

Shaping the Future of Benevolence

Understanding challenges and
developing solutions in a dynamic sector

Conference Report

April 2012



Foreword



By Rob Tolan
Head of Policy & Research, Elizabeth Finn Care

The conference held on 20th October represented the most significant gathering of benevolent organisations in several years.

In the context of falling incomes and increased demand, the event could not have been timelier.

It was designed to provide a meaningful opportunity for benevolents to come together and reflect on the challenges ahead, work through solutions and scope the potential for future collaboration to maximise resources and help more people in need. We hope that it achieved those aims.

We would be interested to receive your views on whether you feel the conference is worth replicating, albeit with different priorities – ones which suit the ever changing landscape of the sector. Perhaps you might also have opinions on what could be improved on – were there areas that should have been covered but which were conspicuously absent?

Please do contact me directly with your feedback.

All that remains is to say thank you to our chair, Dame Diana Brittan, and ACO, DSC and nfpSynergy for co-hosting this important conference – and for providing much of the information contained within this report.

Many thanks for attending,



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 @RobTolan

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Section A: Article 1

Understanding the Benevolent Sector: Research Overview

By nfpSynergy

October 2011



This report provides a summary overview of some of the key findings of research into the current state of the UK benevolent sector, commissioned by Elizabeth Finn Care and undertaken by nfpSynergy in 2010-2011. The full findings are available at www.elizabethfinncare.org.uk

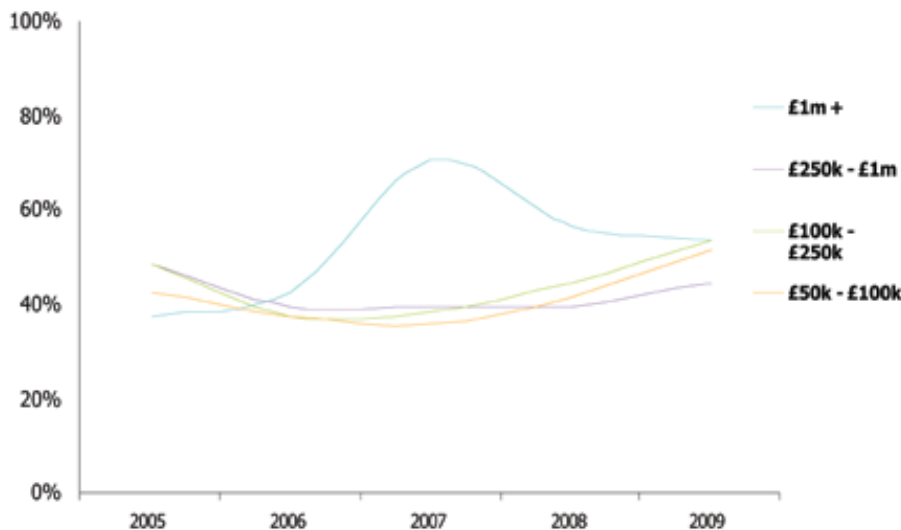
Financial trends in the sector

The first phase of the research aimed to provide a broad overview of the shape of the benevolent sector, revealing a total of 3,204 organisations who are currently giving welfare or education grants to individuals, with 2,898 of these registering grant giving of over £1,000. In total, these 3,204 organisations spent £632,391,237 on individual grants in the last year for which full financial records were available (generally financial year ending 2009 or 2010).

Of these organisations, more than 3,000 distributed less than £250k in the last financial year for which they had filed accounts. Of the remainder, 40 organisations, or just over 1% of the total, each distributed £1million or more in grants to individuals.

A further breakdown of those distributing between £1k and £250k in grants to individuals shows that the top 156 together distributed more than £24 million in grants to individuals, whereas the 1,800-plus organisations each distributing £10k or less together distributed just under £6 million. Income was reduced between 2005 and 2009 for many benevolents through a combination of circumstances. Both voluntary and statutory incomes decreased for many benevolents, and the values of both fixed assets and investments have declined noticeably for many parts of the sector.

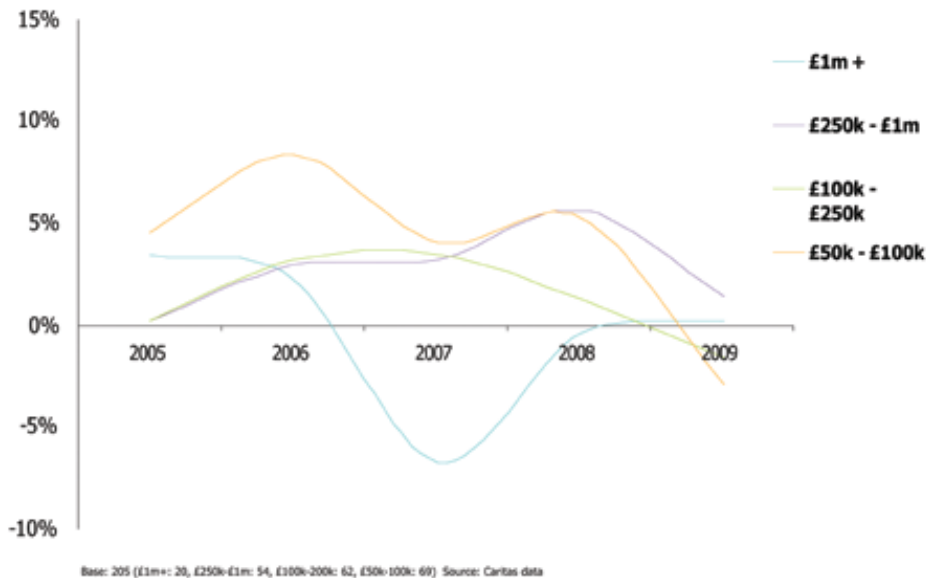
Fig. 1 Proportion of benevolent organisations running a deficit in each grant giving band



Base: 214 (£1m+: 28, £250k-£1m: 54, £100k-200k: 62, £50k-100k: 70) Source: Caritas data

However, overall larger benevolents have been more agile in their response to these circumstances than others. On 2009 data alone, the organisations that are struggling most with income growth and deficit-running are those with an income of £50–£100k.

Fig. 2 Median Annual Deficit as Percentage of Income



It is important to note the broader context within which this analysis of the benevolent sector takes place: that is, the current decline in income growth in the sector is markedly similar to that found within the charity sector as a whole.

Challenges facing the sector

Some key themes emerged from the qualitative interviews with Chief Executives and senior grant and welfare managers in a range of benevolent organisations. The most common themes to emerge across the interviews were perceptions of two simultaneous challenges: on the one hand, respondents reported actual, or anticipated, increases in demand for services and financial assistance. This was coupled with a parallel challenge of reduction in income and resources available for grants to individuals. This was due to a number of factors including lower membership and subscription numbers for membership benevolents, lower levels of individual voluntary donations, and significant reductions in asset values and investment incomes.

Another prominent theme across the interviews was a perceived need for leadership in the benevolent sector, and a sense that existing bodies are not necessarily fulfilling this role as much as respondents would like to see. Respondents pointed to a number of specific areas

in which they would like to see both leadership and more cooperative working between benevolents, including awareness raising and demonstration of the cumulative impact of benevolents. Likewise, some respondents pointed to more day to day, practical ways in which they are already beginning to work collaboratively – for example, in sharing office space, joint procurement, and marketing. Other specific areas respondents mentioned for collaborative working, or outsourcing, included benevolent-specific volunteer training and information about debt advice.

