



The 'Value of Small' in a Big Crisis

*The distinctive contribution, value and experiences of
smaller charities in England and Wales during the
COVID 19 pandemic*



The 'Value of Small' in a Big Crisis

The distinctive contribution, value and experiences of smaller charities in England and Wales during the COVID 19 pandemic

Author(s):

Chris Dayson

Leila Baker

James Rees

With:

Ellen Bennett

Beth Patmore

Katie Turner

Carol Jacklin-Jarvis

Vita Terry

February 2021

Cover images: All images were taken before the pandemic and from different charities in the UK. Top left: Latin American Women's Rights Service; top right: Xtract; bottom: Refugee Women Connect.

Acknowledgements

This research has been undertaken by a team of researchers led by the Centre for Regional Economic and Social Research (CRESR) at Sheffield Hallam University, and including the Institute for Community Research and Development (ICRD) at the University of Wolverhampton, Leila Baker (Independent Consultant), the Centre for Voluntary Sector Leadership (CVSL) at the Open University, and the Institute for Voluntary Action Research (IVAR).

In completing this research, we are indebted to 39 employees, volunteers and stakeholders of smaller charities in Bassetlaw, Ealing, Salford and Wrexham who participated in the research and willingly gave significant amounts of time engaging with the Research Team. A number of these smaller charities have requested that their contributions to the research be explicitly acknowledged by the Research Team (see Appendix 2 for more information).

The research has been funded by the Lloyds Bank Foundation for England and Wales ('Lloyds Bank Foundation'). We are grateful to Alex Van Vliet, Duncan Shrubsole and Caroline Howe from Lloyds Bank Foundation whose input and critical reflections have been invaluable throughout the research process.

Contact information

For the Research Team

Name: Chris Dayson
Associate Professor
Sheffield Hallam University

Tel: 0114 225 2846

Email: c.dayson@shu.ac.uk

For Lloyds Bank Foundation

Name: Alex Van Vliet
Research and Learning Manager
Lloyds Bank Foundation

Tel: 0207 378 4605

Email: avanvliet@lloydsbankfoundation.org.uk

Contents

Summary	i
1. Introduction.....	1
2. How smaller charities responded during different stages of the pandemic	5
3. The distinctiveness of smaller charities during the COVID 19 pandemic	14
4. The value of smaller charities' response to the COVID 19 pandemic	25
5. Challenges for smaller charities arising from the COVID 19 pandemic	29
6. Conclusion and Recommendations	38
Appendix 1: Methodology	43
Appendix 2: Case Study Area Summaries	48

Summary

- Small and local charities – those with an income under £1 million - were at the heart of the community response to the first wave of the COVID 19 pandemic. They **demonstrated tremendous energy, flexibility and professionalism** to understand the implications of the crisis and continuously adapt their provision in response to the ever-changing needs and circumstances of their local communities.
- During the first six months of the COVID 19 pandemic **smaller charities worked flexibly to respond quickly to the implications of the crisis**.
- In essence, smaller charities **‘showed up’** and then **‘stuck around’**, using their position of trust within communities experiencing complex social issues to support people when they were needed most. **This is in contrast to parts of the public sector**, who were slower to react, and to informal support and mutual aid, which has dissipated over time.
- The **service offer of smaller charities** was concentrated on addressing four main areas of need - *access to food, isolation and loneliness, information and mental health/wellbeing* – and was tailored to different groups experiencing complex social issues. They found **multiple ways to maintain human contact** by checking up on people, keeping in touch with them and connecting them to one another wherever possible.
- **Who smaller charities worked with was particularly distinctive**, as they acted as a channel of support for groups and communities where having a relationship of trust was especially critical and whose **needs tended to be less well served by mainstream provision** even though they were more likely to be adversely affected by impacts of COVID 19, such as ethnicity, poverty and pre-existing health inequalities.
- The work of smaller charities during the pandemic has created tangible value. The value created through the distinctiveness of their approach, being a **consistent and trusted presence for vulnerable communities for the duration of the pandemic**, was recognised by a range of different stakeholders:
 - **Individual value** through personal outcomes linked to health, mental health and social isolation that have prevented challenges from getting worse.
 - **Economic value** in the face of a severe recession, by continuing to employ local people, utilising local supply chains and accessing funding to support the crisis response that could not have been brought into local areas by other providers.
 - **Value for public services**, by supporting people most likely to be adversely affected by coronavirus and the wider effects of lockdown, undoubtedly preventing some people from developing COVID 19, reducing the demand on

the health system at minimal additional cost to the public purse.

- **Added value** through their networks and partnerships, by flexibly meeting new needs and complex social issues as they emerged, and by communicating public health messages to communities where these were not getting through.
- Smaller charities demonstrated incredible **resilience** throughout the pandemic. First, in the form of **absorptive capacity** by ‘soaking-up’ the unprecedented impact of the crisis on their work; and then through **adaptive capacity** by making incremental adjustments and innovations on an ongoing basis.
- Smaller charities have the potential to contribute to the change needed if the economy and society are to ‘build back better’ following the pandemic, but **their transformative capacity is currently constrained** by the local and national public policy environments in which they operate.
- A **thriving and resilient population of smaller charities** should be an explicit goal of public policy at a national and local level.

Introduction

1.1. The value of smaller charities prior to the COVID 19 pandemic

Prior to the COVID 19 pandemic it was widely recognised that small and medium-sized charities ('smaller charities') – whose annual incomes fall between £10,000 and £1 million – were a vital component of the health, wellbeing and social fabric of neighbourhoods and communities across England and Wales. **Most smaller charities are locally based and focus their activities on vulnerable people and communities experiencing complex social issues.**

In 2018 the original 'Value of Small'¹ research identified three core 'distinctive' features that set smaller charities apart from larger charities and public sector bodies:

1. A distinctive service offer: who smaller charities serve and what they do.

This includes through plugging gaps left by other organisations; being the 'first responders' to people in crisis, and creating safe, familiar spaces where people can receive practical support or be quickly linked to other local services because of their connections to local networks. Examples in the research included the experiences of homeless people and refugees who were not being helped by public services but got the support they needed from small and local charities.

2. A distinctive approach: how smaller charities work.

This includes building person-centred relationships with clients for longer; being known for their 'open door approach' and understanding of local issues, and for being quick to make decisions because of flatter management structures. Also being seen to reflect more closely the diversity of their local communities through their staff, volunteers, and involvement in governance structures. Examples in the original research included charities providing mental health services that were more welcoming and engaging for people who were turned away from public services because the issues they were facing were too complex or didn't fit those organisations' statutory obligations.

¹ Dayson, C., Baker, L. and Rees, J. with Batty, E., Bennett, E., Damm, C., Coule, T., Patmore, B., Garforth, H., Hennessy, C., Turner, K., Jacklin-Jarvis, C. and Terry, V. (2018) *The value of small: In-depth research into the distinctive contribution, value and experiences of small and medium-sized charities in England and Wales*. Sheffield: CRESR, Sheffield Hallam University.

3. A distinctive position: the role smaller charities play in their communities and how they contribute to public services.

This includes using their well-established and far-reaching networks to act as the 'glue' that holds communities together. Examples in the research include charities helping communities cope better with funding cuts and service fragmentation.

The research found that this combination of distinctive features in smaller charities meant they often amount to more than the sum of their parts and create significant social and economic value, including:

- a) **Individual value** for people who engage with smaller charities' services, such as building confidence and self-esteem to help them prepare for and secure employment, often preventing upstream costs for acute public services.
- b) **Value for the economy** through the income smaller charities generate from multiple sources and buying goods and services locally.
- c) **Added value** that cuts across different stakeholders, through recruiting proportionately more volunteers than larger charities, and by bringing in new funding from trusts and other sources which typically can triple the income they receive from the public sector.

Defining smaller charities

Throughout this report we use the term 'smaller charities' to refer to charities who are either small (with an annual income of between £10,000 and £100,000) or medium sized (annual income of between £100,000 and £1 million) to reflect the categories used for the NCVO Almanac and other key sources of information on civil society, charities and the wider voluntary and community sector in England and Wales.

See <https://data.ncvo.org.uk/profile/size-and-scope/> for more information.

1.2. The value of smaller charities during the COVID 19 pandemic?

Since the onset of the COVID 19 pandemic in March 2020 considerable attention has been paid to how communities responded to the immediate crisis. Much of this has been focussed on the apparent (re-)emergence of informal voluntary action and mutual aid: local people helping each other to meet basic and essential needs and to attend to everyday tasks outside of formal organisational structures and systems of support. Whilst this activity has undoubtedly been vitally important to communities during the pandemic, **the formal voluntary sector, including many smaller charities, have been at the forefront of the crisis response** as well, but there is a risk that these contributions will be overlooked or undervalued.

The purpose of this latest Value of Small research, undertaken by the same team as the original study, was to test the findings from the 2018 report in the context of the COVID 19 pandemic. It was hoped that by exploring **how smaller charities responded during the COVID 19 pandemic and why this mattered** to vulnerable individuals and communities, the research would generate an even deeper understanding of the distinctiveness and value of smaller charities and provide further evidence of how their work could be promoted, developed and supported.

Research fieldwork took place between August and October 2020 and focussed on the initial period of lockdown between March-June 2020, and the subsequent period (July-September 2020) during which society began to ‘reopen’. It builds on the local relationships and understanding developed during the original study by **revisiting the four case study areas** – Bassetlaw, Ealing, Salford and Wrexham – and as many of the original participants as possible, to capture rich **qualitative insights** about **how individual smaller charities and the sector as a whole responded to the crisis and how this was experienced by local stakeholders**. Overall, 39 people participated in the research, including 21 representatives of smaller charities and 18 stakeholders from the wider public and voluntary sectors in each area (figure 1).

Figure 1: An overview of the case study areas and research undertaken



Defining Vulnerability

Throughout this report, where we use the terms ‘vulnerable’ or ‘vulnerabilities’ in reference to individuals and communities, we mean people or places experiencing complex social issues such as addiction and dependency; asylum seekers and refugees; care leavers; domestic abuse; homeless and vulnerably housed; mental health; crime, offending and rehabilitation; racial inequality; sexual abuse and exploitation; trafficking and modern slavery; and young parents. Smaller charities supporting these groups were the focus of this research. This is important, as these individuals and communities are amongst the most likely to have been adversely affected by the COVID 19 pandemic.²

² Wider research has described the COVID 19 pandemic as a ‘syndemic’ that cannot be disentangled from social, economic or health inequalities and that the effects of the pandemic have interacted with and exacerbated existing inequalities. See: Bambra C, Riordan R, Ford J, et al (2020). [The COVID-19 pandemic and health inequalities](#). *Journal of Epidemiology and Community Health*, 74, 964-968.

It is hoped that the findings presented in this report will provide evidence that helps local and national public sector bodies, umbrella organisations and charitable funders to **understand how and why smaller charities** – as a key part of the formal voluntary sector locally and nationally - **should be supported to respond to the ongoing crisis and then contribute to recovery and transition plans** as England and Wales eventually emerge from this crisis.

The remainder of this report is structured incrementally to build a multifaceted understanding of the role, contribution and value of smaller charities during the COVID 19 pandemic:

- Chapter 2 describes **how smaller charities responded** during different stages of the pandemic.
- Chapter 3 discusses **what this response tells us about the distinctiveness of smaller charities** by revisiting the characteristics identified in the previous study.
- Chapter 4 discusses the implications of our findings for how we **understand the social value of smaller charities** from the perspectives of individuals, the economy and public services, and what their added value is.
- Chapter 5 highlights the **main challenges for smaller charities arising from the pandemic**, focussing on the immediate and longer financial and human resource implications.
- Chapter 6 concludes the report by discussing the **implications of the main findings for policy and practice** for the remainder of the pandemic and beyond.
- Appendix 1 provides more detail on the **methodology** for the study.
- Appendix 2 provides four **short summaries of the key findings from each case study area**.

How smaller charities responded during different stages of the pandemic

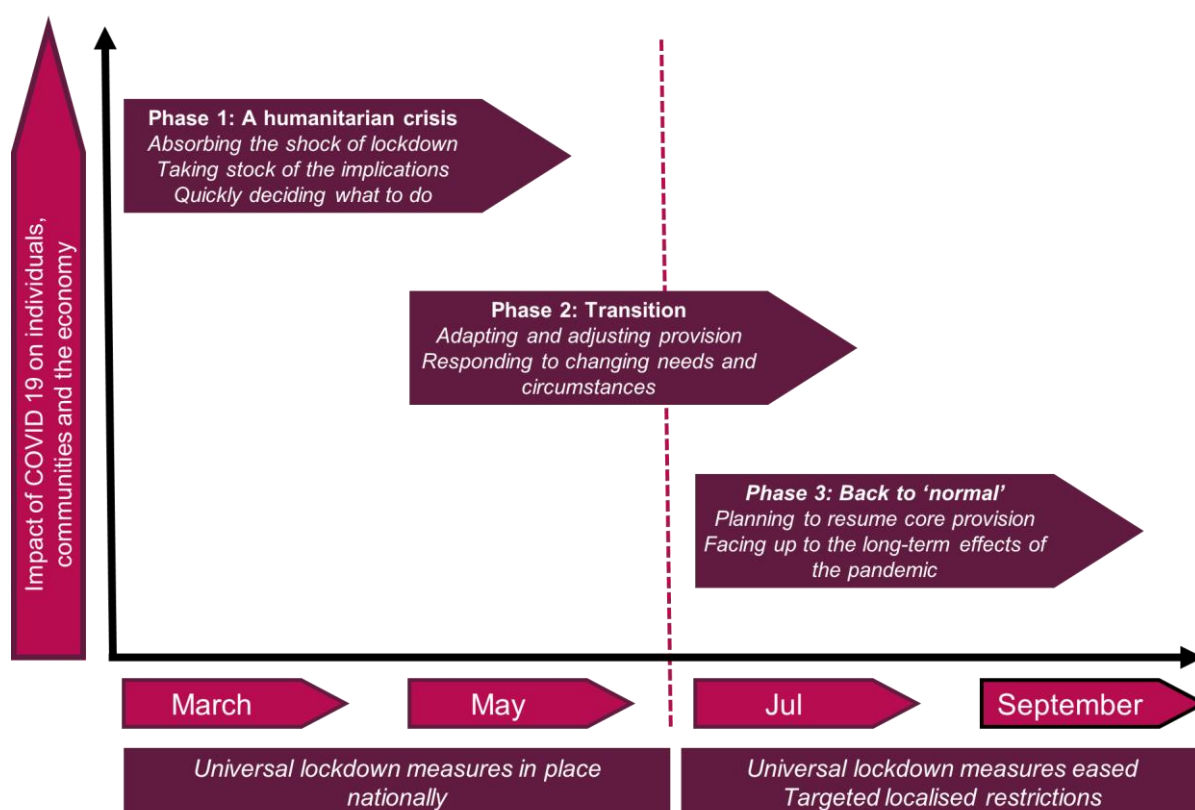
It is clear from the data collected in our four case study areas that smaller charities responded to the pandemic quickly and flexibly by adapting their provision in response to new and emerging needs and circumstances over time. We found that there were three distinct but overlapping phases of how smaller charities responded to the first six months of the pandemic (figure 2):

- **Phase 1: *A humanitarian crisis*** – absorbing the shock of lockdown; taking stock of the implications for individuals, communities and the organisation; and quickly planning and implementing a response.
- **Phase 2: *Transition*** – adapting and adjusting provision in response to needs and circumstances.
- **Phase 3: *Getting ‘back to normal’*** – putting plans in place to resume core provision under new conditions; and facing up to the long-term effects of the pandemic.

