



Cobseo
The Confederation
of Service Charities

Cobseo Members' Survey

May 2021

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dsc
directory of social change

Funded by

FiMT
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Introduction

In May 2020, DSC, funded by the Forces in Mind Trust, surveyed Cobseo Members on the pandemic's impact on their organisations. The subsequent report was crucial to understanding and communicating to government on how Covid-19 was affecting Members. This analysis provided evidence of impact and need, which in turn led to a £6 million support package being provided by government to support the Armed Forces community's voluntary sector.

The analysis presented in this report pertains to the third Cobseo Members survey, undertaken in May 2021, which builds on evidence from the May and October 2020 Members' surveys. The results presented in this report provide a comparison between results obtained over all three surveys to help chart the evolving impact of the pandemic on Cobseo Members as they continue to serve beneficiaries under challenging circumstances.

Thanks go to each Cobseo Member who took part in this survey, and whom in-turn are directly supporting other Members in the ongoing need for evidence to inform policy and practice for those supporting the Armed Forces community.

About the survey

This survey was generously funded by the Forces in Mind Trust and was designed in collaboration between DSC and Cobseo. The subsequent analysis and report were undertaken by DSC. Responses were gathered via the online survey tool 'Survey Monkey' from 17 May to 1 June 2021. A total of 94 Cobseo Members completed the survey.

Quotes from respondents are used throughout this report, and appear as written by respondents; however, certain quotes have been minimally altered to maintain the anonymity of respondents. Not all qualitative responses are featured in the report; however, to ensure that all who took part are heard, every response given by Members was anonymised and presented to the Cobseo executive team.

About DSC

Directory of Social Change (DSC) has a vision of an independent voluntary sector at the heart of social change. We are an independent charity with over 40 years of experience in providing support to the charity sector, including our award-winning Armed Forces Charities research.

Our publications and reports are regarded as the premier source of information on charities and our work continues to support developments in both policy and practice across the charity sector. Visit DSC online at [dsc.org.uk](https://www.dsc.org.uk) to learn more.

Executive Summary

Characteristics of respondents

- In total, 94 respondents took part in the survey, of whom 78% were Cobseo Members and 22% of whom were Associate Cobseo Members.
- 28% of respondents were Veterans Scotland Members, all of whom were also Cobseo Members.
- 98% of respondents were from registered charities or charitable incorporated organisations (CIOs).
- 'Small income' charities (annual incomes less than £750,000) accounted for the majority (59%) of survey respondents.

Serving beneficiaries

- 44% reported an increase in beneficiary numbers (a 15% reduction since October 2020). In contrast, 34% reported a decrease in beneficiary numbers in the past six-months (a 9% increase since October).
- Members reported large increases in demand for mental health support (68%, down 7% since October) and loneliness support (64%, down 5% since October).
- 40% of respondents reported coping with demand 'with difficulty' (down 5% since October). In total, a combined 55% reported coping 'with difficulty', 'with very significant difficulty' or an inability to meet the demand (up 11% since October and up 22% since May 2020).
- Significant impact on critical services was most strongly reported in the areas of mental health support (46% of respondents, no difference from October), welfare support (40%, 2% increase on October), and support for the elderly (34%, 2% reduction from October).
- Critical services closing or being undeliverable were reported in five areas, most commonly for Service families support (6% of respondents, 1% reduction from October), and for support to the elderly (6%, 3% increase on October).

Cash flow

- 60% of respondents reported a decrease in income (down 12% since October), of which 30% saw a decrease of between -1% to -24% in income over the past six-months. Conversely, 17% saw an increase in income (up 9% since October), and 22% reported no change in income.

- The largest decreases in income were for fundraising events income (83% of respondents, down 3% since October), sponsorship (58%, up 2% since October), public donations (55%, down 13% since October), and trading income (52%, down 11% since October).
- 53% of respondents reported a decline in expenditure (down 8% since October), of which 34% reported a -1% to -24% decrease (down 6% since October). 14% of respondents reported a -25% to -49% decrease (down 2% since October, but up 7% overall from May 2020).
- 33% of respondents reported an increase in expenditure. The highest increase was for service delivery costs, (27%, up 6% since October). Additionally, 23% reported an increase in overhead costs (up 9% since October), and 22% reported an increase in staff costs (also up 9% since October).

Risks

- 39% of respondents believe the risk of significantly increasing beneficiary need/ numbers may become a reality within one-year, with 12% stating this is 'already a reality'. Comparison data to October is not available as this was a new question for May 2021.
- 18% of respondents believe the risk of beneficiary need/ numbers being unmanageable may become a reality in one-year, with 4% stating this is 'already a reality'. Comparison data to October is not available as this was also a new question for May 2021.
- 23% of respondents believed a reduction in paid staff was likely within a one-year timeframe (down 2% since October). For 9% of respondents, this risk was already a reality (down 4% since October).
- Reduction in service delivery was already a reality for 10% of respondents (down 2% since October (6% for critical services, down 1% since October). Additionally, 20% (down 5% since October) believed a reduction in service delivery may occur in one-year (21% for critical service delivery, down 1% since October).
- 19% of respondents placed the risk of cash reserves being completely depleted within a one-year timeframe of occurring (down 3% since October), and 6% reported a risk of their organisation closing permanently within one-year (no change from October).

Support

- 60% of respondents reported needing support to sustain or achieve delivery of critical services in the coming year (up 4% since October), of which 24% need significant support (no change from October), and 36% need minimal to moderate support (up 5% since October).

- 60% of respondents reported needing support to sustain or achieve improvements to the efficiency of service delivery to beneficiaries (up 14% since October), of which 24% need significant support (up 12% since October), and 36% need minimal to moderate support up 2% since October.
- 60% of respondents reported needing support to sustain or achieve IT solutions to enable greater exchange and use of information (up 14% since October, of which 24% need significant support up 12% since October), and 36% need minimal to moderate support up 2% since October).

Conclusions

Beneficiary demand

Beneficiary demand remains heightened with 44% of respondents reporting an increase in beneficiaries in the past six months (down 15% since October 2020), and 21% reporting no change over the same period. 34% of respondents reported a decrease in beneficiaries (up 9% since October). This disparity comes across in respondents' qualitative comments, which suggest the difference is based in how Members serve beneficiaries either directly or indirectly.

Mental health and loneliness support showed particularly high demand, with 68% reporting an increase in beneficiaries for mental health support, and 64% reporting an increase in loneliness support. Overall findings suggest that beneficiary demand is not reducing, rather, for many Members it is increasing or remaining as it has been since October 2020, when reports of increasing beneficiary numbers was particularly high.

In terms of ability to cope, over half of respondents (55% combined) reported coping with difficulty or with very significant difficulty, or that they could not meet the demand from beneficiaries. This is an 11% increase over the past six-months (since October 2020). Conversely, 45% of respondents-combined reported coping easily, or very easily; however, this is likely down to differences in respondents' methods of serving beneficiaries.

Mental and physical health was the critical service area to report the highest levels of 'significant impact' from the pandemic (46%), with welfare (40%) and support to the elderly (33%) reported as being significantly impacted. Support to the elderly (6%), and service families support (6%) saw the highest levels of 'closed or undeliverable' critical services.

Significantly impacted critical services showed little difference to figures from six-months prior, suggesting that, as reported by many respondents, there is little change in beneficiary demand, which for many Members means no change in services being significantly impacted over the past six-months.

Financial situation

Overall, 60% of respondents reported a decrease in income, and only 18% experienced an increase. As expected, with social distancing still in effect, fundraising events income showed very little change since October, with over four-fifths (82%) reporting a decrease, particularly for public donations (55%). In total, 11% reported an increase in donations (a 10% improvement since October).

Expenditure levels differed between respondents, likely due to differences in service delivery, with 53% of respondents reporting a decline in expenditure, and 33% reporting an increase in expenditure.

Close to one-fifth (19%) of respondents placed the risk of cash reserves being completely depleted within a one-year timeframe of occurring. Similarly, a combined 21% of respondents believe that the financial stability of their organisation may be compromised within one-year.

Conclusions and recommendations

As noted in the first Members' survey of May 2020, qualitative responses combined with figures appear to show a notable difference between Members who are delivering front-line services, compared with organisations who are not direct service delivery organisations.

While only 18% of all respondents reported a risk of beneficiary need/ numbers being unmanageable within one-year, there is clearly increased demand for mental health and wellbeing services, which require front-line delivery and continued cash-flow to support. This area has the potential to see further increase in need as the pandemic continues to bear on individual's mental wellbeing. Additionally, those unable to access stretched services now, may present later with more complex and compounded needs, further stretching services.

DSC recommends close monitoring of the current situation with Members providing front-line services, particularly for mental health and wellbeing, to develop a detailed understanding of funding and service delivery challenges with which to inform policy efforts.

Characteristics of respondents

Figure 1 shows a breakdown of all 94 respondents membership types. Over three-quarters (77.7%) were full members of Cobseo (including Regimental Associations), and 22.3% were associate members.

In total, 27.7% of respondents identified as being Veterans Scotland Members, all of whom were also Cobseo Members.

Figure 1

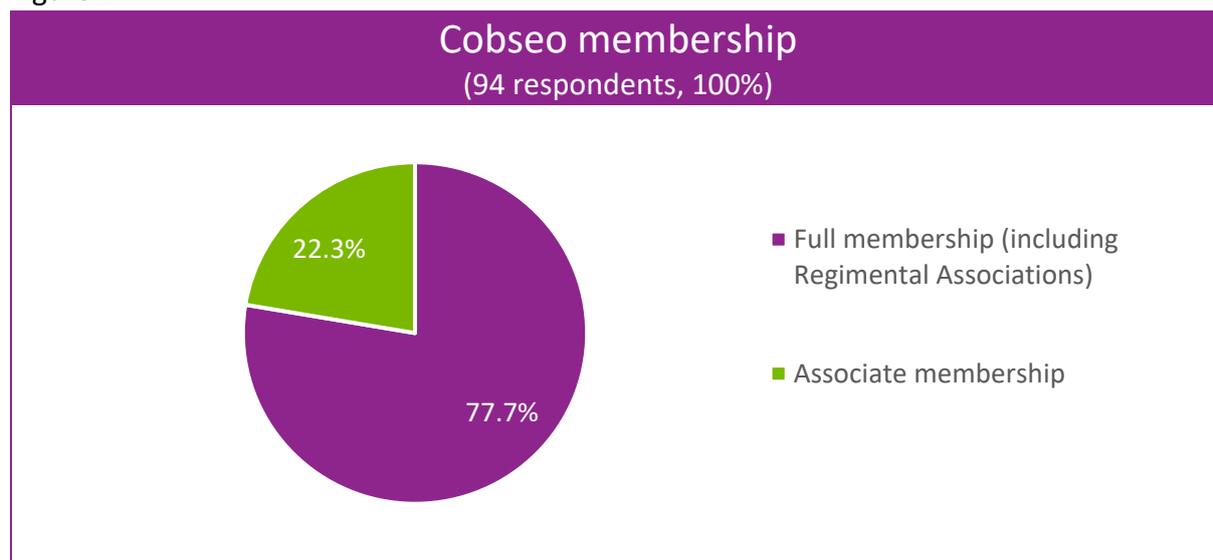


Figure 2 shows which UK countries respondent's organisations are operating within. The vast majority (86.4%) specified UK countries, of which close to one-third (31.2%) specified England. A further 3% of respondents cited 'other' and include the Commonwealth, world-wide, and overseas where UK Armed Forces are based.