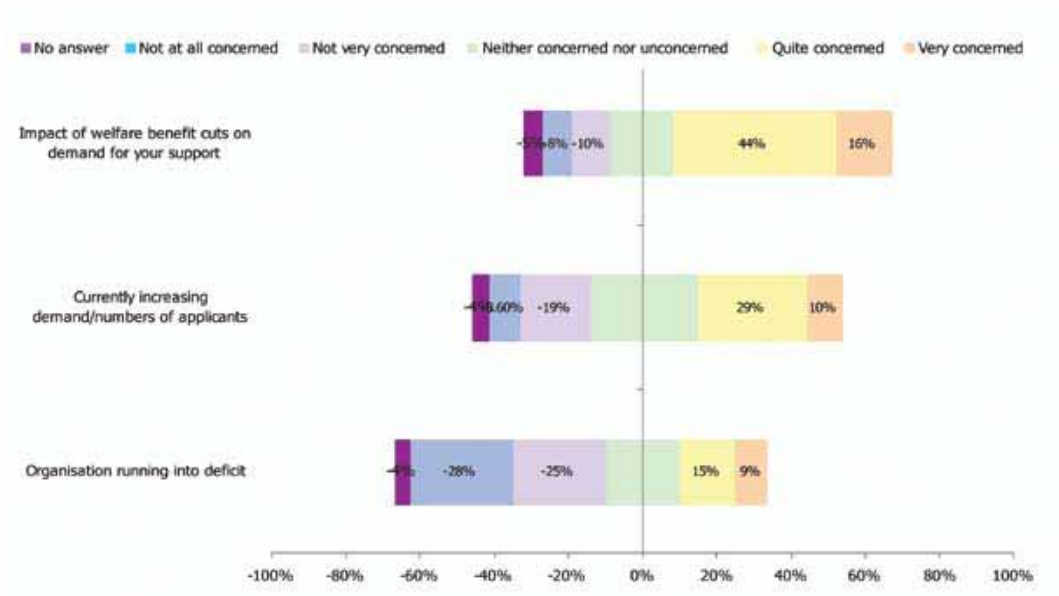
A number of benevolents reported that they are either currently reconsidering – or have plans to reconsider – the criteria by which they evaluate eligibility for assistance, either in terms of beneficiaries' income levels, or the types of things they will fund (for example, some have stopped funding holidays and now only fund bills and living expenses). Others are changing the type of financial assistance they provide – for example, making a definite move away from long-term or lifelong maintenance payments in favour of short-term, one-off and ad-hoc grants.

In conjunction with these strategic changes, respondents pointed to the importance of well-developed communications strategies to bring beneficiary audiences along with the benevolents as they change and develop. These messages will need to be developed carefully in order to reflect both the commercial and financial realities of the current operating environment for benevolents on one hand, and the sensitivity and vulnerability of many beneficiary audiences on the other hand.

Key insights from the benevolent sector survey

In many ways the quantitative survey reinforces what we learned from the in-depth interviews. Above all, the survey findings reflect the vast diversity within the benevolent sector. We have learned that the majority of benevolents surveyed are making grants to individuals, while regular payments or maintenance grants, casework, and other services are provided only by a minority. The quantitative survey also shows that (even though many benevolents are running deficits), deficit running is rated as significantly less of a concern for responding benevolents than the uncertainties surrounding upcoming government benefit and welfare cuts.

Fig. 3 Issues of concern to benevolent organisations



The survey also shows that while there is a significant appetite among responding benevolents for more partnership working, at the moment relatively few are working in partnerships with other benevolents in areas such as campaigning, awareness raising, or marketing.

Fig. 4 Partnership and collaborative working between benevolent organisations



What does this mean for the benevolent sector?

A number of key themes emerged from this research:

- Financial challenges may be stabilising but they are not over – meaning benevolents need to respond and take action
- Running organisational deficits and running down of assets is a short-term measure but not a sustainable solution to the challenges
- Changing focus – including changes to grants and services and eligibility criteria – represents one approach to the challenges that some benevolents have embraced
- Changing work patterns – including collaboration, partnership working, resource sharing, joint training – may also represent opportunities to address the challenges
- Communication between benevolents and regular forums for the sharing of ideas and practice are key to the sector working together to face the mounting challenges

Section A: Article 2

DSC's Research on funders of individual beneficiaries

By Catherine Walker

20 October 2011



The Directory of Social Change (DSC) exists to provide information and training to help you to change the world, so we were very happy to be invited to present some of our insights into the benevolent sector at the conference. DSC was also happy to be supporting the research carried out by nfpSynergy which analysed some of our data for the better understanding of the funding environment which we all work in, and we welcome that insightful and useful piece of work.

DSC has been researching funders for the last 36 years and currently maintains information on around 8,000 funders. We use it to:

- Support fundraisers (with information & advice)
- Inform policy work
- Increasingly, to produce meaningful data on the broader funding environment

DSC has been researching grants made to individual beneficiaries for 20 years. Data is presented in our subscription website www.grantsforindividuals.org.uk. DSC also publishes this information in two printed guides: The Guide to Grants for Individuals in Need and The Guide to Educational Grants (available from our website at www.dsc.org.uk).

We maintain data on 3,200 charities funding education and welfare, and we aim to include all publicly registered charities giving at least £500 per annum to individuals in need (inc. Scotland and Northern Ireland). We don't cover member-only organisations, company welfare schemes, Friendly Societies, or organisations only providing services and no cash grants.

While DSC wouldn't use the phrase 'benevolents' in our everyday descriptions for these funders this is broadly DSC's interpretation of the 'benevolent sector'; i.e. those grantmakers which give money to individual beneficiaries. The total grantmaking of this group is around £325m (2009/10).

The current environment: What impact has the recession had?

Recession impacts on the supply and demand side, but what does our recent research of this group of grantmakers tell us? Note that our observations are mostly based on descriptive/narrative analysis and research of the activities of funders (e.g. correspondence with grants administrators, etc.) rather than on extensive quantitative analysis, and refer to the latest available data, usually 2009/10 accounts.

Much of our experience jives broadly with the findings of the qualitative interviews in nfpSynergy research – and we suspect that what we found will be familiar to many in the benevolent sector. Namely, some key features of the current environment are:

- Less income for many benevolents to support grantmaking
- Many benevolents experiencing rising demands for assistance
- Difficult fundraising environment
- Anticipation of the impact of statutory funding cuts

However, at the time of our last research phase for this data, statutory cuts had not really started to feed through. We anticipate this will be a bigger issue when we come to research the next edition.

How are grant makers reacting to the recession?

While these may not hold true for every grant maker, we have noticed a number of trends while carrying out our research (both financial and non-financial responses to the recession):

Financial solutions:

- reduced grant limits (reduction in max amount you can apply for)
- lower average grants (making smaller grants to greater numbers of beneficiaries)
- savings on admin / overhead costs (though these are typically as low as possible anyway)
- utilising reserves (to maintain similar levels of grant making)

Non-financial solutions:

- tightening up eligibility (i.e. helping a smaller section / class of beneficiary at a similar level, or being more prescriptive about exclusions – what the money can be used for)
- prioritising the type of grants given (i.e. only the most needy / most vulnerable are eligible)
- reviewing the position of existing beneficiaries (especially those who have received long-term support)

We should also point out that it has been inspiring to see how some grant makers have tried to shield their beneficiaries from the worst of the impact, either by utilising their reserves, saving in other areas, or running a finer margin on income & expenditure; however this is obviously not a long-term solution.

DSC's Great Giving Campaign

The Great Giving Campaign (www.dsc.org.uk/greatgiving) comes from DSC's long experience researching funders – noticing some issues which we felt we should develop campaigns on, then focusing some further research on those areas. It is a broad-banner campaign to improve giving from grant makers.

The four aims of our Great Giving Campaign are to achieve:

1. A clear picture of the funding environment
2. Accessible funding for campaigning
3. An end to hidden small print
4. No ineligible applications

Our current focus is on an end to hidden small print (the transparency of funding terms and conditions), and work around measuring and reducing ineligible applications.