What each phase entailed and what this meant for smaller charities and their beneficiaries is discussed in more detail in the remainder of this chapter.

It is important to note that the data for this study was collected prior to the second national lockdown during November 2020 and the third even more stringent national lockdown that was put in place in January 2021 and was still in place at the time of publication. Although these restrictions will undoubtedly have adversely affected smaller charities and the people and communities they serve, our findings suggest that on a practical level the learning and adaptations made during the three phases described in figure 2 ought to have helped them to respond during these periods.

Figure 2: The three phases of the COVID 19 pandemic for smaller charities (March-September 2020)



2.1. Phase 1: absorbing and taking stock of the shock of lockdown

The Government's decision, on 23rd March 2020, to put the whole country into **lockdown** and ask people identified as clinically vulnerable to 'shield' themselves from non-essential contact can be described as a **shock** to which the whole of society and the economy was subjected. Smaller charities and their stakeholders have described this initial period variously as '*panic*', '*chaos*', '*humanitarian*' and '*incredible*', but it was clear that they all felt compelled to respond in ways that met the new immediate and pressing needs of vulnerable individuals and communities experiencing complex social issues.

Although at this point the work of some smaller charities may not have appeared very visible from the outside this often masked a tremendous amount of activity that was going on behind the scenes. We found that during this stage smaller charities were rapidly taking stock of the challenges posed by the pandemic in order to understand the implications for their beneficiaries and for their ways of working, and what to do about this. This involved a combination of **internally** and **externally** focussed activities.

Internally, the early focus was managing the transition to working from home and ensuring that staff and volunteers were safe and well, at the same time as working out how to ensure services could continue. Feeling that a lockdown was imminent, some smaller charities had already made preparations including ensuring that all staff had the equipment necessary to work from home and were able to have all phone calls rerouted. Smaller charities that had prepared in this way were able to ensure there was at least some basic level of service provision, and very often more than that, when lockdown was announced.

Many smaller charities also spoke to their funders and commissioners during this phase to secure agreement to pause contracted or planned provision and repurpose resources to aid their response to the pandemic. Some public funders quickly made small-scale grants available for crisis work with very simple application and assessment processes. Whilst lots of smaller charities took advantage of this funding, they expressed concerns about how this also increased demand for services and activities that were very short-term and small-scale, and the full costs of providing support were rarely covered.

Externally, most smaller charities focussed on changing the way they delivered services, and the types of services they delivered, in response to rapidly changing needs and the new circumstances which meant face-to-face provision was no longer possible. In practice, this mostly involved taking services online and talking to beneficiaries and volunteers about how best to continue providing support. This particularly reflects awareness that volunteers themselves could be particularly vulnerable to exposure – whether by virtue of their age or through condition-related vulnerabilities. Many smaller charities replaced face-to-face opportunities with regular (weekly, sometimes daily) check-in calls. They also focussed on co-designing new services and models of support and undertook work to ensure people had the skills, knowledge and equipment needed to engage with digital and online technology (often for the first time).

The speed of this response was recognised by local stakeholders and contrasted positively with the speed at which many public services had been able to respond in the early days of the pandemic.

“A small organisation can colour itself differently much more quickly than a larger organisation. It can be responsive far more coherently. That’s what this organisation has really demonstrated. The public bodies did that in a time frame, but it was a timeframe because these larger organisations tend to move a little more slowly.” (Public sector stakeholder, Wrexham)

“[Smaller charities] responded overnight as well, they became digital, at a distance, and found ways of making their offer continue to happen, with equal agility, if not enhanced agility compared to the public sector.” (Public sector stakeholder, Bassetlaw)

Much of smaller charities’ activity in the early days of the pandemic was made possible by their drawing on existing resources, by either repurposing previously restricted funds for specific projects or commissioned services, or by using unrestricted funds from their charitable reserves. However, for some types of smaller charity this was more challenging. For example, those with a social enterprise model who were reliant on sales of goods and services found that these suddenly dried up, whilst those which relied on very small grants to fund their everyday work prior to the pandemic became vulnerable because many grant schemes were only focusing on COVID 19 responses.

Case example 1: Bassetlaw humanitarian/food hub

Multiple stakeholders described how a local *'humanitarian response'* was put in place *'almost overnight'*. The local infrastructure organisation was critical in working with the council and NHS Clinical Commissioning Group (CCG), setting up a crisis food hub, arranging delivering prescriptions, and ensuring that vulnerable people were contacted on a regular basis to check that they were safe and well (including with volunteers). It also involved an immediate decision to pause the delivery of their social prescribing service and repurpose it in support of the crisis response. This period was described as one where a lot of productive meetings were occurring between people in the voluntary, community and public sectors, with a *'can do'* attitude to meeting local needs.

"We've got that database of older people we were very attractive to our statutory partners... together we co-produced a humanitarian response" (Smaller charity, Bassetlaw)

Local organisations and individuals got to know each other better in this period, although by the time of our interviews there was a sense that this interaction had dramatically declined in recent months and things were *'going back to business as normal'*. The hub was still operating, and stakeholders remained positive that it had set out a model for the way agencies could work together in the future. They were hopeful but cautious about whether it could be sustained once volunteers who had been furloughed or redeployed returned to their jobs and organisations. ,

2.2. Phase 2: adapting and adjusting provision

Once smaller charities had responded to the initial shock of lockdown, and put in place systems and processes for how they operated and for supporting the core needs of their service users, they entered **a phase of ongoing adaptation and adjustment as needs, circumstances and the wider social and economic context shifted and changed.**

A consistent theme within the data we collected was how careful and adept smaller charities – in particular their leaders – were at continually assessing what the latest public health guidance meant for how they could support individuals and communities. For example, once the easing of the first lockdown restrictions meant it was possible, a number of smaller charities began to put on face-to-face sessions – with suitable social distancing – from early June onwards, recognising that some people had an urgent need for face-to-face counselling and support. Homelessness charities, by definition of the work they do with client groups, suitably adapted to provide face-to-face services. Smaller charities also played a key role acting as conduits for distributing and explaining government information. For some vulnerable communities that are mistrusting of government or have difficulty understanding or interpreting government guidance themselves, smaller charities were able to quickly provide accessible information and 'myth bust' where necessary.

Another characteristic of this phase was that smaller charities started to identify and respond to the 'knock-on' or next stage effects of COVID 19 such as rent arrears and problematic debt arising from job losses and in assisting people to access help for this during lockdown. Smaller charities were also finding that many people who were vulnerable at the start of the pandemic, for example those who were shielding and therefore struggling to purchase food and supplies, remained in need throughout the pandemic. Yet much of the support that had been provided during lockdown, including informal mutual aid and more formal statutory crisis support, had begun to

dissipate as neighbours and community members returned to work (i.e. from furlough), and in the expectation that vulnerable people were once again able to access mainstream statutory services in the public (social care, GPs) and private sector (for example supermarkets).

*“So the furlough was a huge, huge, massive, additional amount of enquiries. And we were getting that from new clients that wouldn't normally get in touch”.
(Smaller charity, Bassetlaw)*

In light of the ongoing need for smaller charities to be ‘present’, and continuing to respond to need during this period, a number of participants reflected that it led to a period of considerable organisational growth and development. This included extending and developing their service offer, such as the widening of digital provision; but also accelerating organisational development by progressing or bidding for new projects; and the recruitment of new staff and volunteers. However, in our research period it was not yet clear whether this growth was a short-term phenomenon, directly related to the pandemic, or whether it could be sustained in the longer term. It should also be noted that for some smaller charities the opposite was true, and that the impact of the pandemic was to limit the opportunities for development and threaten their near-term sustainability.

Case example 2: Beyond in Salford

‘Beyond’ emerged in Salford during the crisis after the ‘Living Well’ statutory mental health service was paused to enable clinical staff to go and work on hospital wards. Around this point the ‘Spirit of Salford’ was started – set up by Salford City Council staff and volunteers to support or signpost individuals who were struggling with food poverty, mental health conditions, housing etc. to appropriate support. However, it was highlighted early on that there was no provision for people who were experiencing mental ill-health because of COVID 19. If not already receiving help through an existing mental health service, very little support was available. Helplines were described as being *‘inundated’* by calls for help. A group of local charities and social enterprises who had been working together prior to the crisis collaborated to create ‘Beyond’, a COVID 19 mental health response service through which people in need of support could be referred to a range of services, including:

- Online resources (e.g., mindfulness, self-help support packages).
- Telephone support (e.g., problem-solving approaches, talking therapies).
- Support to adapt or establish a routine whilst self-isolating/social distancing.

Initially, the organisations focused on working out what could be *‘pulled together’* by *‘tweaking’* the support that was already available and they spent the first few weeks delivering the new service on a *‘shoestring’*, testing the approach to see whether it was needed. Eventually funding for 12 months was received, drawing in staff from Living Well.

Staff are now having to balance delivering both Living Well (which is focused on a specific area of Salford) *and* Beyond (which is city-wide), by spreading the limited resources as far as possible and for as long as there is a need.

The distinctive role played by the smaller charities who set up Beyond was valued by local public sector stakeholders, who recognised that they would not have been able to respond in the same way. These providers’ ability to identify gaps in provision, collaborate, and then implement a rapid and flexible response was evidence of the

distinctive role smaller charities can play during a crisis.

*“[Beyond] was phenomenal. The way that the three [smaller charities/social enterprises] responded to that was phenomenal. They've been absolutely brilliant. So, [they] came together very very quickly to pull together an offer for people who were not known to the mental health trust and who needed that mental health support. And **we wouldn't have been able to mobilise something that quickly with a statutory organisation.** The flexibility they had to deliver something in a very different way, in a COVID way. But the way in which they responded to do that in such a short space of time, and with the link that they have in the reach that they have into wider [voluntary sector] partners was really well valued... and I suppose the organisations that were involved were anchor organisations... So, that they had that wider sense of what else was out there and what people could be supported to access. That was really beneficial in terms of getting people to the right support as well as offering some kind of short time limited interventions for people as well.” (NHS commissioner, Salford)*

2.3. Phase 3: recovery and returning to ‘normal’ provision

Although smaller charities did not point to a recognisable break-point between different phases of the pandemic, participants discussed that **there came a time when they were operating in what might be described as a ‘new normal’ approach to provision.**³ In practice, this meant that although considerable uncertainty remained, particularly in relation to the emergence of a second wave in the autumn, and the likelihood of further restrictions, there was a recognition that the situation would remain broadly the same for the foreseeable future. This meant smaller charities having to balance service users’ needs with a requirement to deliver services in a ‘COVID secure’ manner, alongside concerns about their longer-term sustainability.

For many smaller charities this phase was characterised by chronic uncertainty and longer-term worries about funding and there was increasing concern about whether funders recognised the need for funding for the central mission of the charities, not just the costs of work related to COVID 19. One smaller charity in Salford explained how the ‘new normal’ for them meant the loss of many of their sources of funding and a struggle to sort out their finances. They believed they could keep going until April 2021 but after that their future was more uncertain and dependent on the outcome of applications to COVID 19 emergency funds, which they hoped would tide them over until funding opportunities for their core activities re-emerged. Similarly, public sector stakeholders explained how they were very concerned about what would happen during the second wave and how to maintain the level of goodwill they had seen during the early phases of the pandemic. The longer the pandemic lasts, the greater and more far-reaching these impacts are likely to be on the ability of smaller charities to maintain their services.

“Our concern is if we have a second wave it won't be the same. People won't do the same again. We're trying to distil this goodwill into a new way of working.” (Public sector stakeholder, Ealing)

³ Whilst many smaller charities accepted and used the phrase ‘new normal’, they were also uncomfortable with its connotations, in particular that experiencing these conditions and working in them should not be seen as being acceptable or ‘normal’ in the medium to longer term.

Ensuring the safe return to premises and face-to-face delivery was a key focus and major challenge for smaller charities during this period. One smaller charity described, for example, how they had sought to bring small groups of service users together. This took place outdoors where possible (for example, a gardening group) but they also needed to bring people into their premises for other forms of support. These activities required the charity to have a supply of personal protective equipment (PPE) and Perspex for protective screening, all of which increased the costs of provision. Some funders and commissioners had understood this and there had been discussions about bulk purchasing PPE so that smaller charities could access it more quickly and cost-effectively, but progress had been slow.

“So we talked about VCSE organisations that might want to return to an office space or whatever but can't afford Perspex for around their desks. So for their meeting rooms or whatever. And to enable them to speak one to one to people our local authority have basically said that they're happy to lead on some of the bulk purchases and then enable our sector to access that kind of stuff at a reduced costs.” (Local infrastructure organisation, anon case study area)

During this phase smaller charities faced up to the ongoing and often relentless challenge of continuing to manage the effects of lockdown for vulnerable people, identifying and responding to still emerging needs, and attempting to find a semblance of what normal provision might look like. In light of this, it is not surprising that many smaller charities and their stakeholders expressed concern about staff morale and wellbeing, and the potential for ‘burnout’ as the lasting effects of the pandemic took hold. They were also facing increasing demand, the changing nature of that demand, and a loss of face-to-face contact and relationships that can provide comfort and promote resilience. Many described this as occurring in a context of almost chronic uncertainty facing them and their communities.

“We are seeing the emotional effects of the pandemic on both clients and our teams. Our clients' stress levels are heightened, with many people at the end of their tether. Many clients are unable to clearly convey their message by telephone. Whilst in an office environment, it is easier to immediately speak to a colleague to 'offload' having dealt with a client's really complex and emotional issue. Additionally, volunteers and employees are using different technology systems whilst homeworking, which when they encounter technical issues it is a more frustrating and time-consuming problem to solve remotely.” (Smaller charity, Bassetlaw)

2.4. Lessons learned by smaller charities during the first six months of the COVID 19 pandemic

Despite the impact of the pandemic on their work, and the longevity of those effects, smaller charities were able to reflect critically about what they had learned during this relatively short period and they might apply this learning moving forward.

The **first lesson relates to the benefits of retaining some digital service provision** in the future, for whilst this cannot replace face-to-face support some people are now comfortable with and experience benefits from online activities. One smaller charity, for example, was able to launch an Online Wellbeing Hub which will provide a resource for people who suffer from the most severe mental health issues, and might never ‘walk through the door’ of any service provider. It was argued that this type of virtual provision might have an important role helping people who would struggle to engage with traditional face-to-face support due to crippling anxiety that prevented them from travelling or even leaving the house. In another example a smaller charity had secured funding to deliver keep-fit classes and run their women’s groups via Zoom. It was suggested that using online platforms to build trust and

relationships remotely may be a precursor to people accessing face-to-face support in the longer term. Overall, smaller charities reported that their beneficiaries were generally willing and able to engage with new forms of online support in the absence of face-to-face provision.

A second lesson came from the way funders became more flexible and willing to 'drop the red tape', particularly when compared to the period preceding the pandemic. For example, one smaller charity reflected that they were more empowered to shift the focus and activities of some of their contracted services in response to needs as they emerged. The imperative to respond to the challenges posed during the crisis meant they were encouraged to be more proactive and make suggestions to their contract manager, and these suggestions have been agreed.

A third lesson related to increased visibility and awareness of the work of some smaller charities and the issues they aim to address. For example, research participants in Ealing suggested that local residents have become more aware during the pandemic of the fact that there are vulnerable residents in their neighbourhood and of the work being done by local organisations to respond to these needs, with many local residents offering their support (for example as volunteers, or through food donations). As one smaller charity in Wrexham explained, **'COVID has brought us back to the fore'**. Similarly, some smaller charities have experienced greater visibility amongst public sector representatives, some of whom have needed to directly call upon the support of smaller charities during this period to help respond to the immediate crisis, and/or have continued to work in partnership with them as the crisis has progressed. Visibility amongst some other funders, specifically certain trusts and foundations, has also increased. By making available small, accessible grants these funders have opened up opportunities for some of the smallest charities to make themselves known. One smaller charity commented that they had found the experience of receiving a direct grant much more positive than being part of a consortium because it has enabled them to have direct conversations with the funder. The work they are doing is now better understood by this funder and they are hopeful that they might get some additional, future funding as a result of this relationship.

