sample was reasonably well aligned with registered organisations by size, and sensitivity tests across more than thirty variables found that weighting did not materially change the findings. 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

Rochdale is estimated to have 1,337 VCFSE organisations: 475 registered organisations and 862 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 Rochdale using postcode data, and duplicate entries were removed. Below-the-radar groups were estimated using Office for National Statistics (ONS) population figures [4] and the population-based approach developed by Mohan et al. [5] 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 Rochdale 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 Rochdale 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 Rochdale'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 Rochdale. 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 Rochdale told us directly through the survey.

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

1,337 organisations

Rochdale's VCFSE sector is estimated to include around 475 registered and 862 below-the-radar organisations not captured on formal registers.

£113 million annual income

An estimated £112.53 million generated in 2024/25.

Mostly micro and small

Micro organisations and groups are estimated to account for three quarters (76%) of the sector; 15% are small, 8% medium and 1% large or above.

31,700 volunteer and trustee roles

The sector's work is powered by 24,300 volunteers and 7,400 trustees or Board members.

480,100 instances of support

Rochdale's VCFSE sector is estimated to provide around 480,100 contacts or episodes of support to people and communities each year.

3.30 million volunteer and trustee hours

Volunteers and trustees contribute an estimated 63,400 hours each week, equivalent to 3.30 million hours a year.

£44.33 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.

1,893 full-time equivalent paid staff

Equivalent to an estimated 2,539 individual employees working in Rochdale's VCFSE organisations.

£95.36 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 Rochdale's VCFSE sector.

2.2. What Rochdale organisations told us

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

> “The core of what we’re trying to achieve is reducing social isolation and loneliness. If somebody hasn’t got a social group that they can join in, we provide the social group... We offer transport support, digital support, some befriending... we have a series of lunch clubs, we deliver meals. They all complement each other. We’ve created our own infrastructure network, if you will, our ecosystem that self-supports every other part of what we do... There’s a definite increase in mental health issues.”

Demand is rising
Four in five (80%) say demand increased, while three quarters (76%) are supporting more people.

Financial vulnerability
More than two in five (42%) describe their organisation as vulnerable, struggling or at risk of imminent closure.

Funding not keeping pace
Among grant or contract recipients, almost four in five (78%) say less than half of their funding is multi-year and almost two thirds (62%) report no uplift for rising costs.

Reserves filling gaps
Among organisations using reserves, routine costs and funding gaps are the most common reasons.

Funding risks
More than three in five identify competition for funding (62%), followed by rising costs (46%) and short funding cycles (37%).

Volunteer capacity
Almost half (45%) report difficulty recruiting volunteers and almost two in five (39%) say they do not have enough volunteers to meet their objectives.



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

Action Together reflections

Rochdale's VCFSE sector is locally rooted, broad in activity and closely shaped by the borough's social, economic and demographic context. The survey results point to a mixed ecosystem of organisations, combining formal service delivery with grassroots, relationship-based support. This mix matters because Rochdale's needs are varied and often place-specific: organisations are responding not only to individual issues, but to wider pressures within their area.

The data reinforces the importance of local knowledge. Many organisations work at neighbourhood or borough level, while others connect residents into wider Greater Manchester provision. This means the sector provides both trusted local access points and routes into more specialist support. Its main areas of work – wellbeing, health and social care; community development and inclusion; and education, training and research – reflect the everyday needs of residents, with the third category reflecting perceived barriers to learning.

Several themes appear particularly significant in Rochdale, including housing and homelessness, tenants' rights, recovery and substance misuse, SEND, asylum seeker and migrant support, and work addressing racial inequality. These are not isolated activity areas; they reflect the way local organisations respond to overlapping needs, often where mainstream systems are stretched or difficult to access.

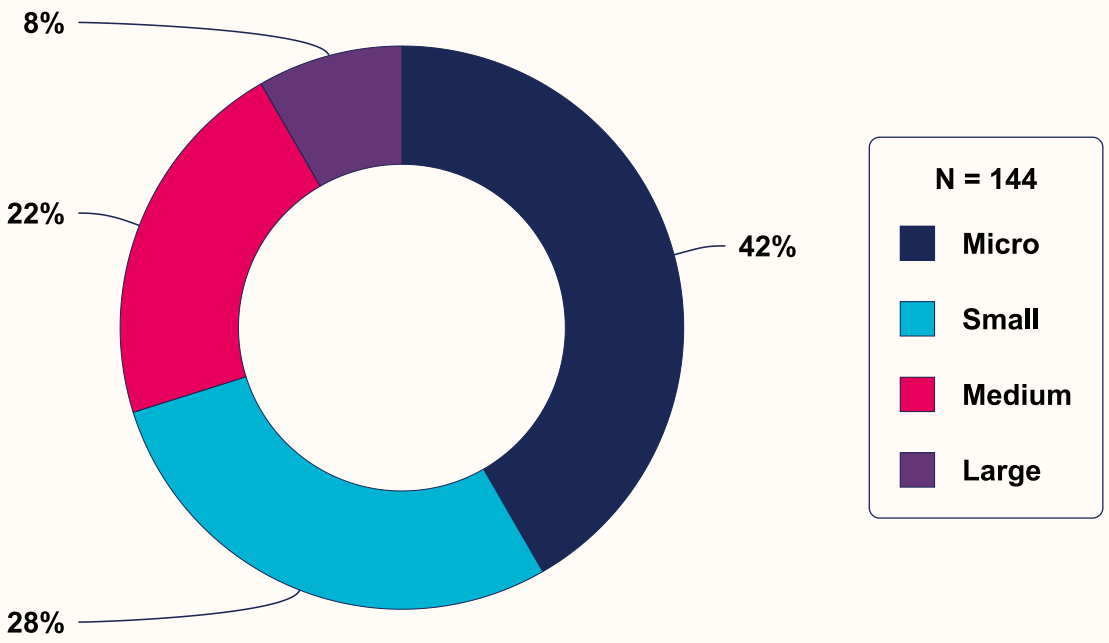
Overall, the findings suggest Rochdale's sector is shaped by place: working across age cohorts, supporting communities facing disadvantage or exclusion, and using local trust, relationships and practical knowledge to reach people in ways that more formal services may struggle to.



3.1. Size, legal form and organisation age

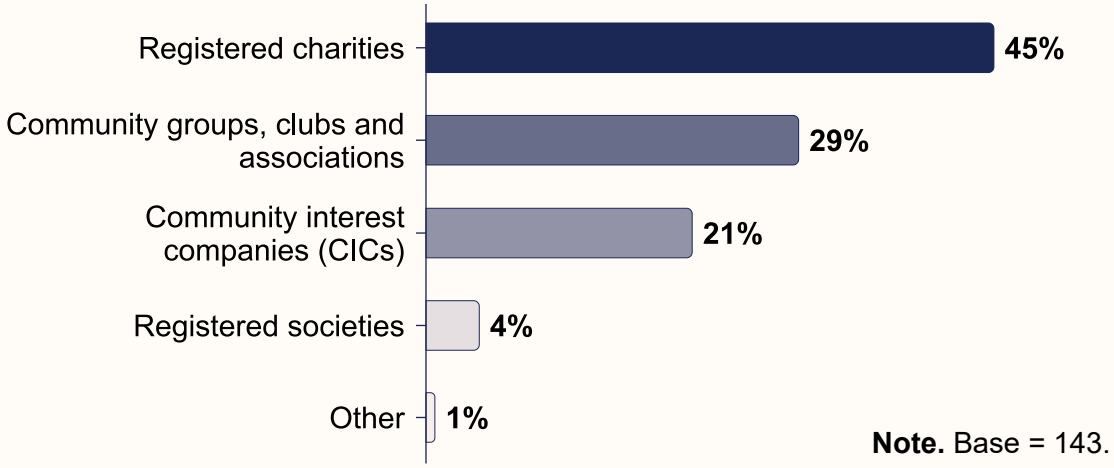
Around seven in ten responding VCFSE organisations are micro (42%) or small organisations (28%), while just over one in five are medium-sized (22%). Large, major and super-major organisations account for the remaining 8%.

Figure 3.1. Proportion of responding organisations by size



Registered charities account for almost half (45%) of responding organisations. More than a quarter are community groups, clubs or associations (29%) and one in five are Community Interest Companies (21%). Almost two in five (37%) identify as social enterprises, showing that trading and enterprise are part of how many organisations pursue their social purpose.

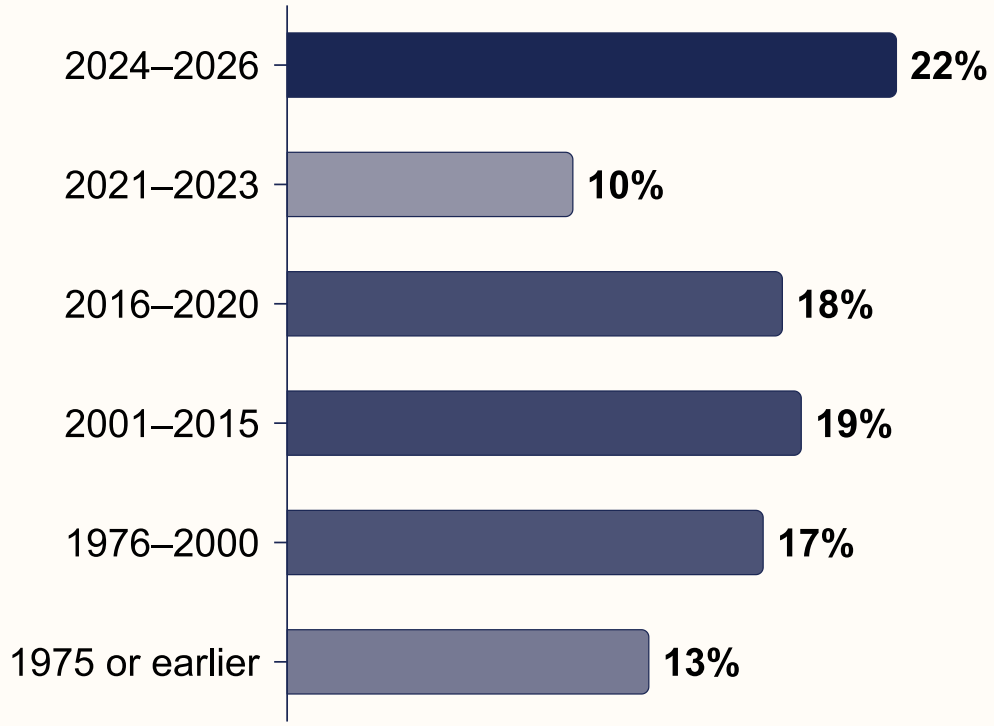
Figure 3.2. Proportion of responding organisations by legal status



Note. Base = 143.

The sector combines long-established organisations with newer groups responding to emerging needs. Almost a third were established within the past five years (32%), while almost one in five were established between 2016 and 2020 (18%). Around one in five were established between 2001 and 2015 (19%), while three in ten were established in 2000 or earlier (30%).

Figure 3.3. Year in which organisations were established



Note. Base = 144.

3.2. What they do

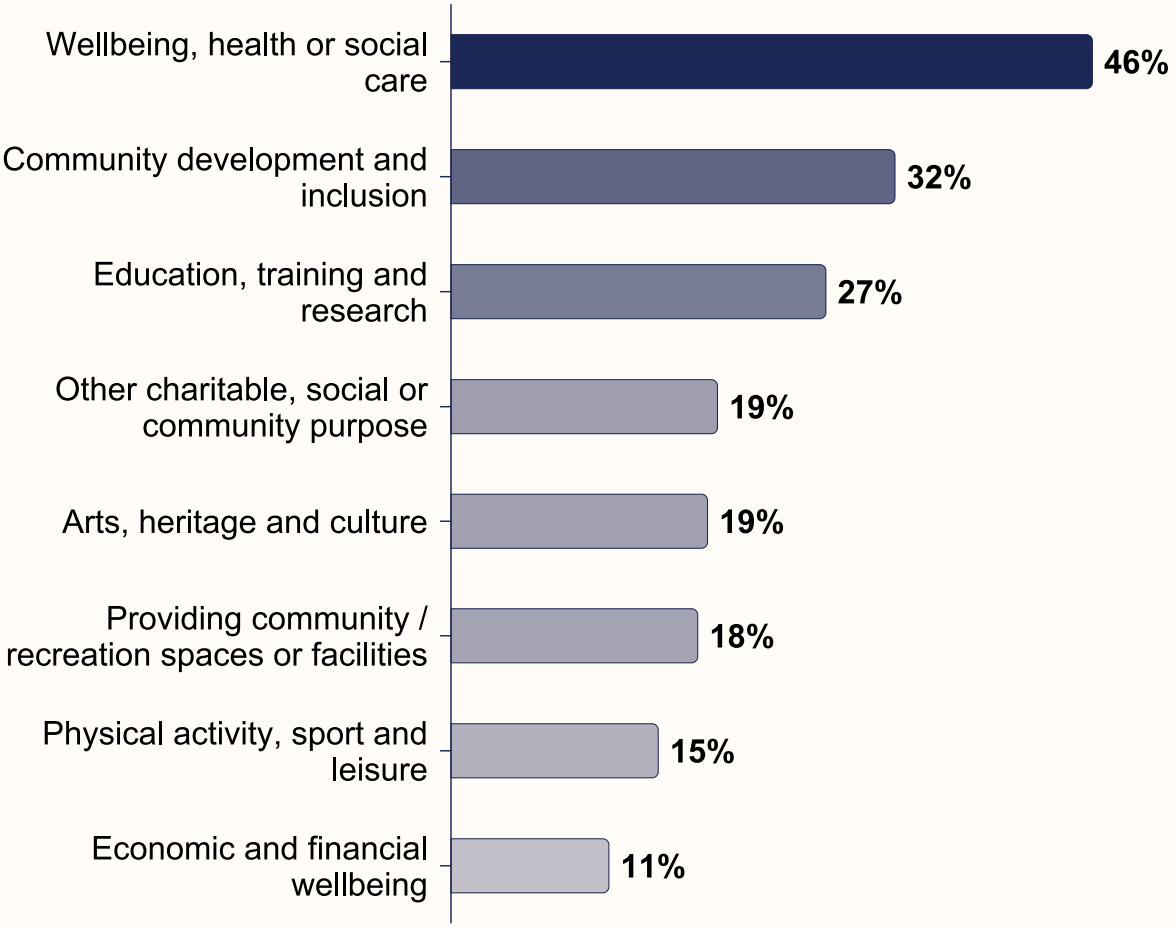
Almost half of responding organisations (46%) work in wellbeing, health or social care, delivering important work in a borough where more than a quarter of small neighbourhoods are among the most deprived 10% nationally for health and disability and where healthy life expectancy is well below the England average. [1,6]

One in three organisations focus on community development and inclusion (32%), more than a quarter on education, training and research (27%), and around one in five on arts, heritage and culture (19%), or community and recreation spaces (18%).