Figure 2

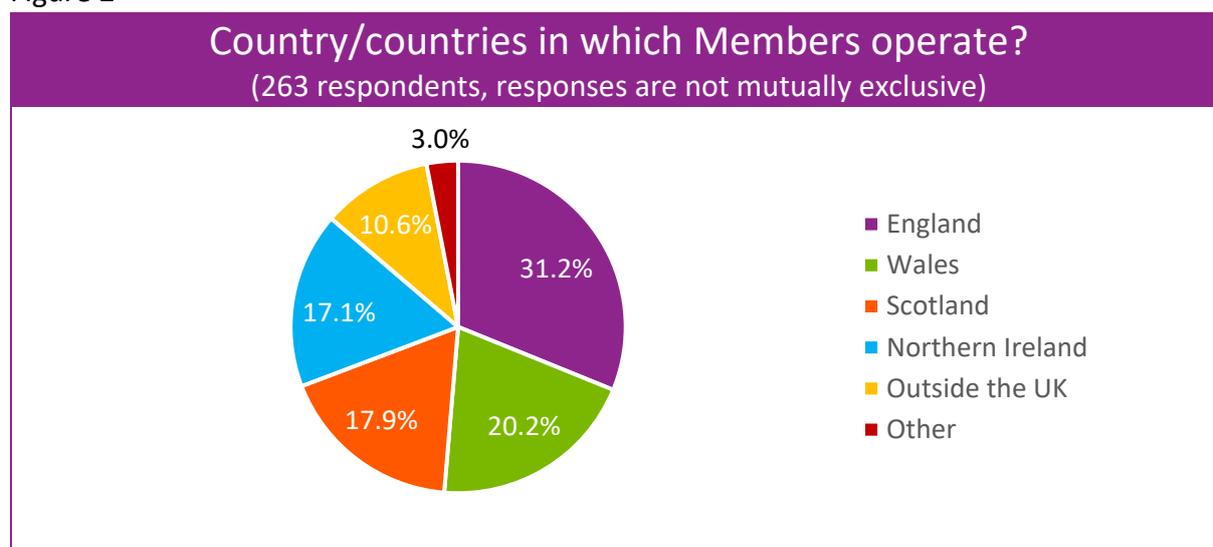


Figure 3 shows the types of organisations represented by respondents. The vast majority 97.9% identified themselves as Registered Charities or CIOs.

Figure 3

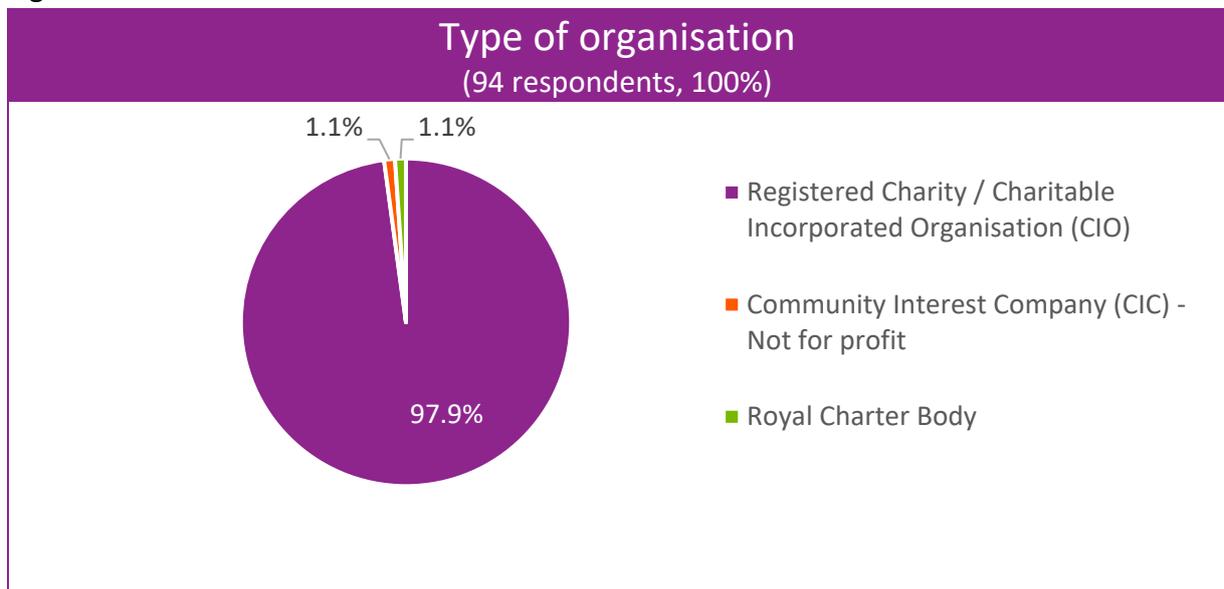
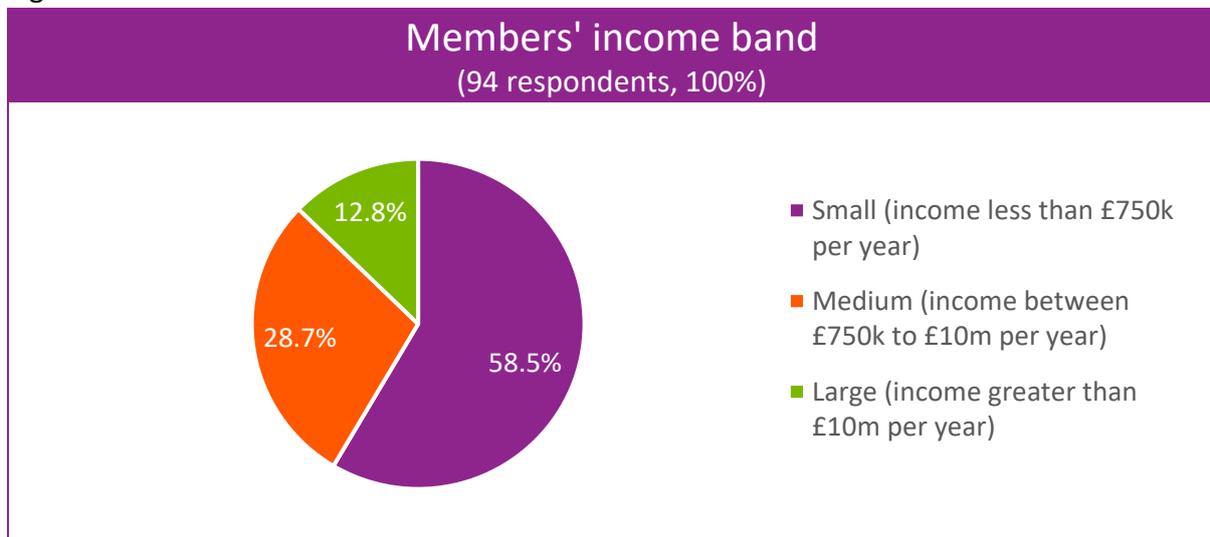


Figure 4 shows the income bands of respondent's organisations. Over half (58.5%) identified as having 'small incomes' of less than £750,000 per year.

Organisations with 'medium' (£750,000 to £10 million) annual income represented 28.7% of respondents, and 'Large' (£10 million plus) income organisations accounted for 12.8%.

Figure 4



Serving beneficiaries

Members were asked whether they were experiencing changes in beneficiary demand during the Covid-19 crisis in terms of ‘decreased demand’, ‘increased demand’ or ‘no change’ over the past six-months. Responses are limited to those who provide support in each area; therefore, percentages are calculated on the number of responses to each question.

The same questions were asked in previous surveys and the charts presented show a comparison between surveys, and figures for May 2021 appear in orange. It should be noted that although previous surveys featured Cobseo Members, the sample is not identical.

Figures 5 and 6 show changes in reported demand for mental health and loneliness support. Responses show that demand is not yet falling, and for both areas, respondents reported increased demand from beneficiaries for mental health (67.9%, down 6.5% since October) and for loneliness (64.4%, down 5.3% since October).

Close to one-third each reported ‘no change’ over the past six-months (up 9% since October), and less respondents reported ‘decreased demand’ than in any survey so far.

Figure 5

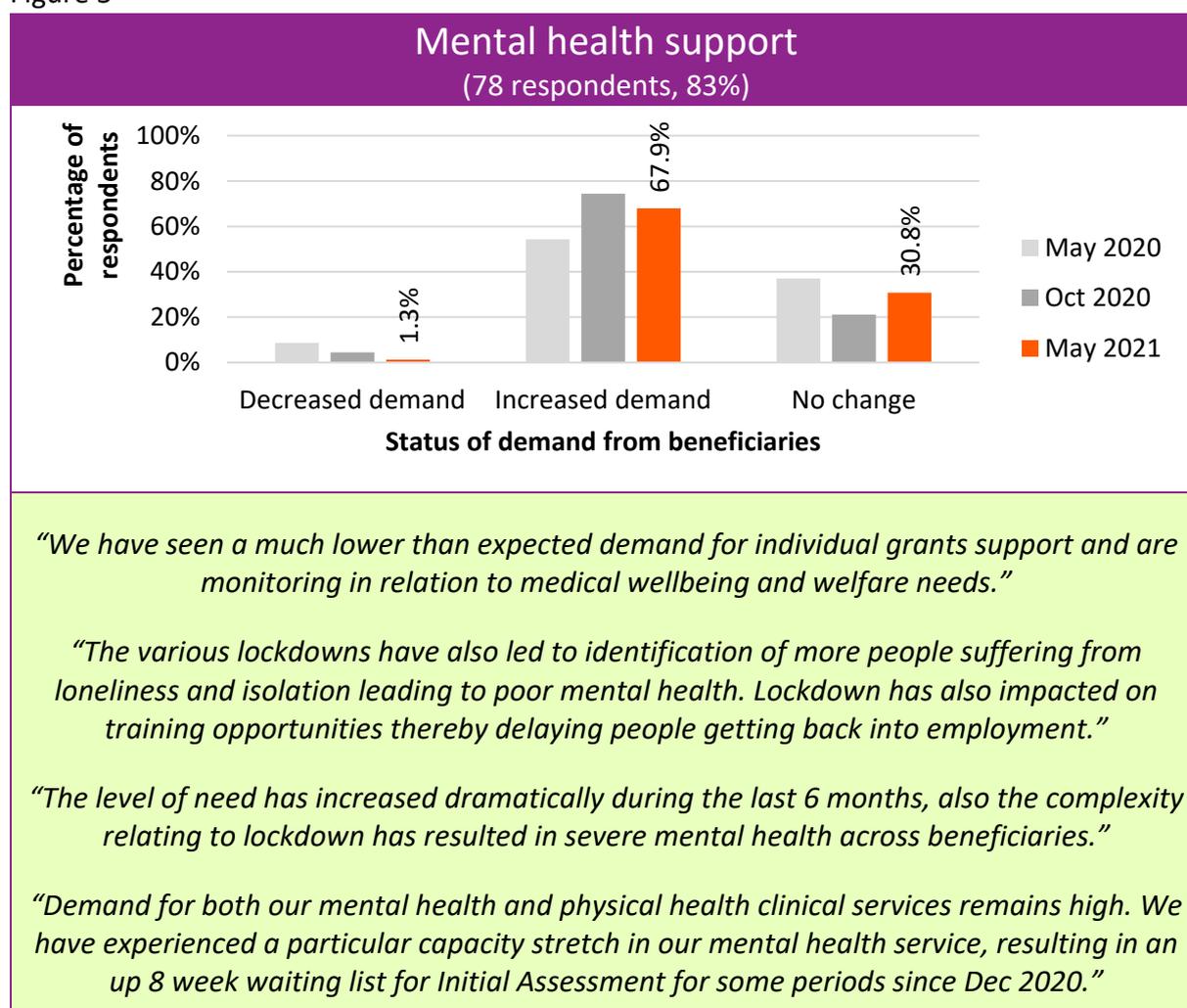
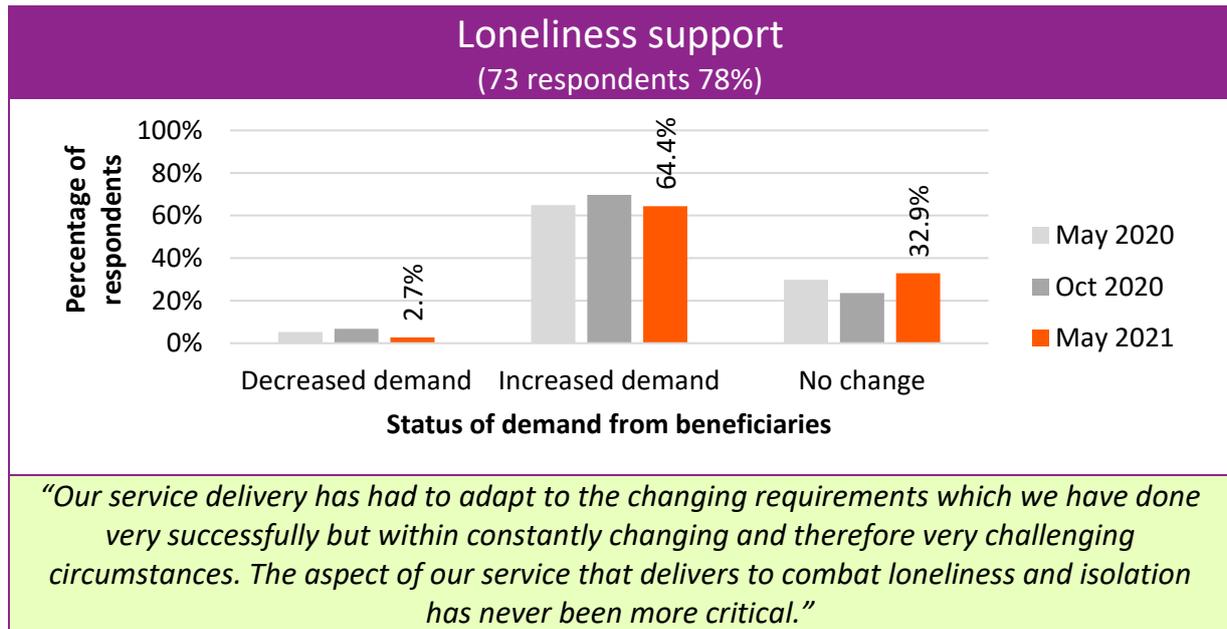


