





Commissioned by NNC for an initial 3 year period to deliver infrastructure support to the VCSE sector in North Northamptonshire, December 2024 to November 2027



**North  
Northamptonshire  
Council**

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# Executive Summary

Aspire NN presents this first State of the Sector Report as a foundation assessment of the voluntary, community and social enterprise (VCSE) sector in North Northamptonshire in 2025. Developed over six months and informed by engagement with more than 300 organisations, this report captures the scale, diversity, strengths and pressures shaping a sector that is central to community wellbeing, prevention of health inequalities and issues as well as organisational sustainability.

North Northamptonshire's VCSE sector is already resilient, innovative and deeply embedded in communities. It delivers vital services across health, social care, mental health, transport, housing, equalities, culture and community cohesion, often reaching people and places that statutory services struggle to access due to capacity and resource constraints. Collaboration, flexibility and preventative approaches are clear strengths.

However, the sector is operating under significant strain. Demand for services continues to rise while funding remains uncertain, fragmented and often short-term. Many organisations face acute capacity pressures, with limited back-office support, underfunded contracts, rising costs and increasing expectations to contribute unpaid expertise to system design. Smaller and grassroots organisations, including those led by or serving marginalised communities, are particularly vulnerable.

This report highlights several system-level challenges for the VCSE that require coordinated action:

- financial fragility and reliance on single funding sources
- support for back-office functions – 'do the boring bits well'
- declining and changing patterns of volunteering
- inconsistent commissioning and procurement processes
- limited access to infrastructure and development support
- increasing complexity in public sector systems





# Executive Summary

## Introduction & Purpose

This report establishes a shared evidence base, articulates collective challenges and points towards a programme of coordinated action. It is not the end of the conversation but the beginning of a phased programme of deeper analysis, learning and collaboration through 2026 and beyond.

Aspire NN invites partners, funders, commissioners and VCSE organisations to use this report as a platform for dialogue, investment and joint action to ensure the sector can continue to serve communities across North Northamptonshire effectively and sustainably.

## About Aspire NN and what have we done in 2025

ASPIRE NN is a collaboration of 5 partners commissioned by the North Northamptonshire Council (NNC) that began in December 2024.



A Steering Group of VCSE leaders and NNC has also been established to oversee the work of ASPIRENN. During 2025 Aspire NN have put the following in place:



ASPIRE NN website launched 9th January 2026



Recruitment of staff  
2 Local Managers  
1 Impact & Performance Officer



Aspire NN ebulletin launched July 2025 to mailing list of 735 people



# Executive Summary



## Leadership & Advocacy

Funding Fair Jan2025	VCSE Engagement Group	Capacity building training & meet the commissioners
18 Sessions	10 sessions 223 attending	6 events over 250 attending

- Host Monthly North Northants Engagement Groups for the VCSE to provide a range of information, highlight new developments and quickly enable connections on key issues so that the VCSE is informed of new developments and acts.
- Navigating and influencing key changes in health and social care. Aspire NN are actively involved with influencing and getting the VCSE represented at key place based, Integrated Care Board (ICB), Adult Social Care and Integrated Care System (ICS) arrangements. This is to ensure that the role of the VCSE in prevention and early intervention is heard, valued and respected.
- First VCSE leadership event held to discuss the impact of various change processes across the county. CEO networks to be held during 2026 so that this group can discuss key challenges, what they require and how to build greater resilience.



Northamptonshire Black Communities Together (NBCT) have developed a programme to build capacity and capability of the Black VCSE. They are also supporting other VCSE organisations that specialise in supporting equality-based work. NBCT are focused on responding to the increasingly hostile climate and engaging in community cohesion challenges across North Northants.

## Supporting Equalities and Community Cohesion





# Executive Summary

- The Aspire NN team, Amy McAfee and Louise Armit the Co-Managers and Jessica Sanderson the Impact and Performance Officer, are here to get to know the VCSE organisations across North Northamptonshire, provide opportunities for local networking and provide one to one support for organisations. The team will also ensure there is good information and communication across the sector and opportunities for collaboration.
- Quarterly 'Working with Volunteers forums' instigated for Volunteer Managers and a programme of development has commenced.
- Regular grant finding sessions have been established, supporting organisations to access the latest information on available funding opportunities.
- Quarterly Locality Forums are building connections, opportunities for collaboration and peer learning in local areas.



The VCSE in action...





# Executive Summary

Social Enterprise developments in 2025 included:

		
<p>National recognition of North Northants as a 'Social Enterprise Place' - highlighting the local vibrancy and ambition of the sector.</p>	<p>Launch of Buy Social Buy Local directory - free digital platform for all county VCSEs to promote their products and services.</p>	<p>Publication of How to Start a Social Enterprise guide (printed and digital).</p>

- Connecting, supporting and promoting local social enterprises as well as boosting earning capability of other local VCSE organisations.
- Four capacity-building workshops held: Think Like a Business, Search Engine Optimisation, Introduction to AI and Legal Structures for Social Enterprise.
- North Northants Social Enterprise network restructured into a community interest company and gained 25% increase in membership.



Meet the Commissioner Events: commenced in July in collaboration with Northants Anchor Institutes Network (NAIN) sharing insights on increasing social value through social procurement and volunteering. The second event took place in November with a focus on Public Health Commissioning.





# Setting the Scene

Every county and locality has its own unique set of challenges; Northamptonshire has seen its own circumstances over recent years lead to an uncertain and challenging environment for the VCSE sector but also one with evolving opportunities.

## Change to Unitary Authorities

Northamptonshire was the first county nationally to experience such a significant financial crisis that the government intervened, resulting on 1st April 2021 in the creation of two unitary authorities, North and West Northamptonshire.



Shortly after, Public Health decided to create two new public health directorates, however, one integrated care system (ICS) remained, but with a substantial inherited debt and facing financial challenges.