Our Critical Conditions report examines the transparency of the terms and conditions that govern grant funding (the 'hidden small print'). It concludes that despite some good examples terms and conditions are too often not available at the application stage. Funders should make any detailed terms and conditions available to applicants at the start of the application process, not the end, so they are fully informed about their obligations and the funder's expectations if they are successful

It is clear that there is a huge amount of wasted effort involved in fundraising from funders – both from fundraisers who need to take more heed of funder guidelines and target applications appropriately, and funders who need to be clearer about what they will and won't support. Our Ineligible Applications report contains research findings and recommendations for how funders and fundraisers can reduce ineligible applications.

Both these reports and other campaign-related publications are available for free from DSC at www.dsc.org.uk/greatgiving

Some big questions for benevolent grantmakers

We think there are clearly many important questions and challenges facing grantmakers in the benevolent sector, which many will wish to consider, including:

- How are grant makers managing the volume of applications?
- How can funders communicate more clearly to applicants?
- Are there different challenges in interacting directly with beneficiaries than with organisations?
- What is the role of intermediaries, signposting and referrals to others?

- How can we build better networks for knowledge sharing?
- We're also particularly interested in how grant makers can address the 'demand side' – which we suspect is going to get more and more difficult.
- How can funders be clearer in how they describe who they will fund and how?
- How can they review and refine their procedures and criteria to reduce wasted effort in their own grant making 'systems' – both for themselves and their applicants?
- How can technology offer solutions to reduce administrative overload? (for example, online FAQs or eligibility checkers)
- How can benevolents and the grant making community more widely work together to sign post appropriately without simply shifting application oversubscription elsewhere?
- How does the sector address the impact of government policy changes on vulnerable people?

At DSC we're interested to know more about what funders are doing - email us with your feedback and views at: research@dsc.org.uk

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Section A: Article 3

Charity Tribunal on Public Benefit and Benevolence Funds

An ACO Briefing Paper

October 2011



Introduction

The Attorney General's Reference to the Charity Tribunal is to determine whether trusts established for the relief of poverty with a restricted pool of beneficiaries such as employee benevolent funds, satisfy the public benefit requirement following implementation of the Charities Act 2006.

Before the Charities Act 2006 came into force, case law established that the purposes of trusts established for the relief of poverty where the charity's beneficiaries are limited to people linked to a particular individual, employer or organisation were charitable. The Charity Commission are concerned that the effect of the Charities Act 2006 (in particular the removal of the presumption of public benefit for poverty relief charities) may have been to cause such purposes to cease to be charitable.

On January 27th 2011 the Attorney General, in his constitutional capacity as "protector of charity" and at the request of the Charity Commission, lodged a reference to the Charity Tribunal asking the Tribunal to determine whether that has been the effect of the 2006 Act and in order to clarify the law.

The Charity Commission made an attempt to notify all those registered charities with charitable purposes falling within the scope of the reference so they could consider whether to be joined as parties to the reference. This did not include the ACO, the umbrella body for benevolence funds and did not include all of our affected members, suggesting the Commission has difficulty identifying affected organisations. ACO was surprised as it had previously engaged in dialogue with the Commission on the issue of public benefit.

The outcome of the reference may be either:

1. That the Tribunal decides that the Charities Act 2006 has not materially altered the law as to the charitable nature of the purposes of the kind in question, or:
2. That it has done so, with the consequence that generally (and subject to any appeal) purposes of the kind in question may have ceased to be charitable.

The forthcoming review of the Charities Act will consider the impact of the Tribunal's reference and if appropriate make recommendations for changing the law, in relation to poverty relief and charitable status, and/or in relation to what types of bodies can be joined in Tribunal proceedings as parties. This final point has arisen from submissions by ACO to be considered a party, rejected by the Tribunal Judge, and allowing ACO to be an intervener.

Who is affected?

The Attorney General has confirmed, in his guidance dated 18th February 2011, that, in general, a benevolent fund which relieves poverty of a class of beneficiaries defined as being all the persons working in a particular industry or profession or occupation should not be affected by the reference. However, this is only a general rule and there will be exceptions which may depend upon how the beneficiary class is defined. ACO has advised its members which include professional, industry and occupational benevolent funds to seek legal advice about whether they may be affected by the reference.

What effect?

There are a number of possible outcomes but in the worst case scenario the Tribunal could decide that the charities affected by the reference are no longer charitable – that they do not provide a public benefit. The implications of this may depend on the structure of the charity (whether incorporated or not) and whether it was registered pre or post-1st April 2008 when the relevant provision of the Charities Act 2006 came into force. In the case of charities registered pre-1st April 2008, it is likely that the purposes of those charities may have to be broadened, by scheme, to include a much wider class of beneficiaries or they could even be removed from the Register of Charities and their assets transferred to another charity with similar aims.

What is the Charity tribunal?

The Charities Act 2006 established the Charity Tribunal, which was transferred to the First-tier Tribunal (Charity) on 1st September 2009. The Act applies to England and Wales only. The First-tier Tribunal (Charity) is administered by the Tribunals Service, an executive agency of the Ministry of Justice. Tribunal members are appointed by the Lord Chancellor following recommendation from the Judicial Appointments Commission. The Principal Judge of the First-tier Tribunal (Charity) is Alison McKenna. There are five Judges and seven other members. The Charities Act 1993 (as amended by the Charities Act 2006) allows the Attorney General (or the Charity Commission with the Attorney General's consent) to "refer" certain questions of charity law to the Tribunal for a ruling. "References" are a different type of case for the Tribunal. They differ from an Appeal or an Application for Review (which is usually brought by a charity, a trustee of a charity or a beneficiary of a charity) in that they involve general questions of charity law rather than the consideration of a specific decision, direction or order made by the Charity Commission.

Who is the Attorney General?

Rt Hon Dominic Grieve QC MP was first elected as MP for Beaconsfield in 1997. He was called to the Bar in 1980 and practiced as a Barrister before entering Parliament. He served as a lay visitor to police stations in the early 1990s. His recent interventions include a contribution on a Commons debate on giving prisoners the vote, warning that Britain would be in breach of the rule of law if it defied rulings from the European Court of Human Rights, and advising the cabinet on the legality of military actions in Libya following the UN resolution.

The Attorney General fulfils the role of chief legal adviser to the government and superintends the principal prosecuting authorities within England and Wales. These are the Crown Prosecution Service and the Serious Fraud Office. The Attorney General also has overall responsibility for the Treasury Solicitor's Department, the National Fraud Authority and Her Majesty's Crown Prosecution Service Inspectorate, and fulfils a number of independent public interest functions. As Attorney General for England and Wales, Mr Grieve also holds the office of Advocate General for Northern Ireland. The Attorney General's Office provides high quality legal and strategic policy advice and support to the Attorney General and the Solicitor General.

The Experience of ACO

After representations by ACO the judge rejected our application to be joined as a party. ACO has been given permission to make written representations to the Tribunal as an "Intervener." In response, ACO has instructed Amanda Tipples from Maitland Chambers to represent our case, in addition to Russell Cooke solicitors and has re-applied to be joined as a party.

At a packed meeting at ACO of affected parties, John Gould from Russell Cooke highlighted that the original reference was not clearly worded and that some parties may falsely conclude they were not affected when in fact they would be. A possible adverse effect of the judgement which found a fund uncharitable, might result in a fund having to suspend payments whilst it applied for a cy-prés scheme. The spectre of trustees being unable to maintain care homes fees and pensioners' income being cut off sent a shiver through delegates.

