Covid-19 and VCS Organisations in Gloucestershire

A follow-up situation analysis

Contents

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Executive Summary

In August – September 2020 Barnwood Trust conducted a survey of Voluntary and Community Sector (VCS) organisations in Gloucestershire. The purpose of this survey was to gather information that could usefully inform funders' approach to supporting organisations at this time. The survey was designed to capture information about organisations' financial health, the services they were delivering, their beneficiary groups and any challenges they were experiencing. An analysis of the 83 responses to the survey provides insight into the challenges being experienced by VCS organisations in Gloucestershire six months into the Covid-19 pandemic, and a series of recommendations for funders have been drawn from this intelligence.

The Organisations

The organisations that responded to the survey worked in a total of 44 wards across all six of Gloucestershire's districts. They included organisations whose beneficiaries all live in a single district, as well as those working countywide. Almost one-fifth of the organisations were working in the most deprived areas of the county. The majority of the organisations reported working with a broad range of individuals (either with multiple beneficiary groups or community-wide), with just over half of respondents (55%) working with disabled people, people with mental health challenges and/or people with long-term conditions to some extent. Half of the organisations (51%) reported working with children, young people and/or families.

Key Findings

Financial challenges and widespread concerns about financial insecurity

Nearly half of the organisations (38) reported that they had **serious concerns** about the **financial resilience** of their organisation, and more than a quarter (24) indicated that they had less than 3 months' operating costs in their reserves. **Financial challenges** were reported to be **impacting on organisations' ability to support their beneficiaries**: more than half of the organisations (46) said that with their current financial outlook they could not deliver all of the services they would like to deliver. A lack of staff capacity and the financial implications of putting measures in place to ensure beneficiaries' safety were cited among the factors that had impacted on organisations' ability to deliver services.

Changes to the numbers of beneficiaries and the range of beneficiary groups organisations were supporting

Nearly one-fifth (17%) of respondents reported that their organisation's **key beneficiary group(s) had changed** since the pandemic emerged, with all but two of these fourteen organisations stating that they were now **supporting a broader range of people**.

The majority (70%) of the organisations reported that there had been a **change in the numbers of beneficiaries they were working with**, with a relatively even spread between those who were supporting fewer people (28 organisations) and those who were supporting a greater number of people (30 organisations).

Changes to services being delivered

Almost three-quarters of respondents (72%) indicated that the **key services they provide had changed** since the pandemic emerged. Of these 60 organisations:

- 45 reported that all/some services previously delivered face-to-face were now being delivered remotely.
- 41 reported that new services were being delivered.
- 24 reported that all/some services had ceased.

Over half of these respondents (37) reported making more than one of the above changes to services.

Respondents also reported changes in demand for services, including a growing need to provide support to people with mental health problems, and a number of organisations described adaptations they were making in order to deliver face-to-face services safely.

Unmet needs of beneficiary groups

Over half of the organisations (52%) **reported** that there are **needs amongst their beneficiary groups that they have not been able to meet**. The reasons given for being unable to meet these needs fell within three groups: due to Covid-19 restrictions; organisational capacity and resources; and issues related to service provision and accessibility.

Just under half (45%) of the responding organisations reported that there were **beneficiaries that they could not currently reach**. Some of the respondents named specific beneficiary groups that were harder to reach, including disabled children and young people; families; and older people.

Additional organisational challenges: the complexity of continuing to deliver services

In the final part of the survey, organisations were asked to provide details of any other significant challenges they were experiencing that had not been covered in earlier parts of the survey. Fifty organisations responded to this question. **Challenges associated with funding** or **generating income** were **dominant**. Additional challenges reported included operational challenges, and those associated with uncertainty and constant change, meeting beneficiaries' needs and maintaining staff wellbeing. Many of the challenges outlined highlighted the **complexity of continuing to deliver services** in the current context.

Recommendations

The findings indicate that funders could do the following to support VCS organisations at this time:

1. **Fund groups and places rather than projects**
    Funding groups and places, rather than projects, would enable VCS organisations to use their expertise and knowledge to determine how to utilise funds in an area. Projects by their nature tend to offer short-term solutions and narrow project briefs can restrict the ability of organisations and groups to utilise their expertise in shaping their approach.

    The survey identified widespread challenges being encountered by VCS organisations, such as financial issues, but that these were being experienced in different ways and combinations. Funding groups and places rather than projects recognises both the diversity of challenges being experienced and the capacity within organisations to identify useful and relevant solutions.

2. **Offer core funding and flexibility**
    Voluntary and Community Sector organisations play a crucial role in supporting a range of beneficiary groups across the county and have adapted their activities and services in an agile way to respond to the pandemic. At the same time, organisations reported that the financial instability in the sector is one factor impacting on the range of services they are able to deliver. This is also a time when there are additional costs for some organisations to deliver services in a Covid secure way, whether providing remote or face-to-face support, or delivering both.

    Offering core funding to VCS organisations, along with flexibility in how funds are utilised to meet changing needs, enables organisations to provide relevant and timely support during the crisis. This may also include recognising that there are fewer outputs from funding at this time, due to increased costs in providing Covid secure services. Almost half of the survey respondents also reported that there were

beneficiary groups they could not currently reach. Offering core and flexible funding would support VCS organisations to develop their work to engage with groups who it has become harder to reach in the current context.

Similarly, simplifying funding application processes and minimising waiting times for communicating decisions about funding can support VCS organisations to be more agile as the situation changes.

3. **Support the development and sustainability of VCS organisations to enable them to keep supporting beneficiaries**

The survey findings indicate that responding to the pandemic has required VCS organisations to adapt their ways of working and to respond to new beneficiary needs at a time when many are also experiencing barriers to fundraising or generating income due to the conditions brought around by Covid-19. In addition, uncertainty and constant change was reported to be making planning more difficult, and the need for continual planning was highlighted.

Supporting the development and sustainability of VCS organisations in areas such as strategic planning, diversifying income generation, and IT upskilling may help them to weather current challenges. Such support may be non-financial, for example, sharing professional expertise across and within sectors. It may also include committing to providing long-term funding to help organisations plan strategically, an area that survey participants reported having limited resources but additional need for.

The majority of survey participants reported that the services they provide and/or the beneficiary groups they engaged with had changed since the start of the pandemic. Developing networks and sharing learning within the VCS sector and relevant external bodies may help support organisations who are adapting to providing new services or supporting new beneficiary groups. Supporting these relationships to form at a local level may also further enable VCS organisations to signpost individuals to other services, when they are aware of particular needs they cannot meet.

Growing the capacity of VCS organisations to collect impact data about their services, whether by providing funds and/or specialist guidance on this, also has the potential to contribute to their sustainability. This may be particularly relevant to organisations providing new services or supporting new beneficiary groups and may be of utility in informing their strategic decision-making as the pandemic evolves and conditions change. Reflecting on data already being collected can help ensure it is of utility to both organisations and funders, as well as ensuring it is practical to collect in the current circumstances.

4. **Provide funding to support staff wellbeing**

Making funds available to support staff wellbeing, as well as funds for organisational development and sustainability, would promote the resilience of VCS organisations to provide ongoing support to beneficiary groups during the current crisis and beyond. For example, this may include a 2% add on to grants awarded to fund extra support for staff.

