

Voluntary sector 101: Understanding the VCSE sector

When people take action on the things that matter to them – whether that’s litter-picking, running a local sports club, or creating spaces to talk about mental health – they build stronger, more resilient communities. Across England, hundreds of thousands of organisations make up a vibrant voluntary, community and social enterprise (VCSE) sector, doing vital work that helps people and places to thrive.

The VCSE sector may also be referred to as the VCFSE – with the F standing for faith. It is also known as the voluntary and community sector – VCS.

What does VCSE mean?

What’s the difference between a voluntary group and a community group? Where do charities fit in? Who has a board of trustees? Our first infographic breaks this down.

- **Voluntary groups** are charities, led by a board of volunteer trustees. They can range from small local charities to major organisations with multi-million-pound incomes.
- **Community groups** are grassroots, place-based groups – sometimes informal, sometimes with a constitution – rooted in local knowledge and relationships.
- **Social enterprises** reinvest their profits for community benefit. Our infographic focuses on those that reinvest 100% of their profits to strengthen communities.

Explaining what the V, C and SE mean...



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Faith groups are part of all three groups – some are registered charities, others grassroots informal groups, and a small number run social enterprises for community benefit.

Size of the VCSE sector

So, how does this look in practice? Social enterprises make up around 6% of the sector. Voluntary groups (charities) represent 26%. The majority – 68% – are community groups: small, local, and often unregistered. These groups may be unseen in national data, but their impact is huge. They must be recognised and included in public sector policy and commissioning. Faith based charities (voluntary groups) make up about 20% of the charitable sector and an unknown proportion of community groups.

Size of the VCSE sector



Data table available at: bit.ly/47dIG11



We estimate that, across England, there are around **495,000** organisations in the voluntary, community and social enterprise sector.

Around 75% of most micro and small voluntary organisations (with an income under £100,000 per annum) operate in their local area. There are also about one third more registered charities per head of population in rural areas than urban areas.

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Different roles, one ecosystem

Together, these organisations form a connected ecosystem. This infographic explores how each part contributes – from micro-charities and grassroots groups to large national charities – and how they work alongside one another to support local people and drive social change.

Different Roles, One Ecosystem The VCSE Sector in Practice



VOLUNTARY (charities)

Micro Charities (<£10K) & Small Charities (£10–100K) – 21% combined

- Deliver community-based services
- Mobilise volunteers
- Build local networks
- Trusted local delivery partners
- Often embedded in Primary Care Network (PCN) footprints

Medium & Large Charities (£100K–£10M) – 5% combined

- Deliver contracted services
- Employ staff and manage operations
- Contribute to system design and governance
- Act as connectors between grassroots and system
- Often lead on specialist or targeted services (e.g. housing, end-of-life care)

Major Charities (£10M+) – 0.14%

- Deliver strategic or national programmes
- Provide research, policy insight, and innovation
- Represent sector nationally
- Less rooted in place, more aligned to thematic/system priorities

26%
VOLUNTARY (CHARITIES)

6%
SOCIAL ENTERPRISE

68%
COMMUNITY GROUPS

Under-the-Radar Groups (<£5K)

- Deep community reach
- Trusted relationships with marginalised groups
- Early insight into emerging needs
- Informal prevention and social support
- Often the **first to know** and **last to be funded**

SOCIAL ENTERPRISE

- Trade for purpose – e.g. employability, wellbeing, social prescribing
- The size and range of Social Enterprises is as broad as the wider VCSE sector in terms of size of organisation and diversity of delivery.