Members responded well to fundraising, pledging £65,000 in total to a fighting fund to take the preparation of our case forward. This included £15,000 towards costs incurred by ACO in making our case to be joined. This amounts to a contribution of £3,250 each. This represents the very real practical benefits of working collaboratively through ACO. It was agreed that any excess funds will be reimbursed to contributing members. An important decision is the formation of an executive group with seven members that will drive the process forward. A timetable has been agreed:

Stage 1: information gathering by questionnaire to affected members by end July.

Stage 2: counsel's opinion shared with contributing members by end August.

Stage 3: draft representation agreed by end September.

Stage 4: written representation deadline is 14th October.

So ACO will be busy on this issue in the next few months.

A decision on whether it is deemed necessary and cost effective to be represented at the hearing, which is scheduled for four days starting on 14th November 2011 in London, will be made by the executive committee in consultation with contributing members in due course.

A key point raised at the meeting was that funds should focus on the potential judgement, not the wording of the reference in asking if they will be affected. The uncertainty that surrounds the outcome of the reference means the number of funds affected may be wider than assumed. ACO will begin identifying resources to help members adversely affected by the judgement of the tribunal, in relation to cy pres schemes and investigating other legal forms as an alternative to charitable status currently enjoyed by our members.

Key Arguments

Taken together benevolent associations form a significant part of charitable activity in the UK. Associations are complementary to state provision; sometimes taking over from or preventing the use of public funds and sometimes assisting in the more efficient and directed application of state welfare benefits. Viewed as a whole the potential beneficiaries of assistance from benevolent associations are likely to represent a significant proportion of the UK's population.

There is nothing to suggest that grouping potential beneficiaries by employment, occupation or membership has become outdated in modern social conditions. Indeed it might be said that, for example, increasing geographical mobility has made such groupings more significant in modern social conditions.

Part of the public benefit provided by charities is the raising of money from private sources to be applied for charitable purposes. Benevolent associations are well placed to raise funds from donors who identify with the needs of the section of the public concerned.

It cannot have been the intention of Parliament that benevolent associations with objects within the terms of the reference would be rendered incapable of continuing as charities.

In modern social circumstances the work of relieving poverty is closely associated with the work of preventing poverty. Communication of information and advice has a very important role to play in a complex modern society. The prevention of a poor person's continuing poverty or keeping vulnerable groups out of poverty may well complement measures necessary for relief. The ability to undertake activity combining both aspects may in many cases achieve the greatest public benefit from the resources available.

Accordingly, the answers to the questions asked in the reference are as follows:

1. "Whether a trust for the relief of poverty amongst a class of potential objects of the trust's bounty defined by reference to the relationship of the potential objects to one or more individuals is capable of being a charitable trust." **Yes**

2. "Whether a trust for the relief of poverty amongst a class of potential objects of the trust's bounty defined by reference to their, or a member of their family's, employment or former employment by one or specified commercial companies is capable of being a charitable trust." **Yes**
3. "Whether a trust for the relief of poverty amongst the members of an unincorporated association or their families is capable of being a charitable trust." **Yes**
4. "Whether Part 1 Charities Act 2006 operates so as statutorily to reverse the decision in any, and if which, of the following cases: ..." **No**
5. "Is the nature and extent of the public benefit required in order for a trust for the prevention of poverty amongst a specified class of persons to be a trust for a charitable purpose within s.2 Charities Act 2006 (i) the same as that which would be required for a trust for the relief of poverty amongst the same class to be a trust for such a charitable purpose or (ii) different, and if so in what way?" **The same**

Section B: Article 4

Meeting the challenges of increased demand in the context of reduced incomes

By nfpSynergy



Workshops: Meeting the challenge of increased demand in the context of reduced incomes

The workshop was designed to let benevolent organisations share their experiences and potential solutions as much as possible. Participants were split into groups so that they could share experiences directly with other benevolents of approximately the same size. Following prompted group discussions, the groups then fed back together to the wider group. The small groups were divided on the basis of the total amount of grants given to individuals in the preceding year: Over £1million, £250-£750K, £100-£250K, and under £100K.

This summary focuses on the key themes that emerged across the different groups.

Challenges

The first aspect of the group discussion focused on the challenge of **increased demand**. Participants were asked to discuss whether they were experiencing this challenge, and if so, what shape it was taking in their particular context. A number of common themes emerged across the organisations of different sizes.

Many participants reported not only an **increased volume** of applications, but also a notable increase in the **complexity** of cases – e.g., applicants with multiple and complex needs, as opposed to more straightforward applications. Elements of these more complex cases mentioned included rent arrears, credit card debt, childcare needs, payday loans, and bankruptcy fees. Groups discussed how the increasing complexity of some of these cases is also increasing the cost of delivery per case for their organisations, which is compounding the demand versus income squeeze. Participants also noted a worsening of the financial circumstances of applicants – for example, individuals who had had cuts in benefits, or other charitable support, or people entering retirement with increasing levels of debt which they were then unable to sustain on their pension income.

Participants also pointed to increased demand from beneficiaries and potential beneficiaries themselves. Many reported **increased expectations** from beneficiaries and applicants regarding the organisation's capacity to meet their needs. In addition to this, participants reported an increasing sense of **dependency** among existing beneficiaries. As a result, many participants said their organisations had had, or are planning, discussions about whether to continue maintenance grant payments, or to change exclusively to one-off or short-term payments.

The second aspect of the group discussion focused on the challenge of **decreased income**. Again, participants were asked to discuss the extent to which their organisations were experiencing this, and what it looked like. The key themes across the different sizes of organisation were first and foremost about the **loss of government and statutory funding**, with most participants reporting that this was a significant challenge for their organisations. Cuts to the Social Fund were recognised as a particularly big problem, with many

participants discussing whether it is right for benevolent to be 'subsidising the Government' by filling this gap. Other participants, especially those from membership organisations, also reported **reductions in individual and voluntary donations**. However, these factors were also complicated in many cases by a reduction in internal budget and staffing and/or redundancies, leading in these cases to **reductions of fundraising capacity**.

Over the course of the discussions a number of additional challenges also emerged, which do not fit into one or the other of the categories above. Some of these challenges included difficulties with some trustee boards – for example, a **resistance to reviewing policy on beneficiaries or types of support**. This factor was related to another challenge discussed by many participants, which is the question of **how often to review** policies regarding beneficiaries and types of support – and how to accomplish these tasks with reduced staff numbers.

Another major challenge that emerged across many of the organisations was an issue of perception. Although participants discussed the challenges of increased demand and decreased income, nonetheless, many still want to ensure that they are helping the potential beneficiaries who have the greatest needs. Participants discussed a number of issues related to perceptions of benevolents, including the need to **work in partnership to raise awareness of their grants and services**. The groups also had much in common with many voicing opinions about the need to **refresh the image of benevolence** in general, and many of their organisations in particular, with some revealing that even their own staff think they only support pensioners as opposed to a wide range of current and potential beneficiaries.

Another challenge raised by many participants reflected their organisations' internal discussions about how to intervene and help potential beneficiaries earlier, rather than only at crisis point. Finally, many participants raised the question of how to **measure and demonstrate the impact** of their work on beneficiaries' lives.

Solutions

Many of the challenges raised by the workshop participants confirmed and shed further light on some of the challenges identified in the original research. However, the workshops also gave participants the opportunities to share experiences and ideas about potential solutions to these challenges –whether they had already implemented them, or were still considering options for solutions.

In terms of **awareness raising**, participants had undertaken a range of activities, including **research and development of their brand**, as well as increasing the use of **volunteer networks** – for example, to raise greater awareness in workplaces and among other potential beneficiaries.