A fourth lesson related to the increase in opportunities to draw on volunteers to support the work of smaller charities. Several participants mentioned that a number of new volunteers come on board during the pandemic to support with tasks such as food deliveries and telephone support. These volunteers had come forward from a mixture of formal, COVID specific schemes (locally and nationally) and direct enquiries. For many smaller charities the challenge was how to sustain these volunteers' involvement for the longer term as their enthusiasm may diminish over time and some were initially on furlough and had been able to provide less support since returning to work.

A final lesson related to reinvigorated partnership working and how this had led to reduced power differentials. For example, the formation of a collaboration between the local authority and voluntary sector was seen as a step change in the relationship between the two sectors and partners on both sides were eager that this would translate into a new way of working permanently. In particular, public sector representatives suggested that they had learned a great deal from working more closely with communities and smaller charities during the pandemic and hoped that this would continue once the crisis had subsided.

2.5. Conclusion

The COVID 19 crisis has been described as a ‘syndemic’ that cannot be disentangled from a backdrop of social and economic inequalities or inequalities in the social determinants of health.⁴ The effects of the pandemic have interacted with and exacerbated existing inequalities, affecting the vulnerable individuals and communities experiencing complex social issues that many smaller charities exist to support. In this chapter we have described how smaller charities responded and were affected during different phases of the crisis and considered what has been learned from this work.

It is clear that **in the early days of the pandemic smaller charities demonstrated tremendous energy, flexibility and professionalism** to first understand what the implications of the crisis were for them as an organisation and for the individuals and communities they support; and then to continuously adapt their provision to ever changing needs and circumstances. Public sector representatives contrasted the speed and agility of this response positively with how some public bodies had responded. A number of factors have enabled this response, including the values, commitment and ingenuity of key staff; digital skills and preparedness; collaboration within and beyond the wider voluntary sector; and flexibility from funders.

Although data for this study was collected prior to the second and third national lockdowns during the winter of 2020-21, our findings suggest that the learning and adaptations made during the first wave of the pandemic will have helped them be better prepared for what has followed. Nonetheless, the second wave has increased **the uncertainty and precarity faced by many small charities as a result of the pandemic**. This includes uncertainty about the physical environments in which they are able to operate, and uncertainty about the financial and human resources they need to continue their work as they balance the requirement to respond to ongoing and emerging needs amongst communities already experiencing complex social issues, with the requirement to operate in a way that is safe and prevents the spread of the virus.

The unique social and economic context presented by the COVID 19 pandemic meant that most smaller charities have had to change the way they work internally and externally. Whilst these changes were specific to the context of the crisis a number of lessons have been identified. These relate to **how smaller charities can make better use of online and digital technology** (and do so in a way that doesn’t exacerbate digital exclusion); the benefits of **reducing bureaucracy and red tape** associated with grants and contracts; **renewed visibility for and awareness of the work of smaller charities**; how to **make effective use of volunteers**; and the possibilities presented by **reinvigorated local partnership working**. Moving forward, as the pandemic continues and as the focus returns to social and economic recovery, it will be important for funders and the statutory sector to take heed of these lessons and ensure that there is not a return to ‘business as usual’ or the status quo that preceded the crisis.

⁴ Bambra C, Riordan R, Ford J, et al (2020). [The COVID-19 pandemic and health inequalities](#). *Journal of Epidemiology and Community Health*, 74, 964-968.

The distinctiveness of smaller charities during the COVID 19 pandemic

The response of smaller charities in the four case study areas during the COVID 19 pandemic **concentrated on four main areas of need where public services had been less visible: access to food, isolation and loneliness, information, and mental health and wellbeing.** Smaller charities tailored their response to different groups and communities experiencing complex social issues using their local knowledge and relationships.

In this chapter we build on chapter 2 by bringing the detail of smaller charities' response to the pandemic to life. We draw on the frameworks developed through our 2018 study to explore and analyse the **contribution and value of smaller charities to individuals and communities** during the first six months of the pandemic (March to September 2020) and **discuss how this was distinctive from the way other types of provider responded.** We begin by summarising what was distinctive about the initial crisis response before discussing what was distinctive about the wider contribution in four respects:

- Who the small charities engaged with?
- What services and activities were involved?
- How did they approach providing these?
- Where did they sit in the wider ecosystem?

3.1. The initial crisis response by smaller charities

As discussed in chapter 2, we found that smaller charities used their local knowledge and understanding of cultural differences, their relationships and quick decision-making in order to reorganise themselves and introduce ways to check in with clients remotely and take some services online. We found that a focus of these efforts was to identify and then implement practical ways to address four main areas of need: access to food, isolation and loneliness, information and mental health and wellbeing. Food in particular was said to have been *'a bit of a marker'* for the smaller charity response. Local public sector representatives recognised that this responsiveness to local needs was something that set smaller charities apart from public bodies and larger charities in the early days of the pandemic.

"As opposed to a public body or larger organisation, I do feel that a smaller organisation, third sector particularly so, can be quite responsive...they may be on the ground, more local level and can identify more quickly to a changing need." (Public Sector Stakeholder, Wrexham)

“They responded in such an agile way. They went from providing services in person, to providing at distance, doing different things if you’re not going to be driving people anymore, they moved to doing people’s shopping for them, they just found really creative ways of working.” (Public Sector Stakeholder, Bassetlaw)

When we look a little deeper at *how* this came about, the factors which enabled a distinctive response from smaller charities included:

- Having the **involvement of the local infrastructure organisation in the public sector coordinated response** so that it was integrated and well-informed about small charities’ capacity and their offers.
- Having **pre-existing relationships** not only with other local charities and voluntary organisations but also with their own trustees and funders.
- Being **willing and able to adapt quickly and flexibly to new ways of working** and a willingness to accept increased levels of risk in order to do what was needed.
- Having already **recognised the need to invest in, or being in the process of investing in, mobile and web-based technology**.
- **Adapting existing services and models** like social prescribing to the new context worked well for some areas.

Case examples 3 and 4: The initial crisis response

A smaller charity in Wrexham that provides day activities for people with dementia as well as social and befriending support, rapidly swapped welcoming people to their centre for outreach and visiting people’s homes. The charity made a conscious decision to provide a higher level of support and to accept the increased level of risk that came with this.

“By the end of the week, we were doing home care to all our vulnerable clients. So, all our staff that we had in the building we released to go to people’s homes, to try to support them at home. We also did meals on wheels straight away to make sure we could take proper nutritious meals into everyone’s homes, and afternoon tea as well, so that everyone was fed still ... For people that had carers, we would send out wellbeing packs, so in that was lots of activities and things to keep yourself active and mentally OK during lockdown. And we also did wellbeing calls, where we had staff running through the list of clients and calling them to check on clients and carers.”

In Salford there were several examples of smaller charities being able to intervene sensitively and effectively in communities of faith. For example, a local charity was funded to prepare and deliver weekly food packs to Orthodox Jewish households in order to avoid high numbers of people gathering and queuing to shop for the Passover holiday and thus minimise transmission.

All the smaller charities we spoke to did everything they could to keep in touch with their service users/members on a human level. It was not always possible for charities to keep going and adapt all of their services, however. This, they said, could have the effect of looking like all their services were suspended. The charities we spoke to highlighted that:

- Some had closed offices and premises temporarily, either because they could not afford to keep them open or because they could not deliver their service safely (at least until adaptations had been made).

- Even though they might have closed their building – and therefore appeared to have closed to their clients – they were still striving to respond to the community’s needs. Church and faith-based charities continued with their pastoral care even when the church or building were closed.
- Most charities reported losing at least some of their volunteers for a range of reasons including because they were elderly or had health vulnerabilities; or they did not want/were unable to adapt to telephone services or doorstep delivery services.
- For a few smaller charities the pandemic had, they said, been a bit of a wake-up call in that it exposed organisational weaknesses and created an imperative for or accelerated the implementation of long-planned changes.

3.2. Who did the smaller charities engage with and support?

Across the four case study areas it was clear that it was often *who* smaller charities supported that set them apart as distinct from other types of provider and sources of support:

- **Reaching groups and communities that have been disproportionately and multiply affected by COVID 19 (due to ethnicity, poverty and pre-existing health inequalities):** smaller charities were already in touch with these groups and communities and began reaching out to them immediately. Public bodies and larger charities were able to maximise the impact of their own provision by working through these smaller charities.
“This is about poverty. A lot of the charities are geared to refugees and migrants, homeless people and people who are out of work – all of them have been double whammy’d by COVID.” (Smaller charity, Ealing)
- **Using their local knowledge to get government and public health information out effectively:** they were quick to spot that crucial guidance was not reaching the migrant communities they were already in touch with; and to notice that other groups were finding the information difficult to understand.
- **Continuing to deliver face-to-face or in person services for isolated groups:** smaller charities instantly began check-in services for elderly or vulnerable people, through visits and phone calls in order to provide company, information and deliver food or medicines.

Given who they were already working with, smaller charities also reported working alongside public bodies and larger charities. For example, homelessness charities supported ‘Everyone In’, the initiative to find accommodation for all those sleeping rough.

As the pandemic progressed, new groups began to seek help from smaller charities having not been able to access support from elsewhere. Notably, this included people who had lost their jobs or homes due to the pandemic and those who were at risk of losing them; people whose mental health and wellbeing had been affected; elderly people who were anxious and afraid; and families with children struggling even more than before to pay for food and essentials. One charity that had begun home visiting for the first time, found people living in unsuitable, unsafe and unsanitary accommodation and sought to address these issues.

It was not possible to reach everyone, however, despite their many adaptations and trusted status with vulnerable people. Smaller charities were seeking to mitigate digital exclusion by calling or visiting the people they knew weren’t online, but they said that there were some people they wouldn’t be able to reach until they reopened,

including some clients who had 'disappeared' and would take considerable effort to re-engage.

Case Example 5

A local Citizens Advice reported a decline in the number of clients accessing the services who live in the most deprived wards or fall into the most vulnerable groups that they work with. The reasons for this were thought to be a combination of digital exclusion; some are non-English speakers; limited literacy skills; some miss the human aspect of being able to pop in and speak with someone. In order to encourage these groups to continue to use the service, the charity has carried out additional outreach such as leaflet drop offs and putting up posters in places identified where this group meet.

In addition to their clients, smaller charities were also **continuing to manage and coordinate volunteers** and **trying to support micro community groups or organisations** that used their premises, for example.

3.3. Their service offer: what services and activities were provided by smaller charities during the pandemic?

Smaller charities' services during the pandemic were focussed on **addressing need in areas where public services were less visible or active**: access to food (related to food poverty, cultural sensitivity or access), loneliness and isolation, and the impact on people's mental health and wellbeing. They used their relationship of trust with particular groups who may not trust or may not be reached by public sector services and information - such as disadvantaged neighbourhoods, communities of faith or ethnicity and people experiencing poor mental health or who are seeking asylum - to communicate important messages about the pandemic and where and how to get help. In Ealing, where a wide range of different languages are spoken, a number of smaller charities set up text message services to ensure that people with little or no English could access accurate public health information in culturally sensitive ways from a trusted source. In Salford, some smaller charities received funding through the local infrastructure organisation to translate and circulate information in different community languages, in print and online and in audio and video formats. This built on the types of work these charities were doing prior to the pandemic and meant that they were uniquely positioned to respond in this way.

As initially outlined in chapter 2, smaller charities made further adaptations on an ongoing basis as the pandemic progressed. We found that this adaptation included transferring learning and activities online; redeploying staff to deliver outreach online, over the phone and in person; and training their staff to handle more severe and complex referrals or deliver services in new ways that required new or different safety and safeguarding measures. They also co-located or integrated services in whatever way enabled them to continue. For example, English as a foreign language teachers in Ealing became telephone befrienders; staff in Wrexham introduced home visits to the most vulnerable, many of them being people with dementia; and in a Bassetlaw charity, staff created new online classes once its advisors came back from furlough. The charities were in part able to adapt because of the way funders had supported them to repurpose existing funds and projects, and through rapid, small grants and light touch application processes.

Case Example 6: Safe and well checks

A local community hub in Bassetlaw introduced a new 'safe and well check' service as a way to manage the needs that had arisen because of the pandemic. The service involved calling individual clients – many of whom did not have access to mainstream public services - and then ensuring that they were either accessing the help being offered by the hub or referring them onto other organisations where necessary. By the end of August 2020, the service had recorded that more than 500 individuals had received safe and well checks and that a total of 4,808 safe and well check calls had been made. Additionally, the hub had also made 34 onward referrals to other organisations as a result of safe and well checks.

What appears to have been especially important and distinctive about the service offer of smaller charities during the pandemic, particularly when compared with some public sector organisations, is that they have, wherever possible continued to offer people human contact either in person and face-to-face or over the phone. All of the smaller charities we engaged with worked hard at keeping in touch with and checking up on their service users and communities, most commonly by phoning them up on a regular basis. Some smaller charities were also using WhatsApp or similar mobile technology to connect people to services and to enable them to maintain contact with their peers.

“The voluntary sector organisations continued to do frontline face-to-face services whereas the local authority were working from home.” (Stakeholder, Ealing)

“And because you’re based in communities, working with communities, it’s hard, if somebody’s got a real face, and you know their name, and where they live, it’s very hard to say, ooh actually we’re a bit risk averse so we won’t deliver any services. You can’t can you? You just can’t do it. It is that, if we’re saying we’re a family, then you honour that family don’t you?” (Smaller charity, Wrexham)

Case example 7: Supporting people seeking asylum, refugees and migrants

A charity in Salford that works with migrants said that it normally provides all of its services face-to-face in large part because it can take a long time to build trust with the people who use them. Prior to the pandemic their building acted as a hub for this vulnerable community. Individuals would come in and have private appointments, or they would sit around and have coffee and catch up. Children would come in as big groups for homework club.

During the pandemic all of this had to stop not least because many of the people they work with are at a high risk of infection. Having to close was problematic in a number of ways: the people who use their services are poor and are likely to lack access to a computer, they take time to trust services and prefer to speak face-to-face, particularly when they need help with translating or interpreting public sector information.

Most of the guidance about COVID 19 was in English and many of the people using the charity’s services are unable to read and understand English. There was a lot of work to be done to not only explain COVID 19 symptoms, risks and lockdown rules, but also to explain what they could do to keep themselves safe. As a result, the charity reported a high degree of isolation and worry within their community.

Although many of their community members do not have a computer, many do have

a mobile phone. The charity started by contacting individuals via WhatsApp and creating WhatsApp groups (sometimes using community languages) to enable individuals to get in contact with each other and with staff at the charity to reduce isolation. They also created a food bank and helped people with their shopping. A number of service users didn't have family and were isolating on their own. The smaller charity delivered food from the food bank to those who couldn't shop. They reached out to their existing community and, using referrals from churches, they were able to expand their reach.

3.4. Their approach: how did smaller charities approach delivering these services?

Smaller charities' distinctive *ethos* and *values* have been to the fore during the pandemic, driving how and why they have responded in the ways described. Although many small charities' doors have been physically closed, their 'open door' mentality has been evident in their efforts to engage with newly emerging needs and to maintain human contact with and between people in their neighbourhood or community. When we asked smaller charities about their approach during the pandemic, most of them came back with a version of '*It's what we do*' or '*It's how we work*'. A typical reaction from a charity that works with older people, for example, was to say – '*we support older, vulnerable people so of course our early reaction would be to check on them, find out what they need and attempt to support them*'. This values-based approach to supporting people and communities was recognised by local public sector representatives as well.

