



LVSC

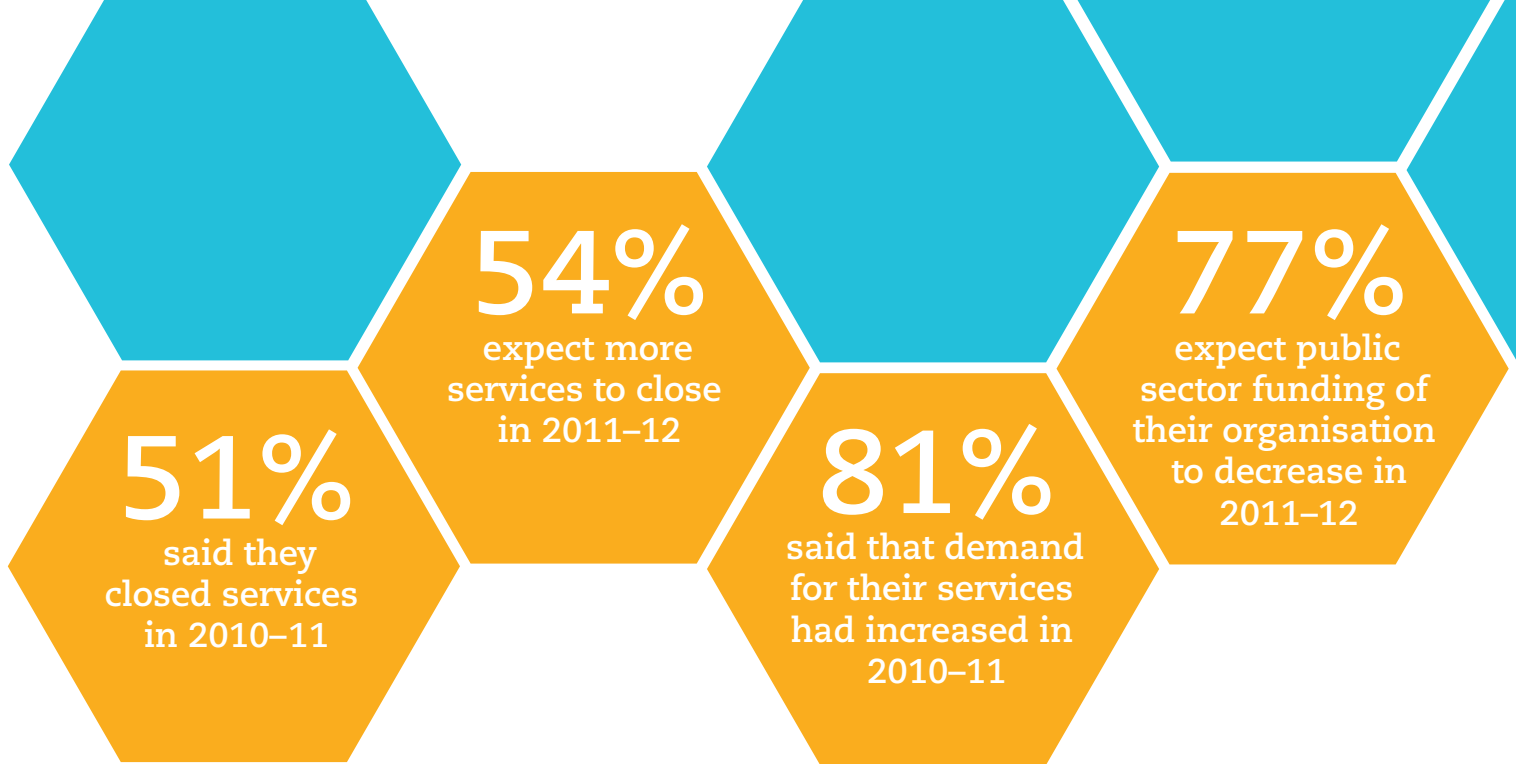
Voluntary and
community action
for London

**The
Big Squeeze**

The Big Squeeze 2011 The squeeze tightens

The third year of the LVSC Big Squeeze survey shows again that Londoners and the voluntary and community groups who support them are being hit harder than ever due to the continued impact of the poor economic climate and the impact of the current round of public sector spending cuts.