Participants also offered helpful approaches to the some of the challenges of bringing **trustees** and staff along during times of change. Some had actively worked to increase the **diversity** of their boards, while other organisations brought in **outside expertise** to present information to trustees about relevant **social and demographic trends**, helping them to make

the case for a need to revise policy about beneficiaries or types of support, overall vision and mission. Still others had involved trustees more actively in day to day work, for example taking trustees out of the meeting room more often in order to see the impact of the organisation on beneficiaries.

In the area of measuring and demonstrating impact, some participants discussed their experiences, or plans, to put **impact measurement frameworks** in place. Others discussed efforts to involve beneficiaries more directly in impact measurement.

In terms of increased demand, participants had a range of quite different approaches. Some were still actively trying to increase their reach while increasing fundraising activity, while others were trying to decrease demand, for example by limiting or restricting the media in which they advertised for potential beneficiaries. Others had worked to lower the expectations and dependency of beneficiaries, for example by stopping regular payments or annuities to new applicants, and in some cases reducing payments to existing beneficiaries, while communicating the reasons for doing so.

Overall, the workshops provided an opportunity for participants to share their own experiences, discover common challenges with other benevolents of similar size, and to exchange ideas about tried or potential solutions to these challenges in the present economic climate and the years to come.

Section B: Article 5

Shared working: examples, pitfalls and barriers to collaboration

By Elizabeth Finn Care

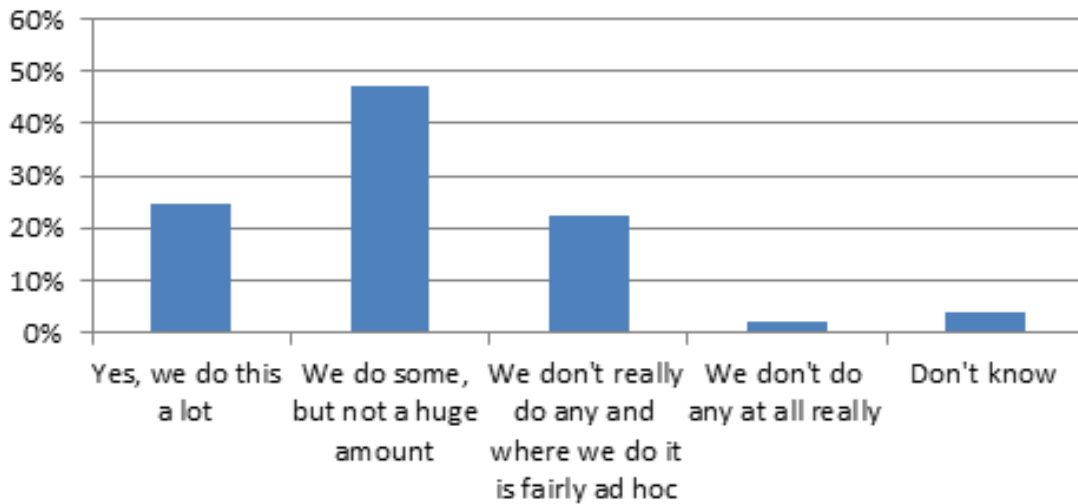


Hosts

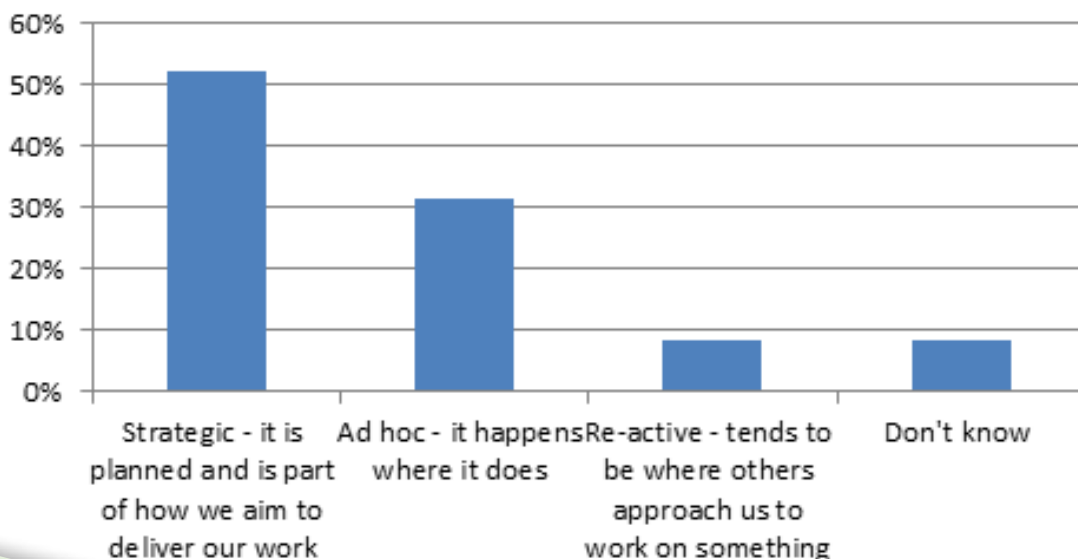
Chair: Malcolm Tyndall, Director of Income Generation and Communication, and Bryan Clover, Director of Grants, Elizabeth Finn Care

1. Extent of shared working currently

My organisation currently undertakes working with a number of other organisations

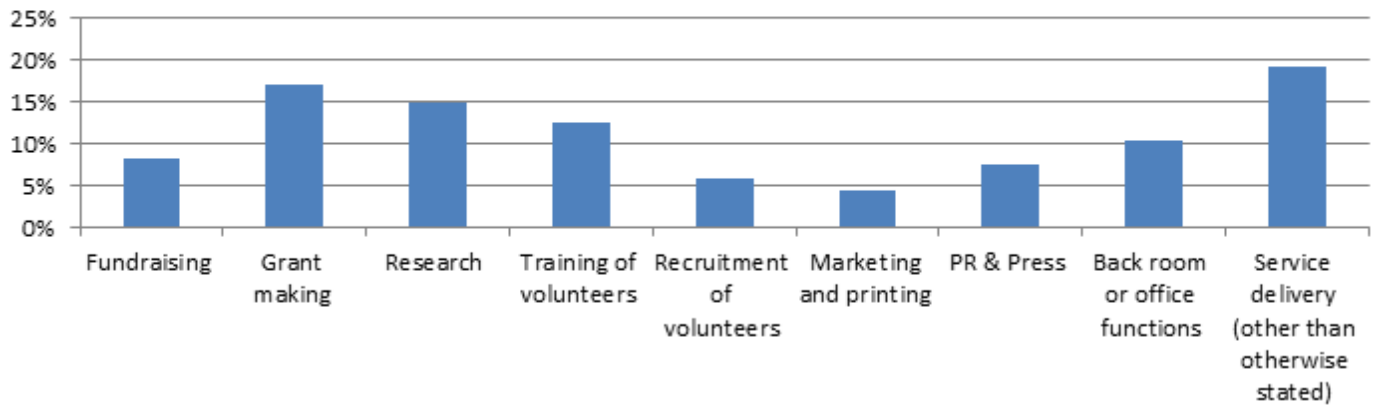


Where we do joint working it is;



