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**Yorkshire Funders Forum (YFF)**

**Online Roundtable**

**10.00am – 12.00pm 21 January 2021**

**Summary of Session**

**Chair Tim Cutts, Executive Secretary of the Allen Lane Foundation**

**Co-ordinator Carla Marshall, Sir George Martin Trust**

**40 funders participated**

**Zoom recording – 0 – 46 mins and then fast forward to 53 mins for second half and also includes Chat**

<https://zoom.us/rec/share/V0V1LaAgpHQ7JMOznbyZJyCPy4ouQYuXnyt_x92Vad5apiS2TUf_R6sa3n_Gqo6N.D4_WfpAxZUHAK-Ju> Passcode: Z+171s3+

**Debra Allcock Tyler, Chief Executive – Directory for Social Change**

**The Impact of Covid – the Good and the Bad**

Debra’s latest book is called ‘It’s a Battle on the Board – the no-fibbing guide for trustees’ and can be

purchased here <https://www.dsc.org.uk/publication/its-a-battle-on-the-board/>. All funds raised from

the sales go towards the Directory for Social Change.

Three key websites for the facts and figures Debra mentioned are:

[www.nmn.org.uk](http://www.nmn.org.uk)

<https://data.ncvo.org.uk/> NCVO Almanac 2020

<https://www.probonoeconomics.com/>

* Covid has taught us all that we must question what we are told. Does what we are being told make sense? Always check – is this right?
* 47% of all charities’ income comes from the public, 29% from government, 10% from trusts and foundations, 5% from companies and 1% from the National Lottery Community Fund. With Covid and GDPR rules, most charities have not been able to reach out to the public and their income was hugely impacted last year. Debra is always astonished that British businesses don’t give more to charities.
* 7 million people will need to use a charity service this year.
* Funders need to be looking at the business model of the charity and not the size or cause. Those that sell stuff are generally in more financial trouble than those who were reliant on contracts and/or grants.
* We all need to re-assess and challenge what does ‘sustainable’ mean? What constitutes the stability of a charity will change. When looking at the reserves of a charity, remember much of this is not cash and is tied up in assets or restricted. Funders shouldn’t penalise a charity because they don’t have many reserves.
* The general feeling is that the very smallest charities are going to be ok as they have very low overheads, and medium sized and large charities have been hit worst.
* 15 CEOs from infrastructure support organisations from across the country (including DSC and ACF) came together last year to be the voice of the VCSE sector and campaign for the sector. There will be a £10-12 billion income loss within the sector by the end of this year. This group has created the Never More Needed campaign [www.nmn.org.uk](http://www.nmn.org.uk) which is acting as a voice and vehicle for the VCSE sector – full of reports, letters to MPs and evidence that shows charities survive longer than businesses.
* The VCSE sector has a £200 billion value which is 10% of GDP and the same size as the UK’s financial service sector.
* The government has given £750m but £4billion was needed just in the first quarter of the Covid pandemic. And how as this £750m been spent? Where is the information to tell us how much went where? The government haven’t told anyone. And yet businesses like Tesco got £585m in rate relief last year while their profits went up 30%.
* The government are disrespecting the value of the charity sector. £200m of the £750m was for hospices, but where have the remaining funds gone? Almost all of the government funding for charities had claw back clauses and had to be spent within a very short timeframe. Businesses got their grants and loans immediately by literally providing their post code and bank details while charities had to complete long and arduous application forms and years of bank statements. Why does the government not trust charities? They don’t do this with businesses.

60,000 jobs in the VCSE sector will be lost. Does the government care?

* When it comes to charities the government have been looking for:
  + Speed
  + Hoops
  + Scale

but the money for charities has come slowly with no trust compared to businesses.