Focus group participants often described work that cuts across traditional service boundaries, combining support around health, social care, disability and wider practical needs:

> “I’m working [with] people with dementia and their carers, autism, learning disability and people with mental health [needs]… I’m a link, working with memory services and social services, from benefits to cognitive stimulation therapy… We also deliver health awareness sessions, cultural competence training [for] health and social care professionals, and culturally appropriate mental health services and talking therapies.”

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

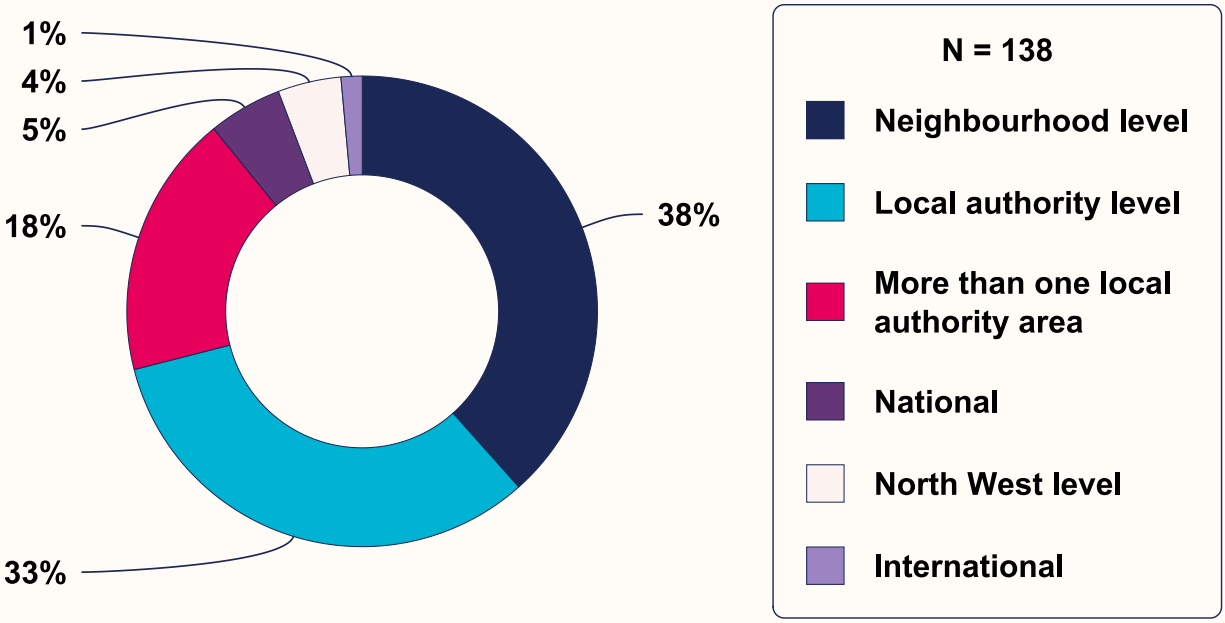


Note. Base = 140. Respondents could select more than one option, so percentages do not sum to 100%.

3.3. Where they operate

Many responding organisations work close to the communities they support. Nearly two in five operate primarily at neighbourhood level (38%) and a third work across Rochdale as a whole (33%). A further 18% work across more than one local authority area, while fewer operate across the North West, nationally or internationally.

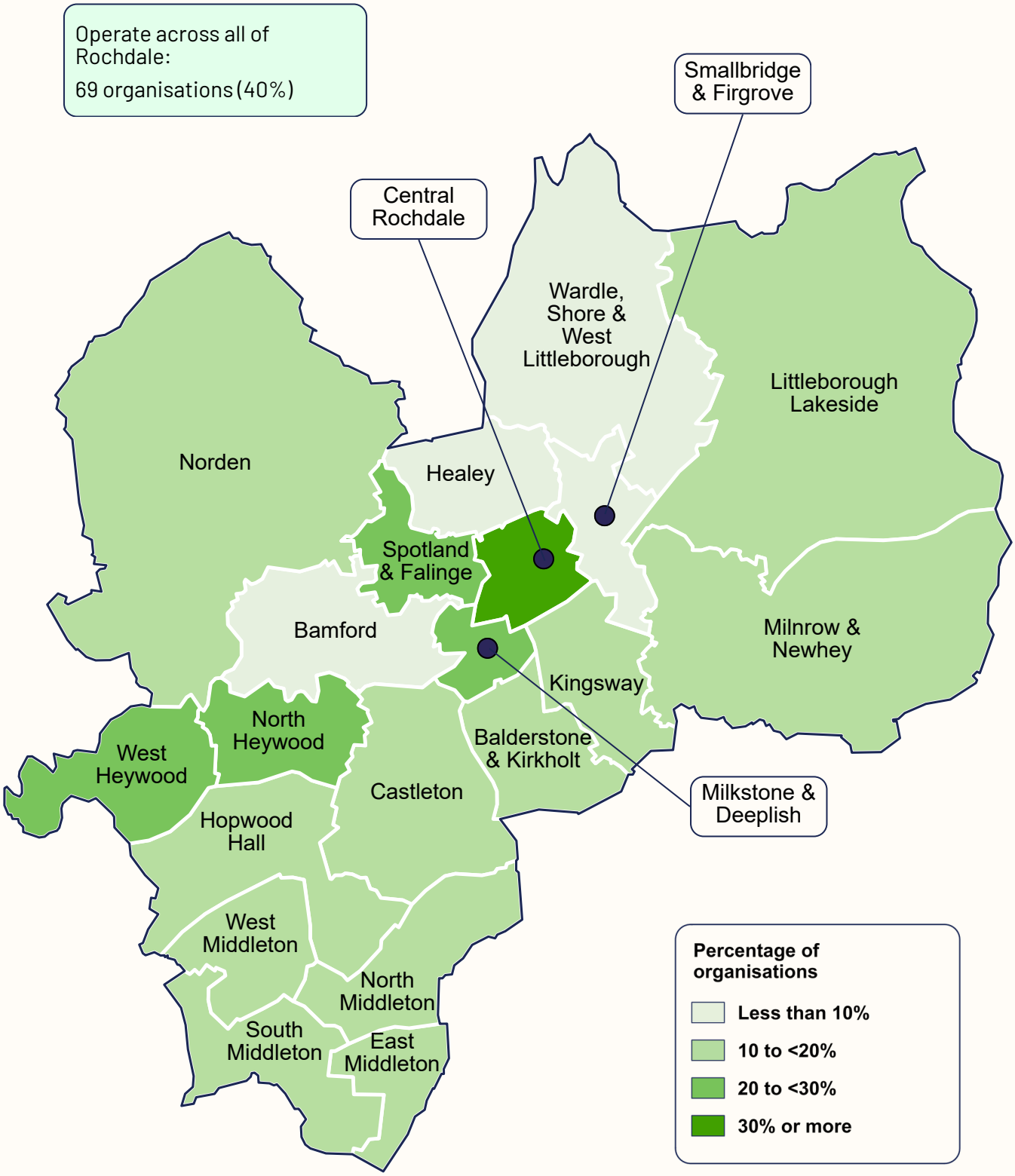
Figure 3.5. Geographic scope of organisation's work



Residents in Rochdale are also supported by VCFSE organisations based outside the borough. We therefore asked all respondents that selected Rochdale as one of their main areas of activity where within the borough they worked. Two in five (40%) said they operated across all of Rochdale.

Respondents who did not select 'All of Rochdale' could identify one or more individual wards. Among this group, Central Rochdale was the most commonly reported area of operation (34%), followed by North Heywood (25%), and Milkstone and Deeplish (24%). Bamford (8%) and Healey (6%) were the least selected options. This suggests that responding organisations are active in several of Rochdale's most deprived areas, including Central Rochdale and Milkstone and Deeplish.[1] However, lower reported activity in other wards may reflect gaps in provision, differences in local demand or the organisations captured by the survey.

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



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

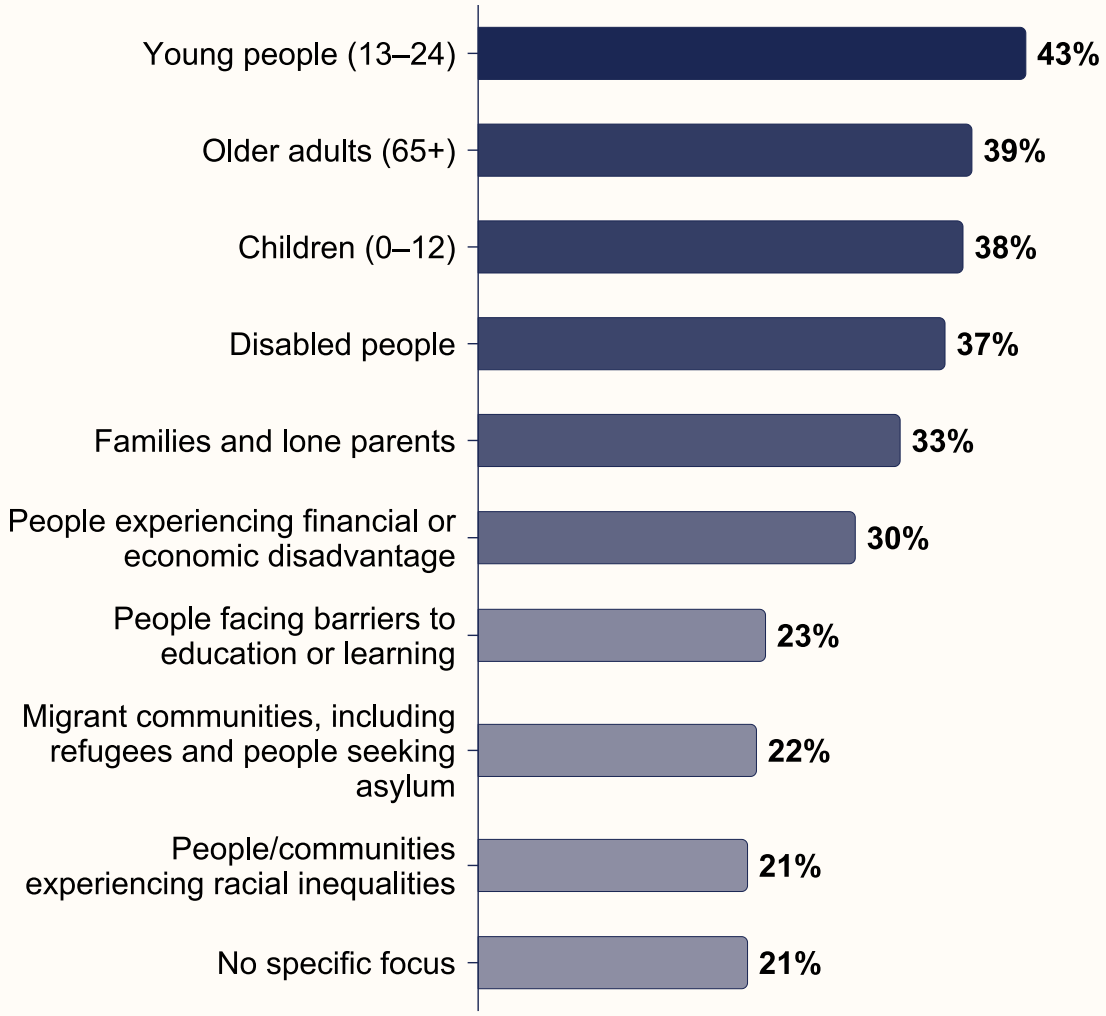
'All of Rochdale' uses the full valid base (N = 172); individual ward percentages use respondents who did not select 'All of Rochdale' (N = 103).

3.4. Who they support

Around two in five responding organisations say they support young people aged 13 to 24 (43%) and children aged 0 to 12 (38%). A third support families or lone parents (33%), while 30% work with people experiencing financial or economic disadvantage. This is important in a borough where more than a fifth of residents are aged under 16 and over a third of children lived in relative poverty after housing costs in 2024/25.[4] Two in five also support older adults (39%). Although Rochdale has a relatively young population, almost one in five of its neighbourhoods are among the most deprived nationally for income deprivation affecting older people.[1]

Organisations also work with communities connected by shared circumstances or identity, including people who may face greater barriers to accessing services or participating in community life. Reflecting the large proportion of organisations working in health, wellbeing and social care, around two in five support Disabled people and people living with long-term health conditions, including mental health conditions (37%). More than one in five support people facing barriers to education or learning (23%), migrant communities, including refugees and people seeking asylum (22%), and people experiencing racial inequalities (21%).

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



Note. Base = 142. Respondents could select multiple options so percentages do not sum to 100%.

4. Staff, volunteers and trustees

Action Together reflections

Rochdale's VCFSE workforce reflects the shape of the sector itself: mostly micro and small organisations, rooted in neighbourhoods and reliant on a small number of committed people. Just under half of survey respondents have paid staff, with paid work concentrated in larger organisations. This means many groups remain volunteer-led, while medium-sized organisations can face a difficult transition as they take on employees, governance responsibilities and more formal delivery expectations.

Volunteering remains central to Rochdale's social infrastructure, but the findings suggest it is under pressure. The sector contributes an estimated 24,300 volunteers and 7,400 trustees or Board members, yet around two in five organisations say they do not have enough volunteers to meet their objectives. Recruitment is the main pressure point: attracting new volunteers requires time, confidence-building and support. This reflects wider national changes in volunteering since COVID, but also local factors such as deprivation, poorer healthy life expectancy, caring responsibilities and people not always identifying informal community help as volunteering.

Trusteeship should be understood as part of this wider contribution, especially in micro groups where trustees may also deliver activities. The findings point to a committed but stretched workforce and volunteer base, delivering significant community value but absorbing growing pressure.

The people working in and with Rochdale'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.



4.1. Paid staff

Rochdale's VCFSE sector is estimated to employ 1,893 full-time equivalent paid staff, corresponding to approximately 2,539 individual employees. The work carried out by these staff is estimated to contribute £95.36 million to the economy each year through the services and activities they deliver. These estimates highlight that the sector is not only a vital source of community support but also a key contributor to inclusive economic growth, job creation and economic resilience across Rochdale.