A number of the survey participants reported that a lack of, or reduction in, staff capacity had impacted on their ability to deliver services. Supporting staff wellbeing may help minimise the impact of a decrease in staff capacity on services provided by these organisations.

Introduction

In April 2020, Barnwood Trust conducted a situation analysis to gather intelligence about the challenges Voluntary and Community Sector (VCS) organisations in Gloucestershire and their beneficiaries were experiencing as a result of the pandemic. The data gathered during this research pointed to the fragility of the VCS sector as a whole at that time, and specific organisations whose financial health and stability were at immediate risk were identified.

In August – September 2020 Barnwood's Research Team conducted a further study to gain up to date intelligence about the situation for VCS organisations in Gloucestershire, with the aim of gathering information that could inform funders' approach to supporting organisations at this time. Voluntary and Community Sector organisations and groups in the county were invited to respond to a survey that included questions about their financial health, their beneficiary groups and the challenges they currently faced. The key findings of an analysis of the 83 responses to the survey are presented in this report. In the final section of the report, recommendations for ways in which funders could help VCS organisations to continue to support their beneficiaries are outlined.

The Survey

The survey was distributed to 167 VCS organisations and groups in Gloucestershire, ranging from countywide service providers to local groups, in August 2020. It was distributed via email and alternative options for responding to the survey questions were offered. Consisting of both closed and open-ended questions, the survey included questions about the organisation's financial health; their beneficiaries and services; and challenges they were experiencing. Eighty-three organisations responded to the survey[1]. Key themes in the responses to open-ended questions were identified using coding.

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[1] One response from each of the 83 organisations was received.

The Organisations and their Beneficiary Groups

Responses were received from organisations with main offices/locations[2] across 44 different Gloucestershire wards and in all six of the county's districts. In response to being asked in which of Gloucestershire's districts their beneficiaries lived:

- 31 (38%) organisations indicated that their beneficiaries all lived in one district.
- 3 (4%) reported that they were supporting people in two districts.
- 6 (7%) indicated that they were supporting people in three districts.
- 3 (4%) reported that they were supporting people in four districts.
- 4 (5%) reported that they were supporting people in five districts.
- 35 (43%) reported that they were supporting people in all six districts.

Figure 1 below shows the number of responding organisations who reported supporting beneficiaries living in each district.

District	Number of Organisations supporting people living in the district	% of Organisations supporting people living in the district
Stroud District	55	67%
Gloucester City	52	63%
Cheltenham Borough	51	62%
Forest of Dean	48	59%
Cotswold District	46	56%
Tewkesbury Borough	45	54%

Figure 1: Number of organisations supporting beneficiaries living in each district (n=82)

Most of the organisations were working with people across a wide range of circumstances: 46 of the 83 organisations reported supporting people in more than one of the categories in a predetermined list, and 36 of the organisations reported working with 'no specific beneficiary group - community-wide'. Only 16 organisations (19%) indicated that they were

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[2] The organisations were asked to share the postcodes of their main offices or the locations in which they worked.

supporting only one specific group. Figure 2 shows the beneficiary groups the responding organisations reported supporting[3].
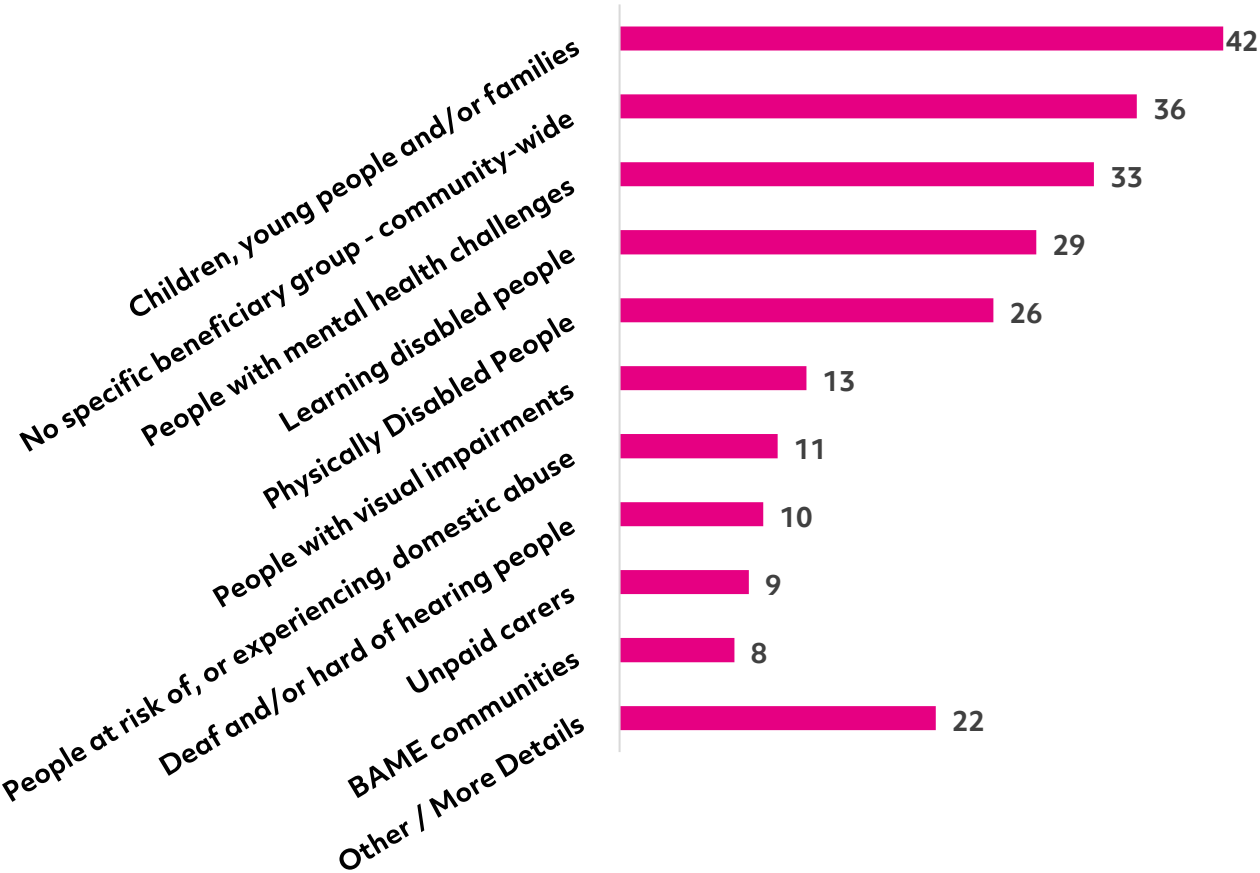

Figure 2: Beneficiary groups of responding organisations (n=83)

1. Organisations' Financial Health

Level of Reserves

More than a quarter (24) of the organisations indicated that they **had less than 3 months' operating costs in their reserves**. Thirty-six organisations reported reserves to cover between 3 and 6 months' operating costs and twenty-one organisations indicated that they had more than 6 months' operating costs in their reserves. Two organisations were not sure what level of reserves they had. These findings are presented in Figure 3 below.