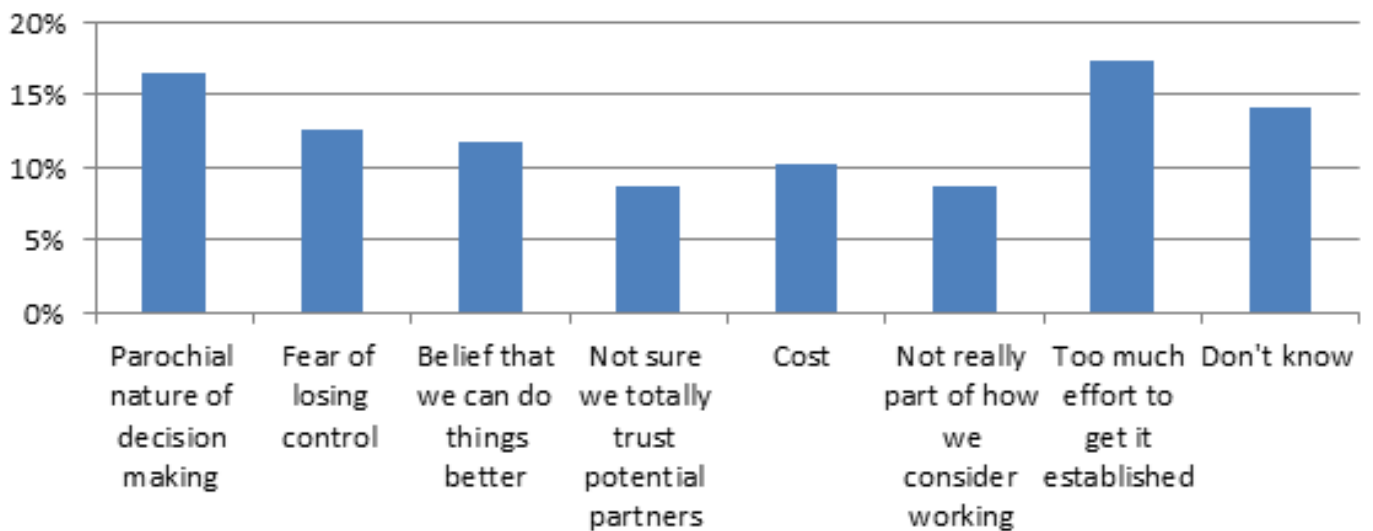
2. Potential for shared working

I think that there is potential for our organisation to work with others in the following areas (respondents were able to choose up to three)

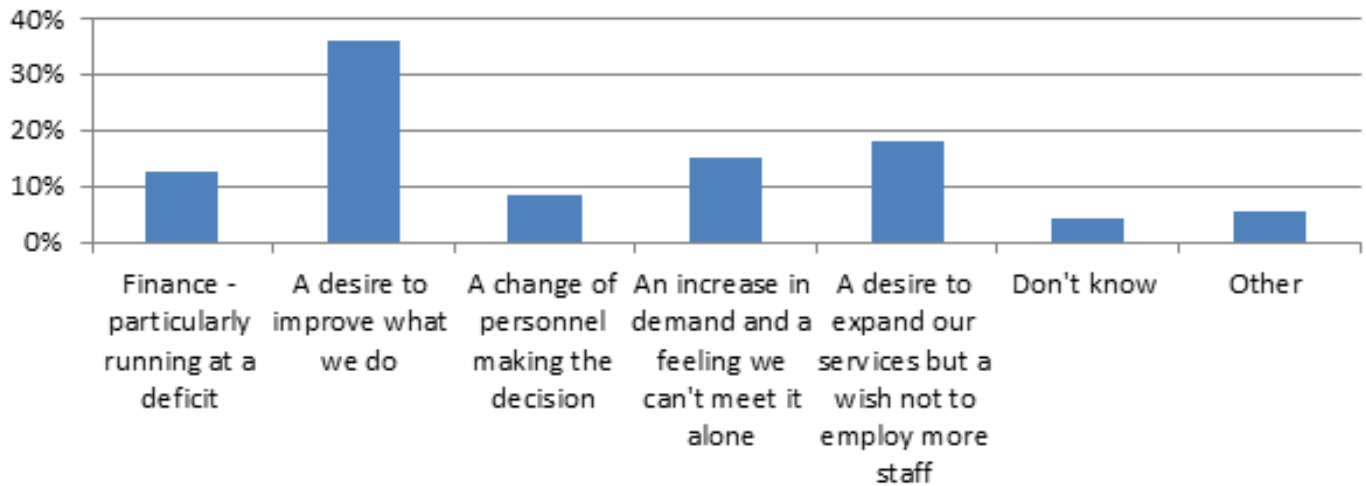


3. Barriers to shared working

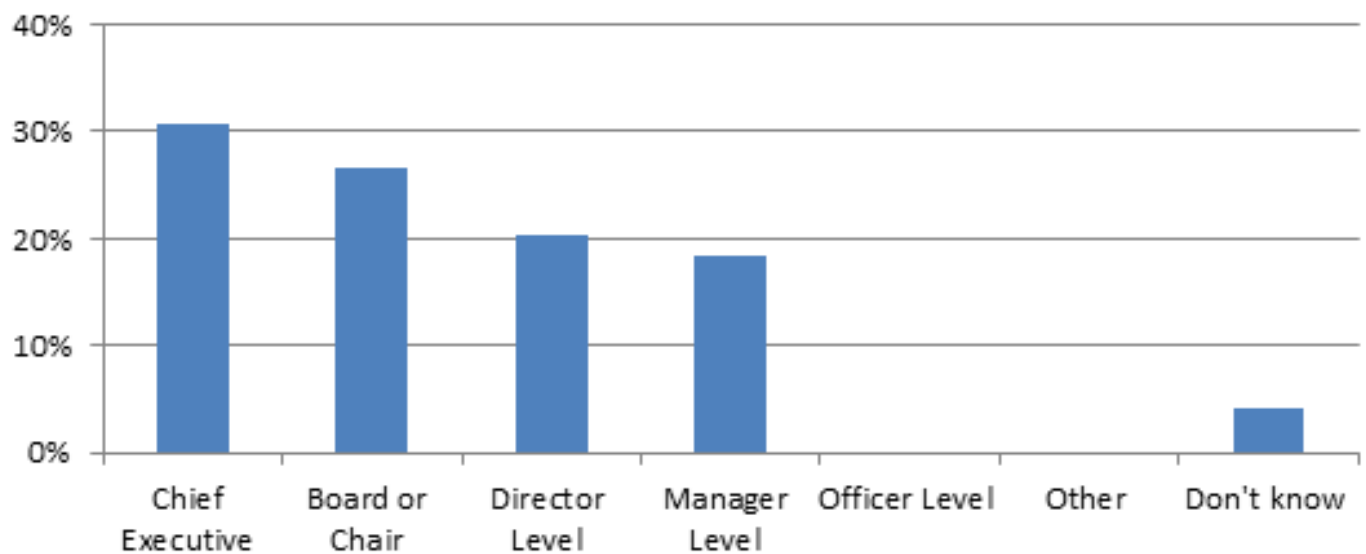
Why do you think more shared working doesn't take place? (respondents were able to choose up to three)



What is most likely to drive increased joint working in your organisation? (respondents were able to choose two)

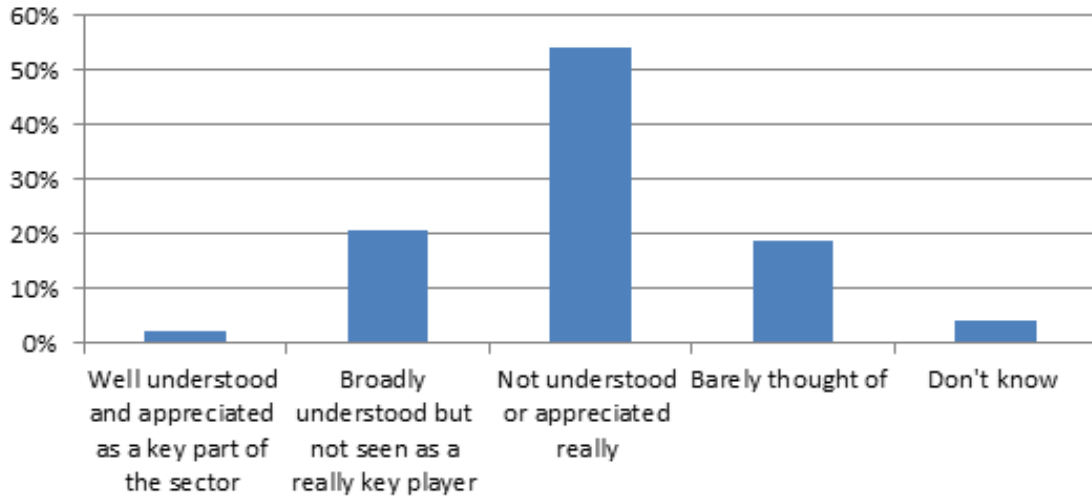


Who would make the decision on working with a typical partner?