"Well, the word that immediately sprang to mind...was 'values'. What's the reason why they were set up? And that was to keep their communities safe, alive and well, and so they responded immediately. It is that value of small, where [in contrast] if you were cogs in the chain [of a bureaucracy] that need to be signed off, they can just do it. And the reduced level of governance definitely helps." (Public sector stakeholder, Bassetlaw)

The final sentence of this quote highlights the way smaller charities can make decisions quickly because there is less distance between their governance and frontline delivery– something that we also identified in 2018.

Throughout the COVID 19 pandemic, the particularly distinctive features of the approach might be said to be:

- **'Showing up':** all of the smaller charities pointed out that – some of them in contrast to public services - they hadn't stopped working in person with people in their communities, however much what they did and how they did it had changed due to the COVID 19 restrictions. One interviewee said: '*I have been doing this for 30 years, it is my calling to support the vulnerable. If you are not going to be on the frontline now when are you going to be on the frontline?*' (Smaller charity, Ealing).
- **Understanding culture and being trusted:** the smaller charities that we spoke to, especially those that are BAME-led, emphasised the importance of really properly understanding culture, and the mistakes and difficulties that arise when that doesn't happen. See the example from Ealing below.
- **Mental health aware:** smaller charities quickly put in place measures to look after their staff and volunteer wellbeing as well as that of their clients. What this looked like varied from the chairperson who rang the director first thing every morning so that he could offload, share his worries and get support with

planning his day; to the staff team who introduced 'Wellbeing Wednesday' to share stories and experiences and stay connected socially.

- **'Sticking around'**: supporting vulnerable people and communities for the duration of the pandemic, unlike some of the spontaneous mutual aid type activity that emerged in great volume at the start of the pandemic, but dissipated somewhat over the summer as restrictions eased and people returned to work and non-acute statutory services re-opened.

The distinctiveness of this approach, being a consistent and trusted presence for vulnerable communities for the duration of the pandemic, was recognised by the public sector representatives who participated in the research.

"What the small charities can do is what we struggle with – that personal touch, getting to know someone, offering them a consistent face, they speak to the same person and build a relationship. If you're that resident and you've not spoken to someone all week that continuity is really important. The small charities have scaled up, increased their capacity and in a short space of time. As a big organisation – the council call centre – we had 20 people trained on our inquiry line and you speak to a different person each time." (Public sector stakeholder, Ealing)

Case example 8: Understanding culture in Ealing

Smaller charities in Ealing were already aware of the importance of understanding a person's cultural background and how that might affect how and where they access information and support. One interviewee said, *'For example, me I go to the Mosque. There are 100s of Mosque culture from, you know, not only Somalia but different cultures.'* They went on to explain that it is not okay to assume that just because someone comes from the same or a different Muslim country that they will feel comfortable accessing support from a particular Mosque.

During the pandemic it had been even more important to listen carefully to the people who sought their help and understand their culture. Taking the time to get to know and understand the different people and groups that come to them for support had been important in being able to respond appropriately during COVID 19. It had given them insight into how misinformation about COVID 19 was being transmitted and therefore how best to get accurate information out to communities: *'A lot of people come from cultures where information travels fast, as do fears'*. One charity found that some of their Syrian service users were not leaving the house during the early days of COVID 19. Through engaging with them, they learned that this was because they had experienced chemical warfare and so when they heard that COVID 19 was 'in the air' they assumed it came with the same risks.

For some smaller charities, maintaining their approach had not been without difficulty. First, as with the 2018 study, most charities talked about going the extra mile, stepping up and so on. This had not only to do with their ethos and values as described above but was also a reflection on the charity and voluntary sector as a whole: *'We're used to firefighting, and we're used to not being paid for stuff that we do, and doing it anyway. So, I think for us, it's just our norm. And we never have enough money anyway.'* Second, the smaller charities were trying to maintain an 'open door' ethos, even when they had literally been forced to close them, by engaging with newly emerging needs and finding ways to maintain human contact with their clients and communities. Third, like everyone else they had to make sense of the guidelines coming from government for themselves and for their clients. This meant taking decisions about the rules they might need to introduce and the equipment they might need including, for example, Personal Protective Equipment (PPE).

Smaller charities said that it had sometimes been harder to maintain their approach when they were working closely with the public sector. We came across this particularly in connection with homelessness and the 'Everyone In' initiative. For example,

"We had a bit of a clash of cultures because we are quite strict about things, we do bag searches and so on and I ended up having strong words with [public body staff member], on whether or not we could do bag searches, and indeed I actually pulled our team out of it. The plan was that ... our guests would move to the [accommodation], and our staff would move with them to help to transition...look after them, supervise them. We had to submit to the kind of more relaxed and laid-back approach. I get where they were coming from, I still think we were right." (Smaller charity, Salford)

3.5. Their position: where did smaller charities sit in the wider ecosystem during the pandemic?

The crisis led to smaller charities being brought directly into the public service system in a delivery sense and this was initially accompanied by reduction in power differentials, evidence of 'can-do' attitudes, flexibility over contracting rules and a reduction of 'red tape', bureaucracy and onerous monitoring. The smaller charities we engaged with mainly felt that the public sector recognised and valued their ability to reach communities and get support to them fast. These communities could be disadvantaged neighbourhoods, communities of faith or ethnicity and people experiencing poor mental health or who are seeking asylum. The public sector representatives who participated in the research confirmed this and recognised there was important learning for how they involved and engaged with smaller charities in the future.

"So you know it is recognising that [smaller charities] were already helping to do a lot of the work with people who probably would not reach the criteria for services and recognising that [they] had probably a much wider reach than our services, which is absolutely right but how do we work that and recognise that in our kind of overall strategy. So I think, I think that really sort of shaped the things we're going to progress forward on for the next five years." (Public sector stakeholder, Salford)

Smaller charities were seen as trusted conduits for information and communication about the pandemic and their engagement with area level response structures (such as Gold and Silver Command Groups) was often facilitated via the local infrastructure organisation.

"I think for me what the sector can do is, to talk to their communities in a way that public sector organisations can't, so the trust is built. ... And a message coming from them carries a lot more weight. Salford's makeup is one of the most deprived cities in the country. In some parts of the city ... the VCSE organisations come into their own because they've ... driven the infrastructure that made those nicer places to live in, be educated in, and work in. Therefore, the reach into those families and communities has to be via those organisations. If we don't take those groups with us, we would get pilloried. You know we have to collaborate, and work, and co-produce with those groups all the time." (Local infrastructure organisation)

"Everyone [each small charity] has their own pocket of the borough, their own patch ... If you're concentrating on a small, concentrated area that's what people who are feeling vulnerable want. Ultimately they want to feel like they've got a friend." (Public sector stakeholder, Ealing)

Smaller charities appreciated the recognition for their role but were uncertain about this having an enduring impact on their relationship with the local council or public health bodies. This was particularly the case among BAME-led charities. Prior to the pandemic engagement between public bodies and BAME-led charities had been problematic because of limited understanding about the role and function of the different BAME-led charities that exist in each area and what they contribute. These organisations felt left out of conversations about commissioning prior to the pandemic (see case example 9) and worried that they were perceived as creating a crowded market of organisations that are all doing the same thing. They felt that public bodies and sometimes other charities, did not take the time to understand the work that they do and the cultural-specific nuances of this work: *‘Engagement, inclusivity, there’s a big gap still ... we need to look at the community from all angles’*. Whilst their work during the pandemic had been more visible to and recognised by other providers and commissioners, at the point the research was undertaken there was concern that this would be temporary and not lead to lasting change.

Case example 9: BAME-led charities and commissioning in Ealing

In Ealing we spoke with BAME-led charities and we also reviewed two studies carried out during the pandemic. These indicated that:

- BAME organisations continue to feel unrepresented and excluded from commissioning, continue to struggle to get funding, and worry about speaking out about this discrimination for fear of repercussions. This was raised with us during the 2018 study.
- These charities also still feel that they lose out because of a lack of recognition and understanding about what they do. From the outside, it may appear that there is duplication among local groups and organisations, but this view neglects that:
 - Ealing’s population is 54 per cent ethnic minority (2018) and 46 per cent were born abroad (2016/17)⁵. Each of these smaller charities – even ones working with the same community – serves a particular function.
 - In other words, people should beware conflating there being more than one charity working with say the Somali community, with there being more than one charity delivering the exact same service to that community.
 - BAME-led charities pointed out that *‘people don’t talk about the amount of people being helped’* or the fact that organisations are responding to *‘complex issues’*, they only focus on the activities being delivered. For example, one small charity might have someone come to them with rent issues but then when they talk to the individual it will emerge that the person also has maybe four to five other underlying issues that they need support with.
 - Finally, the ability to provide a localised response in a borough as large as Ealing is important.
- While there does seem to have been some progress in understanding this, more needs to be done. One small ethnic minority charity said that, *‘During COVID we were recognised, our contribution. With funding, we have to be recognised. With representation, we have to be recognised’*.
- Smaller charities feel that their ability to provide a hyper-local response in a borough as large as Ealing is important. Ethnic minority charities say that the

⁵ Source: <https://data.london.gov.uk/london-area-profiles/>

number of apparently overlapping charities simply reflects the population which is 54 per cent ethnic minority.

One smaller BAME-led charity discussed how the funding environment is becoming very competitive. Representation, for example in meetings about the commissioning of services and at local authority level, is key and this is an issue for organisations like the one representing the Somali or Horn and East Africa population, *'We only have one Somali representative ... yet the Somali population is the second biggest in Ealing'*. Historically, when commissioning does happen, their organisation and other small organisations receive small amounts, e.g. £1k, to deliver a specific activity but nothing to cover the costs of delivering services. They described how they would like to see organisations like theirs more involved and/or represented in discussions right at the start in relation to service design and delivery. *'It would be helpful if...ethnic minority groups must be able to lead on the whole piece...'* enabling organisations like theirs to lead discussions about need and response. They felt their work had gained recognition, but now they need the funding to follow suit.

Although smaller charities responded early and usually more quickly, we found that public bodies, mainly councils, had then stepped in and began to coordinate the response in a given locality. While this was helpful in many ways, some smaller charities also said that the council (in Salford, for example) *'rode into town and said, you know what, we'll take this on now'* which had damaged relationships and created tensions. The table below summarises the positives and downsides of the public sector stepping in to coordinate the initial crisis response as perceived by the smaller charities we spoke with.

Table 3.1: Perceptions of positives and downsides of public sector coordination of the initial crisis response

Positives	Downsides
<p>They had enabled new sites to be found from which to distribute food in communities e.g. a new pop-up food bank in a community centre.</p> <p>They invited the CVS into key discussion and planning forums, which aided the flow of information and improved working relationships between key people.</p> <p>It raised awareness and understanding of how smaller charities and the wider voluntary sector were responding to the crisis and who they were supporting. It was hoped that this could bode well for future partnership working and commissioning by the public sector.</p>	<p>Taking over and not listening to or working with the smaller charities already delivering help and who had great relationships with communities.</p> <p>Ignoring smaller charity expertise on things like managing accommodation for homeless people.</p> <p>Disrupting pre-existing partnerships between smaller charities and other providers, for example in relation to food and accommodation.</p> <p>Frustratingly slow processes leading smaller charities to revert to their own networks and ways of doing things, for example posting on social media to get hold of a particular item for a destitute individual or going direct to their own food distribution partners.</p> <p>Implications for how the relationship between the voluntary sector and public sector is managed longer term. This includes, for example, concerns that the central role played by local infrastructure organisations may crowd out smaller organisations once the pandemic is over, both in terms of funding for service provision and strategic influence.</p>

3.6. Conclusion

Our research suggests that smaller charities made a major and distinctive contribution to the response to the COVID 19 pandemic in localities across England and Wales between March and September 2020. In essence, we found that **smaller charities 'showed-up' at the beginning of the pandemic and have then 'stuck around' for its duration**, and that this is in contrast to other types of responder such as parts of the public sector, who were slower to react early on, and informal support and mutual aid, which has dissipated over time.

The work of smaller charities was concentrated on **addressing four main areas of need where the public sector** and other providers have been less visible: access to food, isolation and loneliness, information and mental health/wellbeing; and they tailored their response to different groups and communities experiencing complex social issues using their local knowledge and relationships. In providing this support smaller charities stayed true to their 'open door' ethos by finding multiple ways to maintain human contact by checking up on people, keeping in touch with them and connecting them to one another too.

Who smaller charities worked with was particularly distinctive, as they acted as a conduit for help with **five main groups or communities where having a relationship of trust was especially critical** and who were less well served by mainstream provision: disadvantaged neighbourhoods, communities of faith or ethnicity, people experiencing poor mental health and those who are seeking asylum.

While there have been some great examples of joint working and integrated provision (particularly to address food poverty), **the smaller charities we spoke to were uncertain about whether this would lead to lasting change in their relationship with public bodies**. BAME-led organisations in particular continue to experience poor awareness and understanding in the public sector (and also among some larger voluntary organisations) of their value and offer.

The value of smaller charities' response to the COVID 19 pandemic

The 2018 study highlighted the value that small charities create for individuals and the economy, and the added value they bring through maximising volunteering, leveraging funding and being embedded locally. Our findings about how smaller charities responded to the COVID 19 pandemic back this up. But they also draw particular attention to **the value smaller charities create through their absorptive and adaptive capacity** – their preparedness to identify and respond to the changing needs of local people and communities experiencing complex social issues.⁶ The pandemic provides an opportunity, therefore, to revisit the way we think and talk about the value of small charities and how this is taken account of through public policy.

4.1. Value to individuals and communities

The 2018 research revealed how smaller charities brought value to the people and communities in their area. The charities enabled people experiencing complex social issues to achieve personal, social and emotional outcomes, such as wellbeing, that can lead to economic and other so-called 'hard' outcomes like finding work. During the pandemic, the work of smaller charities to promote and preserve positive wellbeing has been particularly important:

- **Keeping people physically safe and well** through providing food and access to medicines.
- **Mitigating the impact on mental health** of social isolation brought about by lockdown, shielding and the emotional effects of being required to maintain physical distancing.
- **Providing accurate, appropriate information** to people who were confused by government communications about COVID 19 or by rumours circulating in their community.

⁶ For discussion of the importance of adaptive capacity as a source of resilience during humanitarian crises see: Béné, C., Godfrey-Wood, R., Newsham, A., & Davies, M. (2012). *Resilience: New utopia or new tyranny? - Reflection about the potentials and limits of the concept of resilience in relation to vulnerability reduction programmes*. IDS Working Paper 405. Brighton: Institute of Development Studies.

As we noted in our 2018 report, sometimes the role smaller charities play is simply preventing people's lives from getting even worse. Whilst it is hard to quantify the difference this makes to their lives; it is likely to mean that they may emerge from the hardship they faced – whether a recession or a pandemic – in a better position than they otherwise might be and with less need for acute public services.

4.2. Value to the economy

Considering economic value of smaller charities, it is important to first recognise the wider economic impact of the COVID 19 pandemic. At the time of writing the UK economy is estimated to have shrunk by around nine per cent since the beginning of the pandemic in March 2020. Similarly, the number of people claiming either Jobseeker's Allowance or Universal Credit because they were searching for work is now 2.7 million: 1.4 million higher than March. In this context, it seems likely that the economic footprint of some smaller charities will be diminished as a result of the pandemic, at least in the short term. However, the fact that most smaller charities stayed active during the pandemic and continued to employ local people rather than relying on furlough or making redundancies when many local businesses were forced to make these difficult choices, undoubtedly meant that their **economic footprint was maximised**. As identified in the 2018 report, smaller charities tend to employ local people and utilise local supply chains, so their ability to continue to operate throughout the pandemic will have been of real benefit to the economy at a local level.