Rochdale's VCFSE sector is estimated to employ **2,539** people

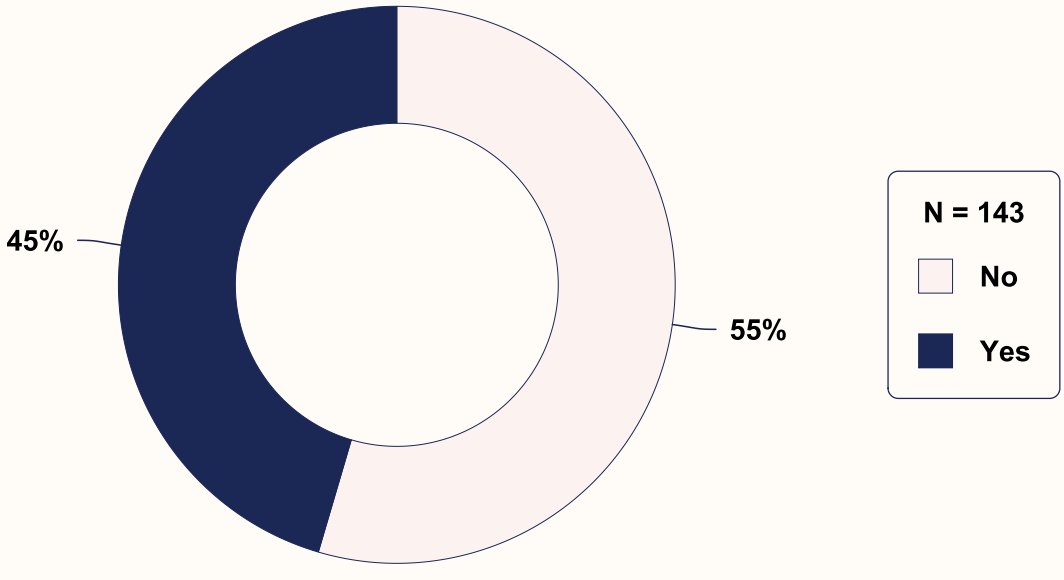
Estimated annual economic contribution from paid staff

£ 95.36 million

Almost half of responding organisations have paid staff (45%), and four in five organisations with eligible employees say they pay the Real Living Wage to all staff (81%). Paid employment is concentrated in larger organisations: all large organisations and almost all medium organisations (94%) report a paid workforce, compared with half of small organisations (50%) and few micro organisations and groups (7%).

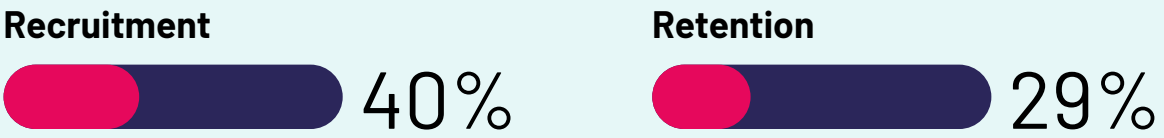
Just over half of organisations with paid staff have fewer than five full-time equivalent posts (51%). Almost a third have between five and 19 (31%), while almost one in five have 20 or more (18%).

Figure 4.1. Organisations with a paid workforce



When asked about recruitment and retention over the past year, two in five organisations with paid staff report difficulty recruiting staff (40%), while more than a quarter report difficulty retaining them (29%).

Figure 4.2. Staff recruitment and retention difficulties



Note. Question shown only to organisations with paid staff. Base: recruitment = 62; retention = 62. Shows the proportion answering 'Yes'. 'Don't know' responses excluded.

4.2. Volunteers and trustees

Across Rochdale, the sector is estimated to involve 24,300 volunteers and 7,400 trustees or Board members, contributing around 63,400 hours in a typical week. Over a year, this is approximately 3.30 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 £44.33 million each year.

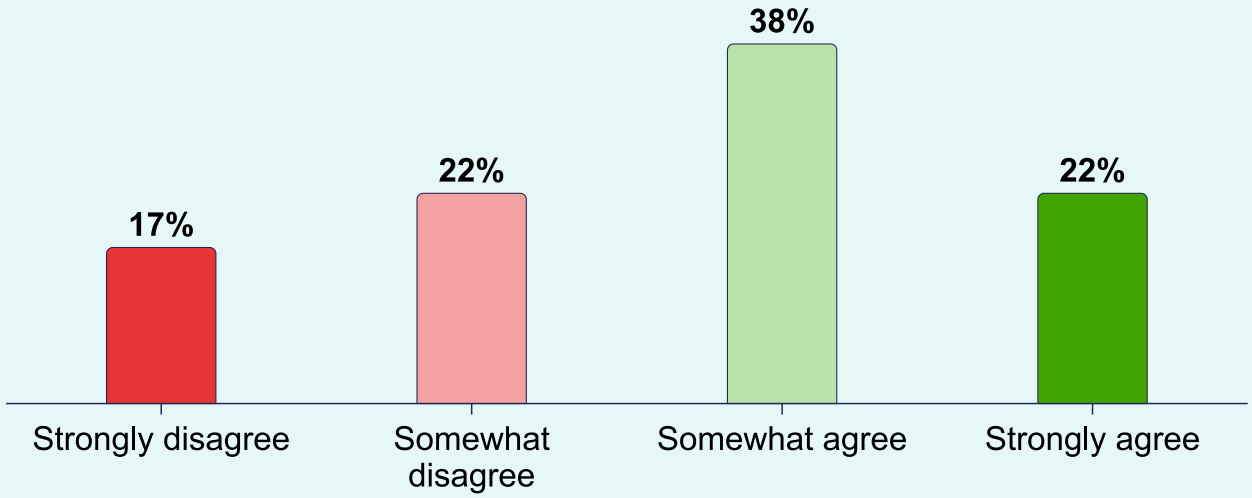
This contribution is substantial, but focus group participants stressed that maintaining it requires ongoing recruitment, support and retention. One participant described both the scale of their reliance on volunteers and the difficulty of recruiting when many organisations are seeking volunteers, particularly when time invested in bringing people into roles can be lost if they leave:

> "We are massively reliant on volunteers. Our transport service is volunteer-led, they do 1,200 trips a month, all are delivered by volunteers. So recruiting and retaining volunteers is a massive part of what we do… we're all looking for volunteers, but if everybody's shouting it, that becomes difficult… if you do invest time and effort and that person gets up to speed and then they leave, it is a double-edged sword."

More than two in five organisations have fewer than ten volunteers (44%), while more than a quarter have between 10 and 24 (30%), or 25 or more (26%). The support organisations offer volunteers is both practical and developmental. Around three in five reimburse expenses (62%), offer training, development or progression opportunities (62%), and provide recognition or social activities (58%).

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

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



Note. Base = 138. 'Don't know' responses excluded.

Recruitment appears to be the greater pressure. Almost half (45%) have found it difficult to recruit volunteers over the past year, compared to just under a quarter that have found it difficult to retain volunteers (24%). These pressures sit 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.[7]

National patterns in volunteering by deprivation may add to this recruitment pressure. Adults in the least deprived neighbourhoods are twice as likely to volunteer formally each month as those in the most deprived neighbourhoods.[7] In Rochdale, around a third of residents live in the most deprived neighbourhoods nationally.[1,2] This means organisations recruiting locally in these areas may be drawing from communities where formal volunteering tends to be lower, even where demand for support is high.

Figure 4.4. Volunteer recruitment and retention difficulties



Note. Base: recruitment = 136; retention = 134. Shows the proportion answering 'Yes'. 'Don't know' responses excluded.

More than half of those experiencing recruitment difficulties say that a low response to recruitment activities is a barrier (57%). Around a third also report applicants being unsuitable for available roles (34%), insufficient funding to support volunteers (34%), limited flexibility (34%), and limited capacity to recruit and manage volunteers (33%).

Figure 4.5. Volunteer recruitment barriers

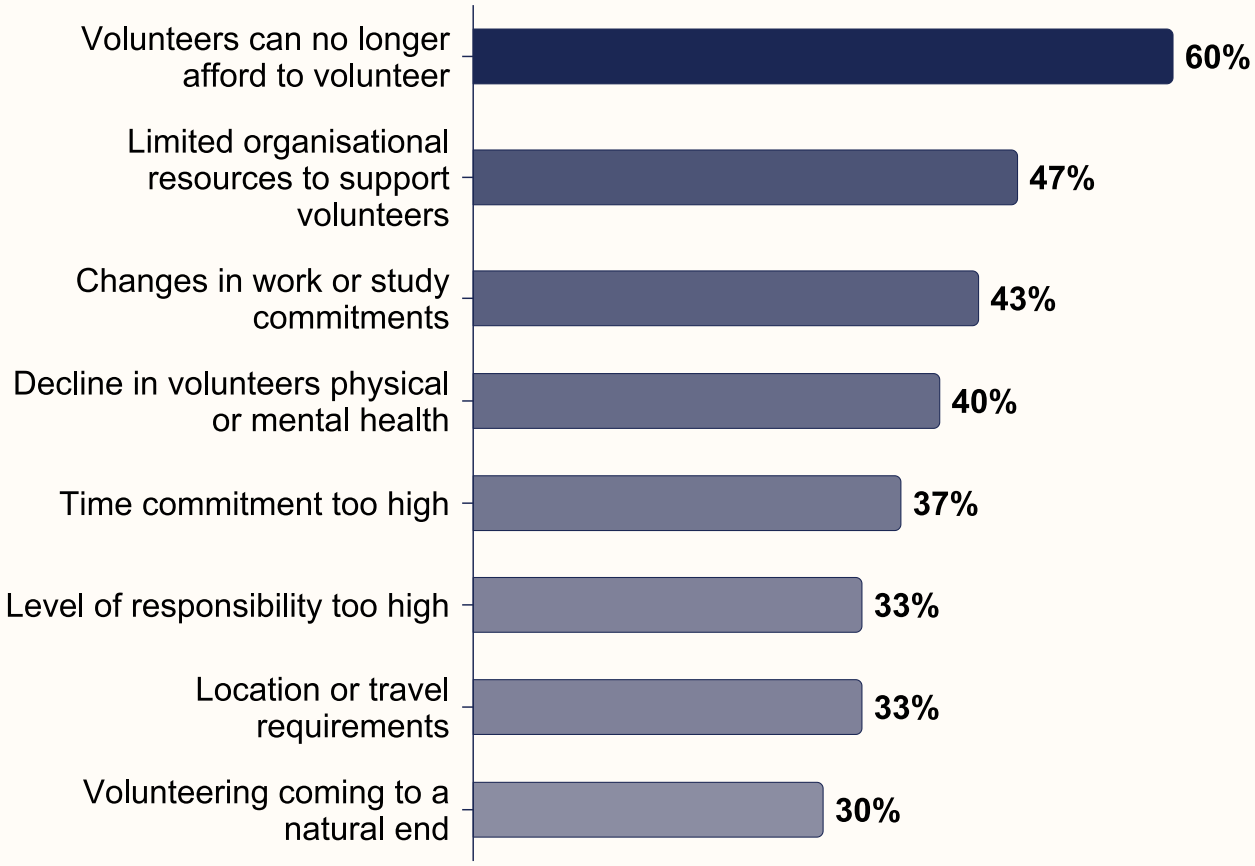


Note. Base = 61. Question shown only to organisations reporting volunteer recruitment difficulties. Figure shows the eight most commonly selected recruitment barriers. Respondents could select more than one option, so percentages do not sum to 100%.

While recruitment difficulties are more widespread, around a quarter also found it difficult to retain volunteers (24%). This group linked retention difficulties to changing volunteer needs and motives, as well as the resources required to support them.

Three in five responding organisations say the affordability of volunteering (60%) has made it more difficult to retain volunteers, while just half under point to limited organisational resources and capacity to support them (47%). Around two in five say that retention is made harder by changes in volunteers' work or study commitments (43%) or declining physical or mental health among volunteers (40%).

Figure 4.6. Volunteer retention barriers



Note. Base = 30. 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, and 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.

Among organisations experiencing recruitment or retention difficulties, almost half say shortages have led to increased stress or burnout among staff or volunteers (45%), two in five say employees are working increased hours (39%), while a third say volunteers are contributing more of their time (34%). National research has identified similar patterns, showing that both staff and volunteers are working or contributing more of their time.[8] Evidence has also shown that charity workers report high levels of stress, anxiety and emotional exhaustion because of their work. [9,10]

This risk is compounded in small organisations: Fair Collective's research showed that 85% of leaders within small organisations said their role had negatively affected their mental health, while two thirds (67%) had no budget to support their own or their team's mental health.[11]

Focus group participants also described how limited staffing means people often have to take on multiple roles, with involvement in strategic work adding further demands alongside day-to-day delivery:

> "We're most definitely in more strategic spaces and that obviously puts higher demands on our capacity... we're very much more outward looking, but obviously that changes staff roles and it changes the dynamics within the organisation. It's a balancing act."

Alongside these pressures on staff and volunteers, more than two in five organisations experiencing difficulties say shortages have left them unable to meet demand (44%). A similar proportion have paused some operations (38%), while more than a quarter have reduced the quality or scope of delivery (27%).

Figure 4.7. How recruitment or retention difficulties are affecting organisations



Note. Base = 64. Question shown only to organisations reporting recruitment or retention difficulties among staff or volunteers. Figure shows the eight most commonly selected responses. Respondents could select more than one option, so percentages do not sum to 100%.

5. Communities supported, demand, and access

Action Together reflections

Rochdale VCFSE organisations are supporting rising and more complex needs as many residents are affected by multiple pressures at once, including deprivation, poorer health outcomes, housing insecurity, caring responsibilities and the cost of living. These conditions mean people are more likely to need practical, emotional and longer-term support, and often present with overlapping needs rather than single issues.

Rochdale's diverse communities and strong local networks also shape how people find and trust support. Word of mouth, self-referral, outreach, open access and referrals from VCFSE and public sector partners show the importance of trusted local relationships. At the same time, lack of awareness remains a major barrier, suggesting that residents, professionals and systems may still struggle to navigate what is available. This is likely intensified by fragmented community navigation and social prescribing routes, as well as stigma, digital exclusion, affordability, and language and communication barriers.

These local pressures also affect how impact is evidenced. Organisations are using a wide variety of techniques, including stories of change, feedback, monitoring and reporting, but much of Rochdale's VCFSE work is relational, preventative and community-based, making it difficult to capture fully through standard measures. The report demonstrates a trusted and responsive sector operating in a borough where demand, access barriers and evidencing requirements are all shaped by wider social and economic conditions.