4. The sector as a whole

Within the Third Sector, benevolence is;



Section C: Article 6

The benevolence of the benevolent: pointers for grant makers from research into the state of the benevolent sector

By Rosie Chapman,
Independent Charity Advisor
www.bprcassociates.com

The challenges and the opportunities for the benevolent sector over the next few years are revealed within fascinating research recently published by Elizabeth Finn Care.

nfpSynergy, who carried out the research, have analysed the latest sets of benevolent societies' accounts and conducted a series of interviews to explore emerging themes. Many of the findings will be familiar to grant making trusts, as they echo Diana Leat's 2009 research into the impact of the economic downturn for such funders.

3,204 organisations were identified by nfpSynergy as giving welfare or education grants to individuals, with their accounts showing a total spend of £632 million. Like grant makers, the benevolent sector also has the classic pyramid profile with 40 organisations, or just 1% of the total, distributing £1million or more in grants to individuals.

Overall, the research found a decline in income growth in the sector in the period 2005 to 2009, a decline similar to that found within the charity sector as a whole. And, like grant making trusts, benevolent societies are reporting an actual, or anticipated, increase in demand for their services or for financial assistance. At the same time they are seeing a reduction in the income and resources they have available for grants to individuals. Some organisations, especially the larger ones, accepted they simply needed to go into deficit for a period to meet the demand; whereas smaller organisations with an income of £50,000 to £100,000 said that they were struggling to cope. No doubt this is a familiar picture for some smaller grant making trusts.

Three big concerns were identified during the interviews with benevolent societies. These were:

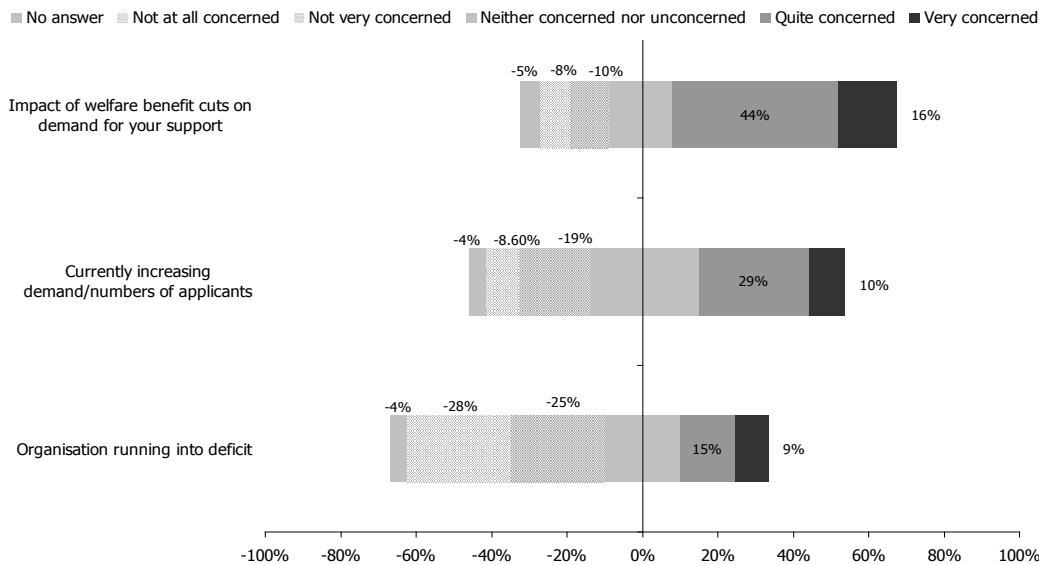
- A worry that the various welfare and benefit cuts would stoke demand (with 50% of respondents saying they were concerned or very concerned).
- A concern about the ability to manage the increased demand from an increasing number of applicants (40%). The subsequent Elizabeth Finn Care hosted seminar, which discussed the findings, also heard lots of anecdotal evidence about increasing numbers of ineligible applications.
- A continuing anxiety about their organisation running into deficit (25%).

The research also suggested some broader themes for the benevolent sector, which may have a resonance for many grant making trusts.

First, whilst the financial challenges - at the time of the research - were seen as stabilising they were perceived as by no means over. The government's policy changes, such as the reform of the Disability Allowance and of the Universal Credit, and the phasing out of the Independent Living Fund, pose the next test for benevolents.

Second will benevolent societies change their focus? The welfare reform changes could also create an opportunity for benevolent societies to radically rethink what, and how much, they could, or should, be offering to their beneficiaries, and for how long. For example, should

Issues of concern to benevolent organisations



"Using the scale below, please indicate the level of concern about the following issues"

Base: 116 benevolent organisations, Britain.
Source: Benevolents Survey, Jan 11, nfpSynergy



benevolents cut back on the funding of some long-term beneficiaries in the light of new funding priorities?

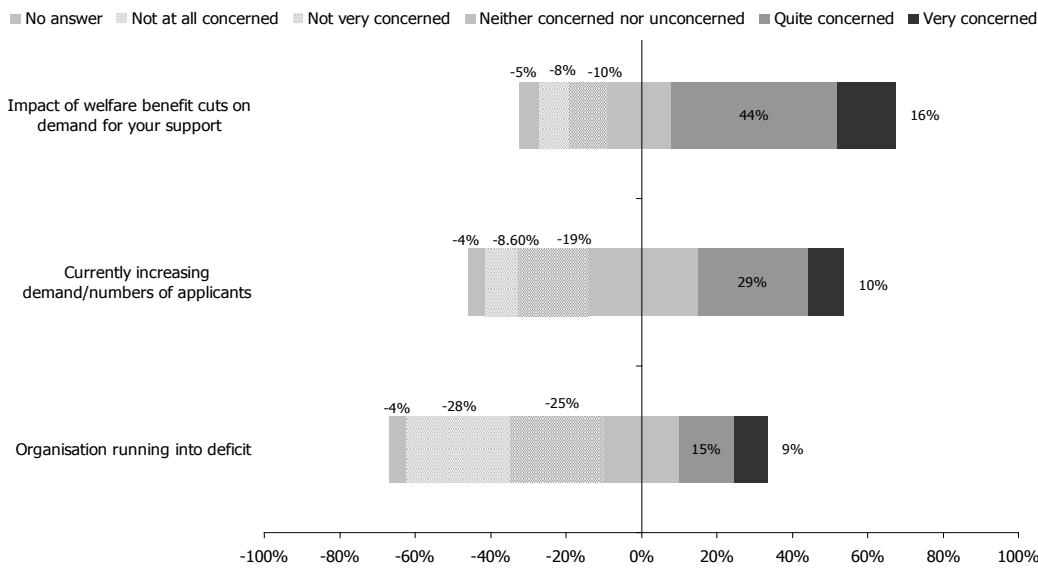
The changes could also help stimulate debate about how some societies could or should be contributing to the government's personalisation agenda. For some this may mean changing their eligibility criteria or services offered; for others it might be using their experience to help inform the development of the government's policies.

