

# THE CHALLENGES AHEAD

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# CONCENTRATION AND MONOPOLY

- The degree of concentration has been declining: the market share of the four largest of our development charities has fallen from around 70% to around 50%
- Development charities did indeed grow at very different rates, reflecting in part the founding of new charities
- The sector is highly concentrated but reflects the considerable differences between the growth rates of individual charities. (TSRC Briefing Paper 2012)

# VULNERABLE GROUPS

- Analysis of 49,000 responses to the National Survey of Third Sector Organisations showed that organisations dealing with socially excluded groups are especially vulnerable as these areas where relatively limited philanthropic money has been available.

# AUSTERITY BITES

- A group of around 50,000 charities that have reported financial info every year since 1998, a higher proportion have experienced year on year decline in real income since 2008 and that a high proportion of these have witnessed more than 25% decrease. There is no evidence that we will be returning to pre-2008 levels in the near or medium term
- The UK Giving 2012 report shows donations in 2011/12 fell by 20 per cent

However:

- Evidence suggests that whilst average household giving is falling, it is not doing so by as much as the fall in the economy.
- The number of charities is still growing

# CIVIC SOCIETY

- The reframing of what we mean by 'needs' due to third sector ideologies
- The conflation of entrepreneurship with not for profit organisations has created a new mindset that can 'blame' socially excluded groups
- 90% of 62,000 social enterprises were 'for profit' with no legal restrictions on paying dividends to shareholders
- They fitted seamlessly into a Big Society model shaped by self-help

# PUBLIC TRUST

There are 4 Government sponsored investigations underway as a result of all of the above breaches in trust:

- Sir Stuart Hetherington, CEO of NCVO
- The Chief Information Officer
- The Fundraising Standards Board
- The Charity Commission

# THE DATA CHALLENGE

- To stand out from the crowd means we need to rethink data, what it means to deploy our resources to achieve impact
- Data describes but can we use it to predict, to detect useful patterns, to identify avenues to pursue
- It begs another question. Even if we have the understanding of the growing importance of data, do we have the tools, skills and understanding of models? Can we even think of new forms of analysis in our line of work.
- Is the Organisational Culture ready for change?