Figure 6



Figures 7 and 8 show changes in reported demand for family and employment support. Over two-fifths of respondents delivering family support reported ‘increased demand’ (43.5%, down 11.8% since October), as did those providing employment support (40.9%, down 9.1% since October). ‘No change’ was reported by 52.2% (family support) and 48.5% (employment support), suggesting that demand from beneficiaries remains heightened. For both areas, less respondents reported ‘decreased demand’ than in any survey so far.

Figure 7

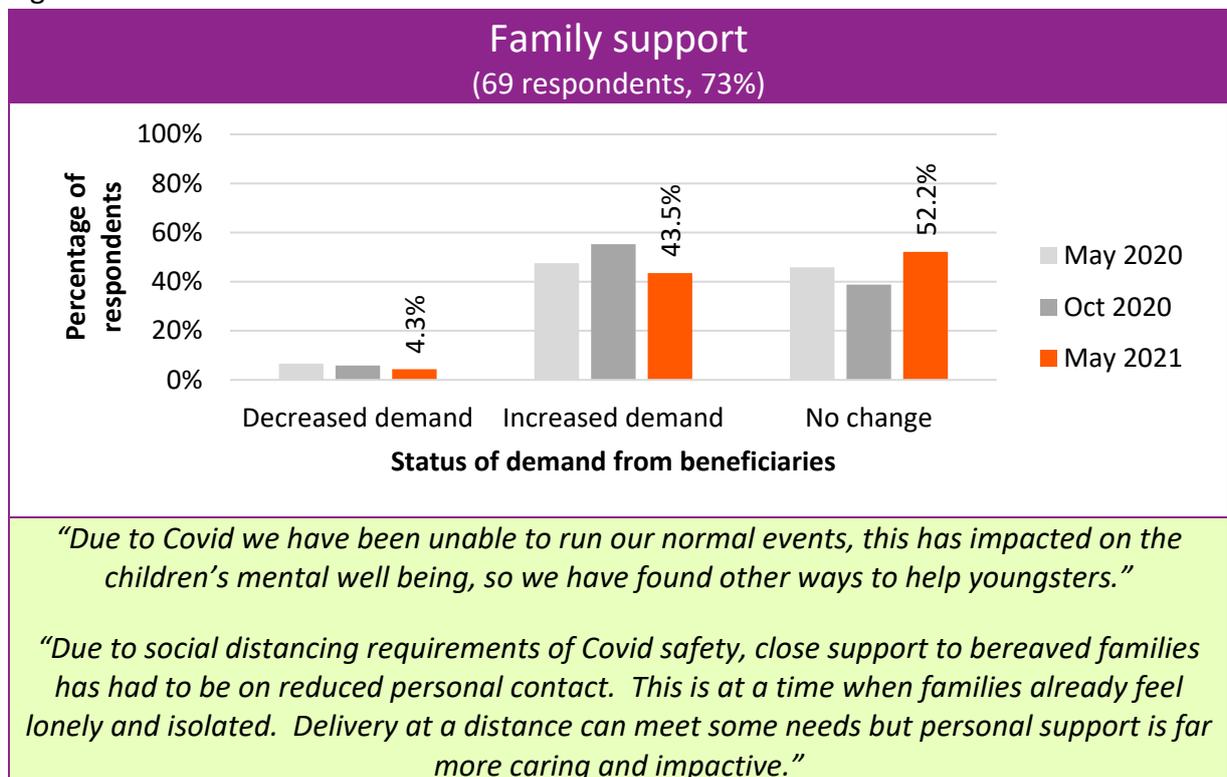


Figure 8

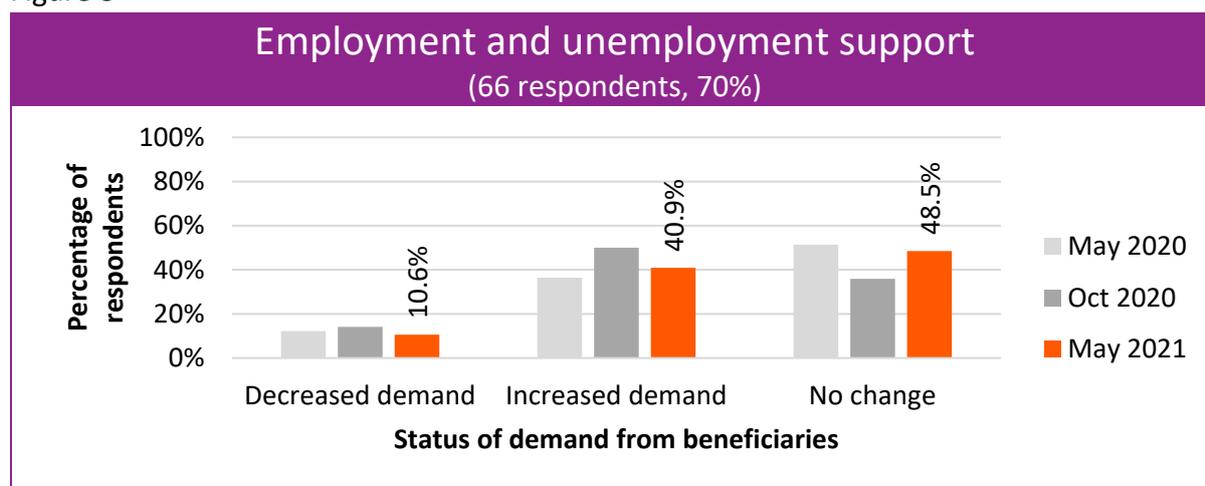
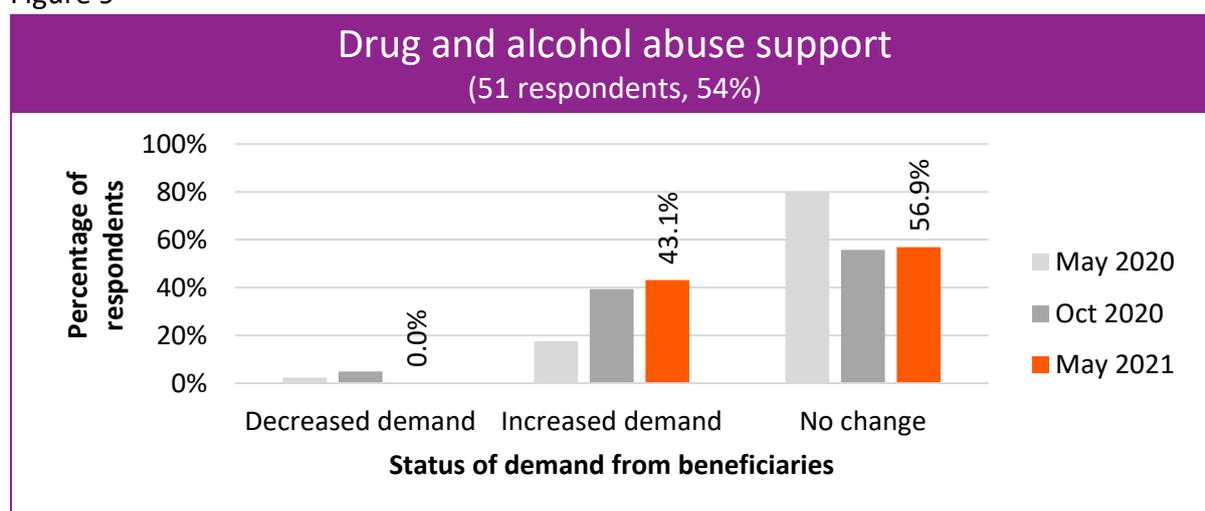


Figure 9 shows changes in reported demand for drug and alcohol abuse support. While over two-fifths reported an increase in demand (43.1%, up 3.8% since October). An additional 56.9% reported no change over the past six months (up 1.2% since October), again suggesting that demand from beneficiaries remains heightened. Additionally, no respondents reported 'decreased demand', which is less than in any survey so far.

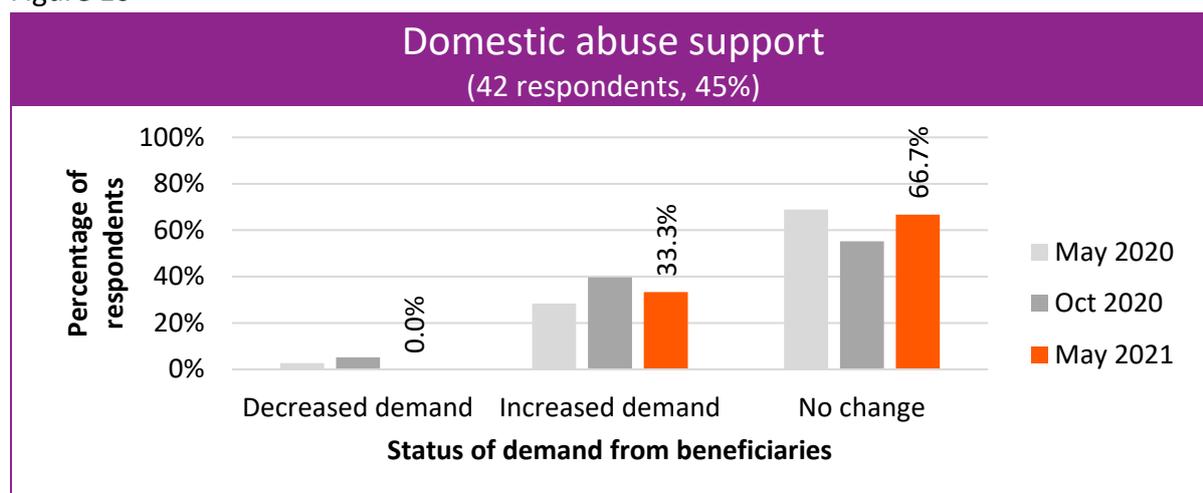
Figure 9



Figures 10 and 11 show changes in reported demand for domestic abuse and physical health support. In both cases, 'decreased demand' was once again at its lowest across all three surveys, suggesting that demand is not yet falling.

One-third of respondents delivering domestic abuse support reported 'increased demand' (33.3%, down 6.4% since October) from beneficiaries, with two-thirds reporting 'no change' in demand over the past six-months. Once again, no respondents reported 'decreased demand', which is less than in any survey so far.

Figure 10



Just under one-third of respondents delivering physical health support reported ‘increased demand’ from beneficiaries (31.5%, down 2.3% since October). Almost two-thirds reported ‘no change’ in demand over the past six-months (63%, up 6.2% since October). Demand from beneficiaries in both areas remains heightened, as once again, less respondents than in any survey so far reported ‘decreased demand’.