[Friday brief: Northants health system overspending as county's two hospitals bust budget](#)

Part of the unitary process involved the move from district and borough councils to town and parish councils, enabling the development of a hyper local focus and potentially helping to maintain local identity within these larger Local Authority bodies. Any structural change however, brings about the challenge of adjusting to new roles and opportunities. NCALC's (Northamptonshire County Association of Local Councils) in their update for March/April 2025 highlights\* the challenge of recruiting new councillors and point out that it takes years for someone to understand the role and the potential impact it can have and it is still early days. However, dynamic work is being undertaken by many local councillors across the county, networking opportunities are being generated with connections and partnerships involving the VCSE being forged at a local level, facilitating channels for consultation, community voice and the development of community facilities.

[\\*NCALC\\_eUpdate\\_mar\\_apr\\_2025\\_with\\_flyer%20\(2\).pdf](#)





# Setting the Scene

## Financial Realities

Tightening Local Authority budgets nationally have undoubtedly impacted the level of VCSE funding available:



“ [Pro Bono Economics](#) predict that council funding to charities has fallen by an estimated £13.2 billion since 2010 ”

“ Contracts aren't covering the true costs of delivering public services, let alone providing any surplus to improve support to communities [NCVO, 2024](#) ”

LBFW's (Lloyds Bank Foundation for England and Wales) regional manager Gary Beharrell reflects on the particular challenges faced by smaller charities in this financially constrained time:

“ Small frontline charities are already picking up the pieces of more than a decade of local government funding cuts by subsidising contracts that don't cover the full cost of delivering services and absorbing increased demand due to reduced support elsewhere. [New guidance for VCSE organisations working with councils in financial difficulty](#). Sustained high inflation over 2022/23 and 2023/24 had eroded the value of grants to the VCSE sector and led to reduced spending power for VCSE organisations [Grants for Good 2025: Exploring local authority grant-making to the VCSE sector](#) ”

Communities everywhere have been hit by inflation, soaring food and energy prices, societal divisions, political & financial instability, social media pressures and associated impacts on mental health and young people\*, all of which have a direct knock on effect on the VCSE sector as it strains to meet growing and changing needs. \*[Centre for Young Lives Report Jan 2026](#) However, the sector continues to respond, innovate and develop models of best practise through all these challenges.





# Setting the Scene

**Martin Griffiths, Leader of North Northamptonshire Council:**

*“The Voluntary, Community, and Social Enterprise (VCSE) Sector fulfil a vital role in North Northamptonshire. They are an equal partner and critical to the delivery of valuable local services and community support. They are often the closest people to our residents and the most vulnerable people in local communities. A thriving voluntary, community and social enterprise sector can help our local communities thrive, and help make North Northamptonshire the proud, prosperous and proactive place we all want it to be.”*

**Jane Bethea, Director of Public Health, Communities and Leisure:**

*“As a Council we are committed to working effectively alongside the wide range of excellent voluntary, community and social enterprise sector organisations across North Northamptonshire. Our role is to enable the sector to develop its capacity, entrepreneurship and sustainability so that it continues to grow and thrive and make the biggest positive impact on local communities that it can”.*

## NNC & VCSE Relationship

Cross sector working, between local authorities and the VCSE, has been pro-active and positive and has generated regular spaces for advocacy, consultation and development. Such collaboration puts North Northants in a strong position for effective implementation of initiatives such as the government's new Pride In Place Programme (PiPP). ‘...a UK-wide programme providing a 10-year investment to disadvantaged neighbourhoods. PiPP Phase 2 builds on the existing Phase 1 which is providing 75 towns across the UK with up to £20 million each (totalling £1.5 billion) over 10 years....The programme aims to build strong, resilient and integrated communities that are essential for achieving the government's Five Missions and fulfilling the Prime Minister's Plan for Change.’

[Pride in Place Programme phase 2: methodology note - GOV.UK](#)





# Setting the Scene

Three areas in North Northants have been identified for phase 2 of the programme:

Kingswood in Corby  
Queensway in Wellingborough  
Avondale Grange in Kettering.

Such strong and consistent investment in these areas will hopefully free up other funding for the rest of the county as well as providing opportunities for creativity, collaboration and development in neighbouring areas.

The sector in North Northants can speak from hard won experience to champion longer cycles of funding that really make a difference in communities and sustain local organisations. An example of best practise is the [KHL Community Workshop](#) in Corby, which came into being from a similar 10 year funding project and continues to thrive.



Equally, the negative impact of short term funding is felt widely across the sector, lack of core funding and short funding cycles continue to strangle the sector and stifle effective development. National funders like the Arts Council are interested in investing in North Northants having identified significant historic lack of investment in the area.

At the end of last year Made with Many were awarded £1 million for 3 years of work within Corby and Wellingborough.

Meanwhile, the Northamptonshire Community Foundation continues to attract funding for local organisations working in the county.





# Setting the Scene

Rachel McGrath from [Northamptonshire Community Foundation](#) (NCF) highlights the the local issues as drawn out in their [Hidden Needs report](#), 'poverty and disadvantage, health and wellbeing, rural isolation, and challenges facing children and young people remain persistent pressures, with issues such as fuel poverty, mental health, and access to services in rural communities particularly pronounced.' NCF award over £1 million annually across funds tackling deprivation, improving wellbeing, and building community resilience within the county.



In line with Charities Aid Foundation findings in their latest Giving Report, fewer people are giving but those who do are often giving more, there is an emerging emphasis on more thoughtful, impact-led philanthropy. Donors locally want to understand how their giving translates into measurable change, and this is reflected in a growing appetite for better impact reporting, learning, and partnership working across sectors. The main drivers for giving in North Northamptonshire are a strong sense of local pride, concern about the cost-of-living crisis and inequality, and a desire to support small, trusted charities that are close to communities.

Rachel McGrath, NCF



As a local funder, NCF are witness to the increasingly high demand on grassroots organisations, and echo the challenges identified in the Aspire NN survey including difficulty securing core funding and capacity for smaller organisations to be able to evidence and communicate their impact.

## Community Cohesion

Community cohesion has become an increasingly urgent issue given wider changes nationally. A conference led by the VCSE and NNC in the 31st March 2025 committed to developing a Community Cohesion strategy. NBCT and other partners are now leading this work to develop a Theory of Change and this work will form part of the Community Safety Partnership across North Northamptonshire.