The third broad theme was the development of more collaborative and partnership working, including the sharing of ideas and good practice. The research, along with the subsequent seminar which discussed the findings, identified lots of scope and willingness by individual organisations – albeit with some starting from a low starting point - to work in closer partnerships.

There seems to be huge potential here, and the seminar heard of lots of practical examples such as shared case work and debt advice services, joint training, and shared office and procurement costs to reduce administration costs.

In particular, there is considerable interest in helping to manage the 'demand side' by improving communication with applicants, as well as by utilising online solutions such as online FAQs and eligibility checkers. Better sign-posting was seen as another way of

Issues of concern to benevolent organisations



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improving the number of 'eligible' applicants, providing it did not simply shift application over-subscription elsewhere.

Some of the most successful examples of partnership working were seen to be those cases where the strengths of the different benevolent societies complemented, rather than mirrored, each other. Perhaps there is a role for some of the larger societies to act as brokers to foster collaborative work amongst more niche funders?

At a time of continuing economic uncertainty, benevolent societies are more important than ever. Looking to the future, the sector's challenge will be how to achieve more effective partnership working to meet the demands benevolent societies are facing, whilst continuing to reflect their diversity and unique role.

Rosie Chapman, Independent Charity Advisor

Section C: Article 7

List of confirmed attendees
(as of 19th October 2011)



Attendees (as of 19 October 2011)

Andy	Adams	ABF The Soldiers' Charity	Grants Officer
Farhana	Ali	Elizabeth Finn Care	Policy Officer
Carl	Allen	TBC	TBC
Zoe	Amar	Lasa	Head of Marketing & Business Development
Carol	Arnold	Auriga Services	Corporate Services Director
Helen	Ashman	Royal Society of Chemistry Benevolent Fund	Administrative Team Leader
Sally	Atkinson	BDA Benevolent Fund	General Manager
Caroline	Banks	Sweet Charity	Welfare Manager
Kris	Barnett	Benevolent Fund of the Institution of Civil Engineers	CEO
Mary	Barton	BDA Benevolent Fund	Administrator
Kirstie	Berridge	Charis Grants	Head of Business Relations
Willie	Bicket	Actors' Benevolent Fund	General Secretary
Dame Diana	Brittan	Independent Age	Chairman
Anni	Broadhead	Support Network - Institute of Mechanical Engineers	Chief Executive
Ian	Buchan	Independent Age	Director of Care Services
Mike	Carter	LionHeart	Chief Executive
Elizabeth	Chamberlain	NCVO	Policy Officer
Rosie	Chapman		
Graeme	Chapman	Boss Benevolent Fund	
Maria	Clohessy	The Civil Service Benevolent Fund	
Bryan	Clover	Elizabeth Finn Care	Director of Grants
Laura	Clyne	Hospitality Action	Services Director
Valerie	Coleman	Maritime Charities Funding Group	
Jo	Coleman	IBB Solicitors	Solicitor
Val	Colville	Benevolent Fund of the Institution of Civil Engineers	Assistant CEO
Jonathan	Cook	Elizabeth Finn Care	Head of Income Generation
Clemmie	Cowl	Royal Ballet Benevolent Fund	Executive Secretary
Steve	Crone	Royal Medical Benevolent Fund	Chief Executive
Susan	Dolton	Musicians Benevolent Fund	
Myra	Dow	St. John's Hospital	Director of Care

Sarah	Dugdale	Sweet Charity	Fundraising & Events Manager
Sue	Ellis	Skinners' Company	Charities Officer
David	Emerson	Association of Charitable Foundations	Chief Executive
Martin	Ensom	Musicians Benevolent Fund	
Cinta	Esmel	The Lord Taverners	Trusts & Foundations Manager
Marian	Flint	BMA	Clerk to the Trustees - BMA Charities
Dominic	Fox	ACO	Chief Executive
Emily	Galvin-Cruz	Hospitality Action	Fundraising & Marketing Manager
Flavia	Gapper	Turn2us	Helpline Development Manager
Margaret	Georgiou	Savoy Educational Trust	
Davina	Goodchild	LionHeart	
Amanda	Goulding		
Kath	Haines	CABA	Chief Executive
Mohamed	Haji	Maxa Foundation	Director
Alisa	Hamzic	Bank Workers Trust	Head of Marketing
Louise	Harvey	St. John's Hospital	Grants Officer
Richard	Hawtin		
Caroline	Hobden	The IET Benevolent Fund	
Rick	Holland	Confident Philanthropy	Director
Andy	James	The Civil Service Benevolent Fund	
Bob	Jeays	Support Network - Institute of Mechanical Engineers	Trustee
Mary	Jeffrey	Rowland Hill Fund Manager	
Clare	Kassa	Family Fund	Network Development Manager
Vanessa	Kearnes	Veterinary Benevolent Fund	Administration Manager
Marie	Kemplay	Toynbee Hall	Communications & Research Officer
Yvonne	Kerchhoff	TfL	Pensioner Liaison Manager
Karolina	Kierat	Prospect-us	Recruitment Consultant
Diane	Leicester	Pharmacist Support	Charity Manager
Kitty	Lyons	Transport Benevolent Fund	Benefits Advisor
Michele	Madden	nfpSynergy	Managing Director (Research & Strategy)
Chris	Martin	Turn2us	New Media Manager
Cathy	Mercer	Caravan	Caravan Director of Development
Stuart	Moon	Glasspool Charity Trust	Deputy CEO
Virginia	Morck	Individual	Individual

Susie	Morris	Lawrence Atwell's Charity	Atwell Administrator
Paul	Nezandonyi	Elizabeth Finn Care	Press Officer
Cristina	O'Halloran	Westminster Alms Houses Foundation	Clerk to the Trustees
Christine	Oxland	The IET Benevolent Fund	
Louise	Pooley	Thomas Wall Trust	Grants Administrator
Laverne	Quow	Prospect-us	
Judith	Rich OBE		
Victoria	Richards	Independent Age	Head of Care
John	Ross	Harefield Parochial Charities	Chairman of Trustees
Paul N.	Rossi	National Benevolent Institution	Chief Executive
Lucy	Rowe	Teacher Support Network	Marketing and Events Officer
Jennifer	Shea	nfpSynergy	Research Director
John	Sheehy	Transport Benevolent Fund	Office Manager
Julia	Sibley	Savoy Educational Trust	Chief Executive
Richard	Silvio	The Church of England Pensions Board	Business Development Manager
Stephen	Skinner	Unite the Union	Charities Manager
Judith	Smith	The Civil Service Benevolent Fund	Director of Help & Advisory Services
Phil	Smith	Macmillian Cancer Support	Macmillian Grants Coordinator
Keith	Smith	Compass Partnership	Senior Associate
Lorna	Stagg	The Eaton Fund for Artists, Nurses and Gentlewomen	Administrator
Julian	Stanley	Teacher Support Network	Group Chief Executive
Evelyn	Strouts	The Officers' Association	Head of Benevolence
David	Sukin	Musicians Benevolent Fund	Chief Executive
Roy	Sully	Westminster Alms Houses Foundation	
Matthew	Sykes	Elizabeth Finn Care	Chief Executive
Debbie	Terry	BT Benevolent Fund	Manager
Sheila	Thompson	Gardeners' Royal Benevolent Society	Director of Services
Rob	Tolan	Elizabeth Finn Care	Head of Policy & Research
Malcolm	Tyndall	Elizabeth Finn Care	Director of IG & C
Steven	Valens	Skinner's Company Charities	Grants Administrator
Demetri	Vlachos	Elizabeth Finn Care	Senior Policy & Research Officer
Rebecca	Ward	Elizabeth Finn Care	Head of PR & Press
Guest		Confident Philanthropy	

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