Figure 11

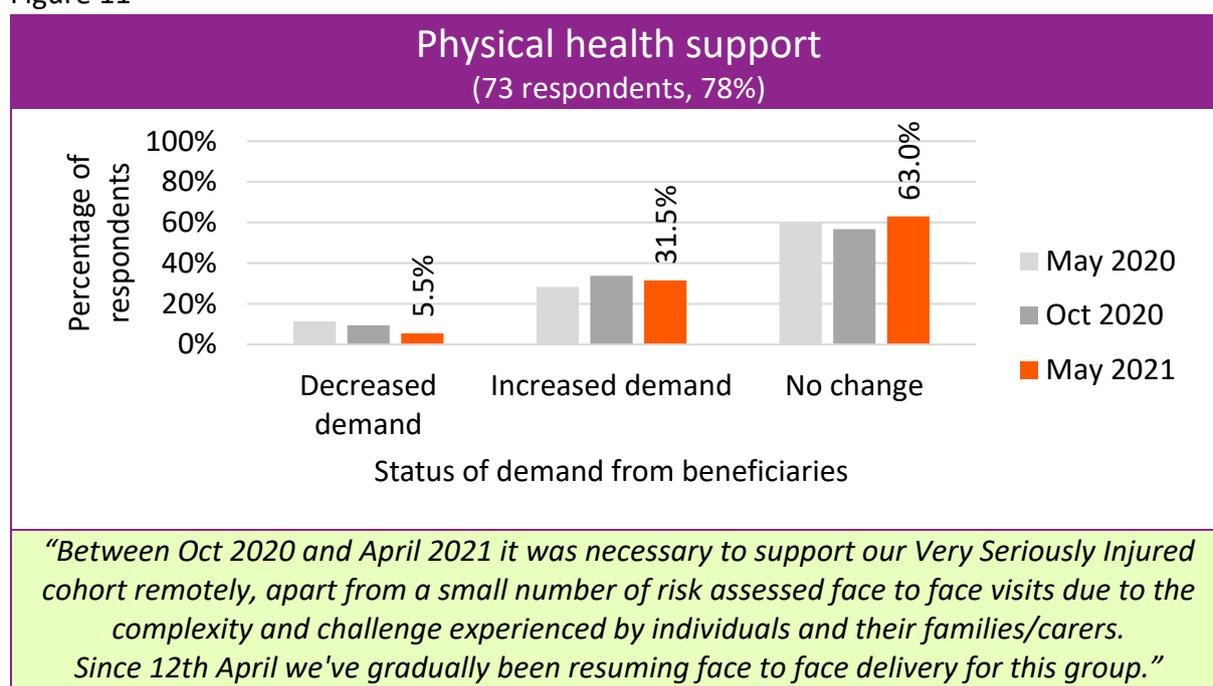


Figure 12 shows demand for poverty or financial support, for which two fifths of respondents reported ‘increased demand’ (40%, down 15.1% since October), with slightly more respondents reporting ‘no change’ in demand over the past six-months (46.2%, up 9% since October). This was one of only two areas of support for which respondents reported ‘decreased demand’ (13.8%, up 6.1% since October).

Figure 12

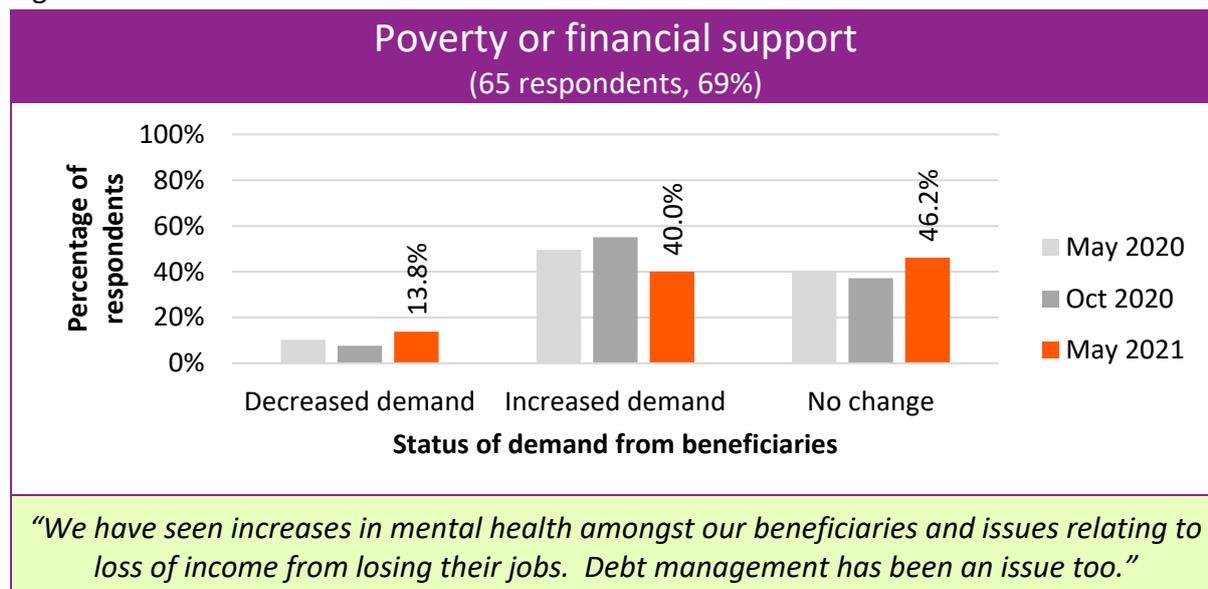
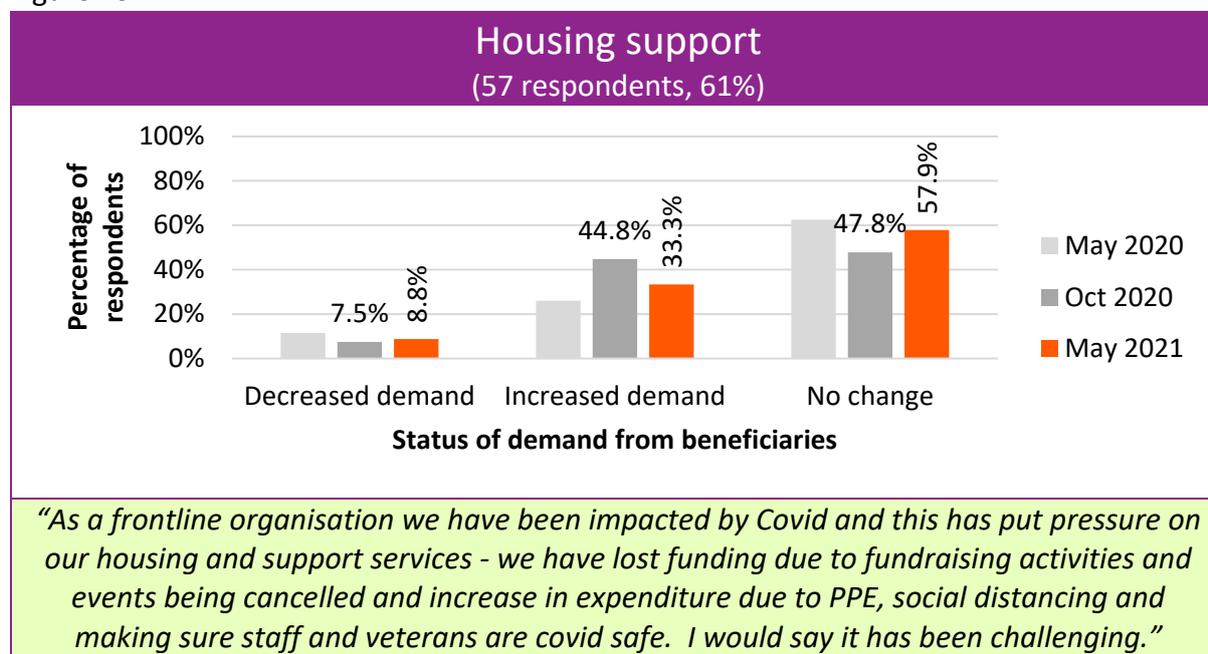


Figure 13 shows changes in reported demand for housing support. One-third of respondents reported ‘increased demand’ (33.3%, down 11.5% since October), with close to three-fifths reporting ‘no change’ in demand over the past six-months (57.9%, up 10.1% since October) As above, the results indicate that demand has remained at a heightened level over the past six-months, but this was one of two areas of support for which respondents reported ‘decreased demand’ (8.8%, up 1.3% since October).

Figure 13



Respondents could also specify 'other' areas of beneficiary demand, which are shown below.

Other areas of beneficiary demand

“OT work etc have if anything reduced demand across the board.”

“Demand for transitional mentoring support has increased.”

“We are licensed with Public Health to visit homes during COVID including those with the Covid, however, this has proven to be very popular with over 850 face-to-face in-Home Visits. Outreach, therefore, has increased beyond that what we expected.”

“Increased demand for the full range of our resources.”

“Knocks to confidence among elderly vision impaired as a direct result of loss of social interaction.”

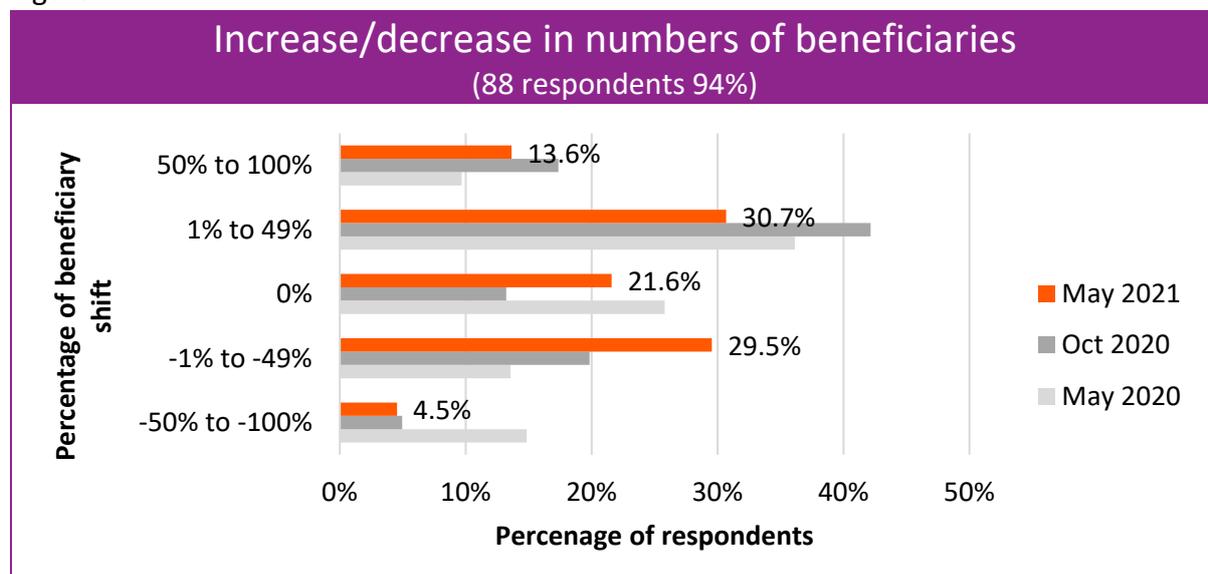
“Pre/post prison sentence support”

“Support for children!”

Respondents were asked to estimate the overall increase/decrease in numbers of beneficiaries requesting (or referred for) support. Figure 14 shows that the most common experience was that of seeing a 1% to 49% increase (30.7%, down 11.4% since October) or conversely, a -1% to -49% decrease (29.5%, up 9.7% since October) in beneficiaries requesting or being referred for support.

Overall, 44.3% of respondents reported an increase in beneficiaries over the past six-months, (down 15% since October). An additional 21.6% reported no change since October. In contrast, 34% reported a decrease in beneficiary numbers (up 9.2% since October).