**Northamptonshire Black Communities Together**

United communities - working towards an equal society



# Setting the Scene

## North Northants & the wider region

Northamptonshire as a county also faces a unique landscape regionally – on the one hand looking North, the county is at the bottom end of the East Midlands with no major cities to attract investment and an often-cited feeling of being forgotten. On the other hand, looking South, the county was recently rejected from the South Midlands Regional Authority by neighbouring counties, a vital part of the new devolution framework seeking to decentralise power from central government to local authorities.



“As a strategic mayoral authority, it will have greatly enhanced powers and funding devolved from national government to make collective decisions on issues such as economic growth, transport, housing, skills and employment. This is in line the government’s recently announced plan for devolution, which means every English region will have an elected mayor to oversee important issues. Such devolution would mean “more money, more power and easier working across council boundaries”, the government has promised. Ministers also see the creation of more powerful regional authorities as a way of “unblocking” infrastructure and attracting greater investment”

[Why Milton Keynes has shunned neighbouring Northampton but welcomed Bedford and Luton in its groundbreaking devolution bid](#)

Nationally, Northamptonshire is sandwiched in the centre of the country, which has both positive and negative impacts.

Being so centrally located has proven attractive to certain large national organisations, who have increasingly chosen to invest in the area, many of whom engage in community projects supporting VCSEs. Transport links such as the A14 and the M1, have made it an ideal location for companies with a distribution and storage focus, hence the high number of ware houses and factories that have been built over recent years.



# Setting the Scene

Companies such as Weetabix have been in the county since 1932 and have developed strong ties with the community, evidenced through projects such as Magic Breakfast and Fareshare. Nike has recently signed a 20-year lease agreement with GLP for its new state-of-the-art UK Logistics Campus and national supply chain hub at Magna Park Corby.

Alpro, whose main factory is based in Burton Latimer, have recently announced a major investment as they push to make their oat milk more sustainable and reduce food miles. The oats for their 100% British oat milk will be grown within 80 miles of the factory, creating opportunities for local growers.

[Burton Latimer-based Alpro announces 'multi-million-pound' investment to support farms near Kettering for 100% British Oats drink](#)

However, the county also absorbs many of the wider East of England regional issues such as lack of east to west public transport and a historic lack of investment from central government in infrastructure.



The East of England's economic potential is still being held back by historic underinvestment, poor infrastructure and communications, according to a major new report.

It says if the government funded the East at the same level as the rest of the country, the region would receive an extra £10bn a year from Whitehall.

- It has the fastest growing population in UK
- Poor transport links
- Poor connectivity
- Skills shortages
- Housing availability and affordability
- Water scarcity

Like many reports before it, "historic underinvestment" in transport and communications is blamed for holding back the region's growth.

['Historic underinvestment' holding back East of England - report - BBC News](#)



Rural areas on the borders of the county are also challenged by location - often essential services such as GP surgeries and local hospitals, are in neighbouring counties which results in lack of identity, representation and a fragmented system of support including essential transport services.

Rural isolation, lack of public transport, fragmentation of council services, enforced digitisation of public services compounding digital poverty/exclusion."

-Aspire survey Nov 2025



# Strengths of the Sector

North Northamptonshire can be proud of the strength of its VCSE sector.

It has not only sustained itself through multiple local, national and global challenges (from covid, to economic stagnation to local authority break down) but it is growing and evolving. This is demonstrated by;

- readiness to seek out solutions to local issues
- wanting to keep abreast of complex wider statutory changes and engagement
- constant effort to build confidence in its ability and share knowledge
- becoming a valued partner in local strategic service provision (ICS and Place agenda)
- supporting the council in its vision of equal partnership.

The sector's commitment to maintaining an outward looking perspective is seen in the high attendance at the monthly VCSE Engagement group where shared concerns are raised and challenged and a collective sense of identity and capacity is developing. The high opening rate of the Aspire NN ebulletin is a further positive indicator of a sector that is interested in its collective work and sharing its projects and developments.

## Interconnectivity & Collaboration

The sector is well connected and collaborates well. The VCSE can respond to need by working in partnership, expanding reach both geographically across the county and demographically, for example reaching diverse communities. The sector has humility and compassion in how it provides services, understanding who is best positioned to provide support and taking a person-centred approach.

Examples include:

[Mental Health Northants Collaboration – Mental Health Services](#) This collaborative works across both North and West Northants connecting VCSEs working in the areas of mental health, learning disability & neurodiversity;

[Youth Works Northamptonshire](#), have, on behalf of the REACH partnership of Youth Counselling services In Northamptonshire, been commissioned by NHS Northamptonshire to deliver an exciting new service to support young people making the transition from Child and Adolescent Mental Health Services to Adult Mental Health Services.



**MENTAL HEALTH  
NORTHANTS  
COLLABORATION**





# Strengths of the Sector

Services such as Spring and Age Well are delivered expertly by the VCSE due to the ability to collaborate and work creatively to address local issues. [Age Well | Integrated Care](#)

Northamptonshire The Age Well teams are made up of health, social care, and voluntary sector colleagues from existing local organisations. [Home | Spring](#) is a community driven support network to support residents to manage their health and wellbeing.

[Support North Northants](#) - a partnership of VCSEs - is an innovative response to the ICS (Integrated Care Service) to coordinate support for vulnerable people. Their core partners are Accommodation Concern, Serve, Groundworks and Support Northamptonshire.

[Groundwork](#) supports the development of VCSE organisations in the county, such as [Made with Many](#), [KHL](#) and the Grow Cook Eat programme, building systems to manage investment and keep money within the county, in line with charitable funding, with strong, accountable governance.

[Northamptonshire Sport](#) (NSport) plays a pivotal role in connecting and supporting the voluntary, community, and social enterprise (VCSE) sector across Northamptonshire. The organisation's work spans grassroots community groups, sports clubs, local authorities, and other partners, fostering a diverse and inclusive active lifestyle ecosystem. The organisation's commitment to inclusivity, partnership, and strategic impact ensures that its work continues to enhance community health, wellbeing, and active lifestyles throughout the region.