Furthermore, many smaller charities have been able to **access pots of funding** which has helped them with the initial crisis response and could not have been brought into local areas by other types of providers. However, it must be noted that these grants were small-scale and short-term and were unlikely to offset loss of income from rental or other trading. Looking forward, perhaps of more concern is how straightforward it will prove to be for smaller charities to continue to access new grants or contracts in the future as the wider economic effects of the pandemic impact on public spending and charitable donations.

A further feature of the economic value of smaller charities highlighted in the 2018 report was **how their work leads to 'upstream' benefits for the public purse** by, for example, supporting people into sustained employment or reducing the need for acute health and care services. During the pandemic, most smaller charities focussed their work on supporting people and communities most likely to be adversely affected by the novel coronavirus, by doing their best to reduce the risk of people in extremely clinically vulnerable groups actually contracting the virus, and by mitigating the wider effects of lockdown. These efforts incurred **very little additional cost to the public sector** and undoubtedly prevented some people from getting unwell with COVID 19, thus **minimising the demand on the health system** during a period in which acute care was stretched to the limit.

4.3. Added value to public, social and community infrastructure

Finally, we identified three main ways that smaller charities have been able to add value to what was happening locally during the pandemic:

- By using their **networks and partnerships to maximise the effectiveness of the initial crisis response** e.g., in food distribution, volunteer utilisation and engaging in public-sector decision-making forums.
- By reassigning staff and volunteers to new roles in order to **meet new needs and complex social issues**, as they emerged.

- By **communicating public health and other government messages** to groups and communities where these were not getting through because of language barriers or mistrust of public bodies.

Our data suggests that many smaller charities and BAME-led organisations in particular, feel that the value they bring remains poorly understood. Some were not optimistic about the future in this respect despite having experienced increased recognition during the early months of the pandemic.

4.4. Rethinking the social value of smaller charities

The examples discussed throughout this chapter suggest that the real value of smaller charities during the COVID pandemic has been the fact that **'showed-up'** to support the people and communities that needed them the most and have then **'stuck around'** as the crisis has persisted. How they work, in particular their **absorptive and adaptive capacity** in the face of a crisis, and deep understanding of needs, enabled them to respond quickly and flexibly to people and communities affected by complex social issues. By contrast, the public sector and larger charities and voluntary organisations appeared much less agile and in touch with these communities, especially early on during the crisis when they took longer to take stock of its effects and put new processes and services in place. Similarly, some of the very agile and responsive informal volunteering and mutual aid activities that emerged at the very beginning of the pandemic have dissipated over time. By working in their distinctive way, and through their networks and relationships, smaller charities have been a key part of the wider civil society response that is generally thought to have **helped slow the spread of the virus** by ensuring that people were supported to stay at home.

Social value legislation is one of the main mechanisms through which public sector bodies are required to take account of the contribution small and locally based organisations make to the social and economic wellbeing of an area. The 2018 report demonstrated that the Public Services (Social Value) Act 2010 needed to be implemented more consistently and effectively, and in a way that recognised the distinctive features of smaller charities. Recent changes to national social value guidance⁷ offer some hope by recommending embedding an understanding of how organisations support ***"COVID 19 recovery, including helping local communities manage and recover from the impact of COVID"*** in decision making. Similarly, the advice that ***"evaluation of the social value aspect of bids should be qualitative so all potential suppliers...can successfully bid by describing what they will deliver and how they will deliver it"*** ought to level the playing field for smaller charities even further. This report builds on the 2018 report by providing further evidence of how smaller charities provide social value that can be understood qualitatively in ways that often go beyond what they have been commissioned to deliver.

In light of these changes, recognising that **smaller charities' response to the pandemic is evidence of their social value**, and that **social value runs through everything smaller charities do**, will be important. But there remains a challenge for local and national policy makers to ensure that this understanding of social value becomes embedded in key policies, strategies and investment programmes. This includes activities specifically focussed on rebuilding the economy and communities once the immediate effects of the pandemic have subsided, but it applies equally to mainstream procurement and commissioning practices across the public sector and wider efforts to engage smaller charities in key strategy discussions.

⁷ See [Procurement Policy Note – Taking Account of Social Value in the Award of Central Government Contracts](#) (Action Note PPN 06/20 September 2020)

4.5. Conclusion

Our findings suggest that the COVID 19 pandemic is an opportunity to revisit the way we think and talk about the value of small charities. They demonstrate that **the absorptive and adaptive capacity of small charities has been of immense value to communities** during the crisis. It enabled them to identify and then respond to the needs of individuals and communities experiencing complex social issues. For example, smaller charities have helped individuals stay physically safe and well, have mitigated the mental health effects of isolation, and ensured that accurate information about the pandemic reached communities not accessing government or council sources. Through their networks and relationships, through reassigning their staff to new roles and communicating public health messaging, small charities have contributed to a wider civil society response generally thought to have helped slow the spread of the virus by ensuring that people were supported to stay at home.

Moving forward, there remains a challenge for local and national policy makers to **ensure that the value of small charities during the pandemic is recognised, and an understanding of their importance embedded in policies, strategies and investment programmes** once the immediate effects of the pandemic have subsided.

Challenges for smaller charities arising from the COVID 19 pandemic

Looking back over the findings presented so far and reflecting on the diverse settings of the four case study areas, we were struck by the **consistency of the challenges facing smaller charities regardless of size and field of operation**. This reflects the sheer force and universality of the **shock** that smaller charities needed to absorb and adapt to as the COVID 19 pandemic developed. Some observers have noted that never before have such national – indeed global – forces impacted so severely on the sector in such a short space of time. So, although organisations in all sectors were facing similar challenges, smaller charities are unique in having very few material resources with which to respond and yet, driven by their mission, continue to ‘stick around’ no matter what through the course of the crisis. We suggest that there are three broad groupings of challenges facing smaller charities:

1. Changing service user and community needs.
2. Organisational challenges – financial and human.
3. Relationships and networks – clients, volunteers and partnership working.

We discuss these challenges in more detail in the remainder of this chapter, and suggest that these mean that funders, policy makers and government are likely to need to continue to closely monitor how smaller charities adapt to or succumb to these pressures, and to **develop effective policy responses** over an extended period.

5.1. Challenge 1: Service user and community needs

Increase in need

The experiences of the smaller charities we spoke to emphasise that the number of individuals experiencing issues and requiring support as a result of COVID 19 continues to increase and that the ways in which the crisis is affecting people continues to change and evolve. Often, smaller charities are facing growing complexity in the nature of the demand (see below) alongside general increase in need, and this can be highly unpredictable and therefore challenging for them to plan for.

For example, one smaller charity in Ealing that supports both individuals who are homeless and those who are vulnerable as a result of recent or long-term unemployment found that during the course of the pandemic the number of homeless individuals coming to them for support continued to drop. The number of homeless clients appeared to go down initially because the council was getting people into hostels. However, although the clients initially went to the hostels, they soon reverted to coming to the soup kitchen and day centre (operating from the pavement) for food. Alternatively, in some cases they were subsequently evicted so some of these individuals came back to the organisation for support. The charity also began to see new groups coming to them, for example the recently unemployed and whole families with children facing destitution.

Undoubtedly, another issue that smaller charities are identifying is a significant increase in mental health issues, from an already high level of concern about the issue pre-pandemic. Indeed, several charities anticipated that these challenges would increase during the autumn and particularly in the light of anticipated further restrictions and lockdowns. For instance, a smaller charity in Salford stated that the main issues are complex and inter-connected, and include mental health problems, drug and alcohol abuse and domestic violence. In the circumstances they felt compelled to be there and to help people as best they could but said the level of need was beyond what could be met by smaller charities alone.

Another smaller charity in Wrexham felt obliged to step in and fill the gaps left by important public services, in providing home-help services which had stopped during lockdown. This charity made the decision to step in, as they felt that their service users were at risk, although in doing so they acknowledged a degree of frustration at how they were able to adapt quickly, and retain high levels of engagement, when they felt that some statutory organisations were not doing the same. This has actually led to the same smaller charity expanding its activities, beyond its current remit, in order to meet this increased, and shifting, level of need. They reflected on the pressures this placed on staff (for instance having to take on new roles and adapt rapidly) even though this strategic shift had been part of their pre-COVID plans. COVID 19 has simply forced change at a much quicker pace.

Identifying and addressing new need, and COVID 19's adverse impacts

As a direct result of their outreach work during the pandemic, some smaller charities said they had become aware of people who were not previously accessing their services. For example, one organisation estimated that 60 per cent of the individuals they were making home deliveries to were not known to them before COVID 19. Several smaller charities also talked movingly about how, through visiting service users at their homes, it was the first time they had come to know about some of the appalling living conditions that exist, with overcrowding noted as a particular recurring issue. A survey of Black, Asian and minority ethnic (BAME) residents in Ealing⁸ had identified *'a family of 8 found living in a one-bedroom flat with one, functioning window, providing no safe space to self-isolate if anyone developed any of the Covid 19 symptoms'*.

In this way some smaller charities have come to recognise that the scale and complexity of the issues facing many of the individuals they already support is much greater than previously thought. A charity in Ealing commented that even though they were well-embedded in their community, knew a great deal about its challenges

⁸ See *Impact of Covid-19 on Ealing BAME Communities*. Survey conducted by United Anglo Caribbean Society; Golden Opportunity Skills and Development; Came Women and Girls Development Organisation; Ealing Somali Welfare and Cultural Association; Horn of Africa Disability and Elderly Association; and The Tamil Community Centre. Published September 2020. The survey collected data 342 BAME residents.

and levels of need, they still found themselves shocked by the extent to which people were living in unsuitable or overcrowded accommodation.

“At its most extreme we found that a family was living in a shed.” (Smaller charity, Ealing)

The significant and disproportionate impact of COVID 19 on BAME populations in the UK has been widely reported. With its high population of BAME residents, smaller charities in Ealing have seen these effects first-hand.^{9 10} Organisations run by and working with BAME residents are grappling with providing the kind of support needed for individuals and families that have faced bereavements. They have particularly observed an increase in the number of individuals experiencing poor mental health as a result of the direct impacts (loss of family members) or indirect effects (loss of employment). Whilst there has been a coordinated response by both local charities and council-led initiatives, for instance Ealing Together, it has been local charities, in particular those run by BAME residents that have been on the front line responding to these needs and who are already seeing an increase in demands on the services and support that they provide.

5.2. Challenge 2: Organisational challenges - financial and human resources

Declines in funding/funding unpredictability and volatility

Smaller charities noted that despite usually being very prudent with their finances, COVID 19 was hitting them hard. One Wrexham charity said that there has been a general increase in short-term funding, leading, as the CEO put it, to them committing to a wider range of activities, but also trying to steer a course that allowed them to lay foundations for expected increases in future demand. Again, as above, they were particularly concerned about the rise of mental health problems and expected having to take some investment risks in order to prepare.

Not all smaller charities were so (cautiously) optimistic, however. In Ealing several of the case study charities we spoke with said that they were struggling to access funding prior to COVID 19 as a result, they thought, of the wider trends in the funding environment and,

“... have found their funding significantly and adversely affected as a result of the pandemic...with sector cuts on the horizon alongside expected spikes in need” (Smaller charity, Ealing)

Although many organisations have been able to access the emergency funds that have been made available by trusts, foundations and public sector bodies, in a survey of voluntary and community organisations across Ealing 51 per cent described their funding as having been *‘greatly affected by the pandemic’*. Many lost all or some of their core sources of income almost overnight, for example income from room or building hire and community fundraising events. As a result, for one smaller charity described their situation as follows:

“We are actually a struggling organisation, it is just because of the passion what we have and the commitment that we have that we do the things we do.” (Smaller charity, Ealing)

⁹ The above survey found that over 83 per cent of those surveyed knew someone that had died as a direct result of contracting COVID 19.

¹⁰ See also *How do we build back better? Ensuring organisations improve practice in light of learning during the Covid-19 pandemic*. Study conducted by Young Ealing Foundation and Ealing Community Network published 2020. The study collected data from 83 Ealing voluntary and community organisations.

Perhaps unsurprisingly, there was near unanimous concern across our case study areas about the availability and stability of future longer-term funding. One smaller charity said that the emergency funding had been helpful in terms of enabling them to respond to the immediate situation, for example enabling them to buy Personal Protective Equipment (PPE) and put up partitions to be able to continue delivering face-to-face services. However, they are hugely concerned that there won't be any reliable funding from April 2021 onwards. To add to the uncertainty, they noted that funders are typically providing standard replies and not providing clarity or reassurance about future plans.

Case example 10: Food banks

Ealing Food Bank has found that donations have significantly decreased – in the peak it was receiving more donations than were going out – and they are now giving out more than they are getting in. This was thought to likely be a drain on their reserves.

Bassetlaw Foodbank meanwhile decided to suspend its operations at the beginning of the crisis because its volunteers tend to be older and either felt unable to continue to volunteer or were required to shield themselves, and as described in Chapter 2, the local infrastructure organisation and its public sector partners rapidly ramped up the 'humanitarian foodhub', effectively replacing the food bank with a larger-scale model of delivery.

The specificity of funding for COVID 19 activity

As already briefly mentioned, there was appreciation for funders who had allowed existing funding to be used flexibly and moved quickly to introduce small-scale, responsive grants to support COVID 19 responses, but this break to 'business-as-usual' also had some downsides. Smaller charities expressed some concern that some funders had stopped or suspended existing programmes, in order to rapidly shift their focus to COVID, leaving organisations seeking non-COVID funding in a difficult position. This seemed to be a particular concern for smaller charities with a traditional specialist focus that was perhaps less directly impacted by COVID 19. In Bassetlaw for instance, one specialist cancer survivors charity argued that, particularly in the context of a collapse in fundraising income, they were further squeezed by the uncertainty facing funding that could support their ongoing work which is still needed and isn't, superficially at least, hugely impacted by COVID.

Case example 11: A precarious situation for a smaller charity

One smaller charity we spoke to that works with French speaking asylum seekers explained how they feel that they are in a precarious position and are worried whether they can stay open, facing a perfect storm of lack of funding, premises and PPE to keep serving the community in a COVID secure way, and the related challenges of having to provide a face-to-face service which is still very much needed. The CEO is worried because at the moment

“All the funding [bids] we have sent out, they are just telling us that priorities have changed because they are just taking applications for COVID-related activities. If it is not COVID-related it is a bit difficult for you to secure funding”.

This is important for the population of women they support – the CEO is noticing many issues in the community like domestic violence which is very difficult and complex to support as we move further into the ‘new normal’.

“For the funders they need to realise that right now small charities need unrestricted funding because things can change before they know it which makes it easier for them and easier for us to keep doing the activities our communities need without worrying about the finances.”

Similarly, in Ealing, with its significant BAME population, smaller charities drew attention to some of the specific challenges that BAME organisations face in trying to access funding. One interviewee, whose organisation has been supporting other BAME organisations to raise funds, said that one of the barriers they had observed was that funder application forms were not accessible to or inclusive of individuals whose first language is not English or who may be less familiar with the buzz-words or phrases that funders are often consciously or unconsciously looking for. In all these contexts, funders need to recognise the impact of this and start to plan for longer-term adaptation, resilience and recovery. For instance, there is a need to recognise that not every area of activity fits neatly into a ‘COVID’ box, such as the challenges facing people with no recourse to public funds.