Figure 14



“We believe there is more need but as many other organisations have not been functioning at normal capacity our referrals are down hence the decrease in beneficiaries requesting support. A lot of our beneficiaries, especially the older ones prefer not to answer the phone or use email and want the face to face contact, the same goes for appellants who wish to have their cases heard in person so that has placed some work on hold.”

“Our only problem was too many people requiring the Service.”

“The requirement (needs) has increased considerably as a result of Covid spike through winter. Staff have had their personal resilience tested through prolonged pandemic.”

“We have seen the case numbers fall significantly which means that services are clearly not being provided to the level pre-pandemic.”

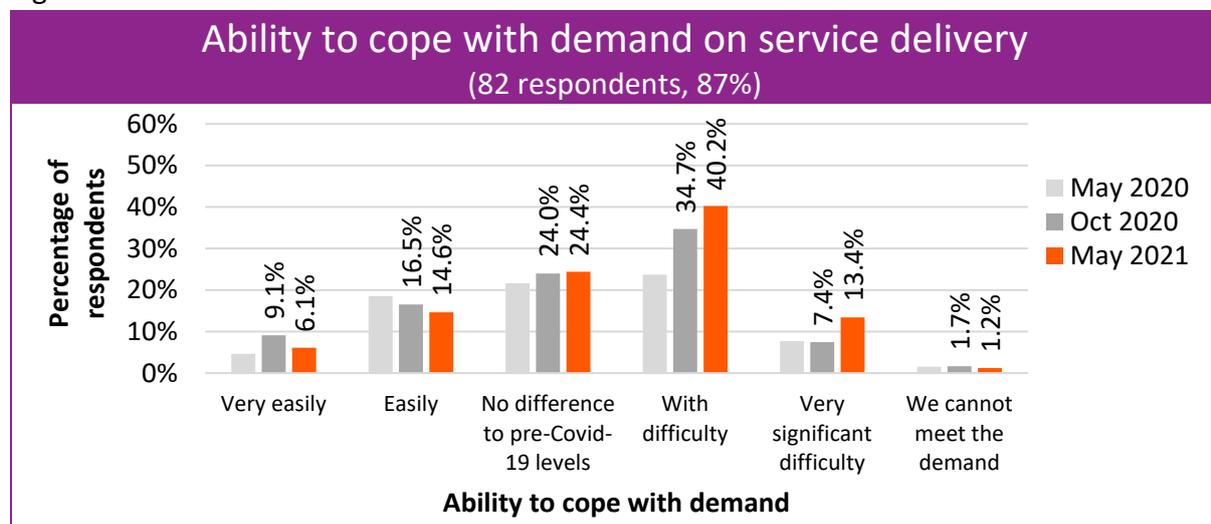
Members were asked to estimate the number of beneficiaries that they served in the last year. The majority (67.4%) reported serving in the region of 1,000 beneficiaries, with a combined 87.6% reporting having served in the region of 10,000 beneficiaries.

Therefore, the overall increase in demand has the potential to number in the tens of thousands compared to before the Covid-19 outbreak, especially in relation to demand for mental health (67.9% reporting an increase) and loneliness (64.4% reporting an increase).

Figure 15 shows respondents reported ability to cope with demand on service delivery. Over two-fifths of respondents (45.1% combined, down 4.5% since October), reported being able to cope easily, very easily, or with no difference to pre-Covid levels.

In contrast, over half of respondents (54.8% combined) reported coping ‘with difficulty’, ‘with very significant difficulty’, or that they ‘could not meet the demand’ from beneficiaries. This is an 11% increase over the past six-months (since October), and a 21.9% increase since the first survey, near to the start of the pandemic in May 2020.

Figure 15



“Demand for food banks/vouchers/meals increased by 400% - Veterans reaching out for support regarding mental health issues has increased significantly alongside our usual mental health support work. Demand for food/shopping, access to GPs/primary health. Staff health and impact on personal lives (eg bereavement). Ensure staff are looked after, not just beneficiaries. Demand for debt advice increased. Demand for addictions increased. As we provide Housing - needed to scale back to essential repairs etc.”

“We have moved services largely on-line and have benefited from funding which has enabled us to fund the necessary equipment, however pressures on staff are unsustainable.”

“We have found it challenging but have been able to deliver not only our in reach but also the critical face-to-face home visits 850, and home visits not into the house 2500. This had a financial burden on training and Equipment. We had to Register with the World Health, Public Health UK and NHS to carry out these tasks.”

“Coping, but unable to visit beneficiaries.”

“Relaying on the use of technology to stay in contact with our veterans.”

“The challenge has been keeping up to date with relationships. Ordinarily we have a programme of Trustee visits to beneficiary and potential beneficiary charities. This has not been possible and the knowledge/relationship tends to fade. The delivery of grants has seen no real change.”

“We are still providing all the same services and have been one of the few organisations to resume as much activity as possible since the first lockdown eased. It has not been without its challenges, for example, pension appeals cannot be heard face to face and have to be carried out remotely or by teleconference and Veterans Community Support Visits have had to be replaced with phone and email contact. In addition navigating restrictions and ensuring continuity across different COVID levels in Scotland and levels going up and down in some locations means processes and procedures have to constantly be adapted.”

“Winter has added to the challenge. We have turned what was a face to face service into remote rehabilitation supported by remote well-being interventions.”

“Using Third Party Caseworkers it was difficult at the beginning of the pandemic as they could not have access to clients.”

“We have changed our model, we are coping well but the way we deliver services has changed since pre-COVID.”

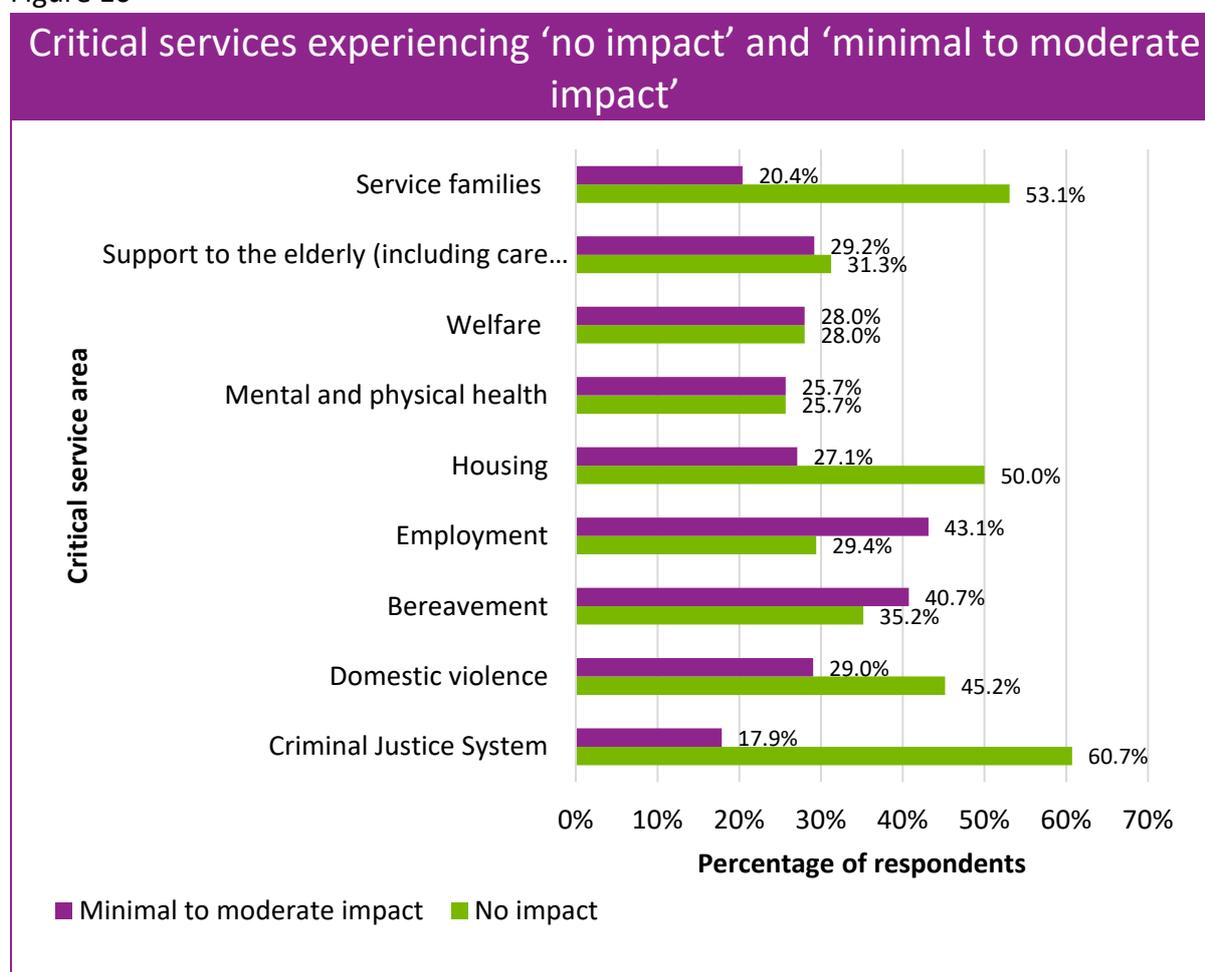
Critical services

Figures 16 and 17 show data on the impact of Covid-19 on critical service delivery for nine critical service topics. 'Critical services' were defined as 'services to beneficiaries, without which individuals would face significant or serious challenge to their wellbeing'.

Percentages are calculated from the total number of respondents in each area. Respondents were able to specify 'not applicable' for this question (should they not deliver this support), so data presented below relates only to those who deliver such critical services.

Figure 16 shows respondent data on which critical services were identified as experiencing 'no impact' and 'minimal to moderate impact'. Criminal justice system support was the critical service area to report highest levels of 'no impact' (60.7%), followed by Service families (53.1%), and housing (50%). Employment (43.1%) and bereavement (40.7%) were the critical service area to report highest levels of 'minimal to moderate impact'.

Figure 16



“No impact because we have cut discretionary services to allow funds to be focussed on critical services.”

“No impact, just increased demand.”

“No serious impact as all grant applications are dealt with online.”

“No difficulty as we do not deliver services directly but fund such activity - but we have seen some difficulty in obtaining the information we would normally require but given Covid 19 this as be waived on occasions.”

“Our main area of support is funding rather than active involvement in problem solving, hence very little impact on our level of service.”

“The Charity principally provides grants in aid, through Service related charities and there case workers, with occasional direct engagement for in Service cases. Though there was a quiet period early in the Covid restrictions we saw a climb back to customary levels by the third quarter of the first year. The general level of and background to cases presented remain familiar.”

Figure 17 shows critical services reported as experiencing ‘significant impact’ and ‘service closed/undeliverable’. Mental and physical health was the critical service experiencing high levels of ‘significant impact’ (45.9%), with welfare (40%) and support to the elderly (33.3%) also reported as being significantly impacted. Support to the elderly (6.3%), and service families support (6.1%) saw the highest levels of ‘closed or undeliverable’ critical services.