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[3] Some of the organisations that selected 'no specific beneficiary group - community-wide' also selected additional categories or listed additional groups under the 'Other' category.
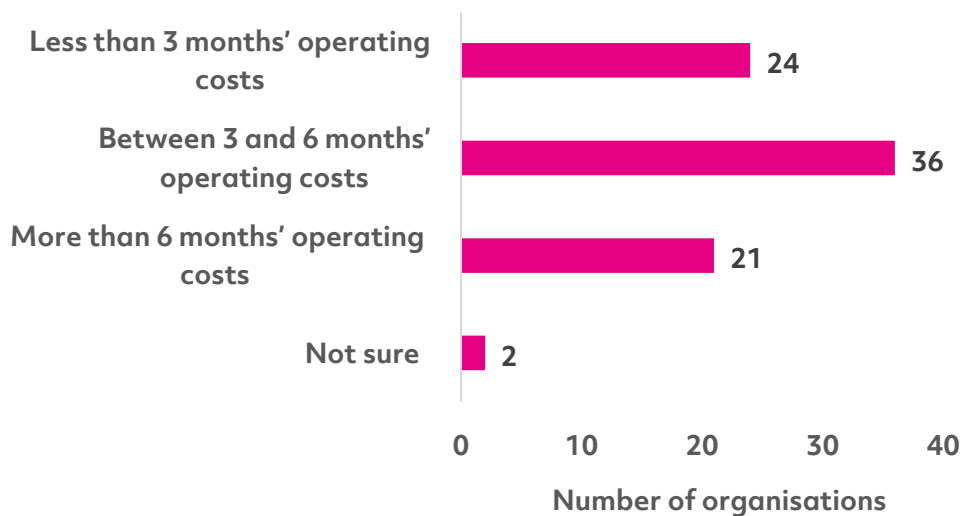
Figure 3: Organisations' levels of financial reserves (n=83)

Concerns about Financial Resilience

Nearly half (38) **of the organisations** reported that they had **serious concerns about** the **financial resilience** of their organisation, indicating widespread concerns about financial insecurity. Thirty of the eighty-three organisations did not have serious concerns about the financial resilience of their organisation, and fifteen of the organisations were not sure if they had serious concerns about their financial resilience. These findings are shown in Figure 4 below.

More than half (54%) of the organisations who had less than 3 months' operating costs in their reserves also had serious concerns about the financial resilience of their organisation (13 of 24 organisations). **Across organisations working in each of the six districts, and for organisations working with nearly all beneficiary groups, more organisations reported serious concerns about financial resilience than did not**.
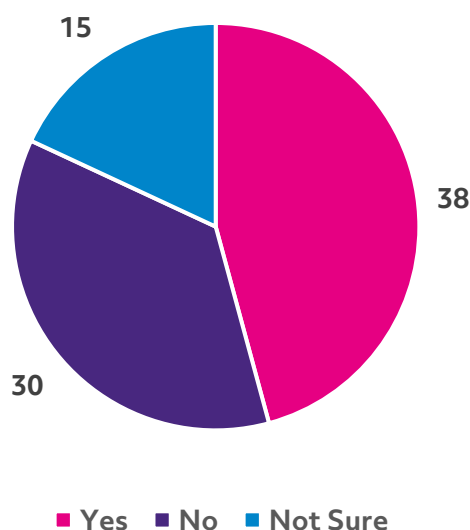
Figure 4: Responses to 'Do you have serious concerns about the financial resilience of your organisation?' (n=83)

Organisations that reported serious financial concerns were asked to provide details of these concerns. Forty-one organisations provided details[4]. The concerns they described can be grouped into six categories:

- Current inability to fundraise or generate income through activities (20 respondents)
- The organisation's financial situation in the medium or long term (13 respondents)
- The implications of the organisation's current, or anticipated, financial situation (11 respondents)
- Increased competition for grants (4 respondents)
- The need for funds to cover core costs or build up reserves (4 respondents)
- Other concerns (11 respondents)

Many of the organisations reported concerns related to more than one of these categories. Details of the categories are provided below.

Current inability to fundraise or generate income through activities

Twenty organisations expressed concerns about being unable to fundraise or generate income through activities because of conditions brought about by Covid-19. This included not being able to deliver services that provide an income stream and being unable to run fundraising events.

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[4] One organisation that responded 'No' and two organisations that responded 'Not sure' to the question "Do you have serious concerns about the financial resilience of your organisation?' also provided details of concerns about their financial resilience.

"Nearly all of our income is voluntary and the majority of our fundraising typically comes from a range of events which we cannot currently hold due to social distancing rules etc." *(respondent 24)*

"Our other source of income, visitor revenue, is also curtailed during the enforced closure due to COVID-19, with no date for re-opening as yet in sight." (respondent 64)

The organisation's financial situation in the medium or long term

Concerns that financial challenges will continue in the medium to long term were expressed by 13 organisations. These included concerns about a lack of funding or income generated through activities; increasing costs; the financial implications of the furlough scheme ending; and uncertainty about the future, such as a lack of security of new projects in the pipeline.

"The main concern for [our organisation] is the lack of funding available for the mid-term. Many funding organisations have diverted their funds to immediate Covid support which of course is very needed but to be sustainable and strategic we should now be securing funds for 2021/22 and there are fewer opportunities for this currently." (respondent 11)

"Funding opportunities for next financial year currently look difficult as funders have generously supported organisations during the pandemic and may have less money available, therefore our concerns are not just for the immediate future but for the longer term probably a least 2+ years." (respondent 82)

The implications of the organisation's current, or anticipated, financial situation

Eleven organisations reported concerns related to the implications of their current or anticipated financial situation. These included concerns about the need to decrease the size of the organisation, reduce capacity or close, or to consider taking these steps (six organisations reported concerns in this area). Concerns related to the need to financially 'prop up' the organisation, for example by filling shortfalls with reserves, were also raised by five organisations.

"Our income remains seriously reduced because of the pandemic so we are having to use our reserves to make good the shortfall." (respondent 33)

"Our core operational costs come from project budgets, without the security of new projects in the pipeline beyond December 2020 we are facing a cliff edge. We are working very hard in reaching out to funders and making applications. Increased competition and reduced funds available mean that we are now having to make plans for cutbacks and reduced capacity to survive." (respondent 34)

Increased competition for grants

Concerns about an increase in the demand for grants were expressed by four organisations. These included anticipating an increase in competition for grants in the future, coupled with trusts and foundations giving less due to reduced income from investments.

"[Our organisation] relies on £130K of grants and donations to support its costs. We are working hard on alternatives [sic] fundraising ideas as we believe that there will be more demand on grants in the future." (respondent 13)

"[We] anticipate that by the time we are able to put on events again…grant making trusts and foundations will be giving less due [to] reduced investment income thanks to the recession and yet there will be more call on their funds from charities." (respondent 47)

The need for funds to cover core costs or build up reserves

Four organisations reported concerns about meeting the need for funds to cover core running costs and/or to build up reserves, in order to survive and/or grow.