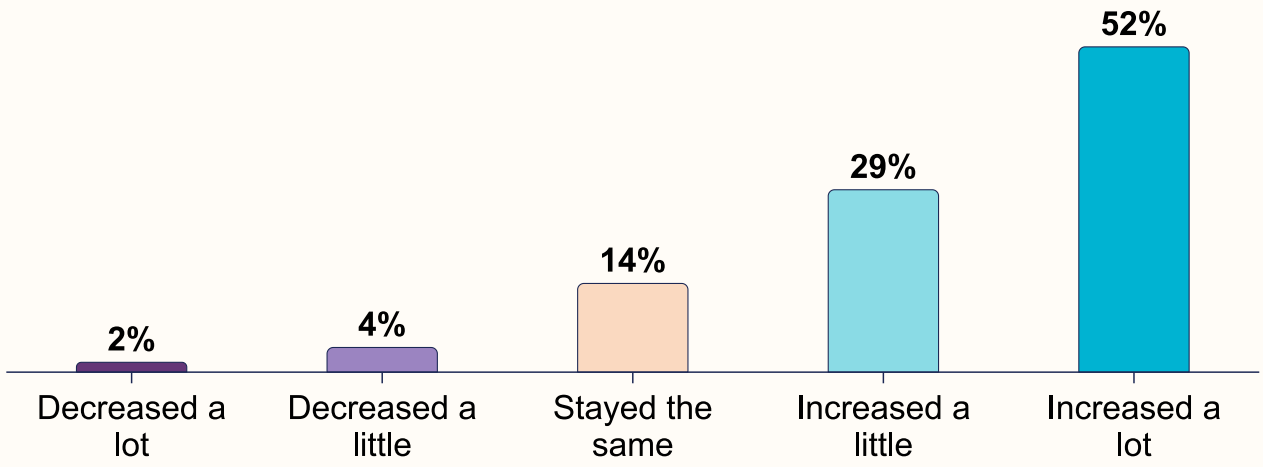
Rochdale's VCFSE organisations provide an estimated 480,100 contacts or episodes of support each year.

Evidence from both the survey and focus groups paints a picture of Rochdale VCFSE organisations acting as everyday social infrastructure. They are places, people, connectors, relationships and trusted routes into support in a borough where deprivation is particularly marked across income, employment, health and education.

5.1. Demand for services

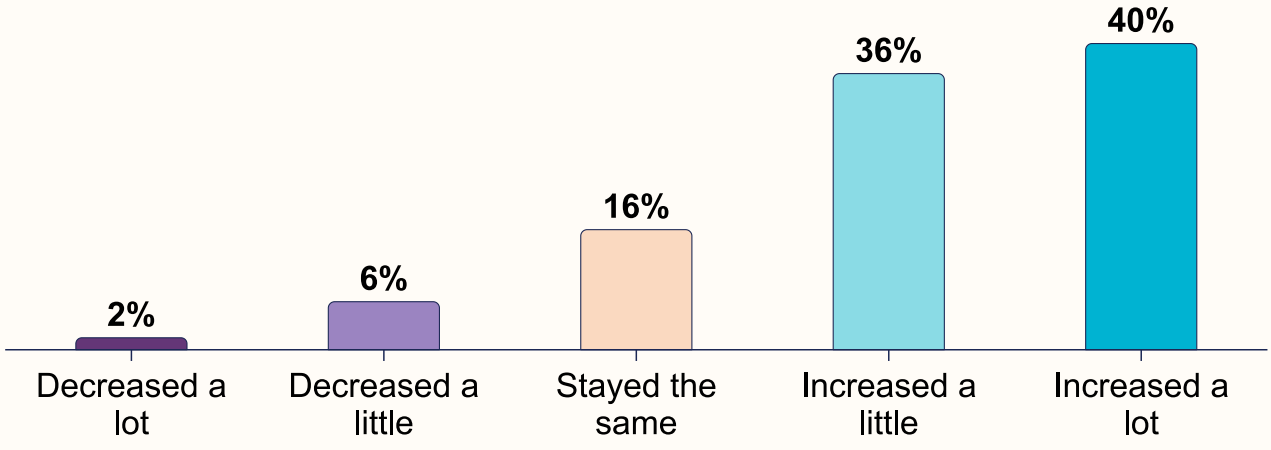
Four in five responding organisations (80%) say demand for their services increased over the past 12 months. More than half (52%) report that demand increased a lot, while three quarters (76%) say the number of people they support has also increased.

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



Note. Base = 128. 'Don't know' responses excluded.

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



Note. Base = 127. 'Don't know' responses excluded.

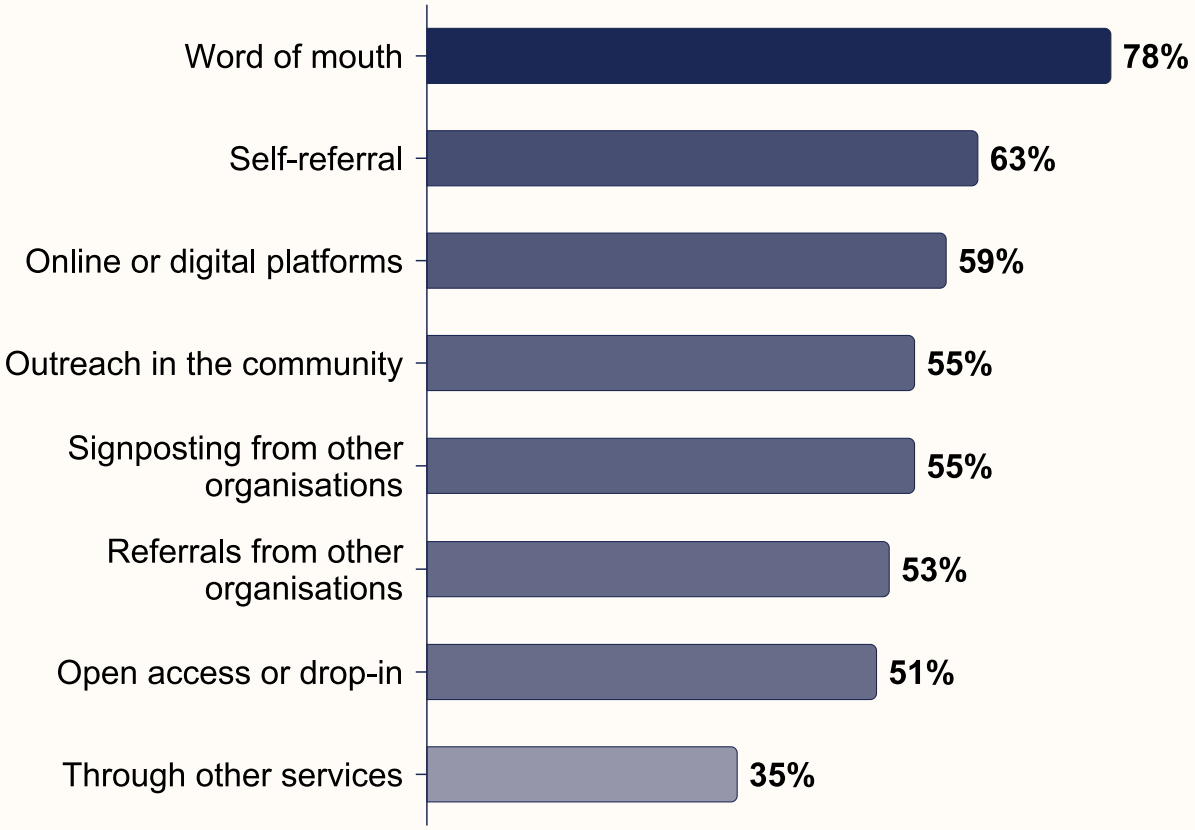
In the focus group, mental health was a recurring concern. Participants described seeing more people with needs ranging from emotional distress to complex mental ill health, creating challenges for community organisations that want to provide support while working within the limits of their role and expertise:

> “There's a definite increase in mental health issues. When we talk of mental health, it's such a broad brush. It can be somebody who is in grief through to somebody who is high level bipolar, and in all points in between. We try and support as best we can with the limitation that we're not clinicians.”

5.2. How people access services

People reach support through a wide range of routes, many of them direct and relational. Word of mouth is the most common (78%), followed by direct contact or self-referral (63%) and contact via online or digital platforms (59%). More than half report contact through community outreach (55%), and a similar proportion say people are signposted (55%) or referred (53%) by other 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, **more than nine in ten receive them from other VCFSE organisations and groups** (91%) and from **public sector organisations or services** (90%), while almost a third receive private sector referrals (32%). Referral pathways are typically health-related, with most originating from adult social care, NHS health services and social prescribing or community wellbeing.

Rochdale's Anti-Poverty Strategy and Live Well recognise the need for earlier and more joined-up support across services and communities.[12,13] The HMR Integrated Care Partnership and Family Hubs similarly emphasise connecting residents with community-based support.[14,15] The borough's Early Help Strategy sets out a shared role for the VCFSE sector alongside health, education, social care, training and employment, with the aim of preventing needs from escalating to statutory services.[16]

This places community support within a collective response, rather than leaving individual organisations to address the full range of needs presented to them. This sentiment was echoed by focus group participants who recognised the importance of understanding and working with other organisations to make sure that people receive the right type of support at the time they need it:

> "[It's important] to make sure that we're well aligned with other organisations, making sure that we're up to date and we're able to refer people into the right places … we all should be knowing where we can signpost people out to, and where we can get them the quickest resolution possible."

These pathways show how closely the sector sits within local support systems, particularly for health and wellbeing, and while referrals are an important part of connecting people to trusted help, they must be accompanied by adequate resources to deliver that support sustainably. At least half of organisations receiving referrals say no funding was received across a range of organisations and services from which the referral originated.

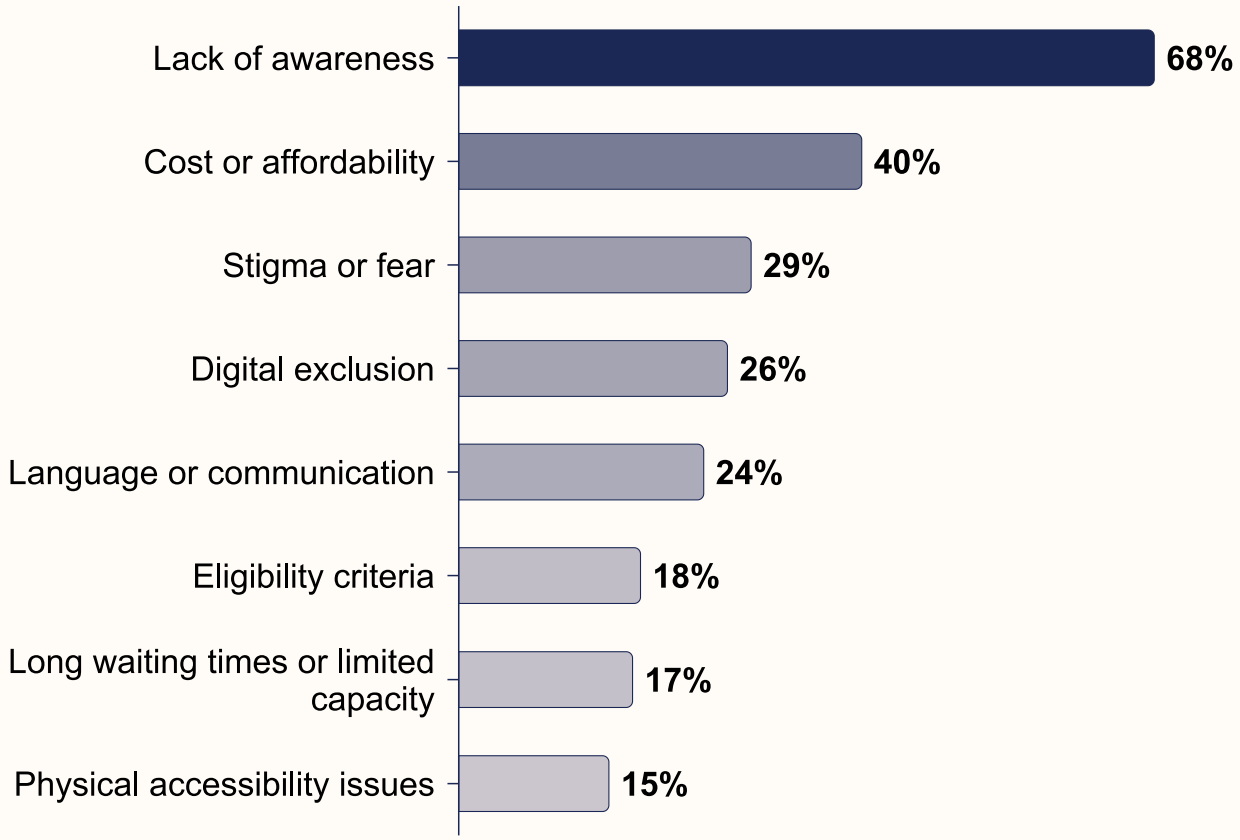
5.3. Barriers to access

Rochdale'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 (68%), followed by affordability or the cost of taking part, including fees or travel costs (40%). More than a quarter identify stigma or fear (29%) and digital exclusion (26%) as barriers, while around a quarter point to language or communication barriers (24%).

Local partnerships already recognise some of these barriers and are taking steps to address them. For example, Rochdale Borough Council and Action Together's 2026/27 Crisis and Resilience Fund supports existing crisis provision, including foodbanks, to help people who are unable to afford essentials.[17]

Figure 5.4. Barriers to accessing services

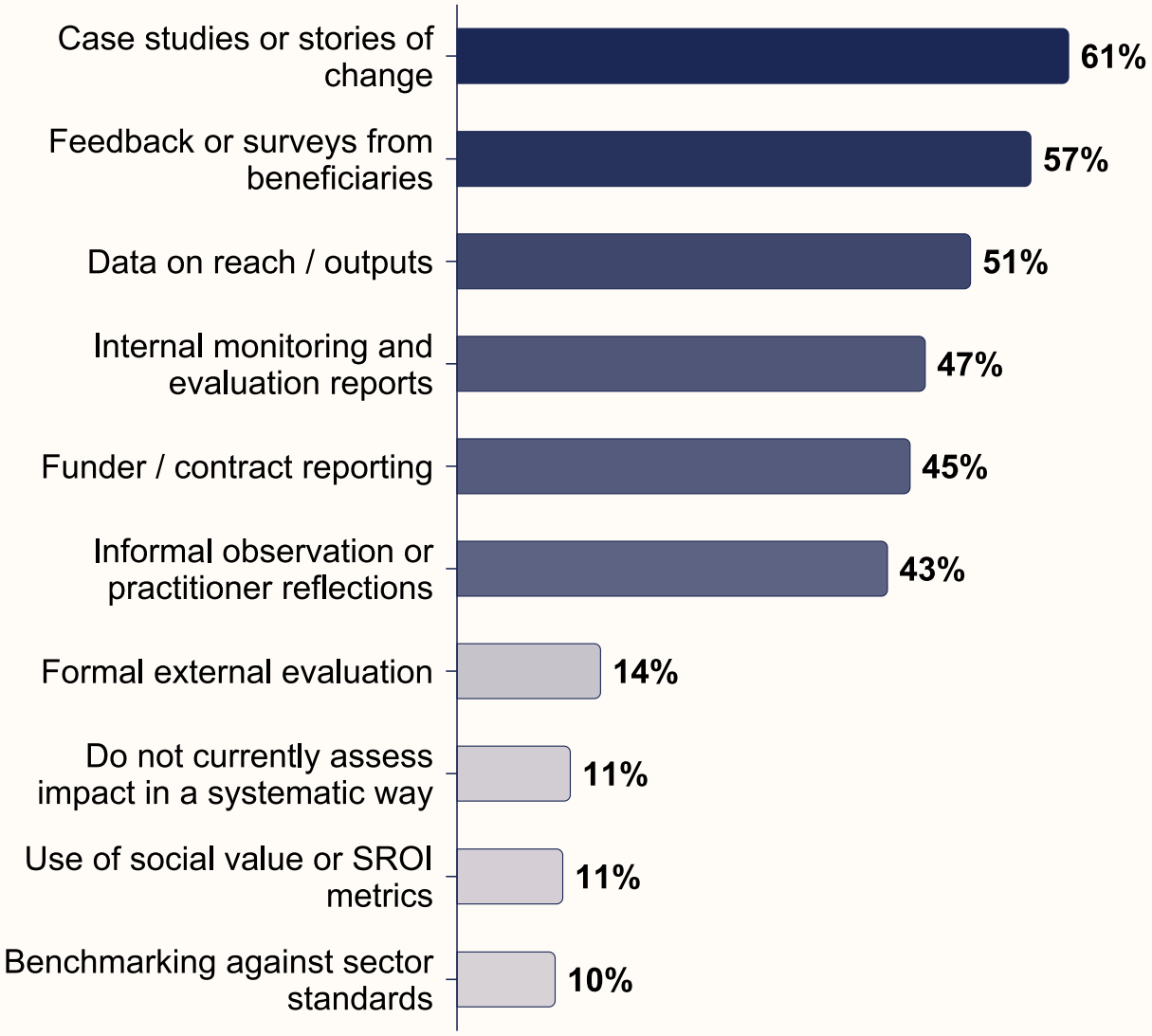


Note. Base = 129. Figure shows the eight most commonly selected responses. Respondents could select more than one option, so percentages do not sum to 100%.