Figure 17

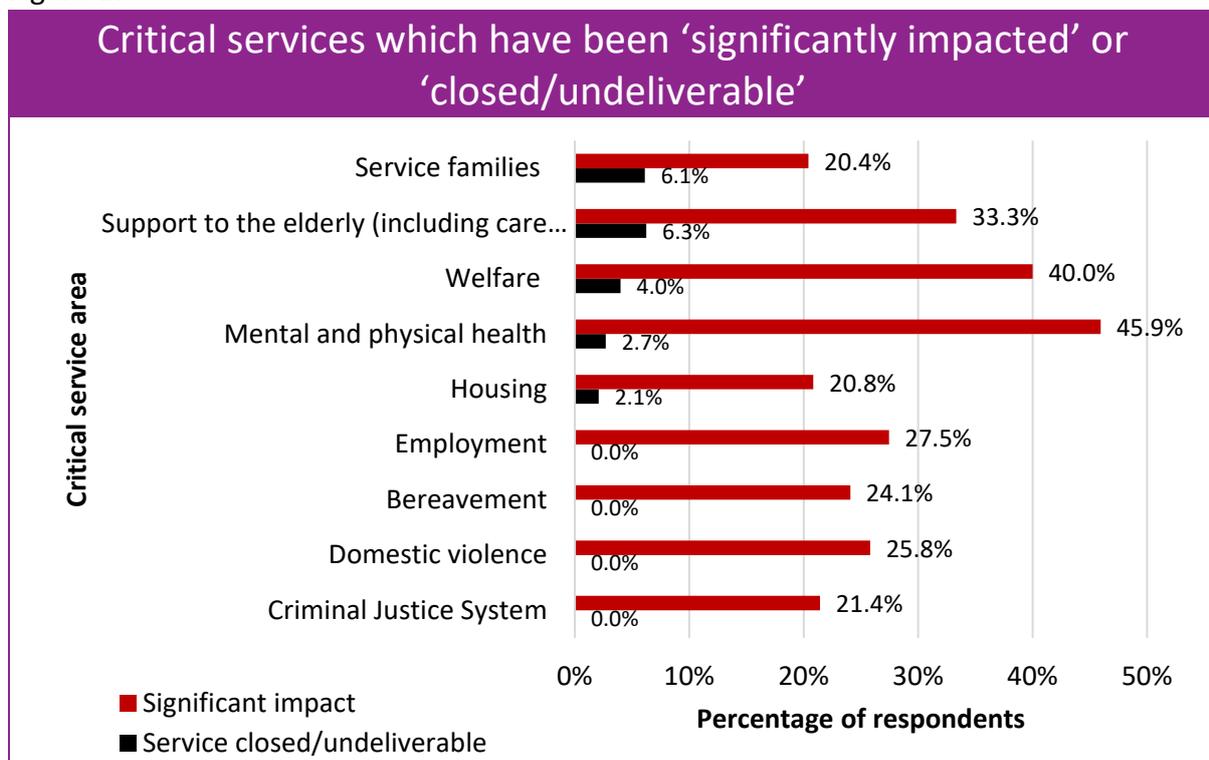


Figure 17.1 shows a comparison of responses to critical services experiencing ‘significant impact’ between May 2021 to October 2020. It should be noted however, that this respondent group is not identical to the October 2020 group.

‘Significantly impacted’ critical services showed very little difference over the past six-months, with the exception of critical services for Service families, which showed the highest decrease across all critical services (down 12% since October 2020).

Figure 17.1

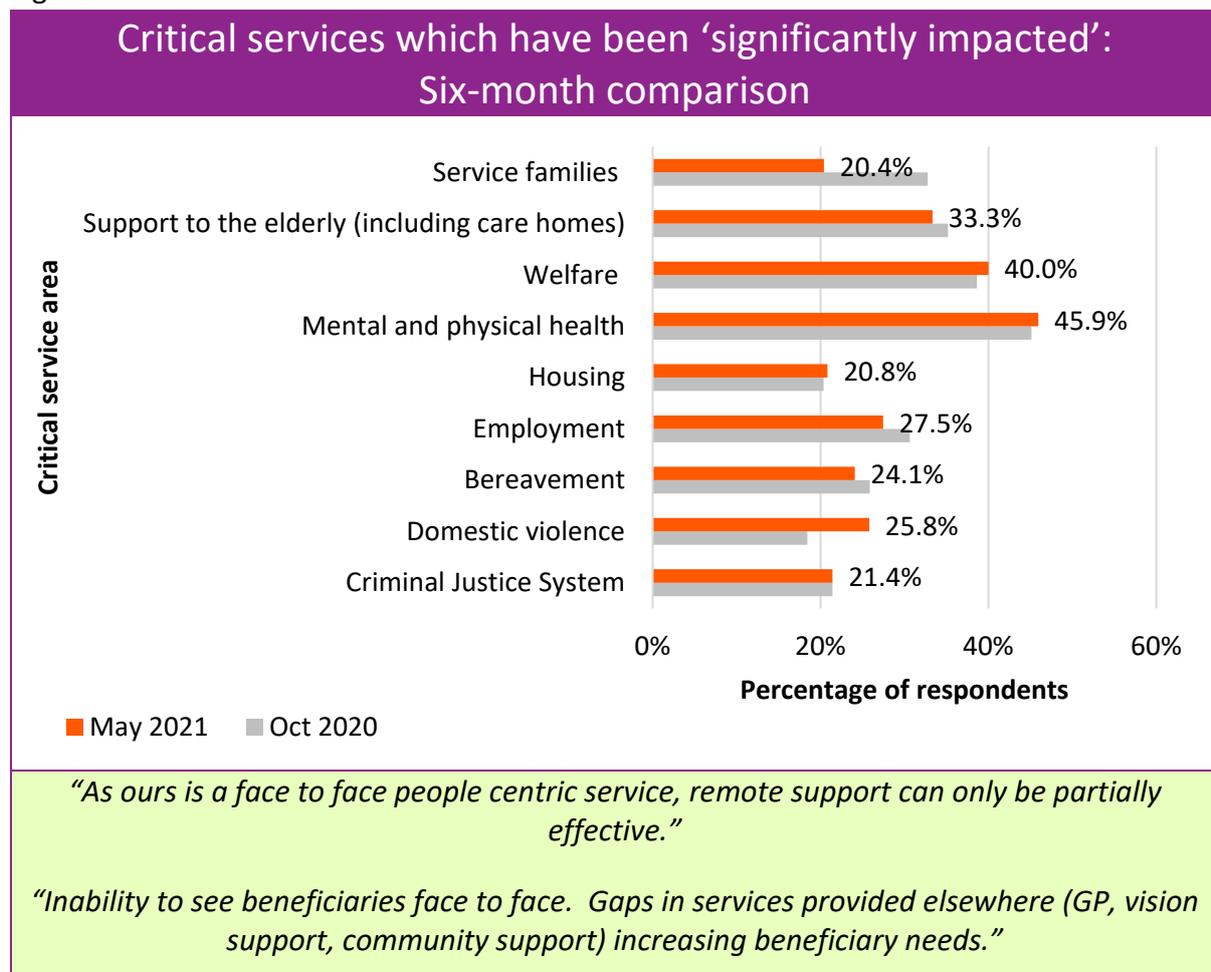
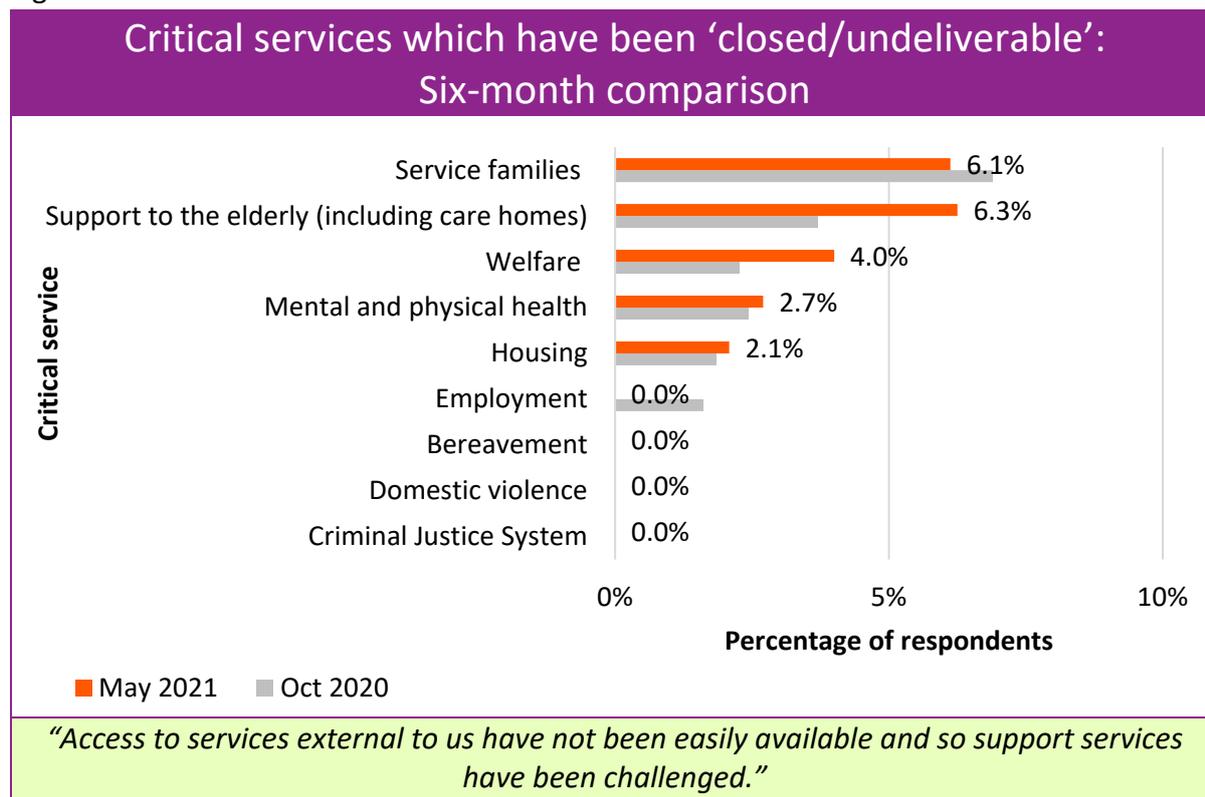


Figure 17.2 shows a comparison of responses to critical services being ‘closed/undeliverable’ over the past six-months. As above, respondent groups are not identical for each survey wave.

Findings show similarities in ‘closed/undeliverable’ critical services between the two survey timeframes. However, support to the elderly (6.3%, up 2.6% since October) and welfare (4%, up 1.7% since October), show slightly higher levels of ‘closed/undeliverable’ services than were reported in October 2020.

Figure 17.2



Members were asked how critical services delivered by their organisation were being impacted during the ongoing Covid-19 crisis.

Ways in which critical services have been impacted

“As ours is a face-to-face people centric service, remote support can only be partially effective.”

“Difficult to arrange face to face meetings between lockdowns. Mental health support is not effective over the phone or online.”

“Due to the age range of our primary beneficiaries, we are experiencing a high number of deaths. Bereavement support has therefore increased at a time when everything has to be delivered at arm's length.”

“Inability to see beneficiaries face to face. Gaps in services provided elsewhere (GP, vision support, community support) increasing beneficiary needs.”

“Very positive impact on our Support Groups which had to become virtual - much more engagement.”

“We continue to provide support to the elderly despite closing our respite care homes.”

“We give grants to charities delivering in all the above areas; we do not deliver services ourselves.”

Cashflow: Income

The following section explores respondents' current cash flow situation. Respondents were asked whether they were experiencing changes in income during the Covid-19 crisis, in terms of 'decreased', 'increased' or 'no change' over the past six months (since October 2020). Responses are limited to those who generate each area of income; therefore, percentages are calculated on the number of responses to each question. The same questions were also asked in both previous surveys, and the charts below show this data as a comparison. It should be noted that respondents are not identical between surveys.

Figure 18 shows that 82.4% of respondents reported a decrease in fundraising events income, which is consistent over the past 12 months.