"[We] struggle to get funding for workers to spend time providing individual advice and keeping the social media and website advice services updated as well as annual running costs including the website and email hosting and insurance." (respondent 67)

"Covid-19 has decimated the earned income that we worked hard to establish and we are therefore now more so than ever dependent on grant funding which very rarely contributes to building up necessary reserves." (respondent 81)

Other concerns

Eleven organisations expressed concerns that did not fall within any of the categories above. These were wide ranging. Examples include concerns about increasing costs; being unable to recoup costs incurred in order to continue to provide their services during the period of 'lockdown'; the organisation being in a period of change negatively affecting funding applications; and delays in receiving funding.

Impact of Financial Outlook on Services

More than half of the organisations (46) reported that, **with their current financial outlook,** they **could not deliver all of the services they would like to deliver**[5]. This was also the case at district level: for all six districts, the majority of organisations supporting people living within the district reported that they were not able to provide all of the services they would like to

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[5] Thirty-seven of the eighty-three organisations reported that, with their current financial outlook, they were able to deliver all of the services they would like to deliver.

due to their current financial outlook. This indicates that there was considerable scope for organisations to provide more support for their beneficiaries if they had the necessary funds.

We asked the organisations to provide details of how their current financial outlook had affected the services they would like to deliver. Seventy-three organisations responded to this question. The following themes were evident in the responses from the 46 organisations that reported being unable to deliver all of the services they would like to deliver:

- Aware of a need the organisation cannot meet, or they would like to do more (14 respondents)
- Have had to cease or reduce services and/or curtail development or expansion of services (13 respondents)
- Lack of/decrease in staff capacity (9 respondents)
- The impact of Covid-19 restrictions (7 respondents)
- General comments regarding a lack of funds/decrease in funding (5 respondents)
- Other impacts on services (5 respondents)

Aware of a need the organisation cannot meet, or they would like to do more

Fourteen organisations reported that they were aware of a need they could not meet, or they would like to do more. This included wanting to offer additional services or offer existing services to a greater number of people or different groups of people.

"We would like to be able to offer support to families as well as children affected by covid and the lockdown." (respondent 7)

"We are unable to provide services to the most rural areas due to costs." (respondent 14)

"We are keen to develop this work and re-establish old and build new community arts projects." (respondent 34)

Have had to cease or reduce services and/or curtail development or expansion of services

Over a quarter of the organisations (13 of the 46) told us that they had needed to cease or reduce services and/or curtail development or expansion of services. Four of these organisations commented that this was in order to enable them to focus on delivering core services, cover core costs to ensure their survival or divert funds to Covid-19 initiatives.

"We have had to pause the expansion of some of our traditional services in order to focus on core funding to keep the organisation, and to increase resource in other services where demand had increased due to Covid-19." (respondent 24)

"We are able to provide our core services but none of the wider services that we offer." (respondent 47)

Lack of, or decrease in, staff capacity

Nine organisations reported that a lack of, or reduction in, staff capacity had impacted on their ability to deliver their services. Three reported that this was due to having to make use of the furlough scheme in order to reduce costs. Four organisations reported that they needed to employ more staff but did not have the funds to do this.

"We need to make full use of the furlough scheme whilst it is available to try and safeguard roles for the future. As a result we have less staff working so cannot plan, develop and deliver all we would like to." (respondent 12)

The impact of Covid-19 restrictions

Five organisations reported that the financial implications of putting measures in place to ensure beneficiaries' safety, such as social distancing, had impacted on their ability to deliver services. Two of these organisations reported that it had been necessary to cease sessions and/or events because they were no longer financially viable due to increased costs and/or lower attendance levels.

"Financially it is not viable to run our events with numbers limited to 6 people." (respondent 36)

"Many of [the organisation's groups] (groups that support service users wellbeing and health, trips, events) struggle to run. With the social distancing guidance in place, the groups would have to run at a significantly smaller capacity which then creates funding challenges." (respondent 73)

General comments regarding lack of funds/decrease in funding

General comments regarding a lack of funds or decrease in funding were made by five organisations. These general comments were separate from the specific comments related to the categories described above.

"We are planning for growth into new areas of the county (Cotswolds, the edges of the Stroud District, Cheltenham and Gloucester) but need to raise money in order to develop these visions." (respondent 43)

Other impacts on services

Other impacts on services were reported by five organisations. These included the inability to repair or replace equipment or make adaptations that are needed to deliver services; being unable to respond quickly to need, due to the time required to apply for, and hear the outcome of, funding applications; having a reduced budget for staff training; and the necessity to secure funding before starting a project.

A number of the organisations that reported that they were able to deliver all of the services they would like to deliver also responded to the question, "Please provide details of how your current financial outlook has affected the services you would like to deliver". Their comments included reference to being financially secure or fully funded and/or able to deliver all services (14 respondents). Two organisations reported that they had managed to expand their services. Some of the organisations, however, shared comments that indicated financial challenges. Seven organisations, for example, indicated that they had **concerns about the future**. These included concerns about securing funding and being able to sustain delivery. Two organisations also reported that delivering their services was now more time intensive and expensive, and two indicated that additional funds would enable them to do more.

Additional Comments about Financial Health

All of the respondents were invited to share any further comments about the financial health of their organisation if they wished to. Thirty-seven respondents provided additional comments. These fell within the following categories:

- What would help/what organisations are doing to mitigate financial difficulties (11 respondents)
- Financial support the organisation has received (9 respondents)
- Uncertainty (4 respondents)
- Increasing costs (3 respondents)
- Other (13 respondents)

What would help/what organisations are doing to mitigate financial difficulties

Eleven organisations commented on what would help, or what they were doing to mitigate the financial challenges they were experiencing. This included planning how to move forward, making applications for funding and diversifying their activities.

"To mitigate the above we are applying for grants to develop our outdoor facilities for all year round use and extending our range of activities..." (respondent 25)

"Although we have been successful in obtaining grants to support the projects we are delivering, it is the core funding that is needed to support the vital services we provide for the local community." (respondent 68)

Financial support the organisation has received

Nine organisations made comments related to funding/financial support they had been able to secure. Some of these organisations highlighted the importance of this support, for

example describing it as being essential to keeping them running or buying them time to adapt.

"We do seem in a much more positive position now with some major grants secured in recent weeks." (respondent 29)

Uncertainty

Comments related to uncertainty were made by four organisations.

"In the short term our finances are secure however there is considerable uncertainty in the medium to long term." (respondent 59)

Increasing costs

Three organisations indicated that their costs had increased.

"Our income has decreased hugely - but it is costing more to deliver our activities due to restrictions and public caution." (respondent 65)

Other

Comments that were unrelated to the categories above were shared by 13 organisations. Three organisations specifically referred to concerns; regarding sustainability, having to use the organisation's reserves and people's confidence in using services. Additional comments included anticipating gaps in funding and need increasing.