5.4. Measuring impact and delivery quality

Organisations use a range of methods to understand and demonstrate what their work achieves. They most commonly assess impact through case studies or stories of change (61%) and feedback from beneficiaries or service users (57%). Around half use reach or output data (51%) or internal monitoring and evaluation reports (47%). These approaches allow organisations to describe people's experiences alongside the scale of their activity.

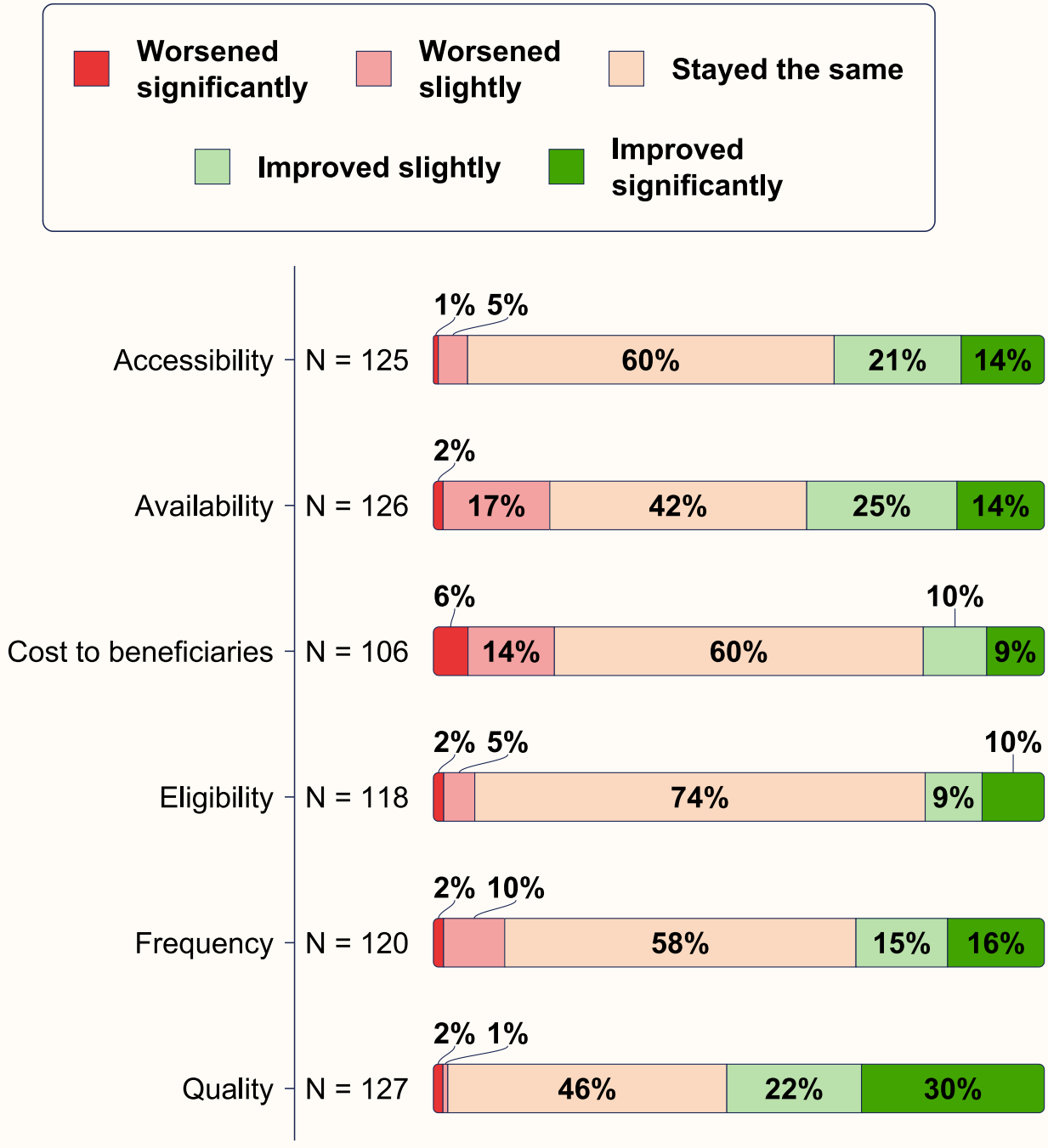
Figure 5.5. How organisations measure impact



Note. Base = 133. Respondents could select more than one option, so percentages do not sum to 100%.

Despite more than three quarters of responding organisations reporting increases in both demand and the number of people they support, many also report improvements in their services. More than half say service quality improved (52%), while around two in five report improved availability (39%) and a third improved accessibility (34%). However, one in five say costs to beneficiaries worsened (20%).

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

Rochdale's VCFSE sector has significant economic value, but the funding landscape is fragile. An estimated income of £113 million and expenditure of £109 million in 2024/25 show the scale of the sector, yet many organisations do not experience this as financial security. This reflects Rochdale's local context: high and complex demand, deprivation, health inequalities, housing pressure and rising living costs all increase the need for support, while delivery costs, staffing, volunteer support, premises and energy costs are also rising.

The data suggests funding is not keeping pace with what the sector is being asked to do. More than two in five organisations describe themselves as vulnerable, struggling or at risk, and reserves are increasingly used to cover routine costs, plug funding gaps and respond to demand. Referrals from public and VCFSE partners show strong awareness of the sector, but they also indicate that more need is being directed into community-based support without equivalent resources following.

This helps explain why funding challenges centre on competition, short-term funding, lack of uplift for rising costs and limited full cost recovery. Organisations are fundraising harder, collaborating together and diversifying income, but the future outlook remains mixed. Without funding that better reflects local demand, true delivery costs and the preventative value of VCFSE work, services may become less accessible, more stretched or more costly for residents.

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,[18] while rising energy, wage and overhead costs have increased the cost of delivery.[19] At the same time, the communities they support are facing greater pressures, driving demand during a period of constraint and uncertainty.

Rochdale's VCFSE organisations face significant financial uncertainty, with funding that is often short term and does not keep pace with rising delivery costs. This leaves organisations using reserves to cover routine costs and funding gaps, while seeking additional income through fundraising, joint applications and more diverse funding streams.

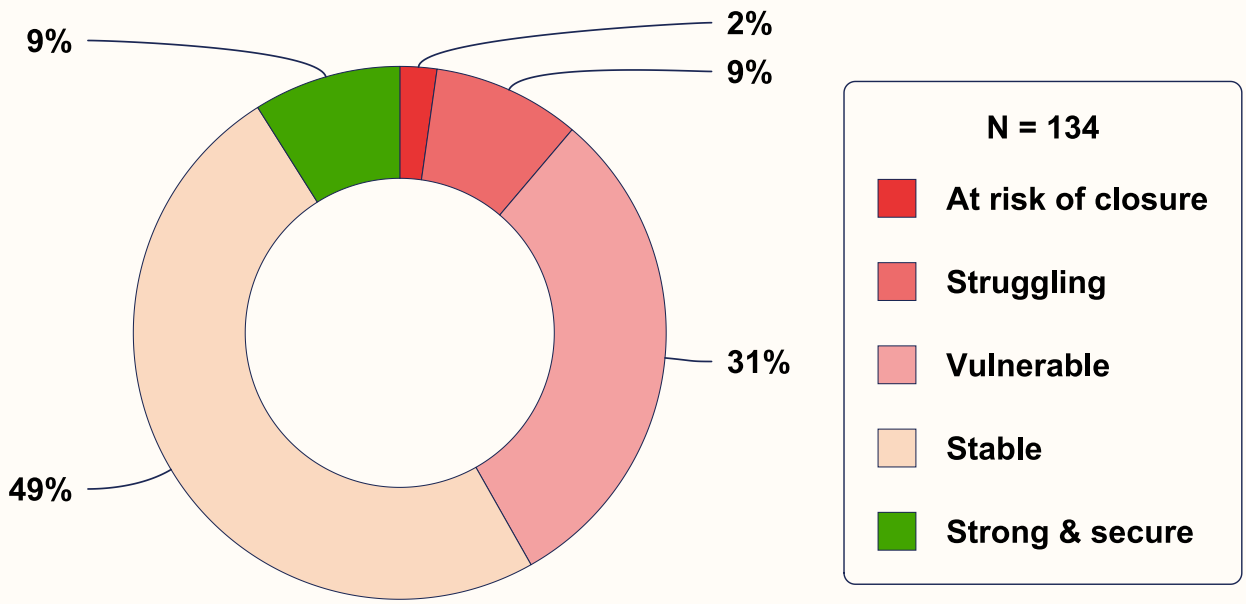
Securing that income also brings its own pressures, with growing competition, limited time and capacity to apply, and difficulty finding suitable opportunities. Most organisations expect to maintain or expand their work over the next year, but relatively few feel strong and secure, and many remain concerned about how long existing resources can sustain current levels of support.

Rochdale's VCFSE sector generated an estimated £113 million in income in 2024/25 and spent an estimated £109 million.

6.1. Financial position

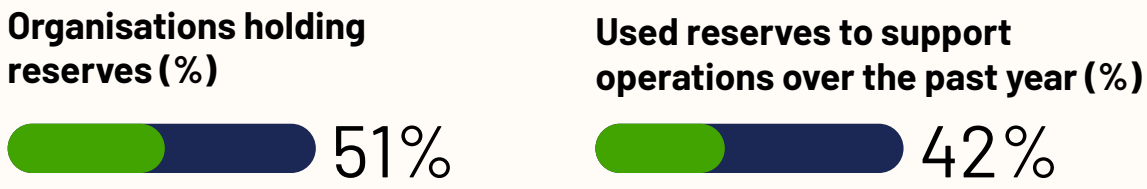
These estimates describe the scale of Rochdale's VCFSE sector, but they should not be read as a sign that individual organisations feel, or indeed are, financially secure. Half of respondents describe their organisation as stable but with some concerns about the future (49%). Almost a third say they are vulnerable and facing significant pressure, with sustainability uncertain without changes being made (31%). Around one in ten say they are facing more serious struggles (9%) or at risk of imminent closure (2%). In contrast, fewer than one in ten feel strong, secure and well-equipped for future challenges (9%).

Figure 6.1. Organisations' current financial and operational state



Half of responding organisations hold reserves (51%), and more than two in five of these had drawn on them to support operations over the previous year (42%).

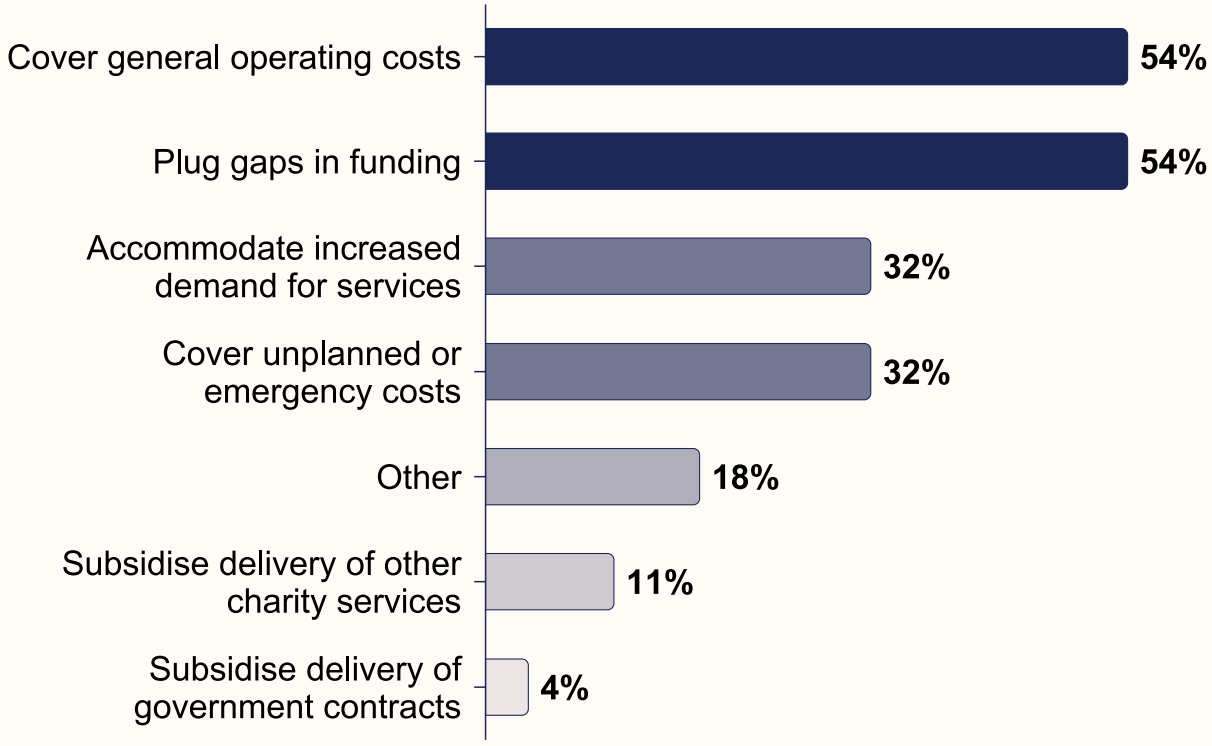
Figure 6.2. Use of financial reserves



Note. Base: holds reserves = 133; used reserves = 66. 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 or plug gaps in funding (both 54%). Almost a third used them to accommodate increased demand or for unplanned and emergency costs (both 32%).