# Strengths of the Sector

Often VCSE services are provided in collaboration or partnership with statutory services, supporting the current emphasis on moving from hospital to community and from treatment/care to prevention which is set to continue. Whilst years in good health is an NHS priority, the number of younger people affected by chronic illness is increasing and there is a decline in the health of the 50+, along with little improvement in life expectancy. Health and social care services clearly recognise the role of the VCSE in addressing prevention and in its capacity to respond effectively to needs at a grass root level, often reaching those that statutory services struggle to reach and at times fail to identify.



The voluntary community and social enterprise (VCSE) sector has always provided a range of different support to the NHS including in its role in helping community voices to be heard, in delivering services and in being partners in strategy development.

As we move towards the ambitions of the new NHS Long Term Plan, this is more essential than ever, in supporting NHS England to meet its obligations through the Equality Act, address health inequalities and ensuring that our programmes meet the needs of our diverse people and communities.

[NHS England » Voluntary, community and social enterprises \(VCSE\)](#)



## Proactive

VCSE organisations often emerge directly from the community in response to needs, are proactive in bringing their services to the community and communicate effectively with other service providers to connect people. A hands-on approach, often through the support of volunteers, enables individuals to be accompanied directly on a practical level within their community, preventing people falling through gaps if they lack capacity to act by themselves i.e. they may be given a leaflet but never contact the service.

Support North Northants (SNN) is a Single Point of Access prevention service supporting people across North Northants. They work in collaboration with voluntary, statutory and private sector partners to achieve the best outcomes for people, accompanying individuals on their journey to improved wellbeing outcomes, preventing escalation and reducing the burden on blue light services





# Strengths of the Sector

## Flexible & Innovative

Services can extend to individuals at home and often bridge that difficult transition from statutory provision to home.

[Kettering MIND's](#) Hospital at Home programme provides an assessment within 48 hours of discharge and walks alongside people until they are well enough to walk alone again, dramatically reducing hospital re-admissions. Community Wellbeing Champions are another invaluable service provided by Kettering MIND, upskilling the community to be able to refer well and prevent issues escalating. [The Brotherhood](#), 'Spaces for men to vent, share their struggles, and feel supported without judgment', started with one group in Burton Latimer, has become a CIC and expanded last year to Burton Latimer, Rothwell, Thrapston and Oundle. It was established by one man who trained with MIND as a Community Champion, identified a need and then went on to establish this self-help group for men.

## Prevention work

VCSEs can build trust and provide genuine wrap around support due to their connectivity within the sector and advanced understanding of community needs and services available. Signposting and provision of holistic services reduce the need for people to access statutory services, for example "frequent flyers" - people who attend A&E frequently have a significant impact on health services. Two thirds of this group of individuals come from areas of multiple deprivation, highlighting inequalities which again can be picked up by the holistic approach of the VCSE sector.

“The most valuable service reported to reduce ED attendances was individual case management’.  
[2799 'Frequent Flyers'](#)”

SNN have innovated work in this area in North Northants. They are driven by not giving up on people, catching issues early and grasping opportunities presented by the ICS to transform services. Their 'tell your story once' case management process, ensures people are supported holistically from the moment they enter the service.





# Strengths of the Sector

These services provided by the VCSE prevent escalation of illness and mental health and the ensuing slide into mental or social crisis, leading ultimately to better outcomes for individuals and society more widely whilst also relieving statutory pressure.



## Case Study

[Horses for Good](#), based in Rushden, stands as an innovative example of what alternative education can achieve when compassion, expertise and purpose come together. As a specialist alternative provision, the organisation pairs rehabilitated horses with children who have been pushed to the margins of traditional education, often those with the most complex needs. Under the guidance of a highly trained psychotherapist and a small team of dedicated facilitators, each session becomes a space where behavioural insight, emotional literacy and self-belief can take root and grow. Short-term developmental goals lead into long-term aspirations, including the possibility - often realised - of returning to education.

Despite a small workforce - one full-time facilitator who contributes most of her hours voluntarily, supported by two part-time facilitators - Horses for Good delivers nearly 40 one-to-one sessions every week as well as looking after a team of nine horses and other animals. Demand continues to grow, driven almost entirely by word-of-mouth recommendations from schools, families and other professionals who have witnessed transformational change. As a result, the organisation now holds a waiting list it is eager to meet.





# Pressures & Risks facing the Sector

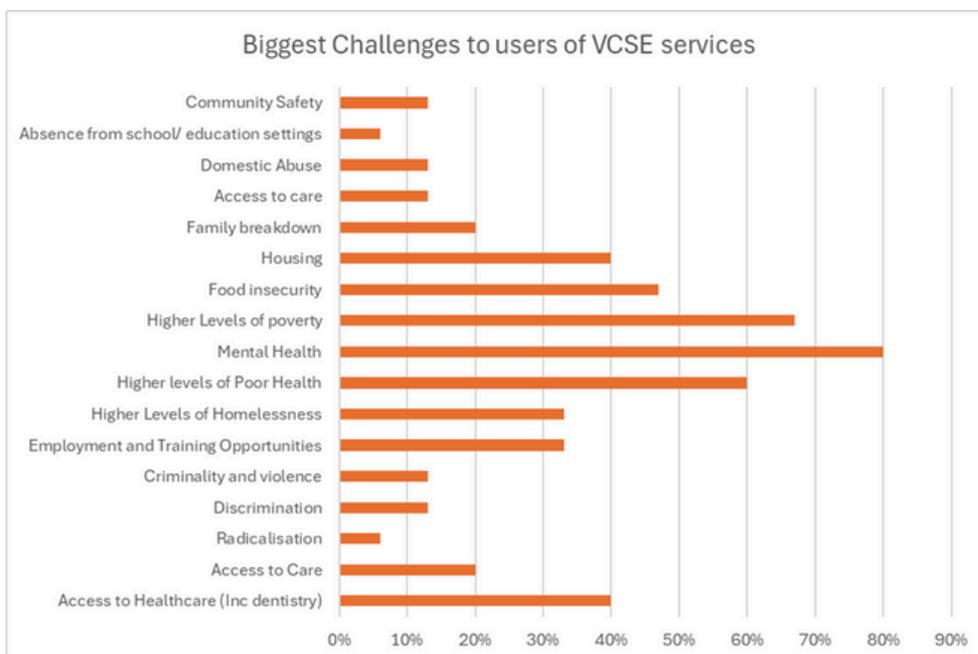
The VCSE sector in North Northants is remarkable for its resilience, flexibility and capacity to work through difficult times. However, one of the biggest cited recent challenges has been the capacity to respond to increased demand for services. By default, this also points to lack of funding, in particular core funding, to cover basic costs such as wages, insurance, rent & equipment that sustain an organisation and provide the stability needed to apply for new funding and evolve services to meet this demand.

