

CLOTHWORKERS' EMERGENCY CAPITAL PROGRAMME (CECP): SURVEY FINDINGS

APRIL 2021

INTRODUCTION

In April 2020, The Clothworkers' Foundation launched the Clothworkers' Emergency Capital Programme (CECP), distributing capital grants of up to £5,000 to small- and medium-sized not-for-profits adapting their services because of COVID-19. Priority was given to those supporting vulnerable and 'at risk' individuals and communities across our nine programme areas. In September 2020, we published our initial insights into the programme based on application data. This included data on the success rate, application turnaround times, the types of organisations funded and the grants awarded.¹

In a departure from our normal post-award processes, there were no formal monitoring conditions attached to the grants. In November 2020, we distributed an optional survey to our CECP grantees. We received 201 responses to the survey (out of 327 grantees), a 61% response rate. We believe the survey is a good representation of the wider CECP portfolio (respondent data on organisation size, programme area, geographic location and type of grant, align well with application data), while also appreciating that grantees who did not respond may be those who are more likely to have struggled to adapt their services in response to COVID-19.

Please note that CECP did not support London-based charities; instead, we made a contribution of £300,000 to the London Community Response Fund to support London charities responding to COVID-19.

SUMMARY OF FINDINGS

The purpose of the survey was to provide a relatively quick and simple way for our grantees to report on whether our grant successfully helped them adapt their services. There was an option to complete the survey anonymously to encourage honest feedback and reflections. Reassuringly, all the respondents believed the grant was *successful* or *very successful* in helping them to adapt their services in response to COVID-19.

The survey also presented the opportunity to find out more about our grantees' experiences during the pandemic and their experience applying to CECP. We will use this information to inform the 2021-22 strategic review of our grant-making. Some of the key themes identified are below:

- Trust your grantees to deliver: We reduced our due diligence (compared to our other
 reactive programmes) to a level that reflected the emergency context and size of grant. We also
 streamlined our application process. The survey results indicate that this did not negatively
 impact the effectiveness of CECP grants.
- **Small delivers big results:** Small- and medium-sized charities (under £2 million p.a. turnover) delivered crucial services during the pandemic and more than 290,000 individuals were supported as a direct result our respondents' service adaptations. Furthermore, our relatively small capital grants played an important role in enabling them to adapt their services.
- There's a future for hybrid remote service delivery models: Remote delivery helped our grantees reach more individuals but it can impact on the effectiveness of the intervention.

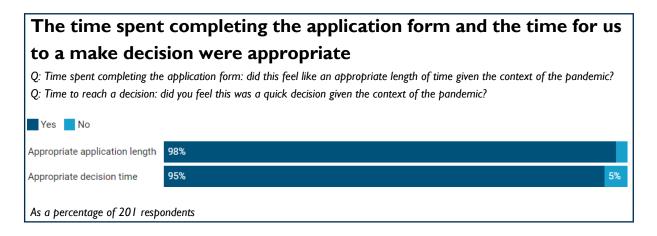
¹ https://www.clothworkersfoundation.org.uk/media/1263/cecp-initial-insights-v2.pdf

- Digital poverty also excludes some of the most disadvantaged. Some grantees intend a blended approach to delivery once the pandemic subsides.
- The sector needs our support more than ever: Charities are experiencing a surge in demand. At the same, they are experiencing declining income, funding cliff-edges, and reduced statutory support alongside the prospect of funders reducing budgets when the need in the sector has never been greater.

FINDINGS

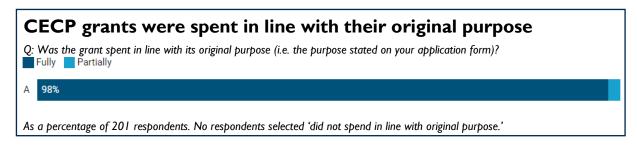
1. Trust your grantees to deliver

Like many funders, we aimed to distribute funding to charities as quickly as possible in response to COVID-19 and the national lockdown. We achieved this by focusing more staff resources on assessing CECP applications and reduced our due diligence checks (compared to our other reactive programmes) to a level that we believed was proportionate to the emergency context. This meant the average turnaround time for a decision was three weeks. We also streamlined post-award processes, ensuring two-thirds of grantees received payment of their grants within two weeks of the grant offer letters. ² Most respondents were appreciative about the application form and turnaround time.



