Community Action Suffolk

and

Suffolk Community Foundation

State of the Voluntary, Community, Faith and Social Enterprise Sector –

Headline Report

2026

Foreword

We are delighted to publish this report setting out the state of the Voluntary, Community, Faith and Social Enterprise (VCFSE) sector in Suffolk. The research and the stakeholder survey were undertaken in late 2025 and early 2026. This report represents the culmination of extensive efforts, and we would like to express our sincere gratitude to all who contributed their time and insights.

This year's report reflects the complexity of the operating environment for Suffolk's VCFSE sector in the last year. The sector continues to deal with insufficient funding and resource, increased demand, and difficulty recruiting volunteers – all of which largely reflect the national picture and to some extent have been exacerbated by national decision-making i.e. National Minium Wage and National Insurance Contribution increase in April 2025.

The full report is extensive and in addition to themes and trends tracked from last year's, we have included a spotlight on both Commissioning and Procurement, and Local Government Reform and Devolution.

Below you will find short headline summaries of each section, but should you wish to take a deeper dive into the full report and dataset, or refer to our one-page infographic, they can be found here:

Research into Suffolk and the VCFSE Sector - Community Action Suffolk

We hope you find the report insightful and should you wish to discuss further, please do not hesitate to contact us.

Hannah Reid, Chief Executive, Community Action Suffolk and Hannah Bloom Chief Executive, Suffolk Community Foundation.

Sector Snapshot

Suffolk's VCFSE Sector by Organisation Type:

Registered Charities: 2,935

Registered Community Interest Companies: 683

Registered Societies: 66

Community Amateur Sports Clubs: 125

Faith Organisations: 598

Est. no unregistered community groups: 7,772

Total est. size of sector: 11,456

82%

Organisation Size

82% of registered charities in Suffolk are small or micro sized with an income of less than £50,000

53%

Staff

53% of responding VCFSE organisations based in Suffolk had paid staff

40%

Finances

40% of charities registered in Suffolk reported a level of expenditure greater than income on their last annual return to the Charity Commission

£87.5 million

Economic Value

The estimated economic impact of volunteering in Suffolk for volunteers within registered charities alone is £87,550,168