Staff wellbeing and guarding against burnout

Several case study charities expressed growing concerns about staff and volunteer wellbeing. For example, one smaller charity in Bassetlaw has found it extremely challenging to work remotely, even though they managed to quickly adapt and respond:

“So, with the COVID situation, people were completely out of their comfort zones. They were using equipment; they were using a different telecom system that they hadn't used before. And we had about a week because we were OK for people to come in the office, so we started planning that we could get them in and give them some training on this. But then we set up remote supervision which, again, was difficult for the supervisors because they'd never done that before.” (Smaller charity, Bassetlaw)

This charity has found that it has needed to provide more emotional support to the workforce due to working from home but also heightened emotional burden from frontline delivery. In Wrexham too, a smaller charity commented that through every phase of the response they had to be aware of the wellbeing impact on staff, volunteers and trustees, and worked hard to ensure that all were cared for. They considered that the internal work on staff wellbeing - putting in place mutual support

systems to ensure staff remained connected and supported - was vital to the strength of the external response. In fact, they created a 'Wellbeing Wednesday' team gathering on Zoom which was open to staff and service users.

5.3. Challenge 3: Relationships and networks - clients, volunteers and partnership working

Tension between online and face-to-face provision

In all of our case study areas a recurring theme was smaller charities grappling with the tension between taking their work including service delivery online, and the desire or need to continue to meet their clients face-to-face. Although this has been a novel challenge facing organisations around the world, for smaller charities the tension is particularly strong. Fulfilling their mission to address a specific and compelling need is intertwined with their approach which is based on building trust, relationships, through human contact and warmth. They therefore felt an acute moral dilemma about how to respond, and to do so in a way that met their clients' or communities' needs. They had to balance the needs of their beneficiaries with the wellbeing and safety of their staff and volunteers. For other smaller charities, especially those providing accommodation for homeless people, said that there was no question of not continuing to '*be there*' for their service users and that other organisations had been supportive of their remaining open. Instead, for them this came down to weighing up and then mitigating the risks of infection (PPE etc).

Still, for most smaller charities, grappling with getting this balance right was a key challenge. A smaller charity in Salford for instance, reduced their face-to-face contact but the building has remained open two days a week for those that need support. In the past they were open six days a week. The sensitive nature of their work (including domestic violence) is such that access to a private space is vitally important. A staff member described visiting people at their homes, not being able to go inside, and having to stand in public, six feet away from each other, in masks – raising their voices while talking about highly personal issues (money, food, domestic violence). The communities they serve are very tight-knit and everyone knows everyone. If some degree of privacy can't be assured, the risk is people are not going to seek help and support. Like many other smaller charities, they found that technology can help (WhatsApp was crucial for group communication and reducing isolation), but it is not a universal panacea:

"...it is difficult for us to switch online because the community we serve most of them are not people who use online. And also, asylum seekers, they are destitute, and it is difficult for you to think they have access to IT – they can't afford to pay for internet, or they don't know how to use." (Smaller charity, Salford)

It is in this context that applications for funding for the relevant PPE and office layout alterations are essential, for example to find a bigger space for face-to-face activities (such as a homework club), and ensure some privacy when needed.

Similarly, in Ealing, at the time of the fieldwork, we found that many smaller charities were still in a state of flux about whether to continue predominantly providing support remotely or resume face-to-face work, with many providing both and finding that these multiple approaches are often resource intensive. By September, the majority of smaller charities we spoke to had resumed some elements of face-to-face delivery but were still providing at least some or the majority of their services and support remotely. One organisation said that, first, their workloads have doubled due to the extra planning and time involved in delivering services both online as well as face-to-

face; and, second, their income has dropped because when they deliver services online these are free and not funded.

The limitations of providing remote support via digital platforms was also felt to be particularly acute for certain individuals, and almost all smaller charities in the case study areas acknowledged the risk of multiple ‘digital exclusions’. For example, organisations providing services and support to BAME residents in Ealing found that around 65 per cent of the individuals they support have limited access to or knowledge of digital platforms.¹¹ This was thought to already be a barrier for individuals when needing to conduct certain transactions, such as applying for Universal Credit or Discretionary Housing Payments (DHP), which had all been moved online prior to the pandemic.

Retaining volunteers and planning for new forms and levels of volunteering

Concerns were expressed across the case study areas about the challenge of retaining members and volunteers, particularly for organisations whose work is mainly based on face-to-face contact. As we have seen in previous chapters, smaller charities were affected in different ways, depending for example on the size of their volunteer base and the degree to which that base is considered to be vulnerable (e.g. by age group or ethnicity). For instance, as described above (see case example 10) in Bassetlaw the food bank was vulnerable to early closure due to its relatively elderly volunteer base. However, recognising this, local partners responded with the ‘humanitarian hub’ to deliver food and essential supplies, and one of our case study organisations continued to identify needs not being met and delivering supplies to its own vulnerable beneficiaries and other individuals identified as being in need. Understandably therefore, there are real concerns about the likelihood of volunteers becoming disengaged in the longer term. Although some smaller charities found innovative ways to keep their volunteers involved – for example providing Zoom or telephone-based counselling or keep in touch sessions – the tensions remained very relevant.

On a different note, another widely remarked upon issue was the challenge for local charities, voluntary organisations and public sector partners, to capitalise on the upsurge in voluntary contributions in the initial phase of the crisis. In some cases, this was because, as one local infrastructure organisation commented, the national schemes were not fit for purpose and there was no spare capacity, or support, to coordinate with and channel these new volunteers. In Salford though, one interviewee described how, at the start of the crisis the City Council took a very *‘command and control’* approach that didn’t maximise the willingness of people to contribute:

“It was really, sad, really sad because people were queuing up to do food, and shopping, and some of them were doing it and then [Salford City Council stepped in and took over] and that kind of, you can imagine what that’s done to some of the relationships.” (Stakeholder, Salford)

Similarly, as in much of the country, Ealing has seen an upsurge in the number of new individuals coming forward to volunteer, coupled with a dip in numbers in the existing volunteer workforce as many of them fall into the vulnerable category and have had to shield. Volunteers are thought to make up 60 per cent of the workforce in Ealing and during the pandemic at least 20 per cent of this workforce was thought

¹¹ See *Impact of Covid-19 on Ealing BAME Communities*. Survey conducted by United Anglo Caribbean Society; Golden Opportunity Skills and Development; Came Women and Girls Development Organisation; Ealing Somali Welfare and Cultural Association; Horn of Africa Disability and Elderly Association; and The Tamil Community Centre. Published September 2020. The survey collected data 342 BAME residents.

to have been lost. Stakeholders expressed strong concerns about whether this positive upsurge could be maintained.

Lack of coordination in some instances

The smaller charities that took part in the research, were generally positive about the spirit of collaboration and resulting partnerships developed or strengthened during the pandemic, especially in the early stages of the crisis. Where positive relationships with public sector staff pre-dated the pandemic, these had enabled good communication, but some smaller charities without such relationships complained about a lack of communication from at least some of their partners in the public sector at various stages. In one area there was also some frustration about a perceived lack of coordination: some smaller charities felt that they were '*left to it*' and this failed to maximise the goodwill and potential contributions of different smaller charities; some felt this was a reflection of longer-run weakness in sector level collaboration, and the lack of engagement by the local infrastructure organisation with area-wide partnership structures. There is, too, a sense of this being a 'double-edged sword' of smaller charities reacting more responsively to the humanitarian stage of the crisis. Being '*left to it*' could be seen as recognition of the strength of small charities in acting quickly to provide support where there are urgent gaps, and therefore not requiring broader support, recognition, and funding. In fact, they very much do need this, and many smaller charities want this to be recognised and integrated within recovery from the pandemic.

5.4. Conclusion

The COVID 19 pandemic has presented immense challenges for smaller charities in England and Wales but **many have demonstrated incredible resilience** in responding to this during the first six months of the crisis. As demonstrated throughout this report this **resilience**¹² has seen small charities first demonstrate **absorptive capacity** by 'soaking-up' the unprecedented impact of the crisis on their work, operations and the individuals and communities they support; and then showing tremendous **adaptive capacity** by responding rapidly and flexibly through incremental adjustments and innovations that have been introduced on an ongoing basis.

However, this research suggests that despite this apparent resilience, **the challenges smaller charities have faced during the crisis should not be underestimated**, for it seems likely that their effects will be experienced for the foreseeable future. Our findings suggest that these challenges fall into three broad categories. First, there is the **changing nature of service user and community needs**, which are increasing in severity and evolving as different types of adverse impacts from the pandemic emerge. Issues associated with mental health, drug and alcohol misuse and domestic violence are particularly evident. It's widely accepted that BAME communities have been disproportionately affected. This underlines the crucial contribution of smaller charities, because as we stressed in the 2018 study, they are adept at responding to emerging needs and agile enough to continue to adapt as needs change over time. Second, there are the **organisational challenges associated with financial and human resources**, including reductions, unpredictability and volatility in funding, which is also increasingly short term in

¹² In using this terminology, we draw on research undertaken during other 'humanitarian crises'. See for example: Béné, C., Godfrey-Wood, R., Newsham, A., & Davies, M. (2012). *Resilience: New utopia or new tyranny? - Reflection about the potentials and limits of the concept of resilience in relation to vulnerability reduction programmes*. IDS Working Paper 405. Brighton: Institute of Development Studies.

nature; concerns about retaining skilled and valued staff; and staff wellbeing, including how to guard against 'burnout'.

Finally, there are challenges associated with **sustaining relationships with clients, volunteers and key partnerships** developed prior to and during the pandemic. This includes overcoming tensions between the need to operate remotely to keep people safe and healthy, and the importance of face-to-face support for some key groups and types of services; how to retain volunteers planning for new forms of volunteering; and how to capitalise on the renewed collaboration and partnership working that has developed during the pandemic or improve this in places where coordination has been less effective.

Moving forward, as the focus of funders, policy makers and government moves toward social and economic recovery, it will be important to continue to closely monitor how smaller charities are affected by these pressures, and to develop effective policy responses over an extended period. The concept of resilience, and **how to foster and sustain local ecosystems of smaller charities capable of 'absorbing' and 'adapting' in the face ongoing social and economic challenges**, might provide a useful framing for this.

Conclusion and Recommendations

The COVID 19 crisis has been described as a ‘syndemic’, the effects of which have interacted with and exacerbated existing inequalities, affecting the very communities experiencing complex social issues that many smaller charities exist to support. In light of this unprecedented challenge, this report has explored **how smaller charities responded during the first six months of the pandemic**. It builds on and tests the hypotheses from the original Value of Small report (2018) which found that **smaller charities were distinctive from public services and larger providers** because *of who they serve and what they do, how they work, and the role they play within their communities and their contribution to public services*. This combination of distinctive features, the report argued, meant smaller charities often amount to more than the sum of their parts and create large amounts of social and economic value. These findings led us to believe that smaller charities ought to be ideally placed to **respond to the effects of the crisis in ways that really mattered** to people and communities experiencing complex social issues and economic disadvantage.

This concluding section highlights the main findings of the study and discusses what the implications are for policy and practice, locally and nationally.

6.1. Key findings

The findings of this latest research support and expand our original findings in a number of ways. First, they show how **smaller charities have demonstrated tremendous energy, flexibility and professionalism** to understand the implications of the crisis and to continuously adapt their provision to ever changing needs and circumstances. We found that many **smaller charities ‘showed up’ and then ‘stuck around’**, using their position of trust within communities experiencing complex social issues to support vulnerable people when they were needed most. **This is in contrast to parts of the public sector**, who were slower to react early on, and informal support and mutual aid, which has dissipated over time.

Second, we found that the service offer of smaller charities during the crisis was concentrated on addressing four main areas of need - *access to food, isolation and loneliness, information and mental health/wellbeing* - in ways that were tailored to different groups and communities experiencing complex social issues. Smaller charities found **multiple ways to maintain human contact** by checking up on people, keeping in touch with them and connecting them to one another wherever possible. **Who smaller charities worked with was particularly distinctive**, as they acted as a conduit for help and information with five main groups or communities where having a relationship of trust was especially critical: *disadvantaged neighbourhoods, communities of faith or ethnicity, people experiencing poor mental health, and people*

seeking asylum. **The needs of these groups tended to be less well served by mainstream provision**, but they were more likely to be adversely affected by the health, social and economic impacts of COVID 19.

Third, our findings show that the work of smaller charities during the pandemic has created **value for a wide range of different stakeholders**. Value has been created for **individuals and communities** through personal outcomes linked to *health, mental health* and *social isolation* that have prevented lives from getting worse and ensured that people will be in a better position at the end of the pandemic than would have otherwise been the case. Value has been created for the **economy** in the face of a severe recession by continuing to *employ local people, utilising local supply chains* and *accessing funding to support the crisis response* that could not have been brought into local areas by other types of providers. Further economic value for the public sector has been created by *supporting people most likely to be adversely affected by coronavirus* and mitigating the wider effects of lockdown. The efforts of smaller charities have undoubtedly prevented some people from contracting COVID 19 and reduced demand on the health system at **very minimal additional cost to the public purse**. Smaller charities have created **added value** through their *networks and partnerships* which have maximised the effectiveness of the public and civil society pandemic response, by being *as flexible as possible* to meet new needs and complex social issues as they emerged, and by *communicating public health messages* to groups and communities where these were not getting through.

Finally, and despite the incredible response of smaller charities to the COVID 19 pandemic described throughout this report, and the benefits this has brought, we found that the crisis has also presented smaller charities with three sets of major challenges. First, there is the **changing nature of service user and community needs**, which are increasing in severity and evolving as different types of adverse impacts from the pandemic emerge. Second, there are a series of **organisational challenges associated with financial and human resources**, including reductions, unpredictability and volatility in funding, which is also increasingly short term and COVID 19 specific; and concerns about staff wellbeing and how to guard against 'burnout'. Third, there are challenges associated with **sustaining relationships with clients, volunteers and key partnerships** developed prior to and during the pandemic.

The data for this study was collected prior to the second wave of the COVID 19 pandemic during autumn and winter 2020-2021 and **the return of lockdown restrictions will undoubtedly have adversely affected smaller charities and the people and communities they serve even further**. Although our findings suggest that the learning and adaptations made during the first wave of the pandemic will have helped smaller charities be better prepared for what has followed, whether they have the financial and human resources needed to withstand yet more **uncertainty and even greater precarity** remains to be seen.

Overall, this research demonstrates how, during a period of crisis and rapid change, **many smaller charities have demonstrated incredible resilience** in responding to an array of challenges. This resilience has seen smaller charities first demonstrate **absorptive capacity** by 'soaking-up' the unprecedented impact of the crisis on their work, operations and the individuals and communities they support; and then show tremendous **adaptive capacity** by responding rapidly and flexibly through incremental adjustments and innovations that have been introduced on ongoing basis.

Smaller charities have the potential to contribute to the transformational change needed if the economy and society is to 'build back better' following the pandemic, but we found that **their transformative capacity is currently constrained** by the

local and national public policy environments in which they operate. Crucially, there is a need to recognise **that the real value of smaller charities during the COVID 19 pandemic has been the fact that they continue to be there for the people and communities that need them the most** and in ways that mean they are distinctive from public services and many forms of informal support.