"It was great to receive such immediate help and to be trusted with a light touch approach to monitoring, seeing the funder trusting that, as community rooted organisations, we know what we need to support the beneficiaries in our care."

Importantly, despite this reduced focus on due diligence, nearly all the respondents reported that they used the grant either *fully* (98%) or *partially* (2%) as originally intended. Those who selected *partially* noted minor changes such as opting to buy fewer, higher-quality capital items or additional protective accessories to ensure the security and longevity of items.



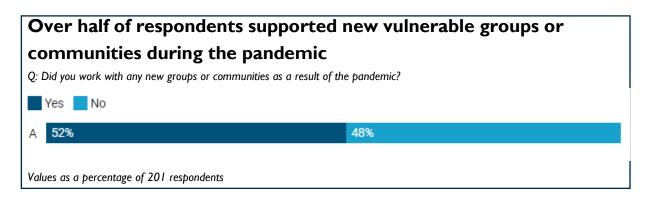
² For further information see our <u>initial insights report</u>.

The question now is: how do we use this to improve the application experience for applicants to future programmes? It is one we are asking ourselves as we begin our five-yearly grant-making review. This will be aided by a recent independent grantee and applicant perceptions audit of our Open Grants Programme, carried out by nfpSynergy in 2020 (and to be published in due course).

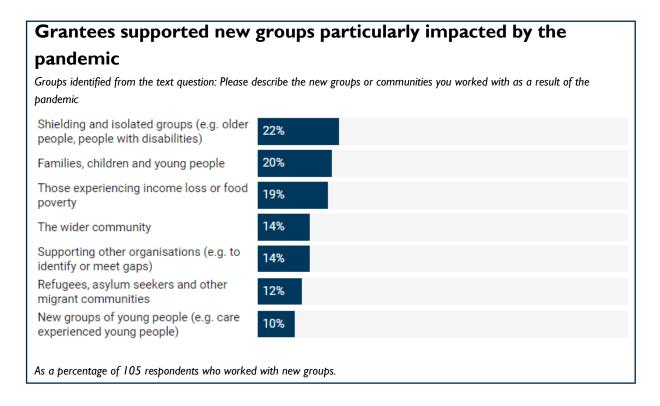
"[CECP] is an example to all funders both now and in the future of how effective grant programmes can be when the willingness is there to get the money to where it is needed as quickly as possible."

2. Small delivers big results

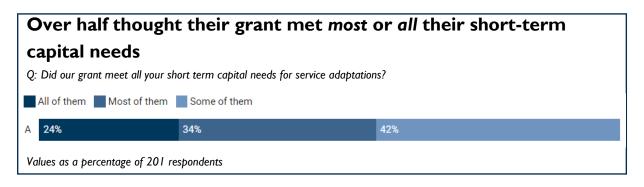
All our CECP grantees supported vulnerable and/or at-risk groups during the first lockdown and more than half of respondents reported that they worked with new vulnerable or at-risk groups as a result on the pandemic.



These grantees reached out to support shielding and isolated groups (22%), families and young people in need (20%) and those experiencing loss of income and food poverty because of the pandemic (19%).



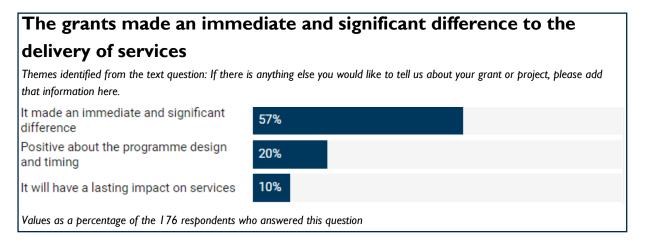
58% of respondents believed that our grant (£5,000 or less) met *most* or *all* of their short-term capital needs.



Respondents also believed that the capital grant was successful in helping them to adapt their services in response to COVID-19. This highlights the value of a relatively small grant award programme early in the pandemic.



When we asked organisations if they wanted to tell us anything more about their grants or projects, more than half of respondents commented on the immediate and significant difference that our grants made in helping them to adapt their services to support beneficiaries early on in the pandemic.