43,514

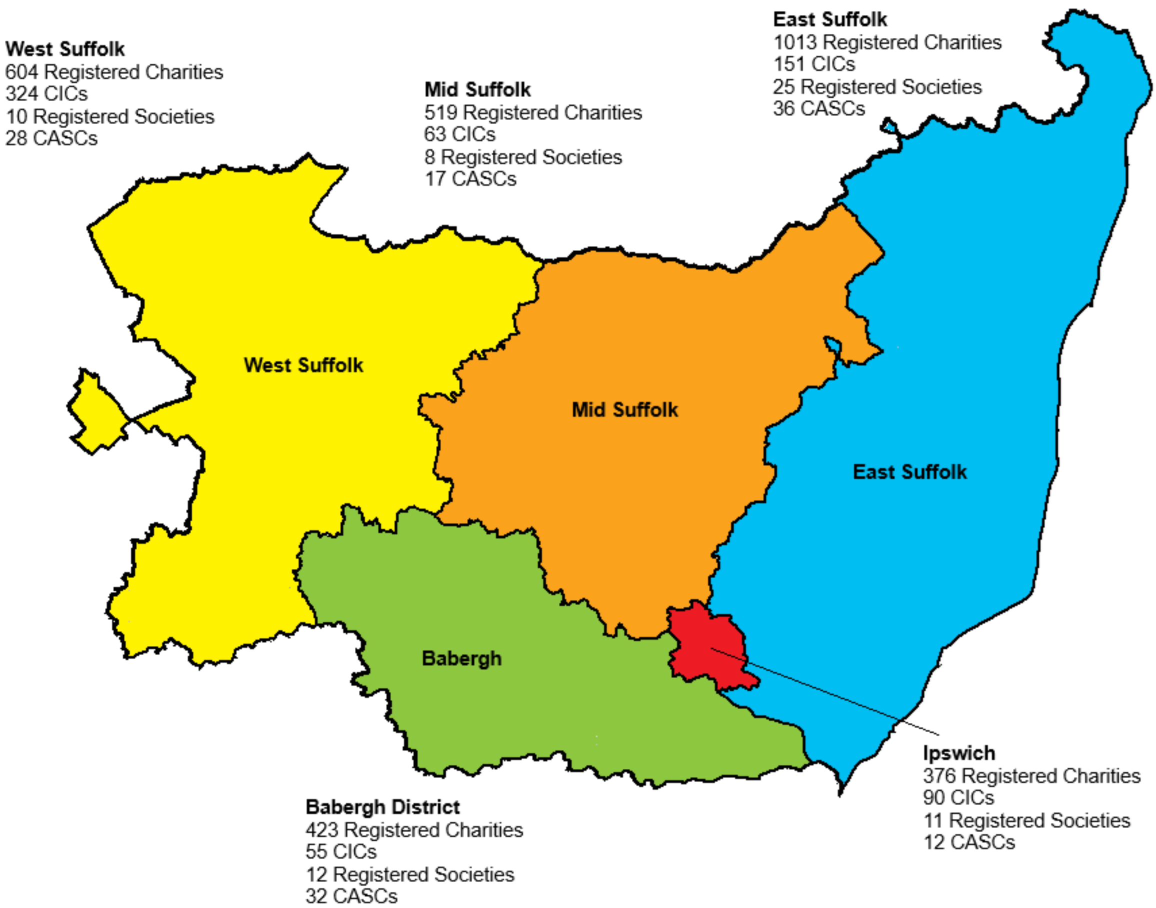
Volunteers

There were 43,514 volunteers supporting registered charities in Suffolk, this does not include the volunteers that support other organisation types

15,725

Trustees

There are 15,725 Trustees of Charities registered with the Charity Commission within Suffolk



Size of Suffolk Registered Charities (*last recorded income*)

- 83% have income less than £100,000
- 98% have an income less than £1m
- 48% have an income less than £10,000
- 2% income £1m+

Nb: Charity Commission figures based on 2935 Suffolk registered charities last recorded income on annual returns as at 18/02/2026.

Of stakeholder survey respondents (in 2026), over half (61%) have an annual income of less than £50,000.

Income Band	Response
Under £10,000	115
£10,000-£19,999	44
£20,000-£49,999	60
£50,000-£99,999	40
£100,000-£499,999	51
£500,000-£999,999	20

£1m+	24
No answer provided	4

Micro charities and small charities are primarily defined by their annual income, with micro-charities earning less than £10,000 and small charities earning between £10,000 and £100,000. Suffolk has more micro charities (with less than £10,000 income) than national average at 47.9% compared to 40.23%, and more small charities 82.86% (£10,000-£100,000 income) compared to 74.99% in England and Wales.

In Suffolk, the top 100 charities (in terms of income) had a combined income of £330,269,075, whereas the 2,432 Micro and Small charities had a combined income of £39,389,259 in their last recorded income with the Charity Commission.

2.28% of Suffolk charities are in the Large, Major and Super-Major income backets (down 2% on last year), whereas nationally, 5.39% of charities are in the Large, Major, and Super-Major charities (up 1%).

67 charities in Suffolk bring in a combined income of £303,927,500 between them.

Income

- According to the Charity Commission, Suffolk charities registered a gross income of £466,048,133 in the last recorded financial year compared to £499,458,522 in 2023. **A decrease of £33,410,389. In the financial year ending March 2023 the sector had experienced an increase of £6.5m income**.

- Charity expenditure in the same period decreased from £518,249,737 in 2023, to £455,457,854 in the last recorded financial year. **Having increased by £48.5m in 2022-2023, expenditure then decreased by £62,791,883.**

- 40% of survey respondents said they spent more than they brought in during the year.

- The **3 decreasing income streams** identified by survey respondents the most in the last 12 months were:
    1. Public Giving
    2. Grant funding from Trusts and Foundations
    3. Self-generated/trading income

- 67% of respondents charge for services

- 119 respondents reported **grant funding financially decreased the most in the last year** (2025).

- 121 respondents said that 50% or more of their organisation's income was from grants and contracts.

- According to 360 Giving GrantNav – average grant award size in Suffolk **fell by 49% from £108,078.98 in 2022/23 to £53,113.06 in 2023/24**. The number of **awards also fell by 77% from 808 to 293**. In 2024/2025, according to 360Giving GrantNav the average grant award size to groups in Suffolk was £38,104 and the number of awards increased slightly on the previous year to 297 awards being made.

- In the last 2 financial years, average grant award size has fallen by £69,975 (64.7%)

- 141 respondents reported their organisation income has stayed the same or decreased over the last year, and 94 reported income growth.

Expenditure

- In the last 12 months, respondents report **increased costs** against all areas of the survey. Top 3 were **staff salaries, energy bills and insurance.**

- **Insurance represents the most significant rise in organisational expenditure**.

- 32% of respondents had used reserves in the last year in response to increasing costs or decreasing funds.

- Of the 67% who charge for services, 25% had increased charges for their services in response to increasing costs or decreasing funds.