Figure 18

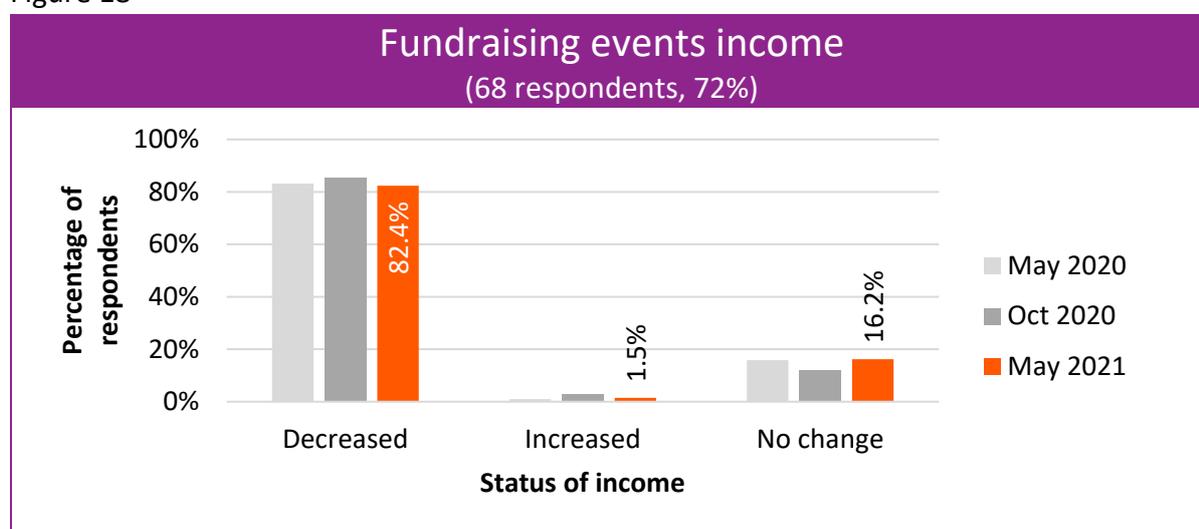
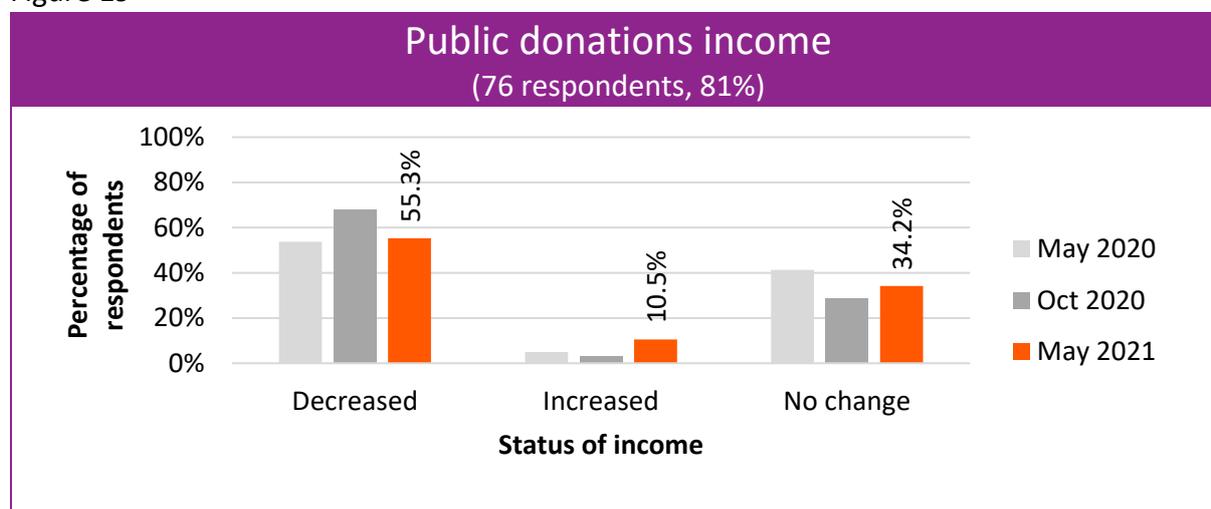


Figure 19 shows that over half of respondents (55.3%) reported decreased public donations income over the past six-months, with 34.2% reporting 'no change' over the same period. In contrast, 10.5% reported an increase in public donations (up 7.2% since October).

Figure 19



“We have had more public donations especially over the remembrance period and early part of 2021, but we are also appealing more for financial support.”

Figures 20 and 21 show similar levels of decline in income for Sponsorship income (57.7%), and trading income (52.2%). Across both income areas, over 50% of respondents reported ‘decreased income’, with two-fifths of respondents reporting ‘no change’ observed in Sponsorship (40.4%) and trading (39.1%) income over the past six-months.

Figure 20

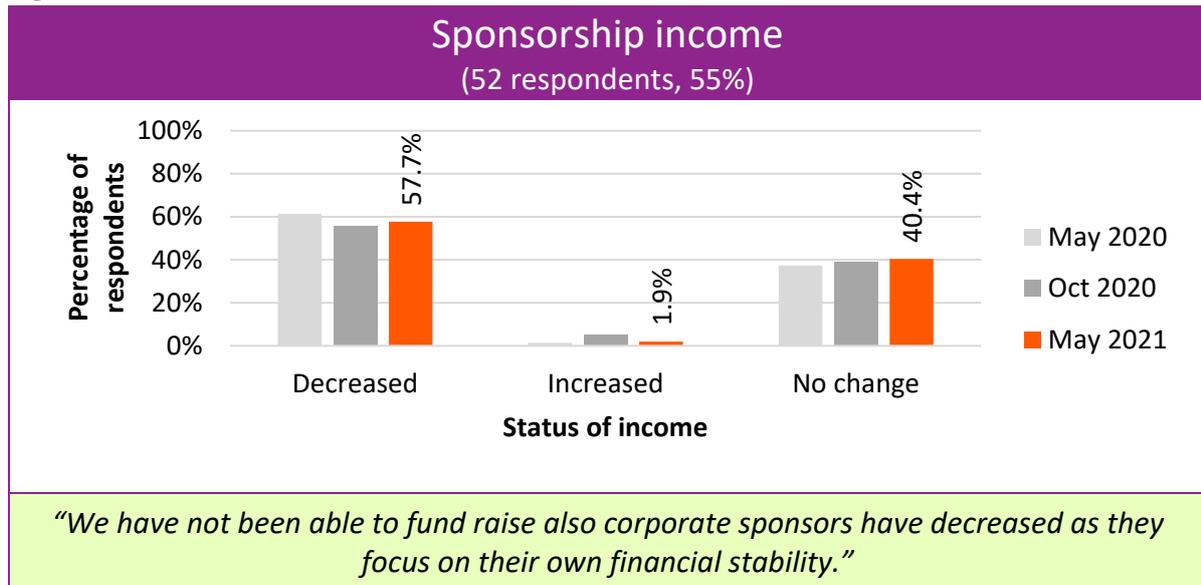


Figure 21

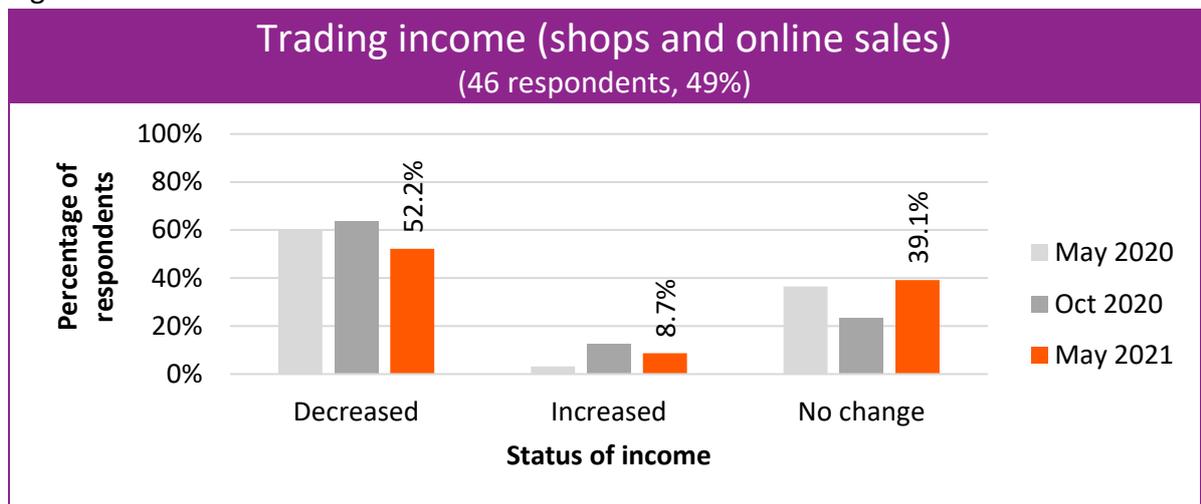
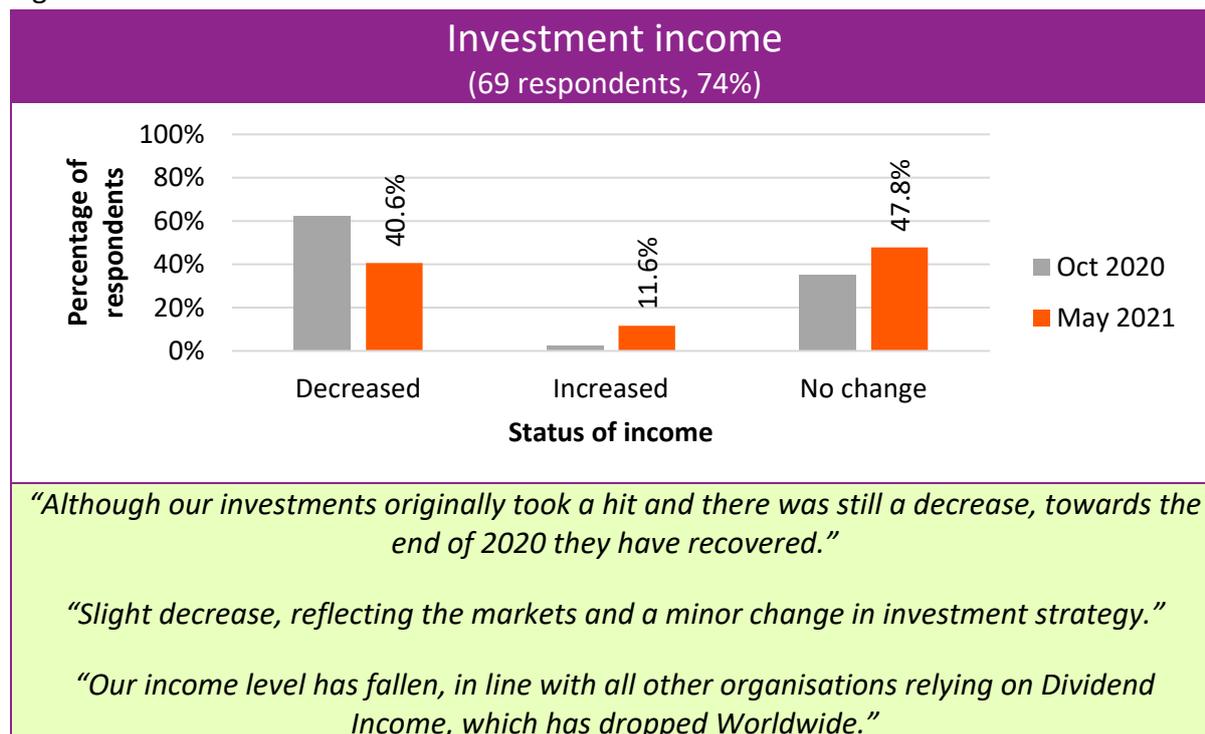


Figure 22 shows 40.6% reported a decline in investment income, (down 22% since October). In total, 11.6% reported an increase in investment income (up 9.1% since October), while close to half (47.8%) reported ‘no change’ in the same period.

Figure 22



Figures 23 and 24 show legacy income and fee and services income, which follow a similar reporting pattern over the past year.

Around one-quarter reported a decrease in legacy income (28.6%) and fees for services (24%) over the past six months. Conversely, increased income was reported for both legacy (14.3%) and fees for services (16%) income over the past six months (since October 2020).