We do not have enough funding to expand our services to fill the gaps that we identify as part of our work. A real challenge is not having enough administrative support / back office support, or staff to do the extra work that comes out of additional funding. However, we are keen to work with others and try to find ways to offer more support to families with children with disabilities and try to innovate to get better outcomes for families.

Aspire survey Nov 2025

## Increase in Demand

The increase in demand has been driven, across the country, by housing issues, debt, unemployment, addiction, mental health issues and soaring food & energy prices. Our survey of local VCSE organisations pointed to mental health as being the biggest challenge to service users 80%, closely followed by poverty, poor health and food insecurity. Challenges, such as isolation and lack of public transport, are faced by rural communities, which represent 31% of the county.





# Pressures & Risks facing the Sector

Specific comments from VCSE organisations relating to the challenges experienced by their service users:

- Young people struggling with the education system - opting out or living with SEN needs that are not being met or understood?
  - Changes in the benefit system
  - Rural isolation, lack of public transport, fragmentation of council services, enforced digitisation of public services compounding digital poverty/exclusion.
  - Provision of services and support in a manner / at places where they feel comfortable accessing or can access
  - Access to support: SEND needs: child-to-parent aggression/harmful behaviours
  - The need for advocacy has increased amongst our service users, this due to lack of consistency from Local Authority and not being informed of their rights and entitlements.
- Aspire survey Nov 2025

## Financial Pressure

The foremost challenges for VCSE organisations themselves, highlighted in the survey were funding, increased demand/decreased capacity and financial pressure. The following comments offer specific insights:

- Lack of responses from Local Authority on outcomes to sustainable funding. Responses are always last minute. This puts the organisation under immense constant pressure.

Aspire survey Nov 2025

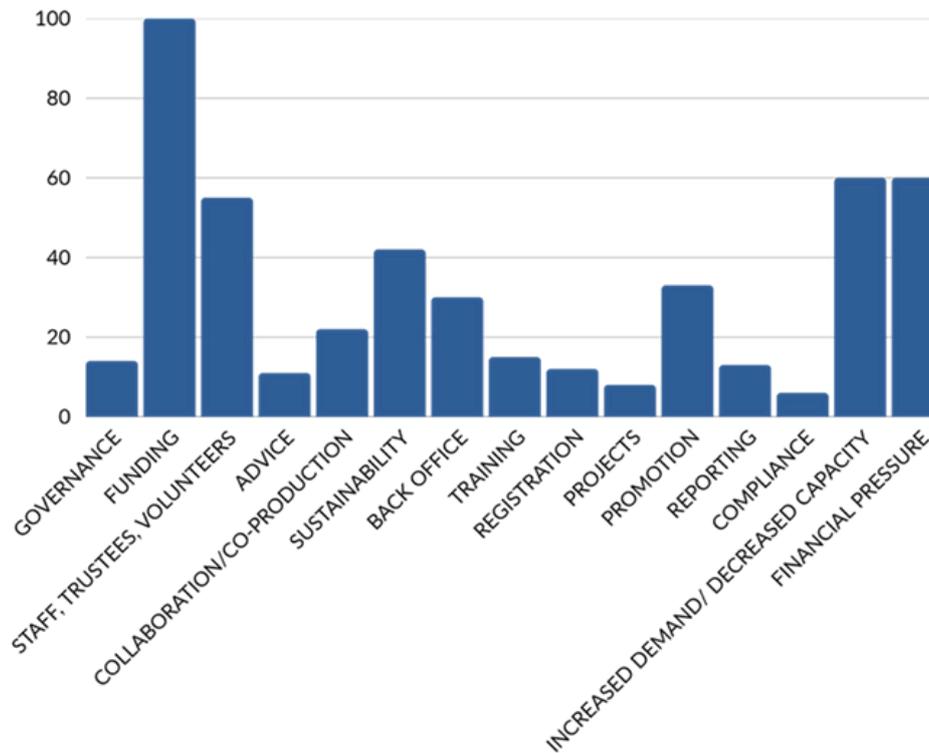


Based on 120 of the 300 organisations identified so far in North Northants, where both income and expenditure data is available from Charity Commission and Companies House, 40% of our VCSE are in deficit.



# Pressures & Risks facing the Sector

Challenges facing the sector, Aspire survey 2025



Essential public services are at risk due to underfunded contracts held by charities. according to the latest New Philanthropy Capital (NPC) report:

“

- Only one quarter of contracts that charities hold has been uplifted in line with inflation.
- 62% of charities believe that they do not receive the full value it costs to deliver a public sector contract, with the average charity contributing 35% the value of a contract.
- We estimate that charities prop up state services by £2.4bn a year. This is equivalent to twenty-three times the emergency support package that the Chancellor provided charities with in 2023 to help them cope with the cost-of-living crisis. It is also over half the size of the total contributions to the government’s Levelling Up Fund.

[NPC-State-of-the-Sector-2024-Ready-for-a-reset.pdf](#)

”



# Pressures & Risks facing the Sector

“Decades of cuts and underinvestment in local services have taken a heavy toll, yet the resulting social impacts are neither well understood nor treated as a priority. Policymakers must urgently consider how these pressures are deepening deprivation and social exclusion and weakening community cohesion. This is not just about the survival of VCSE organisations – although that is at serious risk – it is about ensuring that the essential needs of the people they support continue to be met. When council funding is squeezed, statutory services are reduced and demand is shifted onto VCSE organisations, the sustainability of vital community services is placed in jeopardy.”