- Reserves use:
  45% reported strong reserves levels and could cover any contractual requirements if closure were necessary (162 organisations)
  29% felt their reserves position should be better and may cover (104)
  4% expressed concern and thought unlikely (13)
  And 9% had no reserves and felt they had a matter of weeks before closure (31)
  Nb – 48 did not respond to this question

- **9% of respondents (31 organisations, up from 12 last year) do not have any reserves with a further 4% unlikely to meet contractual obligations should the worst happen.**

- **Provision of core funding was identified by 198 respondents as most needed to support service delivery and overcome increasing expenditure.**

Service Delivery

- 23% responded they were **delivering services they felt others had a statutory responsibility to deliver.**

- Impact on organisation's time, capacity, pressure and mission stretch were most affected by delivering these services with complexity of funding applications and flexibility of funding as the areas of biggest concern regarding funding.

- 50% respondents reported an **increase in complexity of demand** in the past 12 months with 61% reporting they felt demand would increase in the coming year.

- 40% were able to meet demand with some difficulty, 3% have met with great difficulty, and 4% were unable to meet demand in the past 12 months.

- **68% of respondents felt confident they would continue to operate at the same level or better in the coming year. 32% were unsure or did not respond.**

- **When asked, aside from monetary support, what organisations felt they needed to fulfil organisation needs; 29% said provision for core cost recovery, 26% said networks of organisations in the local sector, and 21% mentoring, coaching or guidance opportunities.**

LGR & Devolution

Respondents identified the following themes that require support from local authorities:

Loss of local knowledge & local relationships
Funding uncertainty & risk to VCFSE stability
Disruption to commissioning, services & continuity of support
Clarity about responsibilities & future structures
Transition risks: Delays, confusion, capacity & service Loss
Access to decision-makers & local support officers
Inequity between rural and urban areas
Legal, boundary and governance issues
VCFSE workload increases through increased demand
Communication, engagement and co-production
Positive opportunity identification

Sector Challenges

- The **top 3 sector challenges** remained static this year:
    1. Insufficient funding
    2. Increase in demand
    3. Volunteer recruitment

- The top 5 significant **challenges facing professionals** in the sector are:
    1. Funding & Resources
    2. Volunteer and Trustee Capacity
    3. Organisational challenges
    4. Administration & compliance
    5. Communications & Outreach

Spotlight findings on Commissioning & Procurement

- **Only 12% of respondents (44) had engaged in a meet the procurement/commissioner event in the last 12 months**
  It could be assumed this is related to organisation size, however, the respondents are relatively evenly spread across sizing categories.

  - 17 noted they hadn’t engaged due to size, relevance, structure, lack of awareness, service type applicability.

  - 281 organisations felt these events would be useful to improve access and understanding of procurement processes.

  - Respondents were asked what questions they would ask of commissioners and/or grant makers if they could. Responses have been received on the following themes:

    - Need for funders and commissioners to provide longer term funding
    - Equity and fairness for small, new, volunteer-run or rural organisations
    - Shortening of processes and reducing bureaucracy
    - Improved decision-making speed and communication
    - Realistic expectations of cost and delivery
    - Support to provide stability and sustainability
    - Support with applications and bid development
    - Better understanding, engagement and trust

  - 23% of respondents currently hold a contract to deliver services by a local or health authority.
    48% considered themselves contract ready.

  - ‘Third Sector Trends in England and Wales 2025 (published January 2026) highlights an ambivalence among voluntary sector organisations to contract take up due to lack of information, the need for support, or barriers to engagement. They highlight the reason for this that contract values were too low to meet the cost of delivery and that this has been exacerbated in 2025 with hike to National Minimum Wage and National Insurance Contributions. In Suffolk, only **8% of respondents had been through an open procurement process in 2025.**

- 5% of respondents had submitted a tender bid as part of a consortium. 25% of respondents would like support in developing bid partners and consortia.

- Key impacts of procurement processes on organisations

  - Staff capacity pressure at a time when already under significant pressure
  - Delivery vulnerability – reduction or disruption to services
  - Focus displacement
  - Income reduction impacting service delivery
  - Some loss or gaps in service provision
  - Over reliance on volunteers
  - Staff recruitment and retention due to uncertainty or service closure
  - Wellbeing concerns – emotional and cultural impact
  - Governance reviews can identify improvement and strengthen processes
  - Improved clarity of deliverables, risk, oversight and accountability can be positive

- When asked whether respondents felt procurement processes were necessary and/or proportionate, of 54 responses…
  15 said yes, 10 sometimes, 14 no, 4 responded unsure

For further data, conclusions, and full source information, please see the full State of the Sector Dataset report which can be found here:
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