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



Note. Base = 28. Respondents could select more than one option, so percentages do not sum to 100%.

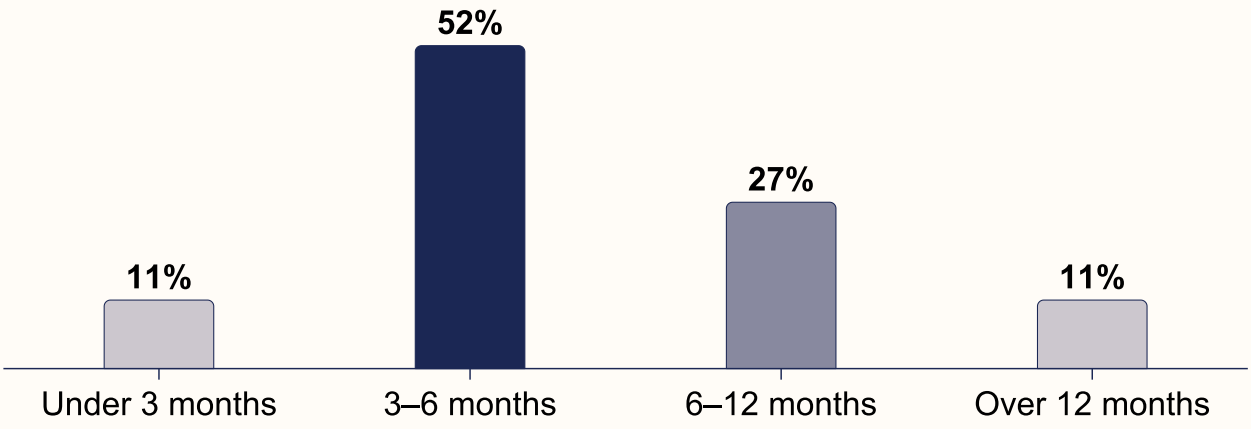
Reserves were described in the focus group as finite breathing space in an increasingly precarious funding landscape. One participant described depleting most of their financial reserves to retain staff after being unsuccessful with a funding application:

> “We weren’t successful in applying for sustainability funding, so we had nine months of having to use our reserves for three staff… we’re now in a financial position where we have to build up those reserves again… it is really precarious… even organisations that are commissioned, the commissioner can pull that funding at any old time.”

Using reserves as a buffer to keep essential support in place can protect staff and 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.

Based on their usual activity and current income and expenditure, more than half of organisations with reserves expect them to last three to six months (52%), while more than a quarter expect them to last six to 12 months (27%). Around one in ten have less than three months of reserves (11%), while a similar proportion have more than a year (11%).

Figure 6.4. Number of months reserves are expected to last



Note. Base = 64. ‘Don’t know’ responses excluded.

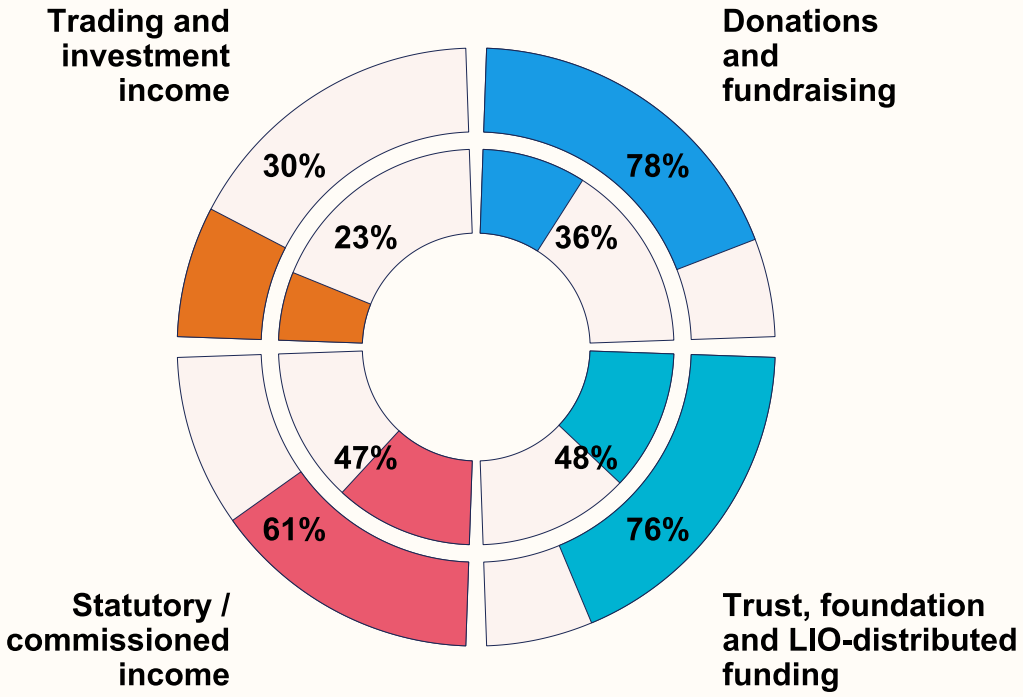
6.2. Income and expenditure

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 10% lower than the previous year. [20] Some are looking to legacy fundraising, a source with long-term growth potential but uncertain time horizons.[21] While the number of government contracts delivered by VCFSE organisations continues to increase,[22] evidence shows that these often do not cover the true cost of delivering services.[23]

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%.

More than three quarters of responding organisations receive income from donations and fundraising (78%) or from trusts, foundations or LIOs (76%), while three in five receive statutory funding or commissioned income (61%).

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

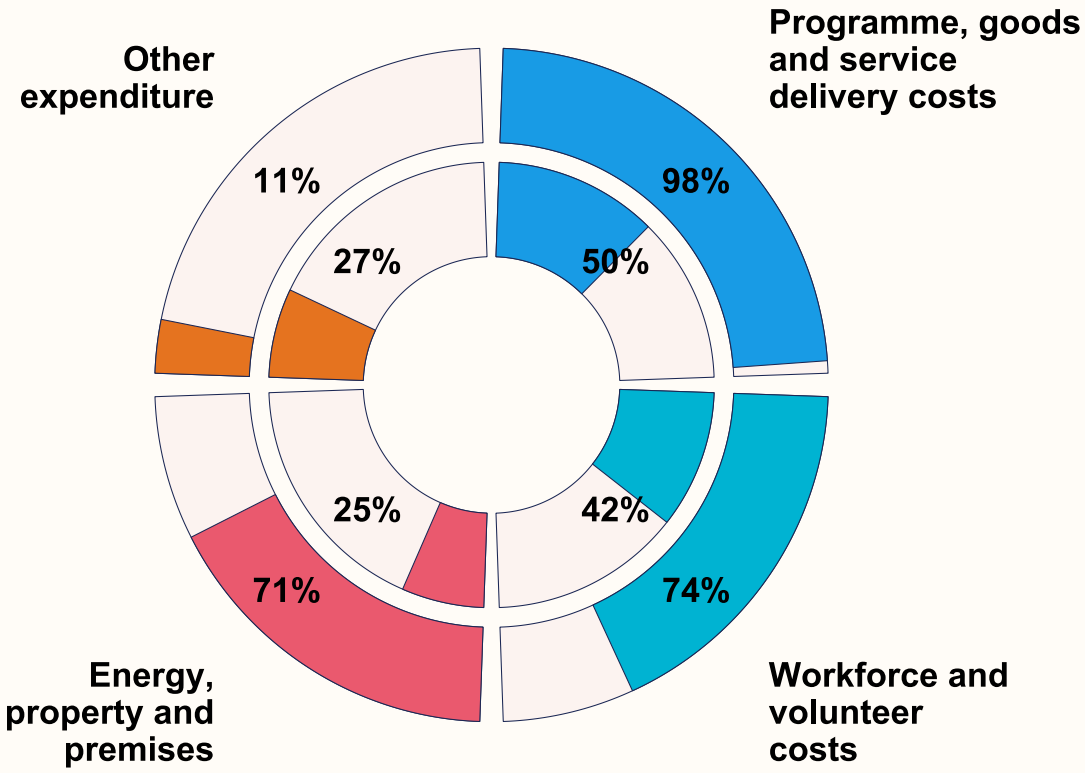


Note. Outer ring shows the percentage receiving any income from each source (base = 108); inner ring shows the average share of total income among organisations receiving that source (base = 32–84, depending on source).

Funding distributed by trusts, foundations, or LIOs (48%) and statutory and commissioned income (47%) account for the largest share of overall income, followed by donations and fundraising (36%). Trading or investment income is less common, received by just under two in five organisations (30%), and also accounts for the smallest average share (23%).

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 (98%), which also account for the largest share of total expenditure (50%). Three quarters report workforce and volunteer costs (74%) and seven in ten report energy, property and premises costs (71%), accounting for 42% and 25% of total expenditure respectively.

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



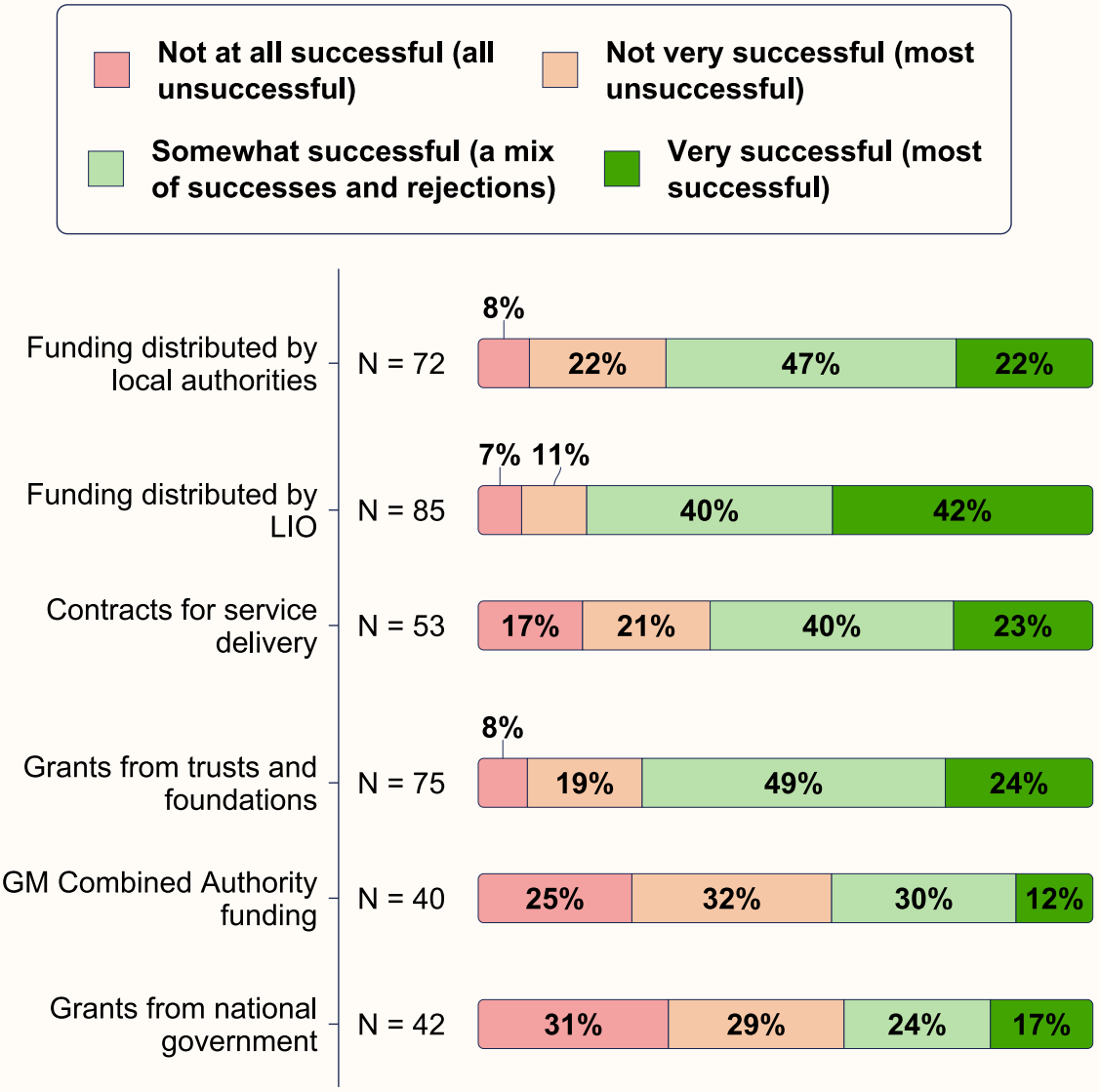
Note. Outer ring shows the percentage reporting any expenditure in each area (base = 121); inner ring shows the average share of total expenditure among organisations reporting expenditure in that area (base = 13–118, depending on area).

6.3. Funding

When asked how successful they were in applying for funding sources relevant to them, four in five reported being very or somewhat successful when applying for funding distributed by LIOs (82%). Action Together, Rochdale's LIO, provides established funding routes for local VCFSE organisations, including the Rochdale Communities Fund, which supports smaller groups and organisations to deliver health and wellbeing activities in their communities.[24] Supported by commissioners including Rochdale Borough Council and the NHS, the fund provided more than £1 million to 142 organisations in 2025/26.[25]

Almost three quarters report at least some success with grants from trusts and foundations (73%), seven in ten report success with funding from local authorities (69%), and three in five report success with contracts for service delivery (62%). Success is lower with GMCA funding (43%) and national government grants (40%).