"Funding has always been a battle, but now the need has become the bigger battle." (respondent 48)

"We have worked so hard to diversify our income streams over the last 4 years to become less dependent on grant funders, but much of this has now been undone, and reserves built up have been eaten into by the need to respond quickly during the pandemic." (respondent 81)

2. Changes to Beneficiary Groups Engaged With

Changes to Beneficiary Groups

Fourteen organisations (17%) said that there had been a change to their key beneficiary group(s) since the pandemic emerged. All but two of these organisations reported that they

were **supporting a broader range of people** than they were before the pandemic. The changes reported varied considerably. Examples included:

- *"We are seeing more people with mental health issues brought on or exacerbated by the current situation."* (respondent 11)
- *"Family support work has increasingly become an integral part of support services; addressing adult needs to empower them to meet the needs of their child and their child's siblings."* (respondent 78)
- *"We support all the same groups as before, but in addition, we have started offering more support to carers and people with mental health challenges."* (respondent 49)
- *"Offering programmes for those forced to socially isolate and extended programmes to be more flexible to accommodate home workers."* (respondent 25)
- *"Some vulnerable participants with health issues have not yet felt safe enough to return."* (respondent 36)

Changes to Numbers of Beneficiaries

Organisations were also asked whether they had seen changes in the numbers of people they were supporting, and all but one responded. Fifty-eight (70%) of the organisations said that there had been a change, with a relatively even spread between those who were supporting fewer people (28) and those who were supporting a greater number of people (30). Twenty-four organisations reported that they were supporting the same, or about the same, number of people (Figure 5 provides a more detailed breakdown of the responses).

Figure 5: Numbers of beneficiaries in comparison to prior to the pandemic (n=82)

Amongst the 13 organisations who were supporting visually impaired people or Deaf and hard of hearing people, a higher proportion were now supporting **fewer** people than more: five were supporting fewer, seven were supporting about the same, and only one said they were now supporting more people. Conversely, amongst organisations working with children and young people, unpaid carers, the BAME community and people at risk of domestic abuse, a higher proportion were now supporting **more** people than fewer. Figure 6 below

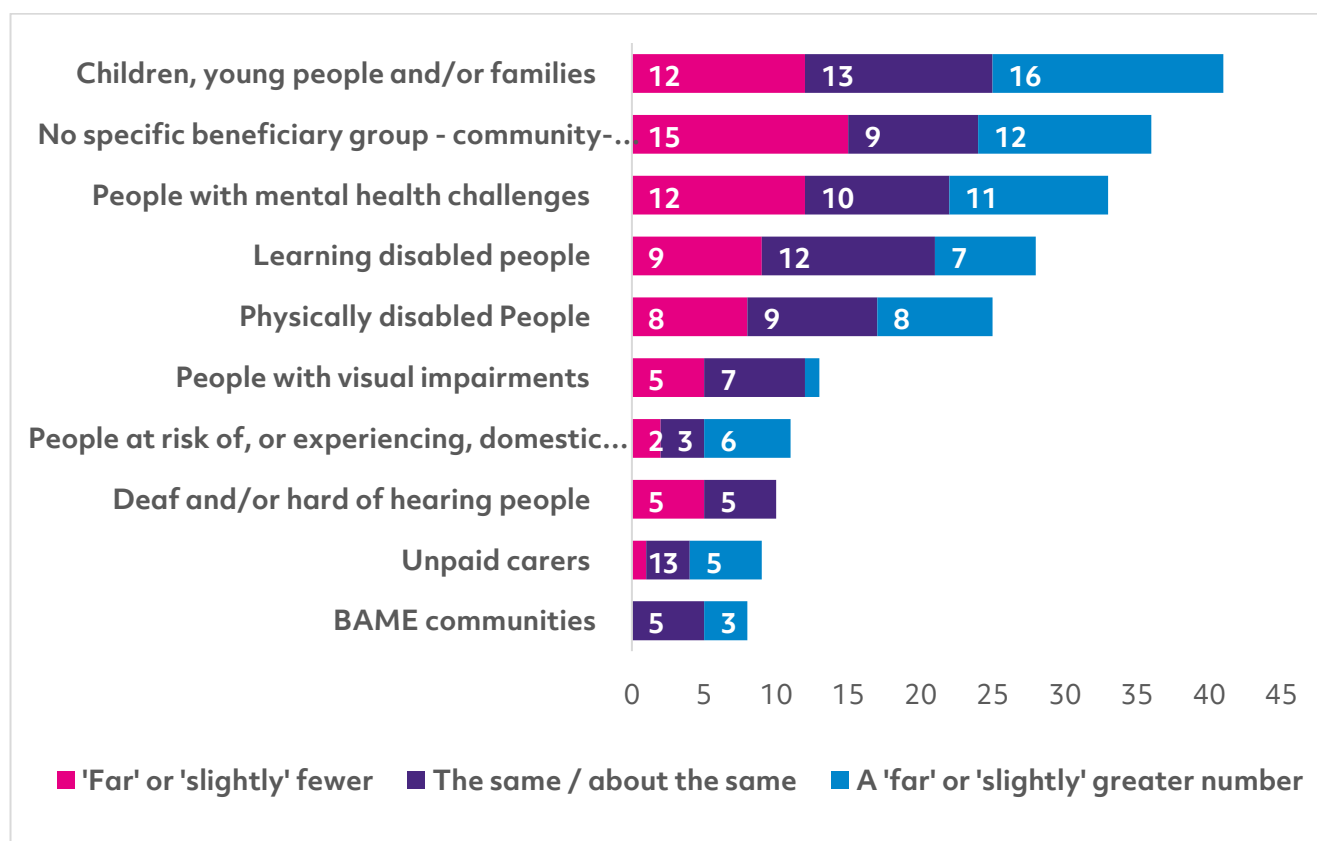provides further details of the changes reported by organisations supporting different beneficiary groups.

Figure 6: The number of organisations reporting a change in the number of people they are supporting (per beneficiary group).

3. Changes to Services Being Delivered

Almost three-quarters[6] of all **respondents** (72%) **indicated that the key services they provide had changed** since the pandemic emerged. Of these 60 organisations:

- 45 reported that all/some services previously delivered face-to-face were now being delivered remotely.
- 41 reported that new services were being delivered.
- 24 reported that all/some services had ceased.

Over half of the respondents (37) selected more than one of the above responses, with 13 respondents selecting all three of the above categories. Of the 24 organisations who

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[6] Fifty-eight respondents selected 'yes' in response to the question 'Have the key services your organisation provides changed since the pandemic emerged?'. Two respondents who selected 'no' to this question gave responses to subsequent questions related to how the organisation's services had changed, so these organisations have been included here.

reported that 'all/some services had ceased', 22 also reported that new services were being delivered and/or that services were being delivered remotely. Fifty-seven respondents provided further details about changes to key services. A summary of their comments is provided below.

Delivering services remotely

Twenty-eight respondents gave comments about delivering services remotely. Twenty-six of these organisations reported that they had already begun adapting to deliver services remotely and two organisations reported aspiring to do this.

Examples of services and activities being delivered remotely included:

- Psychological support/therapies and other unspecified therapies (4 respondents)
- Information, advice and support services, including for adults and children with particular health conditions/disabilities (4 respondents)
- Educational courses, lessons or webinars (4 respondents)
- Social groups, support groups and befriending, including for older people and baby groups (3 respondents)
- Posting out packs or parcels (2 respondents)

Four respondents specifically mentioned anticipating continuing to offer remote/digital services going forwards, three of whom indicated that this would include once face-to-face services operated again (dual provision). Three respondents gave details about challenges in providing services remotely, including: working with smaller clusters of people impacting on the breadth of what can be delivered; more staff time needed to ensure everyone has the right level of support; and the impact of medical instructions to isolate impacting on ability to operate.