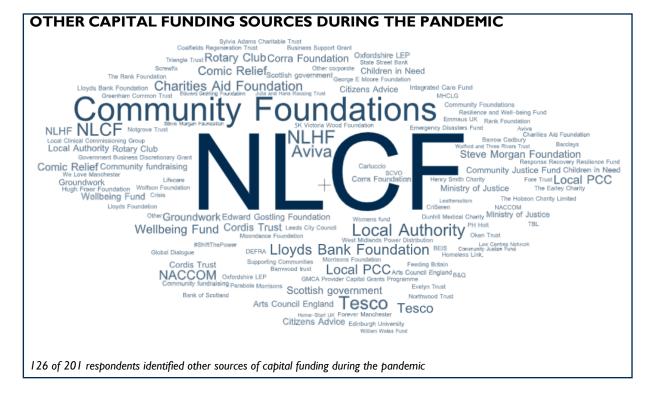


In total, respondents supported an estimated 293,000 beneficiaries as a *direct result* of adapting their services using our grants.



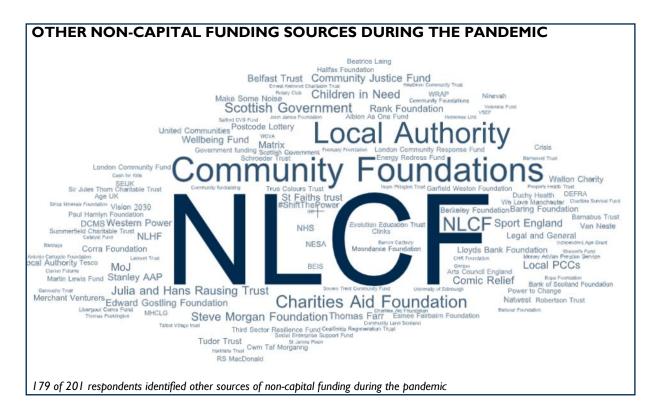
"Without the grant support provided, we would be unable to maintain our services which have been a lifeline through the Covid -19 crisis."

Of course, our funding did not exist in isolation, and many respondents received other capital and non-capital support to help them adapt their services. The National Lottery Community Fund (NLCF) was the funder mentioned the most (including emergency COVID funding they distributed on behalf of the Government). Respondents also benefited significantly from the support of their local community foundations.



The Clothworkers' Foundation is primarily a capital funder, and we did not feel best placed to quickly distribute non-capital emergency funding to charities responding to the pandemic. Therefore, we contributed £500,000 to the National Emergencies Trust Appeal that distributed

emergency funding to local communities using the UK Community Foundation network. It was therefore reassuring to see that community foundations were mentioned by our respondents second only to The NLCF as a non-capital funding source.



Further reading on the valuable work of small charities during the pandemic

 The value of small in a big crisis: The distinctive contribution, value and experiences of smaller charities in England and Wales during the first wave of the COVID-19 pandemic. https://www.lloydsbankfoundation.org.uk/media/cqhihftd/lbfew-value-of-small-2021-summary-report.pdf

3. There's a future for hybrid remote service delivery models

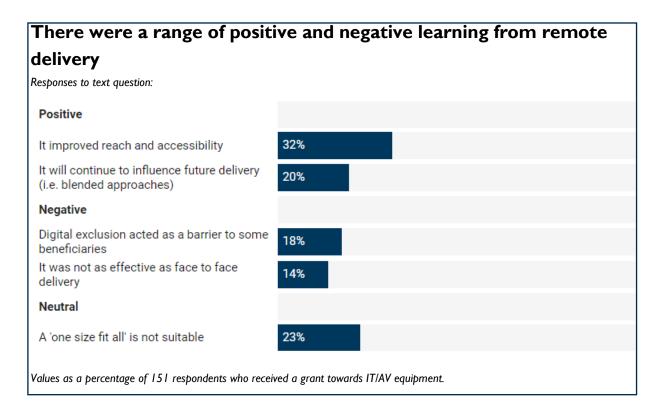
75% (151) of respondents used the capital grant to purchase IT (or AV) equipment for remote delivery, which compares well with our application data.³



³ 80% of capital grants to CECP grantees where for IT/AV equipment.