[Grants-for-Good-Report-2025-Final-with-cover-1.pdf](#)

## Funding Processes & costs

### Commissioning

Another challenge, that has been recognised nationally and echoed recently at the NNSE 'Sell to the Council' event, is the lack of parity in the size of organisations that can access local authority funding. Most funding is secured by larger organisations, with a lack of transparency and accessibility when it comes to the process of applying for a contract.

The procurement and commissioning team are keen to address these inequalities and are looking at finding ways to make the process inclusive as they recognise the importance of the insights and capacity of smaller organisations to deliver right at the grass roots of communities. The Aspire partners are working closely with NNC to advocate for the sector and streamline processes.





# Pressures & Risks facing the Sector

The Procurement Act 2023, which came into force on 24 February 2025, presents significant changes in public purchasing. Local Authorities are now mandated to “have regard to the importance of maximising public benefit.” This presents a fresh challenge to both commissioners and the VCSE, to prioritise the time and resources to co-produce the design of tenders so that the shifting reality of community needs are centred and the experience of the VCSE sector in delivering services at the grass roots level are embedded. At the heart of this will be a recognition of the cost to the VCSE sector of time spent in this process.



Embedding VCSE intelligence is the core strategic function required to build resilient, effective, and sustainable public services. This early collaboration prevents the creation of unrealistic targets and key performance indicators (KPIs) that set providers up for failure, leading to costly contract collapses and devastating gaps in community support. The new procurement landscape recognises that a healthy, diverse market of suppliers is essential for resilience. Successful councils are now viewing capacity building not as a separate grant-funding activity, but as an integral part of their commissioning strategy.

[Co-Design or Crisis: Rethinking procurement in the VCSE sector's perfect storm - Social Value Engine](#)



## NNC Funding Policies

The past year has seen particular issues with the some of the councils funding. Policy restrictions meant that venue and staffing costs couldn't be covered within the HIAA fund, which made many projects untenable. Collaboration was encouraged, so it was possible to outsource these costs, but for many VCSEs this wasn't an option – it added layers of complication for which there wasn't time or capacity. Community Law and Citizens Advice were able to advocate for recognition of the costs to VCSEs of administering the HSF fund, but only 5% for staffing and administration was permitted, an advance in the right direction, but further work needs to be done in this area.

This highlighted the importance of time spent by NNC in consultation with the VCSE, to co-design grant programme criteria to ensure they are accessible and useable. Shifts were made with the HSF funding after consultation with the sector. The sector has been asking for greater transparency and simpler processes for grant applications. The VCSE Engagement Group, which meets monthly online, has been a very useful space for bringing these issues to the fore and advocating for the sector.





# Pressures & Risks facing the Sector

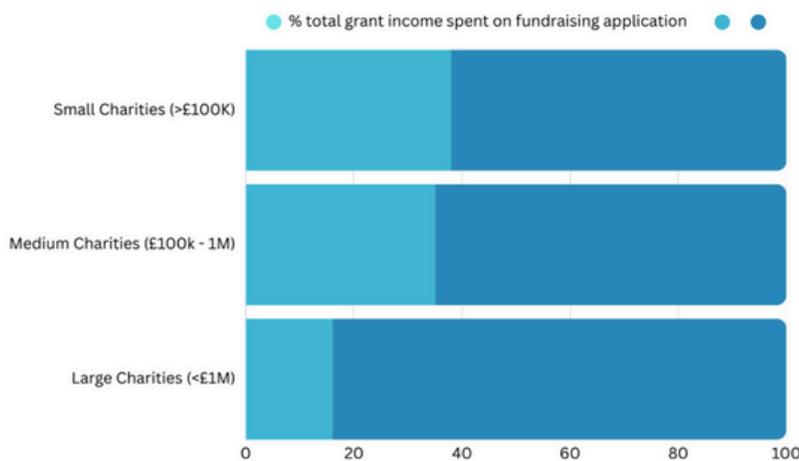
## Working with Funders and bid Writing

The demands and requirements of funders can vary significantly. Short term, highly demanding funding for smaller amounts with significant monitoring requirements can be counterproductive – putting too much strain onto the administrative side of delivering projects, putting vulnerable systems under strain and creating the wrong balance for the investment secured.

Aspire NN will look to support the sector to work smartly to fundraise: planning ahead, focusing on certain funders that match a charity's objectives and championing those funders that are great to work with.

Kate Williams from Groundwork tells us

Working with the Reaching Communities Team at the Lottery has been a great experience, with clear application processes, strong support from their officers and a realistic approach ensuring the monitoring and evaluation is led by the work that has been delivered, allowing communities to be in the lead in the delivery. Their approach is helpful, supportive and not onerous, they encourage thought and impact management in their systems and are a good example of a funder it's good to work with.



National reports tell us that, “The cost of grant applications does not fall equally on all types of charities.... Small charities face the highest costs proportionally, at 38% (with applications costing about £49m overall).”

PBE | Giving pains: The cost of grant-making | PBE



# Pressures & Risks facing the Sector

Black and minority ethnic-led charities disproportionately tend to be small, and previous research has shown that they face especially high barriers to accessing funding. This likely contributes to the long-term underfunding of this part of the sector, and the financial fragility of many charities serving black and minority ethnic communities.

“ Many Black-led organisations rely on short project grants which prevents long-term planning, staff retention and infrastructure development. Reports call for longer-term unrestricted funding. [Minoritised-led charities report](#) ”

## What are the greatest barriers to accessing funding?



Information in this chart was gained from the Aspire NN survey, Nov 2025

It’s clear from research that the cost and staff time needed for applying for funding and transitioning from a volunteer led organisation or company limited by guarantee to a charity or CIO is a common challenge. Funding applications are time consuming and are often done outside of work hours, increasing the risk of staff/volunteer burnout.