New services being delivered

Of the 24 respondents who gave comments about new services being delivered, 10 reported delivering or supporting the delivery of **new Covid-19 response services**. These services included information provision; support with accessing basic goods (shopping, meals, PPE and prescriptions); leisure activities and online courses; mental health and wellbeing support; and support for volunteers and Covid-19 response community groups.

Four other respondents reported providing mental health support and/or psychological therapies (including counselling for children and bereavement counselling). One of these organisations had also started offering respite visits to carers. Four other respondents reported providing food-related support. A further four respondents reported other new services being provided, including: creative workshops; support for homeless people; a one-stop-help-shop by phone; and new sessions for family members.

Services which have ceased

Fifteen respondents provided comments relating to services which have ceased. Four of these respondents reported having currently stopped face-to-face work, including one-to-one or group work (details of the service unspecified). Three respondents reported stopping working with care homes or provision of lunch clubs/day services (except for services for a few vulnerable adults), including a therapy centre being closed. Two respondents reported that training/educational activities had not been able to go ahead and two organisations reported cancellation of events.

Demand for services

Comments given relating to demand for services by 13 respondents included increasing numbers of and a growing need to support people with mental health problems (three respondents), as well as support for those shielding/at home who are unable to attend day centres or receive respite care and who may be isolated/lacking support (three respondents).

Comments relating to a growing need to support people with mental health problems included the following:

"We are now supporting volunteers suffering from PTSD from their experiences of working frontline to support families in Gloucestershire's most deprived communities during Covid-19 lockdown." (respondent 75)

"We are increasing availability of training to meet the growing need for professionally training counsellors and supervisors." (respondent 22)

Respondents also noted growing demand for meal deliveries, support for vulnerable families, and support for those with delayed medical diagnosis/treatment (one respondent each). One organisation reported increased demand due to being more widely known, including by professionals, whilst another anticipated increased demand. Two other respondents mentioned reduced demand due to a lack of referrals or due to beneficiaries shielding.

Delivering services face-to-face

Thirteen respondents gave comments about delivering services face-to-face. Eight respondents reported adaptations they were making in order to deliver face-to-face services safely. This included small group sessions/sessions in bubbles; changes to timetables or the duration of sessions; meeting less frequently or by appointment; and adapting indoor spaces or meeting outdoors. One of these organisations commented that some of their

activities were less flexible as a result, whilst another commented that people were being given the option of face-to-face or remote support.

Two organisations shared general comments about needing to be more responsive in their face-to-face work, including in relation to the needs of funders and beneficiaries. One organisation reported supporting parent-run activities to operate face-to-face due to a '*confusing and overwhelming*' amount of information and guidance.

4. Unmet Needs of Beneficiary Groups

Organisations were asked how the emergence of the Covid-19 pandemic had impacted on their ability to reach beneficiaries and meet their varying needs during this time.

Unmet Need

Figure 7 shows the organisations' responses to the question '*Within the beneficiary group your organisation works with, are you aware of any needs that your organisation cannot currently meet?*'.
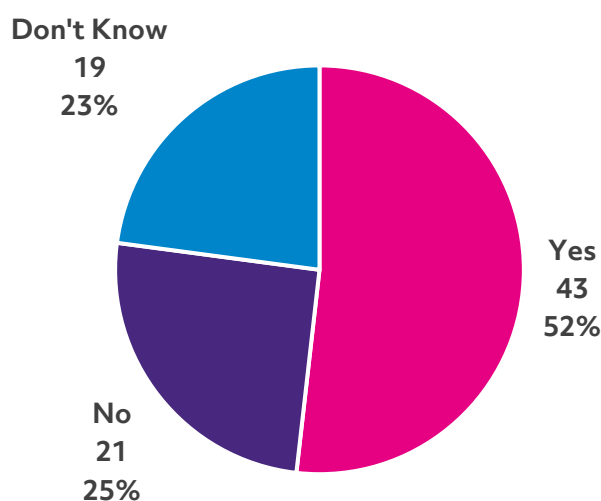

Figure 7: Organisations' responses to 'Within the beneficiary group your organisation works with, are you aware of any needs that your organisation cannot currently meet?' (n=83)
Over half of the respondents (52%) reported being **aware of needs within their beneficiary groups that they were not able to meet**. A quarter felt this was not the case and a similar proportion (23%) were unsure. Looking at the beneficiary groups of those who responded 'yes' to this question reveals there to be no obvious beneficiary group that is impacted more or less than any other. Organisations working with a range of beneficiary groups answered 'yes' to this question.

Respondents were invited to share details if they felt that there were unmet needs within their beneficiary groups. Forty-eight organisations provided details[7]. A thematic analysis of these responses identified several prominent themes:

- Covid-19 restrictions and safety (20 respondents)
- Organisational capacity and resources (15 respondents)
- Service provision and accessibility (15 respondents)

These three themes are explored further below.

Covid-19 Restrictions and Safety

The largest number of responses (20) were linked to the challenges of the restrictions and safety guidelines that have been put in place in response to the Covid-19 pandemic and how these have prevented organisations from being able to meet certain needs.

Restrictions, such as the need to socially distance (eight respondents) were one such way organisations were impacted. This related to the need to keep beneficiaries, staff and members of the public safe and, consequently, being forced to stop the use of face-to-face contact, group sessions and interactions and accessing places of increased vulnerability such as care homes and, in particular, schools.

This issue of accessing schools was discussed by several organisations and is particularly interesting when noting the high proportion of organisations within this study mentioning children, young people and their families as one of their beneficiary groups. Moreover, for two respondents the forced closure of public and non-essential spaces meant they had been unable to provide services. Similarly, one respondent shared that the restrictions had prevented them from being able to conduct home visits.

Organisational Capacity and Resources

Just under a third of respondents (31%) described how their organisations had not been able to meet the needs of some of their beneficiaries due to challenges with organisational capacity and resources. This included:

- Lacking the funding to support particular activities (5 respondents)
- Needing staff with particular expertise or training (4 respondents)
- Trying to cope with increased workloads and demand (3 respondents)
- Not being able to provide specific activities (2 respondents)
- Requiring personal protective equipment (1 respondent).

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[7] Details were also provided by some organisations that responded 'no' or 'don't know' to the question 'Within the beneficiary group your organisation works with, are you aware of any needs that your organisation cannot currently meet?'.

Service Provision and Accessibility

As alluded to in the themes and sections above, many organisations have simply not been able to provide exactly the same services they were before the pandemic and service provision has had to change (seven respondents). As well as groups no longer being able to meet together, and therefore group sessions being paused, organisations spoke about also not being able to hold regular, informal drop-in sessions, day services, holidays and short breaks.

Similarly, accessibility was felt to be a challenge in reaching beneficiaries (eight respondents). At an organisational level, this included services being so overwhelmed that they were not receiving referrals to people who needed their support. Transport and the need to travel to venues and services was perceived to be problematic for beneficiaries. This was largely viewed in terms of individuals feeling concerned and uncertainty about using public transport and, in one case, the rurality of beneficiaries. Interestingly, of these eight organisations, five were located in areas of Stroud District (three organisations), Cotswold District (one organisation) and the Forest of Dean (1 organisation) – typically rural areas.