Realising the absorptive, adaptive and transformative capacity during and beyond the COVID 19 pandemic

Research into other humanitarian and environmental crises, such as earthquakes and droughts, demonstrates that three types of capacity provide the foundations for an effective response to and recovery from major shocks or crises. These capacities are often referred to as the components of 'resilience'. Applied to smaller charities and the COVID 19 pandemic, they can be described as follows:

- *Absorptive capacity* is a smaller charity's ability to moderate or buffer the impacts of the COVID 19 pandemic to fulfil their missions or purposes by continuing to support vulnerable people and communities in the way they did prior to the pandemic.
- *Adaptive capacity* relates to the various incremental changes and adaptations a smaller charity makes in order to continue functioning in response to the pandemic, without making major qualitative changes to operating models, mission or purpose.
- *Transformative capacity* becomes important for a smaller charity if the scale and/or duration of the pandemic or its effects drain its reserves of absorptive and adaptive capacity, or if its lasting effects mean there is a need for change on a larger scale for the vulnerable communities they support. *Transformational change* may alter permanently the way a smaller charity works, first to ensure its immediate 'survival', and, ultimately to use the crisis as an opportunity to contribute to lasting change.

The evidence collected through this research have provided numerous examples of the *absorptive* and *adaptive capacity* of smaller charities and how this benefited vulnerable people and communities experiencing complex social issues during the COVID 19 pandemic. However, the findings also demonstrate the need for change on a larger scale if society and the economy are to fully recover and prosper following the pandemic. Smaller charities have the potential to contribute to the transformational change needed, but their *transformative capacity* is currently constrained by the local and national public policy environments in which they operate.

6.2. Recommendations

As the focus moves toward social and economic recovery it will be important to ensure the active involvement of smaller charities in the planning and delivery of efforts to 'build back better'. Funders and policy makers will need to develop effective responses that **recognise the distinctiveness and value of smaller charities** and emphasise the need to foster local ecosystems of providers capable of **absorbing, adapting and contributing to transformational change** in the face of ongoing social and economic challenges. The following recommendations - aimed at national and local government, and funders – may provide a useful place to start.

Recommendation 1: Fostering a thriving and resilient population of smaller charities

A thriving and resilient population of smaller charities with the absorptive and adaptive capacity to respond to different types and scale of shock should be an explicit goal of public policy at a national and local level. This can be fostered through action on the recommendations made in this report, but it will not be possible without an enhanced settlement for local government and public services that enables them to work in partnership with smaller charities to make best use of their distinctive knowledge and expertise.

Smaller charities have been feeling the squeeze applied to public services, particularly local government finances, for a long time. This has been through the reduction of their own direct funding, but also through the impact of reduced services on the people they support. Until local government is properly resourced based on the needs of the people and communities they serve, smaller charities will have their work cut out papering over the cracks and their transformative potential will be severely limited.

Recommendation 2: Long-term, flexible, core funding for smaller charities

Prior to the pandemic smaller charities had been calling for long-term, flexible, core funding to enable them to work most effectively, and funders had started to respond. During the pandemic, many funders listened to smaller charities and enabled them to repurpose previously restricted funds to support the crisis response. In many cases this flexible use of funds served to ‘release’ the absorptive and adaptive capacity of smaller charities to meet the needs of individuals and communities who might otherwise have gone without support.

Whilst it has been necessary for many funders to prioritise COVID 19 activity in the short term, funding programmes for ‘usual’ activities should be resumed as soon as possible. In the future, funding that is flexible and supports the core functions of smaller charities over the longer term should be a model of first resort. This will enable smaller charities to focus on what they do best: identifying and responding to complex social issues and supporting and engaging vulnerable people and communities to achieve the outcomes they desire.

Recommendation 3: Investing in social and community infrastructure

The types of social and community infrastructure provided by smaller charities and put to effective use during the pandemic have been under-resourced for years. If investment in physical infrastructure is to be the focus of central government intervention during the recovery from the crisis then this should be accompanied by a ‘social levy’ on major projects, including those invested in by the proposed national infrastructure bank. This will ensure broader community level benefits of these investments can also be realised.

Recommendation 4: Putting social value and wellbeing at the heart of public commissioning and procurement

Social value legislation is one of the main levers available to national and local government to promote the contribution of smaller charities to public policy goals. The limitations of this legislation were highlighted in the 2018 report, and although recent changes to guidance for the application of the Public Services (Social Value) Act are a step in the right direction, there is still more that can be done at an operational and strategic level to recognise the value of smaller charities and their expertise.

Operationally, training in how to translate and implement the new social value guidance at local level will be essential to ensure a departure from previous practice that disadvantaged smaller charities. This training should promote an understanding of the complex work that small charities do, the value that is inherent in their work, and how this stems from the distinctive features described in this report. Strategically, government, mayoral Combined Authorities and local authorities should focus on the place-shaping role of public commissioning and procurement and put the creation of social value and the promotion of wellbeing at the centre of their purchasing and investment decisions.

Recommendation 5: Enhancing digital inclusion and service delivery

This research has demonstrated that many smaller charities were able to transform the way they delivered support to ensure they continued to reach people from a distance. This was not always easy and further resources are needed to improve digital infrastructure to enable this within smaller charities themselves, and to widen digital inclusion amongst communities and individuals experiencing complex social issues. Although smaller charities have worked hard to increase access and skills for the people they work with, there are still those who are at risk of being excluded from vital services without digital access.

It is also important to recognise that although some virtual services have been a success, there are other aspects of smaller charities' work that cannot be done remotely. Smaller charities and their funders will need to consider the effectiveness of new digital services, how these can be integrated with face-to-face services in the long term and share learning and effective practice about what works across the charity and voluntary sectors. Some smaller charities may also require investment in their buildings and other physical infrastructure, which can be cramped, poorly ventilated and inaccessible, all of which can limit their ability to provide face-to-face services in a COVID secure way.

Appendix 1: Methodology

A1.1. Original Study methodology

The original Value of Small research in 2017/18 was undertaken through a qualitative case study methodology with quantitative data also used to provide additional national and local context at key points during the research. A detailed sampling process was undertaken to identify four local authority areas in England and Wales that were broadly representative of:

- **Geography:** ensuring coverage of the north and south of England, London and Wales, as well as a mix of urban and rural areas.
- **Administrative status:** ensuring coverage of unitary and two-tier local authorities, and areas with relatively straightforward and complex administrative boundaries.
- **Deprivation:** although the focus was on identifying relatively deprived areas, it was important to ensure that a variety of economic contexts were covered.
- **Population of charities:** ensuring coverage of areas with relatively high and low numbers of charities and smaller charities, including income and the number of volunteers.

The four areas selected were:

- **Bassetlaw**, a second-tier district council in north Nottinghamshire with a population of approximately 115,000. It is predominantly rural in character, centred on two towns, Worksop, the administrative centre, and Retford, a smaller market town.
- **Ealing**, a London borough with a population of approximately 350,000. In common with most London boroughs, a high percentage (47.4 per cent) of Ealing's resident population was born abroad and it is characterised by high levels of inequality, with parts of the borough experiencing high levels of economic deprivation.
- **Salford**, a city and metropolitan borough with a population of approximately 250,000 in Greater Manchester. Much of the city is highly industrialised and densely populated. The population of Salford is increasingly ethnically diverse and there are high levels of inequality and economic deprivation.
- **Wrexham**, a unitary authority in the north east of Wales with a population of approximately 136,700. It is characterised by high levels of immigration, particularly from EU member states, and has relatively high levels of employment. Although it is relatively affluent there are also pockets of significant deprivation.

Each area case study research involved two stages: (1) mapping the ecosystem of smaller charities and other charities, voluntary, community and social enterprise organisations in each area; (2) organisation level research. A stakeholder mapping workshop and subsequent qualitative stakeholder interviews were undertaken to understand what was going on within the area – stories, issues, structures and history; the local role of smaller charities in tackling complex social issues; and views about the distinctiveness, value and funding of smaller charities. Overall, 120 staff, trustees, volunteers and service users of 16 charities (12 smaller, 4 larger); and 31 wider stakeholders; participated in the research. Table A1.1 provides an overview of the small charities that took part.

Table A1.1: An overview of smaller charities included in the research

Org ID	Case Study Area							
	Bassetlaw		Ealing		Salford		Wrexham	
A	Medium	Provides an emergency hostel, move on accommodation, and advice and support in one of the towns in Bassetlaw.	Medium	Runs two centres for individuals experiencing street homelessness. Between the two centres they provide food, day respite facilities and other resources.	Medium	Supports the integration of asylum seekers, migrants and refugees through support with immigration processes, English language and IT classes, housing, cultural activities, employment and emotional support.	Medium	Provides advocacy support for people with mental health problems and works to facilitate discussions between service providers and service users about gaps in service provision.
B	Medium	A community resource agency offering help and support to individuals and organisations throughout Bassetlaw, including older and socially isolated people.	Small	Community hub that provides support and services for people of all ages focused on: employability, ICT, welfare advice, youth issues, English language courses and advocacy support.	Medium	Delivers tailored creative art-based services to support the emotional wellbeing and recovery of people who are, or are at risk of, experiencing mental health difficulties.	Medium	Provides support for children and young people with disabilities, including activities and respite care for people and their families who are isolated or lack a wider support network.
C	Small	Church-led organisation providing a range of community projects aimed at tackling deprivation.	Small	Community-based mediation service providing alternative approaches to dispute and conflict resolution.	Medium	A faith-based charity that delivers emergency accommodation alongside physical, emotional and spiritual support.	Small	Provides support for young people who are experiencing, or are at risk of experiencing, some kind of exclusion from society.

A1.2. Current study methodology

This study built on the original study by revisiting each of the four areas and engaging with as many of the previous participants and organisations as possible. Overall, we interviewed 39 people for this study, as outlined in table A1.2 below.

Table A1.2: An overview of research participants

Case Study Area	No of smaller charity interviews	No of local stakeholder interviews
Bassetlaw	6	6
Ealing*	6	4
Salford	4	4
Wrexham	5	4
Total	21	18
	39	

*In Ealing, two studies about the pandemic and the voluntary sector were already underway. To avoid duplication and unnecessarily burden small charities the researchers working in Ealing agreed to carefully review the findings of these studies (shared with us pre-publication) and understand their findings through discussion with the lead charities some of whom we also interviewed. One of the studies was led by a coalition of BAME-led charities including some micro charities whose voices had been previously left out of local sector conversations.

Each interview was structured around the following research questions for this study:

1. **How have smaller charities responded during the COVID 19 crisis?** In particular, to what extent have these responses been distinctive in comparison to other providers in terms of:
 - a. **Their service offer:** the types of service provided and for whom (including reach to vulnerable groups – see note below)
 - b. **Their approach:** the ethos, values and approach underpinning their work
 - c. **Their position:** the role they play in relation to the wider ecosystem of services
2. What has been the social and economic value of that response? Specifically:
 - a. **What has been the value for individuals?** For example, to what extent have they been able to meet needs and/or address vulnerabilities specific to the COVID 19 crisis (e.g. medical and/or basic needs during lockdown/shielding); and how have they supported existing vulnerabilities that might have been exacerbated by the crisis (e.g. homelessness, domestic abuse, welfare assistance, BAME communities)?
 - b. **What has been the economic value?** For example, have they been able to mobilise financial and non-financial resources to meet community needs; have they been able to mobilise existing and additional volunteer resource; and have there been any examples of how they work has supported cost avoidance for statutory services?
 - c. **What has been the added value?** For example, what role have they played collaborating, co-ordinating or working in partnership within the broader ecosystem of services, including the local and national public sector and informal groups such as mutual aid schemes?

- 3. How has the crisis impacted on the financial resilience of smaller charities?**
Including understanding where and how local funding approaches helped or hindered how smaller charities have responded, and the long-term implications of the crisis for their sustainability.

Appendix 2: Case Study Area Summaries

A2

The following case study area summaries have been produced by members of the Research Team who were working 'on the ground' in each to capture the local flavour of smaller charities' response to the COVID 19 pandemic.

A2.1. Bassetlaw

Context

Bassetlaw is a second-tier district council in north Nottinghamshire with a population of approximately 115,000. It is predominantly rural in character, but centres on two towns, Worksop, the administrative centre, and Retford, a traditional market town. It is positioned between the conurbations of South Yorkshire and Nottingham but also looks outwards towards Lincolnshire.

Perhaps reflecting its relative peripherality and its stable population, in the 2018 study we were struck by the impressive degree to which smaller charities were closely networked and leaders within the sector exhibited strong relationships between them which helped them to 'get things done' in Bassetlaw. We believe this has remained the case in the interim. Bassetlaw experienced severe flooding in 2019, and again organisations that knew each other and were closely networked were able to come together to facilitate a community response, for instance providing office space and mobilising volunteers. As elsewhere, there is continuing pressure from austerity policies, with significant reduction in funding from the District Council, and a competitive commissioning process in health services and County Council. In common with the national picture, Bassetlaw responded rapidly to the challenge of COVID 19 and the initial lockdown. Respondents particularly remarked on the rapid 'humanitarian' response coordinated by Bassetlaw Community and Voluntary Service (BCVS) and its partners, and the 'spontaneous' local response of communities and individuals.

Experience

In Bassetlaw, a rapid 'humanitarian response' was set-up by key stakeholders in the voluntary sector and Bassetlaw District Council 'almost overnight'. The local infrastructure organization (BCVS) was critical in working with the local authority and CCG, setting-up a crisis 'food hub', and arranging delivering prescriptions as well as safe and well checks (including with volunteers). It also involved an immediate decision, agreed with the CCG and other stakeholders, to 'pause' the delivery of their social prescribing service and repurpose in support of crisis response. This period was described as one where a lot of productive meetings were occurring between people in the voluntary, community and public sectors, with a 'can do' attitude to meeting local

needs. As an example of adapting to the context, a debt advice agency that was centre based moved to working online and using phone calls; and an organisation that provided mobility moved to doing wellbeing check-ups. In addition, the local community response was described as 'spontaneous' and a real 'social action movement', particularly important in the rural areas and villages, and at the micro neighbourhood level. All interviewees highlighted the importance of collaboration. This seems to have been quick and largely informal, dependent on the networks already in place. For example, the debt service manager received referrals from the council and then referred into the BCVS/council hub for food provision and similar support. There was an interesting reference to the usefulness of collaborating with a business-led service to protect empty premises in the town when closed which was also supportive to a faith-based community centre.

Contribution

The most notable feature of the smaller charities' response was the urgency, agility and immediacy of their response. We saw evidence of them innovating in a very uncertain context and working with partners to get things done. In the case of Bassetlaw, the local CVS seems to have collaborated well with the district council. Similarly, our original large charity, whom we re-interviewed this time, was proud of the way they reacted, also in a short space of time. In their case, they had the weight of the large national organisation behind them. Interestingly, the food bank in Bassetlaw had to close because its volunteers were shielding, so a collaborative effort was needed to provide a new food distribution hub, at speed.

We saw significant adaptation of services, usually following an understandable delay as organisations grappled with their internal procedures (furlough, working from home, interpreting national guidance, obtaining PPE). This sometimes created the unfortunate impression that they weren't responding as quickly as, say, mutual aid groups. For example, services previously operating from premises or community venues that were obliged to close offering regular 'keeping in touch' support and access to resources. Faith-based organisations described how they were forced to close centre-based services but provided support to people in need through their pastoral support system and congregation. A small health charity rapidly adapted its face-to-face counselling and wellbeing support to online, but also switched back to in-person but socially distanced support in early summer.

In some contrasting cases, we saw organisations 'carry on regardless', providing essential 'key' services with suitable adaptations (i.e., 'COVID-safe'). A homelessness charity continued to work with people that are difficult to engage with and have complex needs. The organisation was worried about what would happen during this period with clients being in lockdown together. Clients were described as 'pulling their weight' and there have not been any issues in the emergency hotel. The CEO commented that 'staff have stepped up brilliantly'- those working in the properties in particular worked particularly hard and over their hours to support service users. A number of key staff members continued to go into the properties, they didn't want to be furloughed or be perceived to be at risk of letting clients down.