In previous years LVSC's Big Squeeze reports have accurately predicted trends which later proved true. This year's research reveals a worrying trend of disproportionate cuts to cost effective preventative services especially advice, children and young people and health services.



Headline findings from our respondents

- 51% said that they closed services in 2010–11
- 54% expect more services to close in 2011–12
- 77% expect public sector funding of their organisation to decrease in 2011–12 with those giving a figure expecting a median 31–40% cut
- 97% said the economic climate had a negative impact on their service users in 2010–11
- 81% said that the demand for their services had increased in 2010–11
- 86% expect demand for their services to increase in 2011–12
- 57% were able to meet increased demand for their services in 2010–11
- 77% were not confident they could meet increases in demand in 2011–12

Our analysis shows

- there has been a year-on-year increase in demand for services each year since 2008–09
- preventative services are being disproportionately cut especially in advice, children & young people and health services
- cuts to voluntary and community organisations in London are disproportionately higher than any national or local government cuts
- a disproportionate number of children & young people services are closing
- demand for volunteering has increased but organisations' capacity to support them has decreased
- more youth services, day and neighbourhood centres have closed
- equalities groups and the poorest have been disproportionately affected

Has the demand for your services increased?

71%
Yes
2009

68%
Yes
2010

81%
Yes
2011

Key data about London from other sources*

- The most deprived boroughs had the highest cuts in council allocations
- London Councils have cut their regional grants programme from £26 million per annum in 2010–11 to a proposed £8 million in 2012–13
- Housing benefit cuts mean 82,000 households will be at risk of losing their homes in the capital
- National estimates suggest that voluntary and community groups in London will lose £300million – £800million of public sector funding in 2011–12
- More people are in arrears with their debts in London than in any other region
- 384,000 Londoners are unemployed and youth unemployment is higher in London than in the rest of the UK
- London has the highest rates of child, working-age and pensioner poverty of any English region
- Over 600,000 adults have no qualifications

* References available in the full Big Squeeze report

Tracking responses over the years

Impact, response and budgets	2009	2010	2011
Is the recession affecting the communities you work with? **	Yes 95%	Yes 97%	Yes 97%
Has the demand for your services increased as a direct result of the recession?	Yes 71%	Yes 68%	Yes 81%
Are you confident that you will be able to meet any increases in demand for your services now and in the future?	No 80%	No 75%	No 77%
Is your organisation already taking action to help you and your service users survive the recession	Yes 78%	Yes 93%	Yes 94%
Compared to last year, what do you expect to happen to your funding from the public sector in the next year?	Not asked	53 % expect a decrease	77% expect a decrease
Compared to last year, what do you expect to happen to your funding from trust funders in the next year?	Not asked	38% expect a decrease	28% expect a decrease

** As the UK has officially come out of the recession and now has a new government, we replaced “recession” with “economic climate” in the 2011 survey. <http://sociablesport.com/current-economic-climate-analysis-of-the-phra#more> provides a definition

Action being taken to help services survive

	2010–11	2011–12 (predicted)
Collaboration	51%	63%
Sharing back-office functions	16%	31%
Making staff redundant	54%	33%
Taking on more staff	8%	9%
Taking on volunteers	56%	44%
Making changes to premises	32%	33%

The Big Squeeze survey was open to London's voluntary and community sector during April and May 2011. **It represents an up-to-date snapshot of the impact of the economic climate and recent policy changes on Londoners and the voluntary and community sector (VCS) that serves them.** 120 organisations responded to the survey.

The 2011 survey was conducted in partnership with LASA, London Funders, Women's Resource Centre, Greater London Volunteering, Stonewall Housing, London Community Resource Network, London Civic Forum, Children England, ROTA, HEAR, City Bridge Trust and Ethical Property Foundation.

The impact on young people
“Many youth clubs and youth services have dramatically lost funding.”
London Youth

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