When we asked these I5I organisations to identify what they learned when adapting their services, they were generally positive about their experiences delivering remotely. It allowed some organisations to increase their reach and become more accessible (32%), e.g. to reach more geographically isolated service users. On the other hand, some organisations commented on the negative impact of those digitally excluded (18%) and how remotely delivered services can be less impactful than face-to-face services (14%). Almost a quarter of respondents (23%) commented that a 'one size fit all' approach was not suitable, and that they used different methods of communication to tailor support depending on a beneficiaries' specific, individual needs.

20% of respondents who used their grants to purchase IT equipment told us that what they have learnt will influence future delivery – for many this will be by providing a mixture of face-to-face and online/remote services.



"...offering support and communication options over as many platforms as possible, such as email, webchat, phone calls, Zoom meetings...was the best way to reach all those who need us."

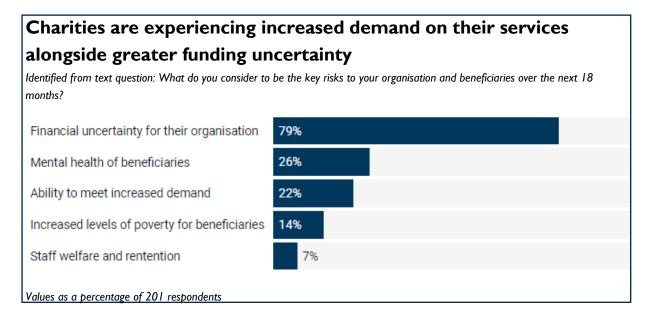
Further reading on digital delivery:

- Small charities and digital delivery: A recent survey by the Small Charities Coalition found that more than half of small charities saw digital delivery as very important to achieving their mission and that for three-quarters, access to basic IT equipment like laptop was their greatest need. https://smallcharitiesdata.org/insight/small-charities-and-digital-technology/?s=03
- How micro charities and grassroots groups went digital: lessons from the pandemic: reflections on
 work helping small charities and community groups pivot to online service delivery during the
 pandemic, and what this might mean for their future digital needs.
 <a href="https://www.thecatalyst.org.uk/blog/how-micro-charities-and-grassroots-groups-went-digital-lessons-from-the-resons-fr

"A good opportunity to evaluate the way we do things - will maintain a remote service as well as restarting face to face - will come out with better offer for clients."

4. The sector needs our support more than ever

The main concern of respondents over the next 18 months is their ability to raise funds and generate income. There was a perception that many funders had prioritised COVID emergency funding in 2020, and that they would offer less funding in subsequent years. Coupled with limited income generation and the prospect of statutory funding cuts, charities will be left on a cliff-edge. All this is against the backdrop of an impending national mental health crisis and soaring poverty levels straining charities' already stretched services.



In 2020, The Clothworkers' Foundation released a one-off £2.5 million from its expendable endowment to support charities responding to COVID-19. In 2021, our annual grant-making budget has increased by £1 million to support the increased demand on charities. We continue to explore how we can support the sector in partnership with others. For example, we recently contributed £200,000 to the second wave of the Community Justice Fund, which will help specialist social welfare legal advice organisations cope with the immediate impact of the COVID-19 pandemic, and lay the foundations for longer-term renewal.

"Possible hard Brexit and redundancies affecting people's ability to donate to charity. The continued COVID restrictions prohibiting us from running face-to-face fundraising activities. The ability for trusts and foundations to continue giving at the levels they have been this year, being unsustainable. Ultimately, all this having an impact on our ability to raise funds needed to continue delivering our services."

"Some staff are facing burnout as they haven't had a proper break. We need to look at longer term planning but some days it takes all our efforts to get through the day!"

"The impact the pandemic has had on individuals' mental health will take far longer to recover from than the funds we have available to put the provision required in place to support them."

Further reading on funders responses beyond COVID-19:

- After the Storm As funders look to the future and how best to support the renewal of London's civil society, this report explore what plans funders are putting in place, what challenges and opportunities they anticipate, and how they are responding to them. https://londonfunders.org.uk/resources-funders/london-funders-publications/our-blog/after-storm
- Rising to the challenge charitable foundations' responses to coronavirus and their forecast for the future In March 2021, the Association of Charitable Foundations (ACF) surveyed its members to understand what the impact of coronavirus was on their work in 2020, and what their forecasts were for 2021. Responses were received from 80 charitable foundations across the UK, with balanced representation from small, medium and large grant-making charities.
 https://www.acf.org.uk/downloads/publications/Rising_to_the_Challenge_-
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