A report published by the Law Family commission on Civil Society claims that grant processes “embed inefficiencies”, and states that “many foundations do not publish eligibility criteria, meaning charities do not know if they are eligible before applying. Recent research by the Directory of Social Change found that between a third and a fifth of grant applications were ineligible – representing a significant level of wasted resources for charities...” The report calls for more funders to consider the costs created by their processes and redesign them to improve efficiency and reduce the number of ineligible and unsuccessful applications.

[Charity sector spends £900m a year applying for grant funding, report finds](#)

“ [We need] time, resources to allocate time, less pressure on chasing income and funding and more time to do the work and gain insights to outcomes and impacts. <https://vcseobservatory.org.uk/research/> ”



# Pressures & Risks facing the Sector

## Strategic Planning

Evolving organisational capacity to respond to increasing demands is a frequently cited challenge in the sector. The pressure of meeting front line delivery whilst fighting for essential costs to survive means there is little time or head space left for strategic planning to develop and grow.

“The organisation’s challenge is not ambition, expertise or impact - it is capacity. The team is deeply embedded in the day-to-day delivery of sessions, leaving limited time and resources to progress the strategic work essential for growth: securing charity status, writing grant bids and developing the infrastructure needed to meet rising need. Horses for Good is at a pivotal moment. With the right support, it is poised to expand its provision, strengthen its sustainability and extend life-changing opportunities to many more young people who currently have limited places available to them.” Horses for Good, Rushden

Measuring impact, gathering stories and feedback - essential for reflection & learning as well as for funding - is also difficult under such pressured conditions. The workshop held in December by NNSE ‘Choosing the right legal entity for your organisation’, highlighted the complexities around such decisions and the lack of confidence that organisations feel making these decisions.

Aspire NN will support strategic planning within the VCSE across North Northants, cultivating the capacity to look ahead, understand funding requirements, ensuring planning and impact measurement becomes a part of bids, budgeting for the year ahead and building services and projects accordingly.



Staff and trustees can find themselves consumed by the day-to-day weight of their roles, managing crises, or by burnout and distress of what is happening in their organisation. We hear people saying they find it hard to distinguish between what is within their control and what is not, delaying essential decisions or execution of essential next steps

[Insights — The Decelerator](#)





# Pressures & Risks facing the Sector

## Asserting Value

Many VCSE organisations are time and resource poor, struggling to meet demands at the front line of their services, so attending external meetings and events puts extra strain on staff and volunteers which can ultimately impact quality of delivery.

The sector is seeking financial recognition of the value of their unpaid time and input, particularly into statutory meetings. Some work has started in this regard through the Place Based work, however it was short term and would benefit from a more standard and sustainable approach from all system partners.

## Mission Drift

Mission drift is a threat to organisations who face the complex reality of needing to respond to funding priorities and at the same time meet grass roots needs. They tread a fine line as they necessarily innovate and develop ideas to meet both these priorities but this process can potentially weaken the organisation if it doesn't have capacity or hasn't planned realistically to meet these demands.

Collaboration can be a key to resolving issues such as mission drift, but this needs a strong sense of organisation identity and the head space and time to network and work together. Strong governance is also key and is an area that will Aspire NN will be seeking support.

## Finance Skills and systems within the Organisations

Ensuring robust and up to date financial records are kept, informing decisions about forecasts and budgeting is a key requirement to strengthen decision making, investment and to build understanding of what true costs are. Across the sector there is a lack of resource in this area, either through the absence of a treasurer role or through the lack of funds to employ finance support staff. Boards of Trustees or Directors of CIC's should be considering the finances of the organisation at least quarterly, working to an annual budget and creating sets of accounts accordingly.



We hear from leaders every week describing how their civil society organisation is being asked to meet increasingly complex needs with shrinking resources, often within systems not designed for today's demands.

[Insights — The Decelerator](#)





## VCSE in Public Systems (NNC, NHS, Place)

The VCSE plays a crucial role in tackling health inequalities, providing essential prevention services, supporting the most vulnerable people and communities and being highly responsive, agile and relevant to meeting community needs. The VCSE played a critical role during the Covid pandemic, and this was a real demonstration of the value of the sector. The sector needs to be fully recognised and supported to ensure that it continues to develop and deliver preventive and early intervention services that build stronger, more connected and resilient communities.

The VCSE's role in Placed-based work, ICB, health and social care is crucial and critical.

Leaders of the 42 ICSs in England shared their views on ICS development and their role in implementing the government's new [10 Year Health Plan](#):

“ Regardless of what form the partnership takes, collaborative working between the NHS, local government, the public and the VCSE sector is critical to address complex health and social care needs in the community.  
[The state of integrated care systems 2024/25 | NHS Confederation](#) ”

ASPIRE NN is enabling the VCSE to be involved in the following:

- Leading Place Based Partnerships
- Supporting Local Area Partnerships
- Being represented on the ICB new Cluster with Leicester, Leicestershire and Rutland.
- Being on the Health Inequalities and Prevention ICB Group
- Influencing the New Models of Care – the new neighbourhood health agenda as part of the NHS 10 Year Plan. This is overseeing a major transformation of health services over the next 10 years.
- Leading the Support North Northants service – a proactive support model that is bringing the VCSE together in collaboration to provide essential prevention services for people at the edge of care, the most vulnerable and those with multiple needs – over 200 partners are working with this arrangement and we are demonstrating the best of what the VCSE can do when we co-ordinate support.





# VCSE in Public Systems

The VCSE is leading strategic collaborations funded by NNC for:

- Equalities
- Mental Health
- Financial Resilience
- Older People
- Community Transport
- Working with Adult Social Care to support new developments for providing a Front Door/Access Team
- Influencing commissioning in health and social care with the 'meet with commissioners' events and being part of change processes.

“

Too often, neighbourhood working is shaped by system boundaries rather than community realities. VCSE organisations are brought in late, funding is short-term and unstable, commissioning remains complex and exclusionary, and community insight is undervalued. The result is neighbourhood working that improves coordination within the system but misses the opportunity to build long-term community health and resilience. Where LIOs (Local Infrastructure Organisations) and VCSE leadership are properly supported, the difference is clear. Trusted local infrastructure connects organisations together, so people get the support they need earlier. It makes sure support reaches those furthest from statutory services, enables trauma-informed and culturally competent approaches, and brings real community intelligence into decision-making. Neighbourhood health works best when it is powered by relationships, trust, and lived experience — not just structures.