Who we spoke to

We are grateful to the following smaller charities who participated in the study: The Crossing Church & Centre; The Well Community Projects; Bassetlaw Action Centre; Aurora Wellbeing Centres; Hope Community Services, and a further organisation that wished to remain anonymous.

We are grateful to the following area level stakeholders who participated in the study: Bassetlaw District Council; Bassetlaw Integrated Care Partnership; Bassetlaw Community and Voluntary Service; Change Grow Live.

A2.2. Ealing

Context

Ealing is the fourth largest London Borough in population, with over 360,000 residents.¹³ Almost half of Ealing residents, 46.1%¹⁴ were born abroad and over half of its residents, 53%,¹⁵ are ethnic minorities. In 2018, one of the most dominant factors affecting or expected to affect cost of living in the borough was the arrival of Crossrail. It had led to a surge in redevelopment in the area and a rise in property prices as a result. This trend appears to have continued since 2018, although with delays to Crossrail and the impact of COVID 19, this may have slowed or delayed the effects to some degree.

COVID 19 has further exposed existing inequalities in Ealing and September 2020 Ealing Council announced an Equalities Commission that will look at structural inequalities in the borough.¹⁶ Since 2018, unemployment had increased from 6.1 percent to 5.8 percent¹⁷ pre-pandemic. At the time of our fieldwork, charities were starting to see the knock on or next stage effects of COVID 19 such as rent arrears and debt arising from job losses and not being able or knowing how to get help during lockdown. Ealing also has the third highest rate of accepted homelessness duties in London,¹⁸ and through this study we heard further examples of significant overcrowding, often brought to organisations' attention for the first time as a result of visiting service users and clients at their homes to deliver food and supplies.

Experience

The initial response to the pandemic was described as 'panic', 'chaos', 'humanitarian' and 'incredible'. The local authority's focus was on providing basic care and combatting isolation neither of which it was able to achieve without the help of smaller charities. Very quickly Ealing Together – a collaboration between the council and voluntary sector - was set up and activity began to get more coordinated. While many of the services had quickly adapted some work had ceased due to the restrictions on face-to-face work.

BAME-led organisations in Ealing have been integral to the pandemic response but also appear to have been particularly affected by the pandemic due to loss of resources and support – as a result of the BAME population being disproportionately affected by COVID 19 (affecting staffing and volunteer resources) and due to BAME organisations traditionally having less funder capital and access to grants – and needing to find new ways of working to support their users as the pandemic was picking pace. Despite these challenges, the organisations we spoke to had so far supported over 700 BAME beneficiaries through targeted interventions.¹⁹

¹³ Greater London Authority 2020 *London Borough Profiles*

¹⁴ Greater London Authority 2018 *London Borough Profiles*

¹⁵ Ibid 3

¹⁶ <http://www.ealingtoday.co.uk/default.asp?section=community&spage=common/eacouncil201.htm>

¹⁷ Trust for London, 2020, *London's Poverty Profile*

¹⁸ Ibid 4

¹⁹ See *Impact of Covid-19 on Ealing BAME Communities*. Survey conducted by United Anglo Caribbean Society; Golden Opportunity Skills and Development; CAME Women and Girls Development Organisation; Ealing Somali Welfare and Cultural Association; Horn of Africa Disability and Elderly Association; The Tamil Community Centre, published September 2020. The survey collected data from collected data from 342 BAME residents.

Contribution

Smaller charities have been able to **mobilise people to initiate or maintain befriending** of people who are lonely and isolated without friends or family locally. A charity working with people of Armenian heritage managed to access volunteers from the local church, for example. Another charity's English Foreign Language teachers became telephone befrienders.

Smaller charities have been able to **get food to the door for vulnerable people and/or be a place where they can safely come and collect** food literally 'at a window' in one case. Small charities provided food by offering meals to take away (shelter, soup kitchen), distributing food via existing food banks (which saw demand rise) and other venues identified by the council or voluntary sector to act as pop-up food banks (Gurnell Grove Community Centre, Greenford town hall); distributing food direct to people's homes; and doing people's shopping and delivering it to their homes. Notably, some of the charities said that what helped them move fast were their pre-existing relationships with, for example, Fair Share and the Felix Project. These small charities were doing this work alongside churches, temples and mutual aid groups that had sprung up.

This has benefited older people – one charity genuinely believed that they had saved lives; another charity thought that older people felt safer collecting food 'at the window' because they were nervous about going into shops. Families had also benefited – the homeless day centre began providing packed lunches for school children during the summer holidays, for example.

The charities have been **a place where people can come if they are worried or confused**; and a place from which to send out information and correct misinformation especially to people not seeing or accessing public health information elsewhere: *'A lot of our job has been to communicate to people and tell them what's going on'*. A lot of rough sleepers had been unaware of the 'Everyone In' initiative, for example.

We uncovered a number of examples of how **smaller charities have a greater understanding of and response to specific hyper-local needs**:

- Support to English as a Second Language parents with home-schooling, e.g., Arabic speaking teacher who got a group of Syrian parents to meet online to discuss home-schooling.
- Helping to identify specific 'pockets of need' for food distribution and support.
- One of the unintended consequences of going out to people's homes in order to deliver food, one charity said (that already felt they knew their community well) was that they became more aware of the poor housing conditions people were living in. These included people in unsuitable accommodation or overcrowded accommodation. At its most extreme this led the charity to uncover that a family was living in a shed.

Who we spoke to

We are grateful to the following smaller charities who participated in the study: Acton Homeless Concern; Golden Opportunities Skills And Development (GOSAD); Centre for Armenian Information & Advice; Ealing Soup Kitchen; Ealing Together initiative; Horn of Africa Disability and Elderly Association; CAME Women and Girls Development Association; Ealing Somali Welfare and Cultural Association.

We are also grateful to four area level stakeholders from the local public sector and the local infrastructure bod who participated in the study.

A2.3. Salford

Context

Salford is a city and metropolitan borough with a population of approximately 250,000 in Greater Manchester. Much of the city is highly industrialised and densely populated. The population of Salford is increasingly ethnically diverse and there are high levels of inequality and economic deprivation.

The Salford ecosystem of charities and other voluntary and community organisations can be described as a ‘very vibrant’ and ‘unique’ with a well-developed voice and influence model. Central to this model is the well-established local infrastructure organisation (Salford CVS) that helps to coordinate the participation of smaller charities in commissioning and as well as meeting community needs. Equally, commissioners like Salford City Council (SCC) and Salford Clinical Commissioning Group (SCCG) are described as valuing the contribution of the sector and being ‘pragmatic and forward thinking’. The ecosystem helped to facilitate a pathway for smaller charities to respond to the COVID crisis. Firstly, there was an established role for the voluntary sector and smaller charities in emergency response work prior to COVID supported by SCC and facilitated by Salford CVS. Secondly, the funding and support of Salford CVS and their trusted relationship with the sector enabled them to bring groups together virtually and to get a better, more coordinated response to the crisis quickly and efficiently. Thirdly, SCC and the SCCG provided many different funding avenues to support the sector’s involvement throughout the crisis. Last and most important, these commissioners were flexible with funding requirements to ensure smaller charities could respond to the crisis quickly.

Experience

SCC and the SCCG supported the sector’s initial response by extending contracts to give smaller charities space to respond to the crisis. Next, both SCC and the CCG supported Salford CVS to take a light touch and flexible approach to the small grant programme. They relaxed the project reporting timelines and created a fast track turnaround system enabling smaller charities to get funds in 2-3 day rather than 10-12 weeks. Funds were repurposed towards crisis grants to enable smaller charities to help hard to reach and vulnerable communities to gain access to food provision, wellbeing checks and activity packs for children.

All of the three smaller charities interviewed had to close their doors and re-invent their service provision to support the communities they served. Start found ways to deliver their creative interventions virtually by increasing their social media content by putting out daily challenges, revamped their online wellbeing hub and organised online Zoom art classes. For those that did not have online access they posted out written instructions and materials and provided audio recordings for those that could not read.

As Warm Hut’s service user population were at high risk to COVID (African French speaking asylum seekers and refugees) and unable to read or understand English well, the team translated key messages about COVID, lockdown and how keep themselves safe and circulated this information around these hard-to-reach communities. They created a food bank and helped with shopping, created WhatsApp groups to help reduce isolation and visited people from a distance to provide support, do wellbeing checks and reduce isolation.

The launch of the 'Everyone in Scheme' in Manchester stopped Manchester City Mission's temporary dormitory style shelter. They have since reinvented themselves, launching new projects to help provide support to those who are recently rehomed.

Although the case organisations have demonstrated tremendous energy, flexibility and professionalism in responding to the crisis they still face substantial uncertainty concerning the financial and human resource demands needed to continue their work given the changing needs of the communities they serve and how to operate in a way that is safe and secure for all.

Contribution

In Salford there were several examples of smaller charities being able to intervene sensitively and effectively in communities of faith. For example, a local charity was funded to prepare and deliver weekly food packs to be delivered to Orthodox Jewish households in order to avoid high numbers of people gathering and queuing to shop for the Passover holiday and thus minimise transmission. Another smaller charity identified the high risk of transmission at Mosques in the run up to Eid. With funding from Salford CVS, they were able to purchase radios to enable broadcasts of prayers and other religious celebrations to help families feel connected minimise the risk of transmission.

Different smaller charities (Warm Hut and Caribbean African House Network) were lynchpins in the creation and circulation of key messages about COVID to groups disproportionately suffering from COVID. Asylum seekers and refugees tend to fear for their rights and can distrust 'officialdom'. Moreover, as English is not their first language, there is limited capacity to read and understand government guidance. Smaller charities worked to translate key COVID messages and engaged with these communities to this spread information.

Through the Spirit of Salford helpline, local smaller charities identified there was no provision for people who were experiencing mental health because of COVID 19. If you weren't already under a mental health service, then very little support was available, but helplines were described as being 'inundated' by calls for help. A group of local charities and social enterprises (Start, Mind in Salford and Six Degrees) worked together to create 'Beyond', a COVID 19 mental health response service to fill this gap. Initially, this involved these organisations working out what could be 'pulled together' and 'tweaking' some of the support that was already available. Initially, the first few weeks were delivered on a 'shoestring' and test to see whether it was needed. The success of the programme has led to Mind and Six Degree securing a year's worth of funding to keep the programme going.

Who we spoke to

We are grateful to the following smaller charities who participated in the study: Start Inspiring Minds in Salford, Warm Hut UK, Manchester City Mission.

We are grateful to the following area level stakeholders who participated in the study: Salford CVS; NHS Salford CCG.

A2.4. Wrexham

Context

Wrexham is a unitary authority in the north east of Wale with a population of approximately 136,700. It is characterised by high levels of immigration, particularly

from EU member states, and has relatively high levels of employment. Although it is relatively affluent there are also pockets of significant deprivation.

Smaller charities stressed the extent to which they were still embedded within 'crisis management', despite the number of months since the initial lockdown phase. With many activities adapting or reducing across public sector services, there was a fear about the spike in future demand, but also a sense in which smaller charities are working to fill gaps which are now appearing in some key services areas.

The funding context for charities continues to be challenging, although a number of short-term 'crisis' funding packages were available in the Wrexham area, and funders had supported charities with a more flexible approach to existing agreements.

In Wrexham, a key additional area of activity for charities has been supporting those shielding or requiring emergency food support, and the infrastructure body has been involved in supporting the coordination of the supporting volunteer activity. As a result of this crisis, the Local Authority is engaging in discussions about a 'future proofing' review, involving a number of voluntary sector organisations.

Experience

Smaller charities explained the rate at which they reacted to the first lockdown in March 2020, and the sheer amount of time that they invested in adapting their systems very quickly to enable a level of service provision to continue. This involved people investing a great deal of time in making these rapid adaptations.

Smaller charities described this initial phase as being an overwhelmingly challenging but affirming time, as teams within smaller charities worked together to create supportive internal systems. This then enabled these organisations to react very quickly and draw on their wider networks of funders and stakeholders, to both adapt existing services, and create new services in order to meet the new needs. This included providing more wellbeing check-in calls and helping to coordinate support activities for those shielding.

Smaller charities involved in this research have been successful at adapting financially, continuing to secure funding from a number of sources. However, they were extremely concerned about the future, as funds in the short term had been diverted to the COVID 19 response, and there was a lack of clarity over future commitments from funders. This places smaller charities in an increasingly precarious position.

"Longer term worry is what might happen in April – will Public Sector funding be cut back as we all need to be paying for COVID somehow. One funder has asked for us not to draw down 1- 2 quarters of funds if possible as their investments value has dropped dramatically on the stock market—only looking to make emergency payments even against committed funding." (Local infrastructure organisation)

Contribution

Rate of response to adapt and maintain services

Smaller charities were able to adapt very quickly as the initial lockdown was announced in March 2020. They reflected on how they worked together to adapt their internal organisational systems, and working practices, in order to then adapt their service offer to local communities. This ability to be 'fleet-of-foot' was largely attributed to close and trusting working relationships, engaged, supportive trustees and a lot of staff time.

“I knew I had a good team, but the way they responded in those first few weeks was just, yes, blew my mind really. Yes, yes, absolutely because we were in a situation where we thought we can’t just stop what we are doing, you know, we are midway through groups that we were running, we were midway through one-to-one sessions that we were delivering. You know people who were having a bad time in their life despite a pandemic.” (Staff, Smaller charity)

These factors contributed to organisations being able to sustain a level of service provision to those in particular need, for example switching to telephone or online support meetings and check-ins with those who were isolated, or those who relied upon these services to maintain their wellbeing.

Creating new services to meet new need

As well as adapting their existing services to respond the significant challenges of lockdown, smaller charities also found themselves able to develop new services in order to respond to very different needs associated with members of the community that were shielding. For example, one smaller charity started delivering care services and meals on wheels to vulnerable community members and found that they could do this because of their knowledge of the community, and the ability and adaptiveness of their staff team. They discussed this in terms of their proximity to the community, as well as their ability to accept a different level of risk to other sectors or larger organisations:

“And because you’re based in communities, working with communities, it’s hard, if somebody’s got a real face, and you know their name, and where they live, it’s very hard to say, ooh actually we’re a bit risk averse so we won’t deliver any services. You can’t can you, you just can’t do it. It is that, if we’re saying we’re a family, then you honour that family don’t you.” (Staff, Smaller charity)

Emergency Food Response - Collaboration

An important area of activity for charities in Wrexham has been the emergency food response, and the infrastructure body in Wrexham has been supporting the coordination of this work. This has represented a shift in collaborative activities in Wrexham, as a fairly ad-hoc initial response has become more coordinated through a more effective partnership between the voluntary and public sectors. The infrastructure body has been able to join key local partnerships – the Council Emergency Response group and the Regional Resilience Group, and there is a sense in which the crisis has opened up the space for them to be considered a partner within these contexts, and the hope is that this will continue into the future.

Who we spoke to

We are grateful to four staff members and trustees from smaller charities who participated in the study including Advanced Brighter Futures and The Rainbow Centre. We are also grateful to four area level stakeholders from the local public sector, one larger charity and the local infrastructure bod who participated in the study.



Lloyds Bank Foundation for England and Wales partners with small and local charities who help people overcome complex social issues. Through funding for core costs, developmental support and influencing policy and practice, the Foundation helps charities make life-changing impact. During 2020, the Foundation awarded £24.8m to small and local charities helping people facing disadvantage. With the unprecedented circumstances of coronavirus such charities have been never more needed. The Foundation is an independent charitable trust funded by the profits of Lloyds Banking Group.

Website: www.lloydsbankfoundation.org.uk

Twitter: @lbfew

Contact Us: Pentagon House, 52-54 Southwark Street, London SE1 1UN

Email: enquiries@lloydsbankfoundation.org.uk