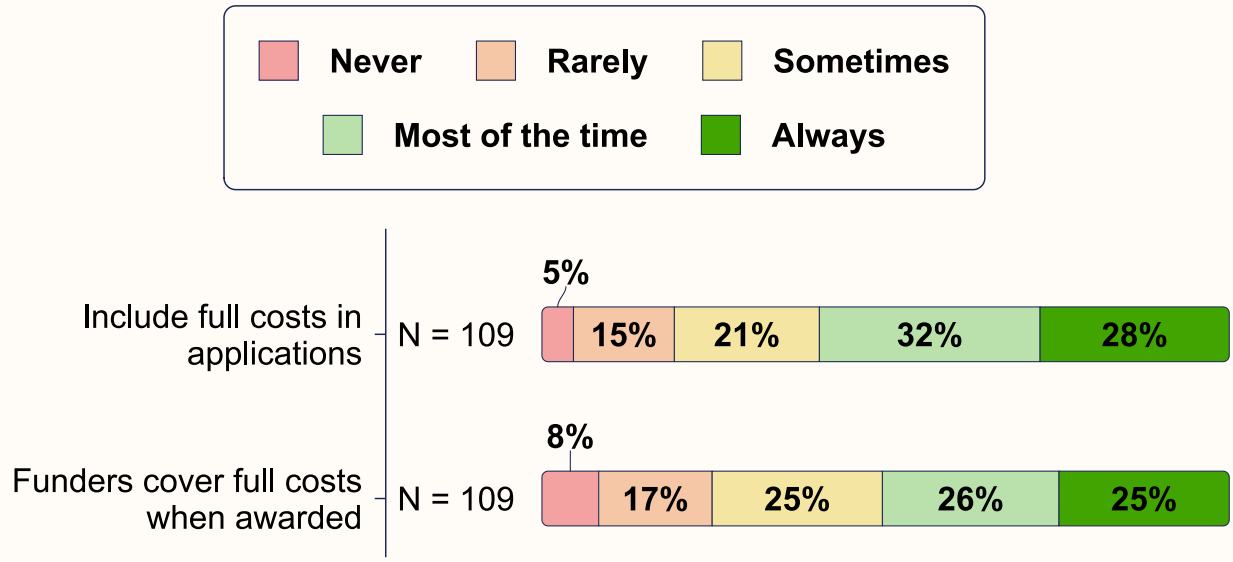
Figure 6.7. Success in funding applications over the past 12 months



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. Three in five organisations say they always or mostly include full costs in applications (60%), while half say funders always or mostly cover those costs when funding is awarded (51%). This suggests there is a small difference between what organisations request and what funders provide when funding is awarded.

Figure 6.8. Full cost recovery

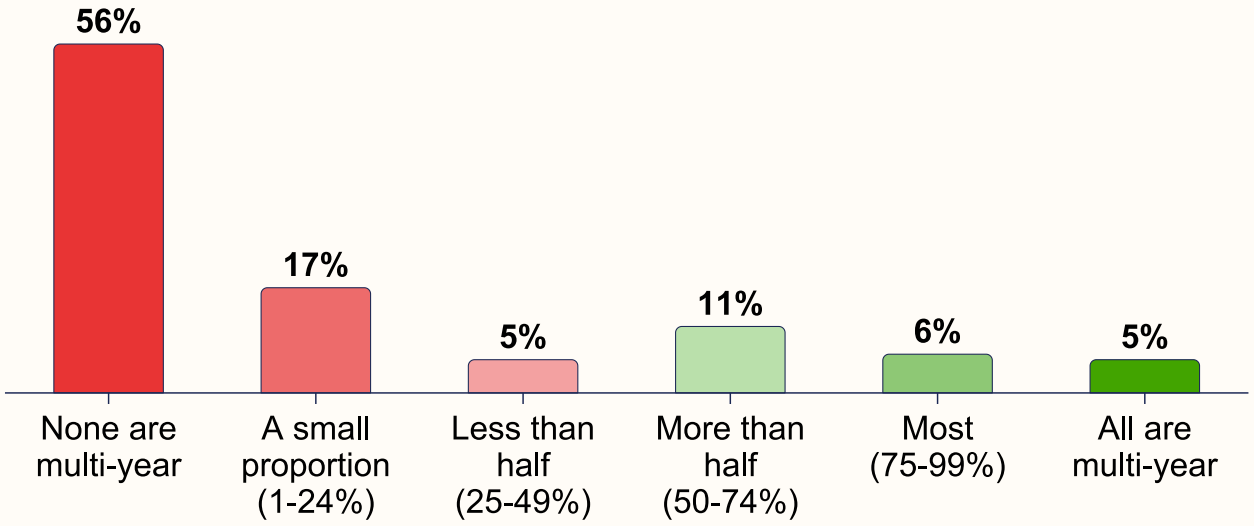


Note. Bases are shown in the chart. 'Don't know' responses excluded. Percentages may not sum to 100% due to rounding.

Evidence shows that longer-term and more flexible funding is a leading priority across the sector.[26] Such funding provides greater scope to plan staffing and services over several years rather than around successive short-term awards. Yet among Rochdale organisations receiving grant or contract income, almost four in five (78%) say less than half of this funding is multi-year, including more than half (56%) that say none is multi-year.

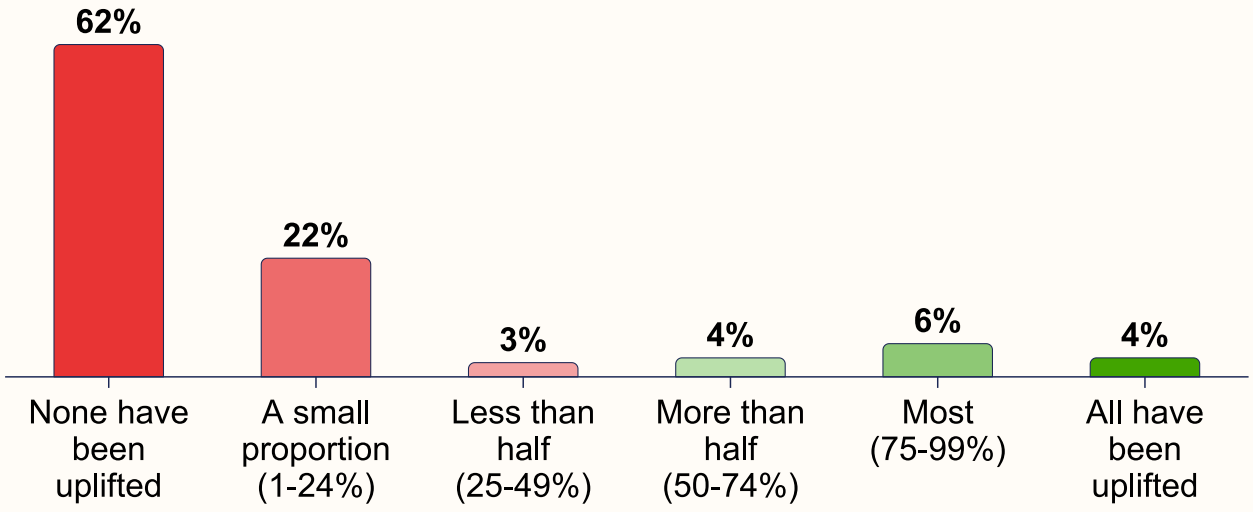
Rising delivery costs also reduce what existing awards can cover, yet national evidence shows that uplifts remain uncommon, particularly for shorter-term funding.[19] In Rochdale, almost two thirds of organisations receiving grant or contract income (62%) say none of their funding had been uplifted to reflect rising costs over the previous year, while only one in ten (10%) say most or all had been uplifted. This can leave organisations to meet the difference through other income, reserves or unpaid work, a pattern also found nationally in the VCFSE sector's delivery of public services.[23] However, it is important to recognise that this covers grants and contracts from all sources, so it should not be read as an assessment of any single funder.

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



Note. Base = 113. Question shown only to organisations receiving income from grants or contracts from any source. Percentages may not sum to 100% due to rounding.

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



Note. Base = 113. Question shown only to organisations receiving income from grants or contracts from any source. Percentages may not sum to 100% due to rounding.

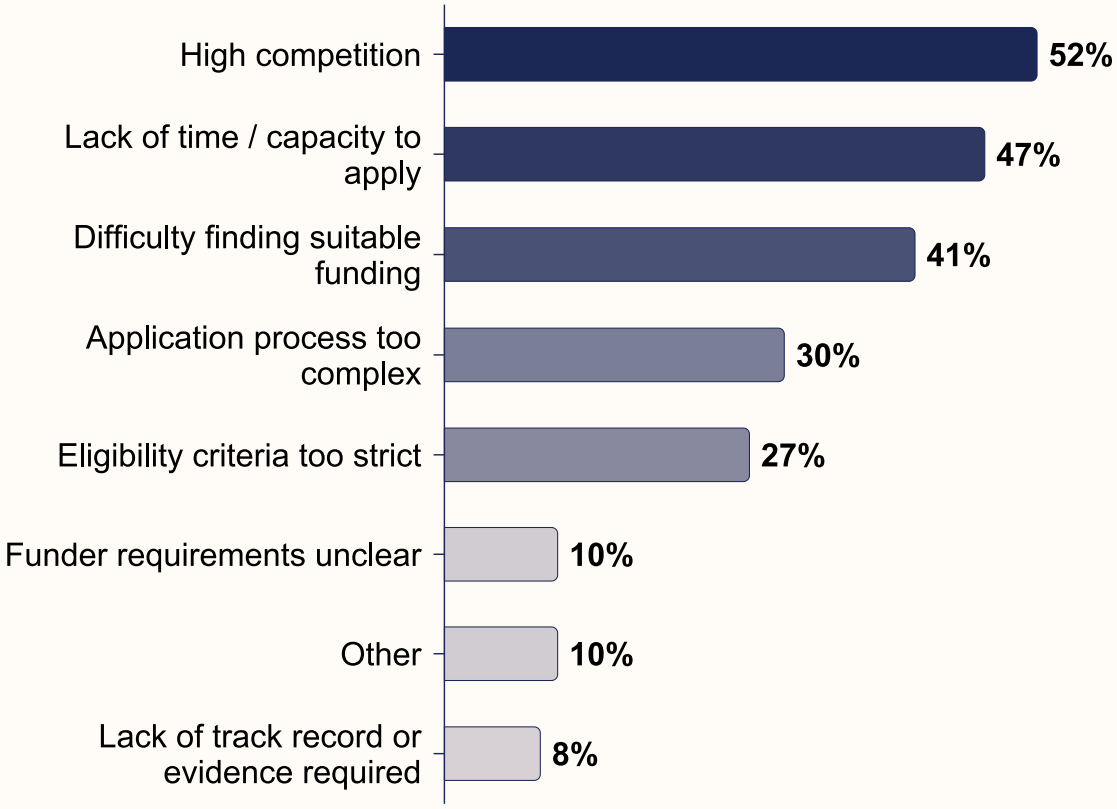
When asked what the biggest challenges are with finding, applying for, and securing funding, the most common response was the high levels of competition for funding (52%). This reflects wider evidence showing that competition has intensified in recent years, with funders receiving growing numbers of applications.[18]

Organisations also identify related challenges, including a lack of time or capacity to apply (47%), difficulty finding suitable funding (41%), complicated application processes (30%), and strict eligibility criteria (27%).

Rochdale focus group participants described that this increasingly competitive funding landscape was being shaped by several, interconnected factors. One organisation said that increasing expectations by funders, particularly around system change and prevention, was narrowing the opportunities available to community organisations, leaving them competing for a smaller pool of suitable funding:

> “So many voluntary sector organisations aren’t even interested in those system change conversations… [they] just want to do good in their area. Funders want more for their investment… I understand because they can’t just keep throwing money at crisis, so they want to address the underlying issues… but people that would traditionally go for their pots… [are] not welcome to apply because they're not speaking the language of system change.”

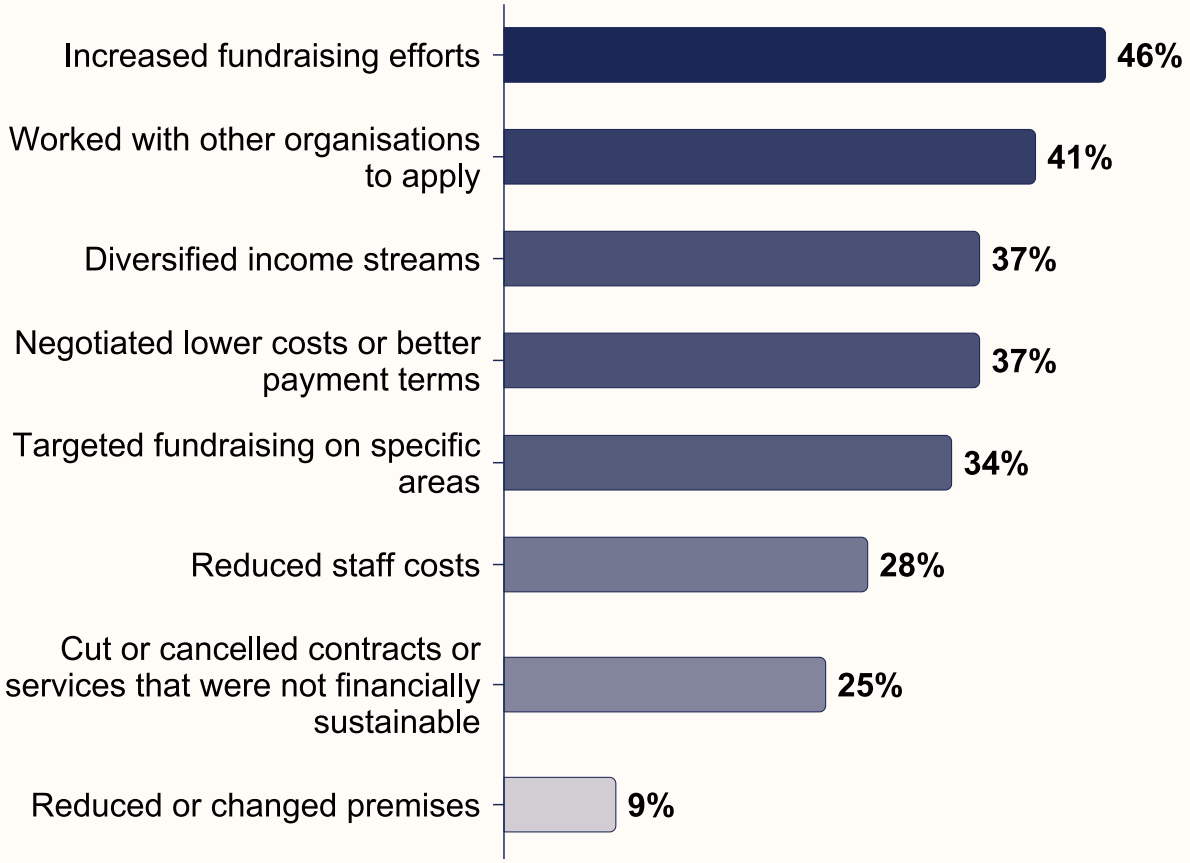
Figure 6.11. Funding challenges



Note. Base = 131. 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. Almost three quarters (72%) had taken at least one action. Of this group, almost half increased fundraising efforts (46%), two in five worked with other organisations to apply for funding (41%), and more than a third diversified their income or funding streams or negotiated lower costs or better payment terms (both 37%). For the more than a quarter taking no new action over the previous year (28%), 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 = 37). Respondents could select more than one option, so percentages do not sum to 100%.