Digital access and engagement was considered another source of difficulty for some beneficiaries (six respondents). Digital inclusion – the ability to afford and access ICT equipment – was the main barrier cited. However, other organisations noted a drop in engagement since moving online (without providing details of the reasons for this), whilst another organisation said that they themselves were not able to offer services remotely.

Unreachable Beneficiaries

As well as being asked whether there were any beneficiaries whose needs they could not meet, organisations were asked if there were any beneficiaries they could not currently reach at all. Eighty organisations responded to this question. **Just under half** (45%) **of the organisations reported** that **there were beneficiaries that they could not currently reach**. Only slightly fewer (38%) reported that there were not, and around a fifth (17%) were unsure (responses are shown in Figure 8 below).
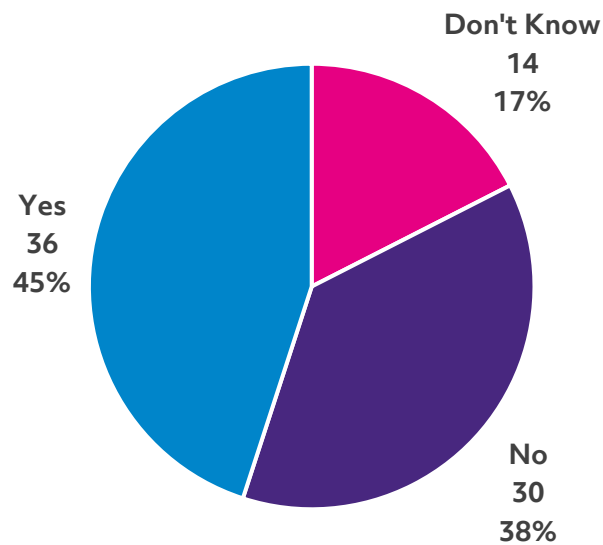
Figure 8: Organisations' responses to 'In your organisation's area of work are there any beneficiaries that your organisation cannot currently reach?' (n=80)

Respondents were asked to provide additional details if they believed there were beneficiaries they could not currently reach. The following themes were identified in the 39 responses to this question[8]:

- Access to services (25 respondents)
- Covid-19 restrictions and safety (7 respondents)
- Concerns and uncertainty (3 respondents)

These three themes are explored further below.

As well as these themes, a number of respondents named specific groups that were harder to reach. These included (disabled) children and young people, families and older people. Of the groups highlighted, (disabled) children and young people (six respondents) and families (three respondents) were the most spoken about groups. Challenges associated with these groups were largely due to restrictions in accessing schools, difficulties with online engagement, access to ICT equipment, a lack of support from care services and challenges associated with public transport.

Factors such as self-isolation, shielding and being disconnected even before the pandemic were suggested to make some people harder to reach. In response to these challenges, one respondent shared how they had set up a project whereby there is a volunteer in every road who can be the 'go-to' person for their local area.

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[8] Some organisations who answered 'no' or 'don't know' to the question 'In your organisation's area of work are there any beneficiaries that your organisation cannot currently reach?' responded to this question.

Access to Services

Challenges associated with being unable to access services was the main reason given by respondents to this question for why there were beneficiaries who they could not reach. Almost two-thirds (64%) reflected how challenges including those noted above around access to schools, digital inclusion, rurality and access to public transport had meant beneficiaries were unable to engage in services to the same extent as before the pandemic.

Moreover, four respondents spoke about challenges related to their beneficiaries' awareness of their services. For some, this was linked to a reduction in the number of referrals they were receiving from government agencies. One of these organisations reflected that they were actively trying to become part of the referral pathways.

For organisations themselves the main challenges were associated with capacity and/or resources. Five respondents spoke about not having sufficient funding, staff or the capability to reach everyone who needs their services or is more difficult to reach.

Covid-19 Restrictions and Safety

The restrictions that have been put in place to prevent the spread of Covid-19 and the importance of safety were considered to have been a factor in not being able to reach beneficiaries. Of the seven respondents who cited these reasons:

- Four noted how the restrictions prevented them from being able to do face-to-face work or run group sessions.
- One commented that restrictions had affected their ability to offer residential stays for particular beneficiaries.
- One shared that they were unable to reach many disabled young people because their care services were keeping them safe by not helping them to engage in services.

Concerns and Uncertainties

Three respondents spoke about how others' concerns and uncertainties have reduced how much beneficiaries are choosing to participate again in activities, services and indeed society more generally.

5. Additional Organisational Challenges

We asked the organisations to tell us about any significant challenges they were facing that they had not yet mentioned in their responses to any of the other questions in the survey. Fifty organisations described challenges in response to this question. The nature of many of the challenges they reported echoed those described above. Challenges associated with funding or generating income were dominant, and many of the other challenges highlighted

indicated the complexity of continuing to deliver services in the current context. The following themes were evident in the responses:

- Funding/generating income (22 respondents)
- Operational challenges (14 respondents)
- Uncertainty and constant change (8 respondents)
- Meeting beneficiaries' needs (5 respondents)
- Maintaining staff wellbeing (4 respondents)
- Other challenges (10 respondents)

Funding/ Generating Income

Challenges associated with funding or generating income were described by 22 organisations. These included experiencing difficulties accessing funding for specific activities; having less time and resource for fundraising efforts; losing income previously generated through the organisation's activities; and being unable to access government funding.

"Obtaining core funding is a challenge to support overheads during this time, and securing salaries." (respondent 45)

"The pandemic and lockdown have highlighted needs that previously were less pressing, or less visible, or less widespread - and now we are aware of them, it is important that we meet them (for example, digital engagement, appropriate respite for carers, support for mental health needs, online alternatives to our pre-existing services for people with transport or mobility problems). And to do that when the emergency funding dries up, and we are looking to provide an ongoing service, will present a challenge." (respondent 49)

Operational Challenges

Operational challenges were highlighted by 14 organisations. Lack of staff or volunteer capacity was mentioned by seven of these organisations. Other challenges reported included managing staff furlough and putting measures in place to deliver services as safely as possible, such as reconfiguring spaces to meet government guidelines.

"We have also struggled with the logistics of converting to online platforms without capable technology or advice for such a small charity." (respondent 6)

"Everything we now do takes 3 times as long and is much more complicated. The additional layers of preparation are challenging and time consuming. This in turn means the team are tired. Our biggest challenge is to fund a new post to relieve some of the burden and give us more capacity." (respondent 20)

"A challenge for us is that a number of our current volunteers have had to isolate at home due to age or health reasons (themselves or in their household). This means it can be struggle at times to have enough volunteers to operate. We are starting to recruit additional volunteers.

Our other challenge is managing the service safely - as many of our guests find it difficult to follow Covid-19 safety guidelines." (respondent 72)

Uncertainty and Constant Change

Eight organisations reported challenges related to uncertainty and/or constant change. Five of these organisations specifically mentioned the impact of uncertainty on planning. Planning was described as being more difficult, and the need for continual planning in the current context was highlighted. Two respondents reported that uncertainty about their organisation's income presented a challenge.

