

Executive summary

This report is based on the responses to a survey of chief executives of UK non-profit environmental organisations.

- The 139 environmental organisations providing income data had a combined income in their latest financial years (usually 2011/12) of close to £984.9 million, and 11,125 FTE employees working on environmental issues. The median income for the 139 organisations was £1.5 million, and the median number of staff was 17.

- Between them the 139 organisations had just over 4.5 million members and supporters, which means that nearly one in ten adults in the UK is a member of an environmental group.² Membership is heavily concentrated in a small number of organisations, with just 12 from the group of 139 accounting for more than 80% of the members.

- Between 1995 and 2008 real income for environmental organisations in England increased more than fivefold. Analysis of the incomes of 107 of the organisations taking part in the survey shows that real income continued to rise from 2007/8 through to 2010/11, before suffering a 5.2% drop during the 2011/12 financial year.

- Despite this fall in income the expenditure of the 139 organisations was £46.4 million less than their income during their most recent financial years. This means that 4.7% of the income received was being retained.

- The single largest category of income for the 139 organisations was funding from central government departments and/or the European Union, which accounted for 20% of overall income. Cutbacks in this expenditure are causing concern across the sector.

- Contributions from individuals, in the form of donations, membership fees, or sales to members of the public, accounted for 34.8% of the income of the 139 organisations, while grants and donations from trusts, foundation or charities contributed a further 10%.

- The last three years have seen a shift from grant income to contract income, particularly with respect to government sources. The sector as a whole appears to be increasingly dependent on income from the business community.

- More than 40% of the expenditure of the 139 organisations supports work at the local or regional level within the UK, with work at the national level accounting for less than a third of total expenditure. Less than 3% was being directed at work at the EU level, where it is estimated that at least 80% of the environmental legislation that affects the UK is framed.³ Global institutions received less than 1% of total expenditure.

- In terms of thematic focus, work relating to the natural environment is dominant, with 44.9% of expenditure supporting work on *biodiversity and species preservation* or *terrestrial ecosystems*

and land use. Work on *climate and atmosphere* accounted for just 7.3% of expenditure. When *energy* and *transport* are added to this the total still amounts to less than 15% of overall expenditure for the 139 organisations.

- Groups responding to the survey prioritised the need for more work on *energy, fresh water, sustainable communities* and *trade and finance* (particularly finance) in the next three years, if resources are available.

- The sector uses a core ‘play-book’ of approaches, comprising *awareness-raising* and *environmental education, civil society coordination, and advocacy* informed by research. Indeed *advocacy* was the most widely used approach, with 109 of the organisations doing some advocacy work. Throughout the survey respondents set a lot of store on ‘expertise’ and ‘evidence-based research’. Chief executives in the sector think additional investment is needed within this existing set of approaches, with *advocacy* topping the rankings in terms of where more investment is needed.

- The most important skill-sets for the sector to acquire were seen as *economics and/or financial expertise*, followed by *leadership and organisational planning, political lobbying expertise* and then expertise in *public opinion polling, strategic communications and framing*.

- Greenpeace UK was seen by its peers as the UK environmental organisation achieving the most

² Some individuals will be members of more than one of the organisations responding to the survey. At the same time a few of the large organisations that did not take part in the survey have large numbers of individual members. Had they taken part then the 4.5 million number would have been higher.

³ European Environmental Bureau, *EU Environmental Policy Handbook: A Critical Analysis of EU Environmental Legislation*. Brussels, 2005.

relative to its resources, with Friends of the Earth (England, Wales & Northern Ireland – EWNi) and the Royal Society for the Protection of Birds (RSPB) tied in second place, and WWF UK in fourth. The most important attributes of effective environmental organisations included a clear mission and vision plus strong leadership, expertise, effective policy work, a large membership base and the ability to engage the public, as well as a willingness to collaborate with other organisations and to be creative in response to changing circumstances.

- Respondents to the survey saw the sector's greatest strengths as being the people who work within it, with both staff and volunteers seen as passionate and committed. There is perceived to be wide public sympathy for the aims of the sector, and a high degree of public trust. Expertise and a commitment to evidence-based work were again seen as strengths, and the sector sees itself as being creative and innovative, and often quite good at collaborating. The diversity of the sector in terms of different types of groups with different approaches and tactics is also seen as a core strength.

- The economic crisis and resulting austerity policies are seen by respondents as a double-edged sword, providing an opportunity for alternative visions in relation to well-being, economic growth

and consumption, but at the same time leading to public apathy and political preoccupation with economic growth at any cost.

- The development of social media technologies was seen as an important opportunity for the sector, as was the potential for increased work at the community level. The need for more effective collaboration within the sector was highlighted, as was the need for environmental organisations to work more effectively with non-environmental groups within civil society. However, the scope for more collaboration was seen as being threatened by the increasing competition for resources within the sector.

- In addition to funding cutbacks, other challenges faced by the sector included demographic shifts within the UK population, the political difficulties associated with tackling climate change (particularly at the international level), and the shift of political and economic power towards economies such as China, India and Brazil.

- Concern about the political context in the UK also came across very clearly, with respondents highlighting the following: claims that greening the economy would impede growth; the short-termism of the political system; the political influence of fossil fuel companies; and the growth of climate scepticism.

- Turning to internal challenges and weaknesses of the sector, the lack of resources for skills development was highlighted, along with a lack of time for reflection and strategic planning, plus low salaries which make it hard to attract staff with the skills that are needed.

- A reluctance to move away from tried and tested approaches was also identified, along with an emphasis on tactics over strategy, and a lack of 'systems thinking' and 'horizon-scanning' within the sector. There was also a perception that the sector is not good at transferring expertise and knowledge internally.

Five central themes emerge in the responses to the survey, and these are threaded through the 'What are the implications?' paragraphs that end each section, and then returned to in the Conclusions section. The five themes are:

- a changes to the FUNDING available to the sector, and the role played by funders;
- b questions relating to the allocation of RESOURCES;
- c SKILL-SETS and tools that are needed in order to increase effectiveness;
- d the barriers to INNOVATION in response to challenges and needs that are identified; and
- e the potential for increased COLLABORATION.