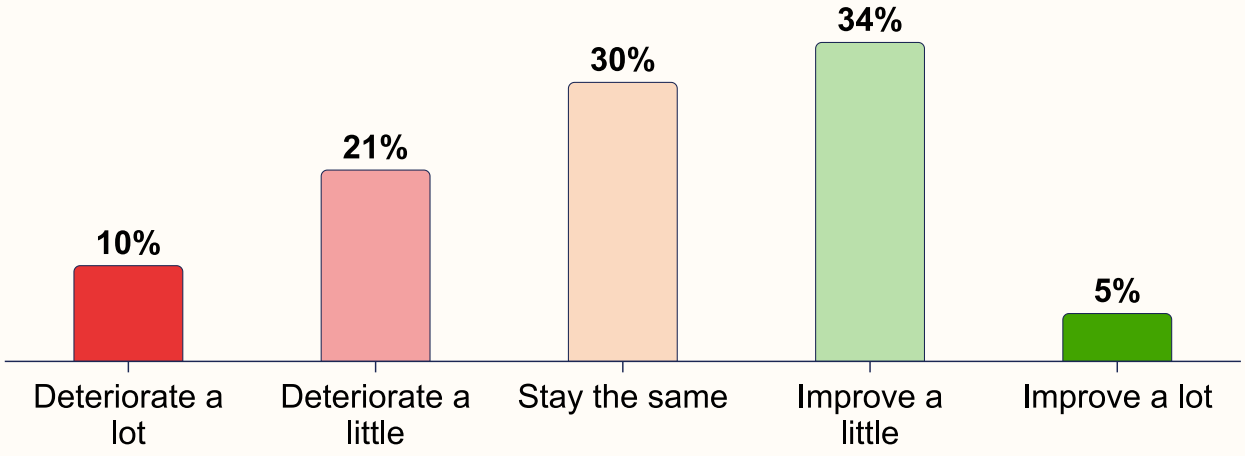
6.4. Premises

Physical premises and spaces are part of the sector's contribution, providing places where people can meet, connect, and access support. Organisations use a mix of premises arrangements: more than half operate from premises they lease or rent (55%), almost a quarter use premises with shared or free access (24%), and one in five use premises they own (20%). Around one in seven do not use physical premises (14%).

6.5. Future outlook

Findings from this year's State of the Sector suggest that Rochdale's VCFSE sector is supporting more people, with increasingly complex needs, within an uncertain and precarious funding landscape. This uncertainty is reflected in mixed expectations about the next 12 months, where two in five organisations expect their financial position to improve (39%), a third expect it to deteriorate (31%), and a similar proportion expect it to remain the same (30%).

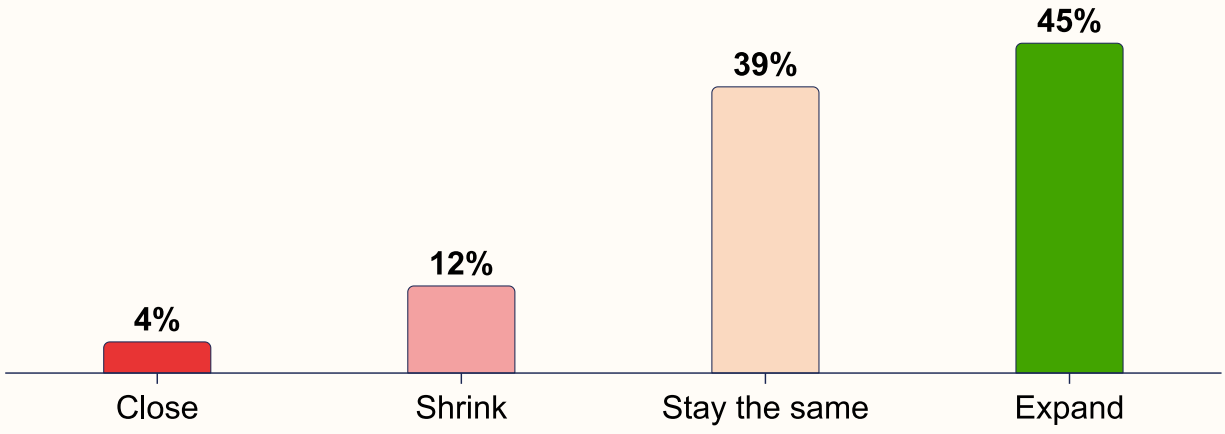
Figure 6.13. Expected financial position over the next 12 months



Note. Base = 117. 'Don't know' responses excluded.

Looking ahead, almost half of responding organisations expect their operations to expand (45%) over the next year, while two in five expect to continue at a similar level (39%). Around one in eight expect to shrink (12%) and 4% expect to close.

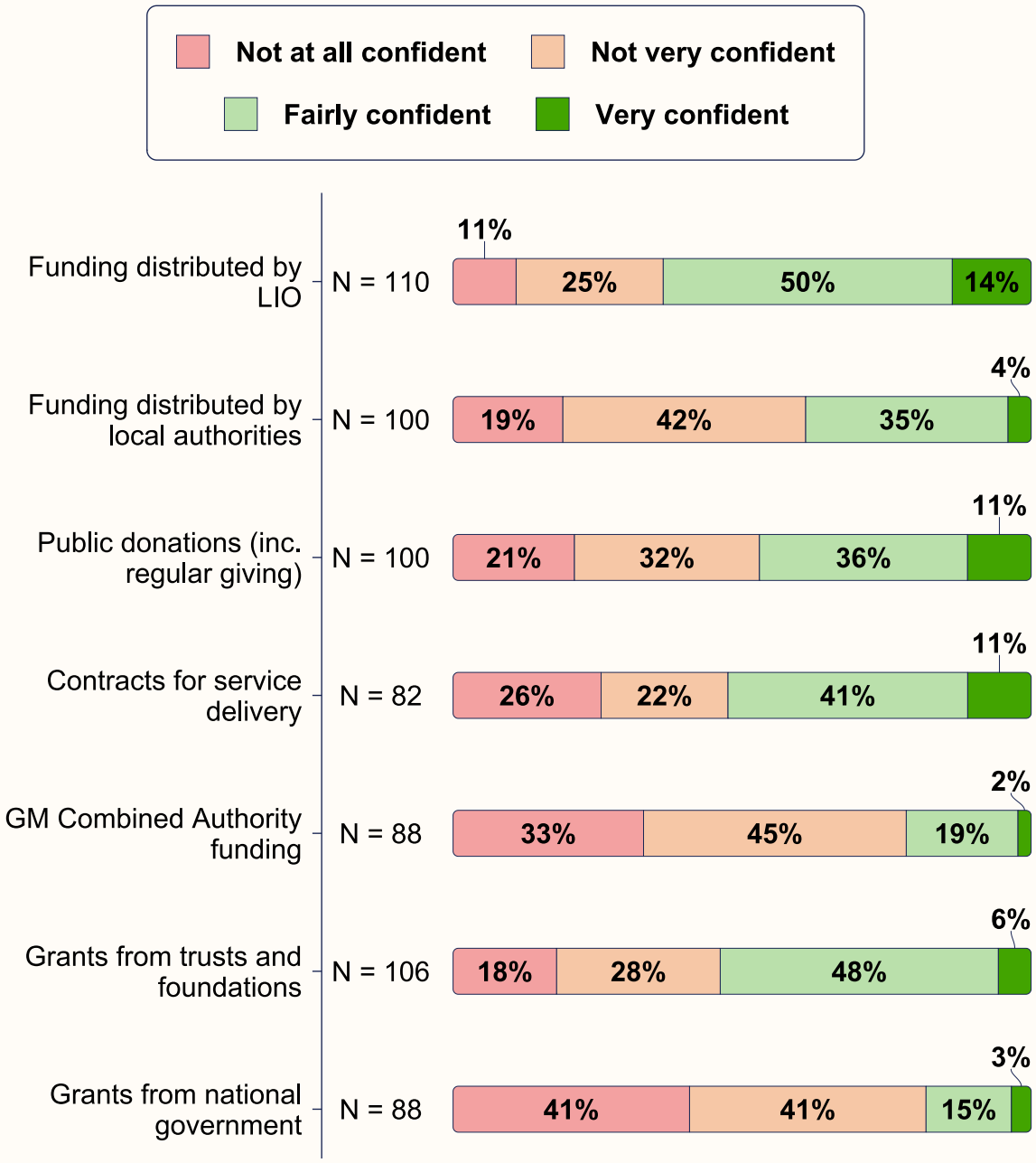
Figure 6.14. Organisational expectations for the year ahead



Note. Base = 118. 'Don't know' responses excluded.

When asked about their confidence in securing income from different sources over the next 12 months, organisations were most confident in funding that is more locally rooted or linked to established relationships. Among organisations that considered each source relevant to them, two thirds feel fairly or very confident in securing funding distributed by LIOs (64%), while more than half feel confident about success with grants from trusts and foundations (54%) and contracts for service delivery (52%). Confidence is lower for local authority funding (39%), despite the relatively high success reported by previous applicants. Around four in five are not very or not at all confident about securing grants from national government (82%) or GMCA funding (78%).

Figure 6.15. 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.

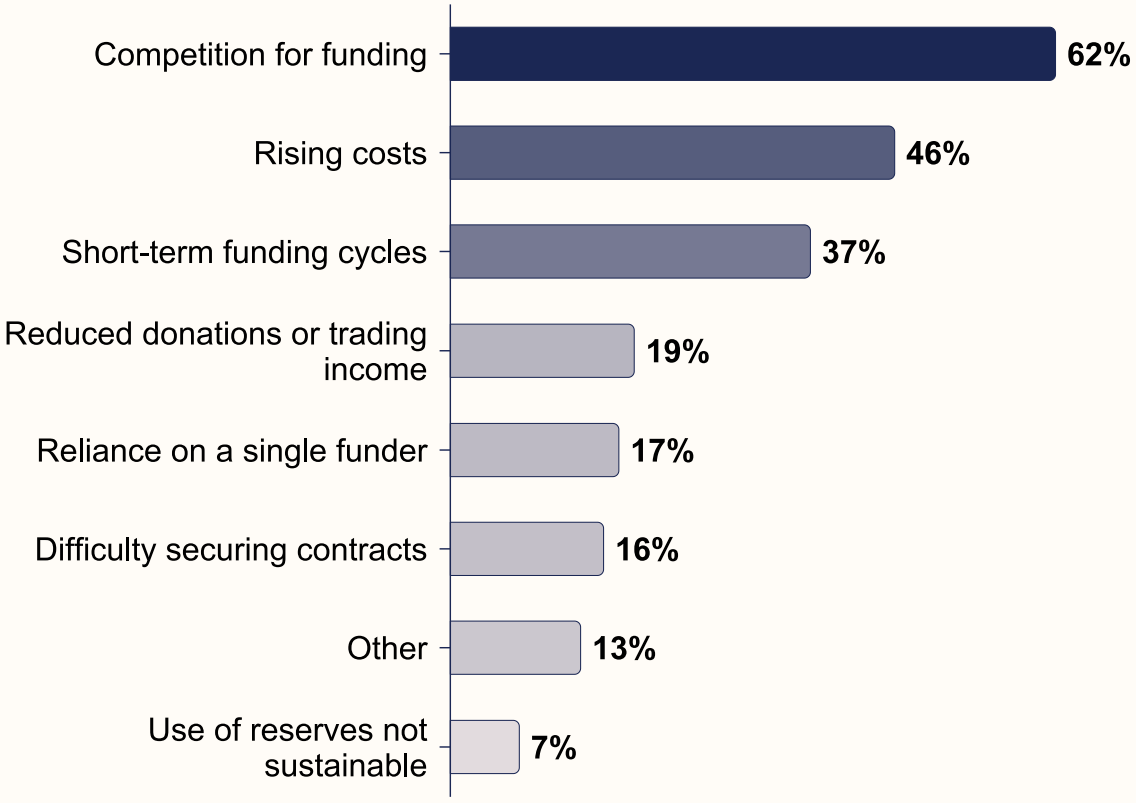
Ambitions to maintain, sustain, or grow activity sit alongside a number of risks, with organisations pointing to competition for funding (62%), rising costs (46%), and short-term funding cycles (37%) as the main risks to their financial sustainability.

Collectively, these interconnected pressures place a triple squeeze 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. For some organisations, this can mean pursuing funding that does not fully align with their usual activities. One focus group participant described doing this simply to keep services going:

> “Sometimes you have to fit a square peg into the round hole of the funding... [because] it’s the only way to keep going. You end up delivering things that aren't what you would normally do, or where you don’t have the full skill set, but you do it just to keep the lights on.”

Figure 6.16. Risks to financial sustainability



Note. Base = 127. Respondents could select more than one option, so percentages do not sum to 100%.

Conclusion

The evidence in this report should now inform future decisions. Rochdale's VCFSE sector is not simply a useful addition to public services; it is a core part of how the borough prevents need from escalating, connects people to support and strengthens community life. But this role cannot be sustained through goodwill, unpaid time and short-term fixes. For the borough to have a strong, preventative and community-led support system, it must invest in the local organisations that make that possible.

Funding and commissioning need to match the reality of community delivery. When VCFSE organisations are relied on to reach residents, respond quickly, provide trusted support and help deliver wider system priorities, resources must follow that responsibility. This means longer-term funding, full cost recovery, proportionate processes and investment in core capacity. Without this, valued organisations will continue to absorb pressure that should be shared across the system, and residents will feel the consequences through reduced access, stretched support or the closure of vital organisations.

The findings also make a strong case for building from local knowledge. Collaboration, neighbourhood working, Live Well, prevention activity, community-led spaces and participatory grant-making are not optional extras; they are practical ways to design support closer to people's lives. These approaches should be used to strengthen relationships between communities, VCFSE organisations and statutory partners, while actively removing barriers that exclude smaller and grassroots groups from funding, influence and partnership opportunities. We have seen success with this model in the borough already, and it aligns closely with Rochdale's strong history of co-operation.

There is also a responsibility to invest in the sector's own capacity and confidence. The survey findings and Individual Insight Reports give organisations evidence they can use to understand their strengths, identify development needs and tell a stronger story about their impact. That evidence should be matched with practical support for leadership, governance, volunteering, impact, funding and collaboration, so that groups are not only asked to adapt, but are properly supported to do so.

Rochdale must treat its VCFSE sector as essential social infrastructure: something to be sustained, strengthened and involved in decisions from the start. Acting on this evidence means investing in sustainability, designing funding around real costs, protecting the relationships that make community support work, and giving community knowledge a stronger voice in the systems shaping Rochdale's future. The sector has demonstrated its value to Rochdale; now the ask of the borough is to back that value with the support, influence and investment it deserves.

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

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