"Uncertainty in general is the biggest challenge at the moment. Planning is very difficult for all our projects and our fundraising." (respondent 24)

"Developing Business Planning strategies associated with staffing, delivering services and accurately forecasting a projected income against a background of fluctuating change and uncertainty [is a significant challenge]." (respondent 78)

Meeting Beneficiaries' Needs

Challenges associated with meeting beneficiaries' needs were highlighted by five organisations. These included an increase in demand for their services; having to put services on hold as it was not appropriate to deliver them online; groups of beneficiaries being unable to meet; and individuals deciding not to access services.

"Lots of the people with leaning difficulties who use us are not coming back as they are not interacting with the world yet." (respondent 55)

"While we have seen a slight reduction in the number of people we are working with each month, the complexity of cases has risen due to Covid-19 and the associated fallout from this, including delayed cancer treatment and financial implications. Our team are spending much more time supporting each of our beneficiaries to ensure they have the help and support they need at this difficult time. In terms of income generation, we are unable to plan fundraising activity with any certainty due to social distancing and possible local lockdowns. Unfortunately we see 2021 being even more challenging in terms of service delivery and income generation." (respondent 62)

Maintaining Staff Wellbeing

Four organisations reported challenges related to maintaining staff wellbeing, with two of these describing their teams as being "tired". One of the organisations highlighted the challenge of maintaining staff wellbeing and a shared culture when teams are dispersed as a result of some people working from home and others working from the office.

"Support for core team members is essential as they are all working above and beyond what would usually be necessary. Many of our team have lived experience of ill mental health and/or disability and are also dealing with the issues caused by covid in their home environment. We aim to support our team members but access to mental health support could be useful." (respondent 11)

"… we are all quite tired and working very long hours and this has a cumulative effect. We need to make sure we resource ourselves enough to keep going." (respondent 56)

Other Challenges

Ten organisations reported additional challenges that did not fall within the categories above. These were wide ranging and included a lack of clear government guidance, changes to communication and work styles and challenges associated with starting a new organisation.

Overall, these additional challenges along with the range of other concerns outlined throughout the rest of this report, highlight the ongoing difficulties being experienced by a range of VCS organisations in Gloucestershire six months into the Covid-19 pandemic.

Recommendations for Funders

The findings of the situation analysis conducted in August – September 2020 indicate that funders could do the following to support VCS organisations at this time:

1. **Fund groups and places rather than projects**
   Funding groups and places, rather than projects, would enable VCS organisations to use their expertise and knowledge to determine how to utilise funds in an area. Projects by their nature tend to offer short-term solutions and narrow project briefs can restrict the ability of organisations and groups to utilise their expertise in shaping their approach.

   The survey identified widespread challenges being encountered by VCS organisations, such as financial issues, but that these were being experienced in different ways and combinations. Funding groups and places rather than projects recognises both the diversity of challenges being experienced and the capacity within organisations to identify useful and relevant solutions.

2. **Offer core funding and flexibility**
   Voluntary and Community Sector organisations play a crucial role in supporting a range of beneficiary groups across the county and have adapted their activities and services in an agile way to respond to the pandemic. At the same time, organisations

reported that the financial instability in the sector is one factor impacting on the range of services they are able to deliver. This is also a time when there are additional costs for some organisations to deliver services in a Covid secure way, whether providing remote or face-to-face support, or delivering both.

Offering core funding to VCS organisations, along with flexibility in how funds are utilised to meet changing needs, enables organisations to provide relevant and timely support during the crisis. This may also include recognising that there are fewer outputs from funding at this time, due to increased costs in providing Covid secure services. Almost half of the survey respondents also reported that there were beneficiary groups they could not currently reach. Offering core and flexible funding would support VCS organisations to develop their work to engage with groups who it has become harder to reach in the current context.

Similarly, simplifying funding application processes and minimising waiting times for communicating decisions about funding can support VCS organisations to be more agile as the situation changes.

3. **Support the development and sustainability of VCS organisations to enable them to keep supporting beneficiaries**

The survey findings indicate that responding to the pandemic has required VCS organisations to adapt their ways of working and to respond to new beneficiary needs at a time when many are also experiencing barriers to fundraising or generating income due to the conditions brought around by Covid-19. In addition, uncertainty and constant change was reported to be making planning more difficult, and the need for continual planning was highlighted.

Supporting the development and sustainability of VCS organisations in areas such as strategic planning, diversifying income generation, and IT upskilling may help them to weather current challenges. Such support may be non-financial, for example, sharing professional expertise across and within sectors. It may also include committing to providing long-term funding to help organisations plan strategically, an area that survey participants reported having limited resources but additional need for.

The majority of survey participants reported that the services they provide and/or the beneficiary groups they engaged with had changed since the start of the pandemic. Developing networks and sharing learning within the VCS sector and relevant external bodies may help support organisations who are adapting to providing new services or supporting new beneficiary groups. Supporting these relationships to form at a local level may also further enable VCS organisations to signpost individuals to other services, when they are aware of particular needs they cannot meet.

Growing the capacity of VCS organisations to collect impact data about their services, whether by providing funds and/or specialist guidance on this, also has the

potential to contribute to their sustainability. This may be particularly relevant to organisations providing new services or supporting new beneficiary groups and may be of utility in informing their strategic decision-making as the pandemic evolves and conditions change. Reflecting on data already being collected can help ensure it is of utility to both organisations and funders, as well as ensuring it is practical to collect in the current circumstances.

4. **Provide funding to support staff wellbeing**

Making funds available to support staff wellbeing, as well as funds for organisational development and sustainability, would promote the resilience of VCS organisations to provide ongoing support to beneficiary groups during the current crisis and beyond. For example, this may include a 2% add on to grants awarded to fund extra support for staff.

A number of the survey participants reported that a lack of, or reduction in, staff capacity had impacted on their ability to deliver services. Supporting staff wellbeing may help minimise the impact of a decrease in staff capacity on services provided by these organisations.

Closing Comments

The findings presented in this report give an insight into the challenges being experienced by VCS organisations in Gloucestershire six months into the Covid-19 pandemic. These include financial concerns, logistical and operational challenges, as well as the needs of a variety of beneficiary groups within the county. Some of the challenges organisations reported in their responses to the survey conducted in August – September 2020 echoed those that were highlighted by organisations during the situation analysis Barnwood Trust conducted in April 2020. For example, concerns about financial insecurity remain widespread and issues around staff capacity and wellbeing continue to present a challenge for VCS organisations.

The organisations who took part in the situation analysis conducted in April 2020 highlighted concerns relating to covering staff costs, providing equipment to work from home, as well as PPE and the risk of staff contracting the virus. Respondents to the survey conducted six months on also spoke of challenges around maintaining staff wellbeing, as well as initiatives to support frontline staff and volunteers. The initial situation analysis in April 2020 highlighted concerns for beneficiaries related to the impact of isolation during lockdown, with mental health being a dominant theme. The survey findings presented in this report show financial and logistical challenges for VCS organisations in meeting beneficiaries' needs. It is striking how widespread these types of challenges continue to be for VCS organisations working with a range of beneficiary groups across the county.

Building belonging