[Neighbourhood health: from system ambition to community reality.](#)

”





# Looking Ahead: Strategic Priorities for 2026–27

This first State of the Sector Report establishes a shared evidence base for understanding the Voluntary, Community and Social Enterprise (VCSE) sector in North Northamptonshire. It confirms both the vital contribution the sector makes to local communities and the increasing pressures under which it operates.

The next phase of Aspire NN's work must therefore move beyond diagnosis and towards coordinated, system-level action. The recommendations below are framed as collective priorities for Aspire NN partners, statutory bodies, funders and the VCSE sector itself. They are intentionally focused on structural change, recognising that resilience will not be achieved through isolated interventions, short-term funding or increased expectations on already stretched organisations.

These are based on the key areas that ASPIRE is commissioned to address:

**THEME 1** Building quality and capacity within the VCSE sector and providing back-office support to enable sustainable growth, demonstrate return on investment and social impact, maximise resources across the sector, all to achieve positive outcomes for our communities.

Our key priorities will be:

- Development of a toolkit for capacity building for VCSE Organisations and fifty (50) VCSE Organisations will be supported through the toolkit
- We will deliver 12 training sessions on leadership, ABCD (Asset Based Community Development), equalities etc.
- We will develop a Shared Back Office Hub to enable VCSE Sustainability and System Delivery. This report also identifies a clear need for strengthened back-office and infrastructure support. As traditional CVS provision has diminished, many organisations lack access to finance, governance, HR, digital and impact support. Aspire NN will explore the development of a shared Back Office Hub to improve sustainability, reduce duplication and enable organisations to focus on frontline delivery.
- Produce a Return on Investment methodology / toolkit. Report how many VCSE organisations supported to use it
- Increase the number of VCSE organisations in the network by 5% per annum, and the number of network meetings/ events/ communications
- Deliver Chief Executive Officer Network meetings and training.



# Looking Ahead: Strategic Priorities for 2026–27

THEME 2 & 3 Building mutually beneficial relationships across sectors, with commissioners of services, and with communities by creating equal partnerships by promoting coproduction and asset-based community development best practice; sharing information, skills, assets and resources; creating spaces to come together, utilising evidence and celebrating success. Our key priorities will be:

- Number of collaborative projects/programmes supported either across VCSE organisations or with communities
- Development and delivery of communications plan refreshed annually
- Annual survey of VCSE network members delivered

THEME 4 Innovative income generation and investment into VCSE to ensure financial sustainability in a mixed model and enterprise culture, encompassing commissioning, maximising national and regional opportunities. Our Key priorities will be:

- Assess the amount of new investment levered into North Northamptonshire by VCSE – evidenced by annual survey
- Supporting collaborative bids
- Evidence of private sector engagement eg through social value and social procurement'
- Hold 'meet the commissioner' events
- Advancing direct commissioning work (ie helping VCSEs to understand tender platforms etc) and boosting trade between VCSEs and NNCs main suppliers. This will include a 'Meet the (NNC) Suppliers' event for VCSEs to improve chances of being 2nd tier or even 3rd tier suppliers to the council. ASPIRE will develop more opportunities to meet commissioners, bring the VCSE together and create best practice in utilising evidence and impact reporting.

ASPIRE NN are leading on developing a culture of social enterprise and how the VCSE can generate greater income and investment to create financial sustainability.





# Looking Ahead: Strategic Priorities for 2026–27

THEME 5 Developing our people assets, by increasing resident action and taking a strategic approach to volunteering, providing a platform for opportunities, brokerage, data collection and impact monitoring.

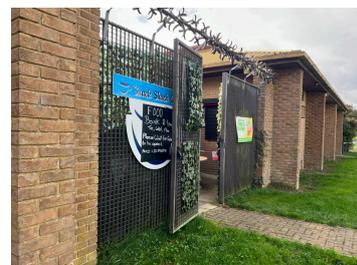
Our key priorities will be:

- Volunteer Managers’ forum established – this has been established and is now meeting quarterly.
- Developing best practice guide for recruiting, managing and retaining volunteers
- Develop a volunteering platform for promoting and recording volunteering opportunities.
- Increase volunteering opportunities by 10% per annum.
- Increase in volunteering take up by 10% per annum.

Volunteering emerges as a critical cross-cutting issue. Volunteers remain the backbone of many organisations, yet volunteering infrastructure across the county is fragmented and under-resourced. Corporate volunteering offers significant potential but requires coordination, clear expectations and investment in management capacity. Aspire NN will prioritise volunteering as a major programme of work in 2026, building on existing initiatives and developing a refreshed, approach.

THEME 6 Co-ordination of the North Northamptonshire VCSE to embed the sector in the ICS and the Place programme, through ongoing leadership and support to Community Wellbeing Forums and Local Area Partnerships, ensure the VCSE plays an active part in the Family Hubs programme, and ensure there is representation at Executive level across all relevant programmes.

- Twelve (12) VCSE Engagement group meetings per annum – during 2025 we delivered 11 Engagement Group Meetings with an attendance of between 20 and 45 organisations each meeting.
- Full complement of VCSE representatives at the relevant strategic tables.





Contact us: [info@aspirenn.org.uk](mailto:info@aspirenn.org.uk)

Visit <https://www.aspirenn.org.uk/> for news, events, resources, back office support & signing up to the weekly ebulletin,



**North  
Northamptonshire  
Council**



## Closing thoughts:

“Aspire NN’s work is on-going and we plan to build on the body of this report as understanding develops. In the upcoming months and years we will be taking a deep dive into thematic areas, producing resources and prompts to help drive sustainable change.

The VCSE in North Northamptonshire shines as an example of a rich and diverse tapestry of community action with huge breadth of skills, experience, commitment and passion.

The initiatives and work of Aspire NN will be built through collaboration and co-production with VCSEs, to enhance this vital and creative sector.”

Kate Williams, CEO Groundwork



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