* Funders will need to re-consider what they fund. 7% of charities have taken Covid loans, but many will struggle to pay these back so would you consider giving a grant to pay back the loan?
* The number of charities closing is often the benchmark for the level of success and failure within the sector but shouldn’t we be looking at the number of reductions in VCSE services? Generally 6% of charities close every year but there are 6% new start-ups. Lots of people encourage charity mergers but Debra’s doesn’t believe they are always a good idea.
* Working with the government and the DCMS used to be simpler – the rules were clear. The VCSE are not being heard and Debra and her colleagues are having to work harder than ever to be heard and seen. The government is listening to celebrities like Marcus Rashford more than the sector itself.
* On the positive side, the Lords are on the VCSE sector’s side and more MPs like Julian Knight are listening and supporting. Also, the current Charity Commission Chair, Baroness Stowell is moving on soon and Debra sees this as a very good thing as the relationship between the Commission and the charity sector has never been so bad and there is no trust.
* However, the relationship between local authorities and charities really improved last year and there are now some fantastic partnerships across the country. Debra also feels that funders have really done well and have become more flexible, faster and are not asking for as much information.
* **Most charities are held back by lack of money and access to influence which holds them back, whilst funders have both of these. Most charity workers and volunteers are knackered so give them space to do what they do best. Funders need to:**
  + **Use their voice more**
  + **Fund organisations not projects**
  + **Take on more risk with their funding – if you are safe all of the time you are not making proper change in society**
  + **Facilitate the coming together of charities and encourage collaboration**
  + **Fund passionate people**
* Debra thinks funders are awesome and are massively appreciated by the VCSE sector.

**Break-out Groups Summaries**

* Four groups formed of similar types of funders had a break-out discussion which was facilitated by a YFF steering committee member. The aim was to share thoughts on the subject matters, issues, challenges, and opportunities that are currently top of their agenda, as well as those subjects which should be on theirs and other organisation’s radar. The groups then agreed which of these topics they would like the YFF to cover in 2021 and the level of priority and urgency of it being included in a session/event. The groups also discussed how the YFF can be of most use to Yorkshire funders in the future and potentially develop its role and activities.

1. **Public funders, Community Foundations and funding advisors – Stephen Robinson, NOVA**

* How we view charity accounts and reserves – focus on the present and future not looking back
* Importance of core funding but the dearth of capital funding available to groups
* Influencing of decision makers on a local basis

1. **Public funders, Community Foundations and funding advisors – Jan Garrill, Two Ridings Community Foundation**

* Addressing inequality issues across the region – need to support groups in poorer areas and groups with low reserves
* IVAR session focused on their new ‘Open & Trusted’ framework
* Using the YFF’s influence more:
  + Work at scale
  + More training and networking
  + Commission pieces of work and regional research
  + Become a voice of the sector

1. **Independent trusts & foundations – John Ward, Charles & Elsie Sykes & Kaye Wilson, Wharfedale Foundation**

* Focus on education – YFF member SHINE could assist with a session/event on this
* Mental health
* Networking and co-ordination between funders to avoid duplication of funding
* Hear from IVAR and ACF
* Accounting and finances – how to look at balance sheets
* Understanding the effect of Covid on social issues which were already present but have been exacerbated e.g. poverty, health, mental health, isolation and particularly education of young people
* Simplifying the application and impact evaluation reporting process
* Funding organisations and not projects – hear from frontline groups and those that have funded them

1. **Family trusts & foundations – Tim Cutts, Allen Lane Foundation & Carla Marshall, Sir George Martin Trust**

* Investments & spending strategy – decreased income and spending capital
* Recruiting the next generation of trustees and bridging the gap between young and old + diversity on the board
* Focus on supporting BAME, child poverty and mental health groups
* Application, evaluation and monitoring process

**Whole group discussion**

* FAWN (Funder Advice Workers Network) really value being part of these discussions with funders and have created a calendar of Yorkshire & Humber-wide training and events which Carla will circulate.
* Carla confirmed that Abdou from the National Lottery Community Fund and David Warner have met with the research consultancy, Rocket Science to discuss the next steps for a second Yorkshire & Humber Funding Ecology report. In the next few months the YFF will be asking all funders to contribute to the report and share their grant data in order to ensure the research includes as many funders as possible.
* There is so much potential for the YFF to do more but this is challenging in its current guise with a volunteer committee and one very part time member of staff which is made possible by the Sir George Martin Trust.
* Carla brought up the idea of participants paying an annual membership on a sliding scale, based on how much each organisation gives out in grants, and a couple of funders confirmed they would be willing to pay a three figure sum. However, the issue was raised that once a significant membership fee is being paid, the expectations of the YFF and its activities and impact will be higher. It was also felt any change to the YFF should be an informed step change.
* The YFF steering committee will be discussing this further and the programme of events for 2021 at their meeting on the 28th January.

**The next Online Roundtable will be mid/late March – details to follow in February.**