Figure 23

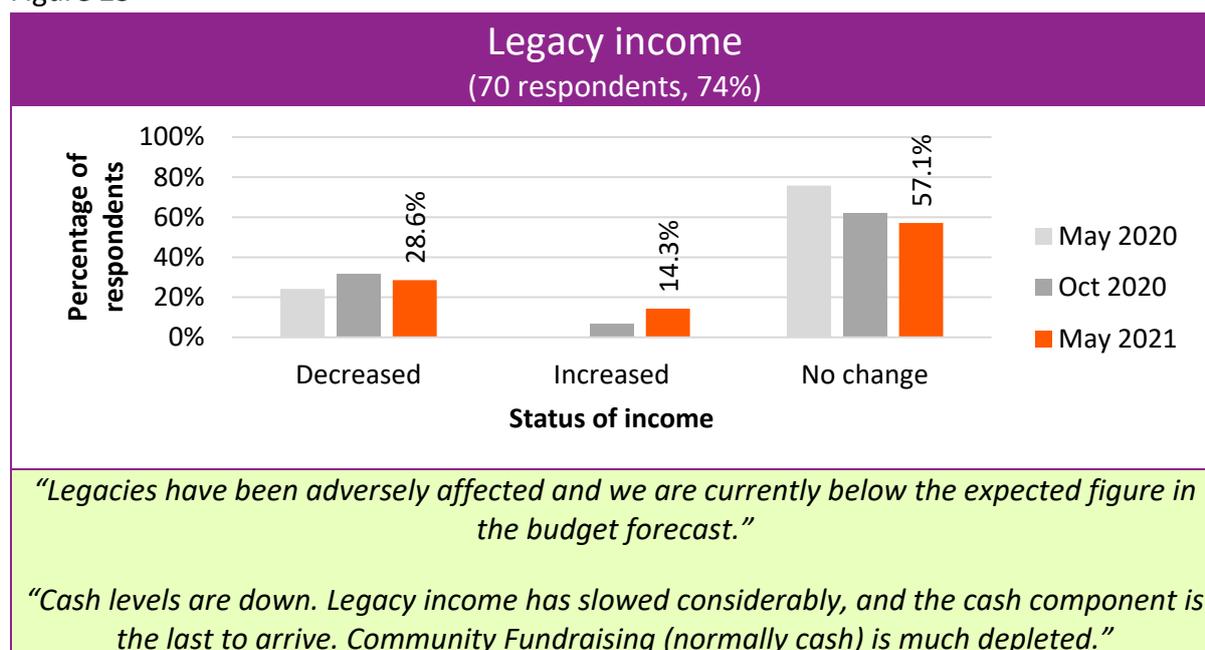
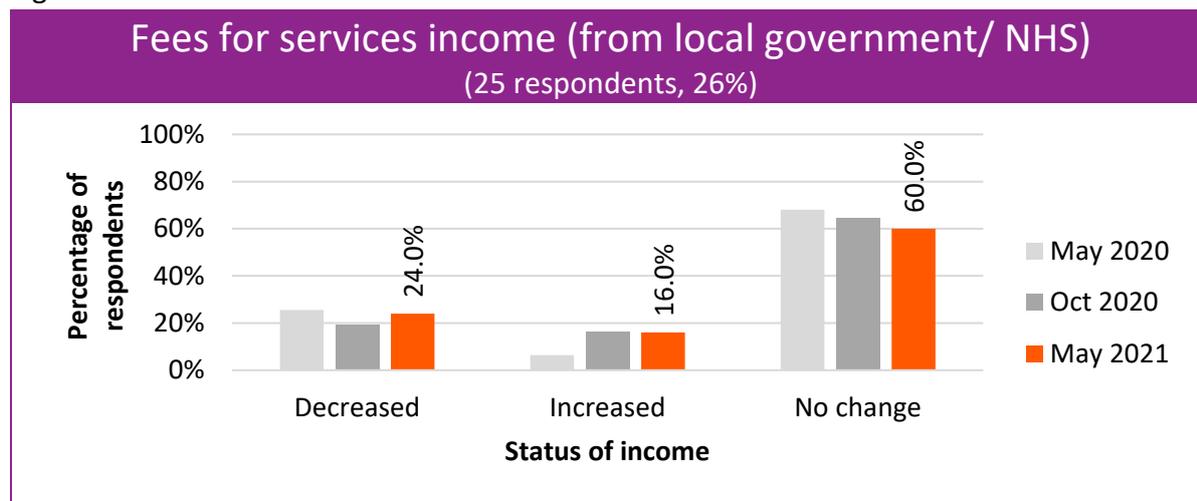
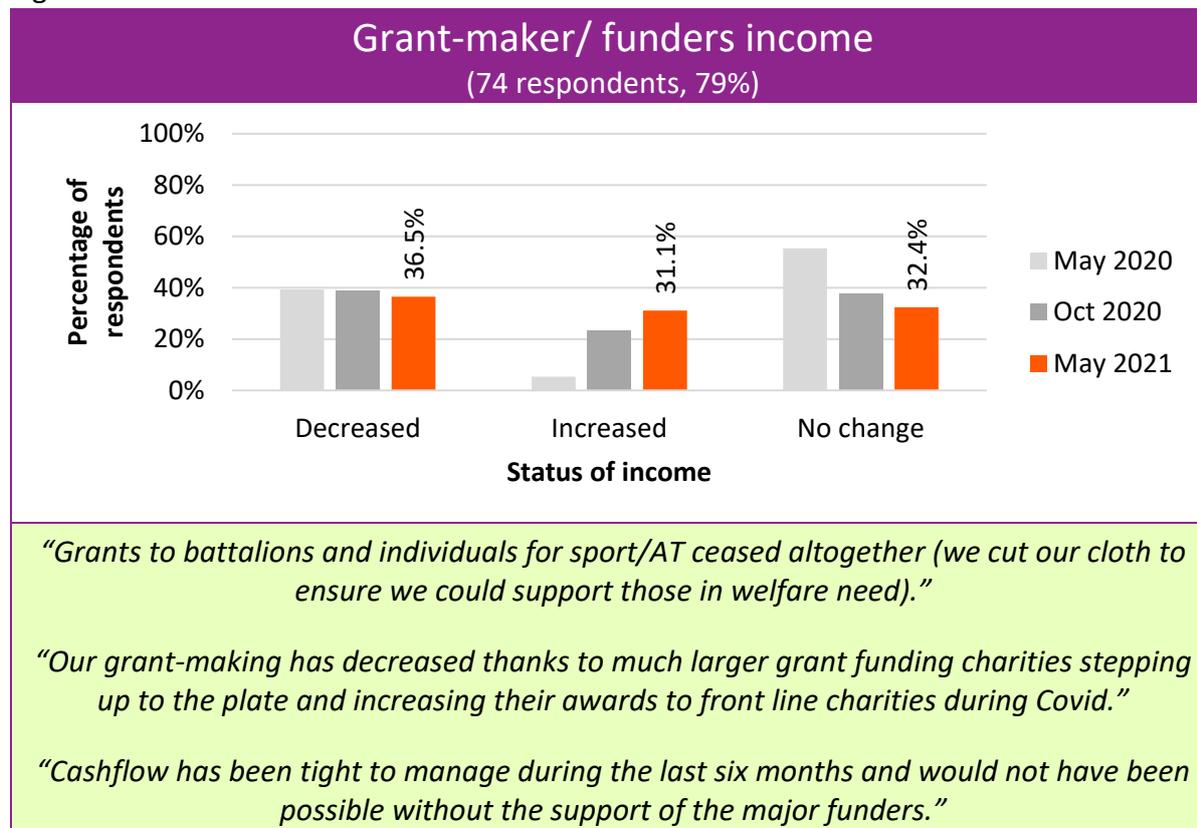


Figure 24



Of all income streams, grant-maker/ funders income showed the largest increase, with 31.1% reporting an increase (up 25.7% since May 2020). While this change is encouraging, a further two-thirds reported no change or a decrease, suggesting that while grants/funding income is increasing for one-third of respondents, it is not increasing for the other two-thirds.

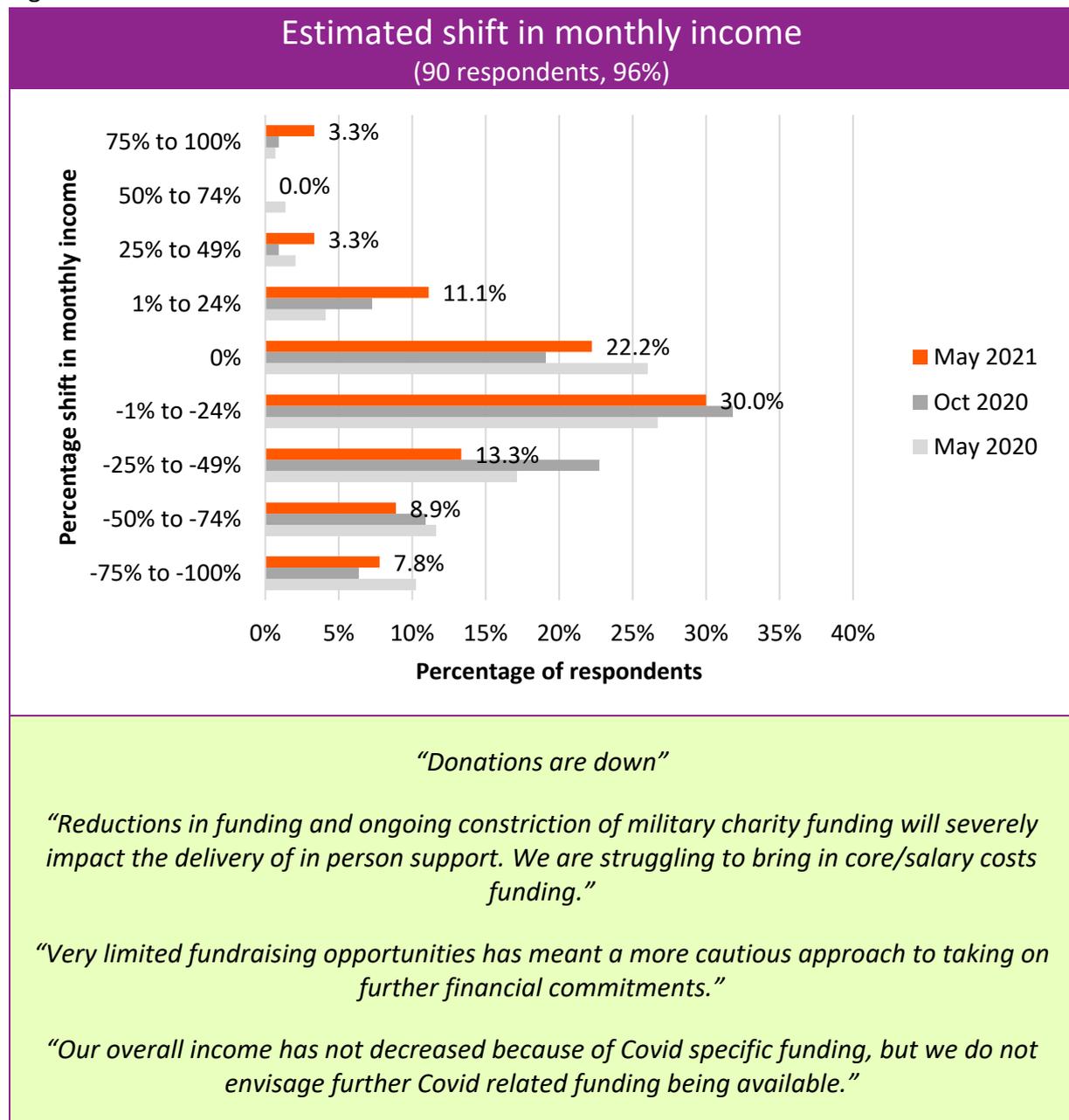
Figure 25



Respondents were asked to estimate the overall increase/decrease in monthly income over the past six-months. The same questions were asked in all three surveys, and the charts presented below show this data as a comparison. It should be noted that groups of respondents across each survey are not identical.

Figure 26 shows that collectively, 60% of respondents reported a decrease in income in May (down 11.8% since October), with close to one-third (30%) reporting a -1% to -24% decline in income in the past six-months. Conversely, 17.7% saw an increase in income, and 22.2% saw no change.

Figure 26



Cashflow: Expenditure

Respondents were asked whether they were experiencing ‘decreased’ or ‘increased’ expenditure, or ‘no change’ over the past six months. Responses are limited to those who commit expenditure in given areas, therefore, percentages are calculated based on the number of responses to each individual question. The same questions were asked in all three surveys, and the charts presented show this data as a comparison. It should be noted that respondents to each survey are not identical.

Figure 27 shows the shift in reported service delivery costs over the past six-months. A total of 27.3% reported an increase, up 5.9% since October). A total of 42% of respondents reported ‘no change’ to service delivery costs.

Figure 27

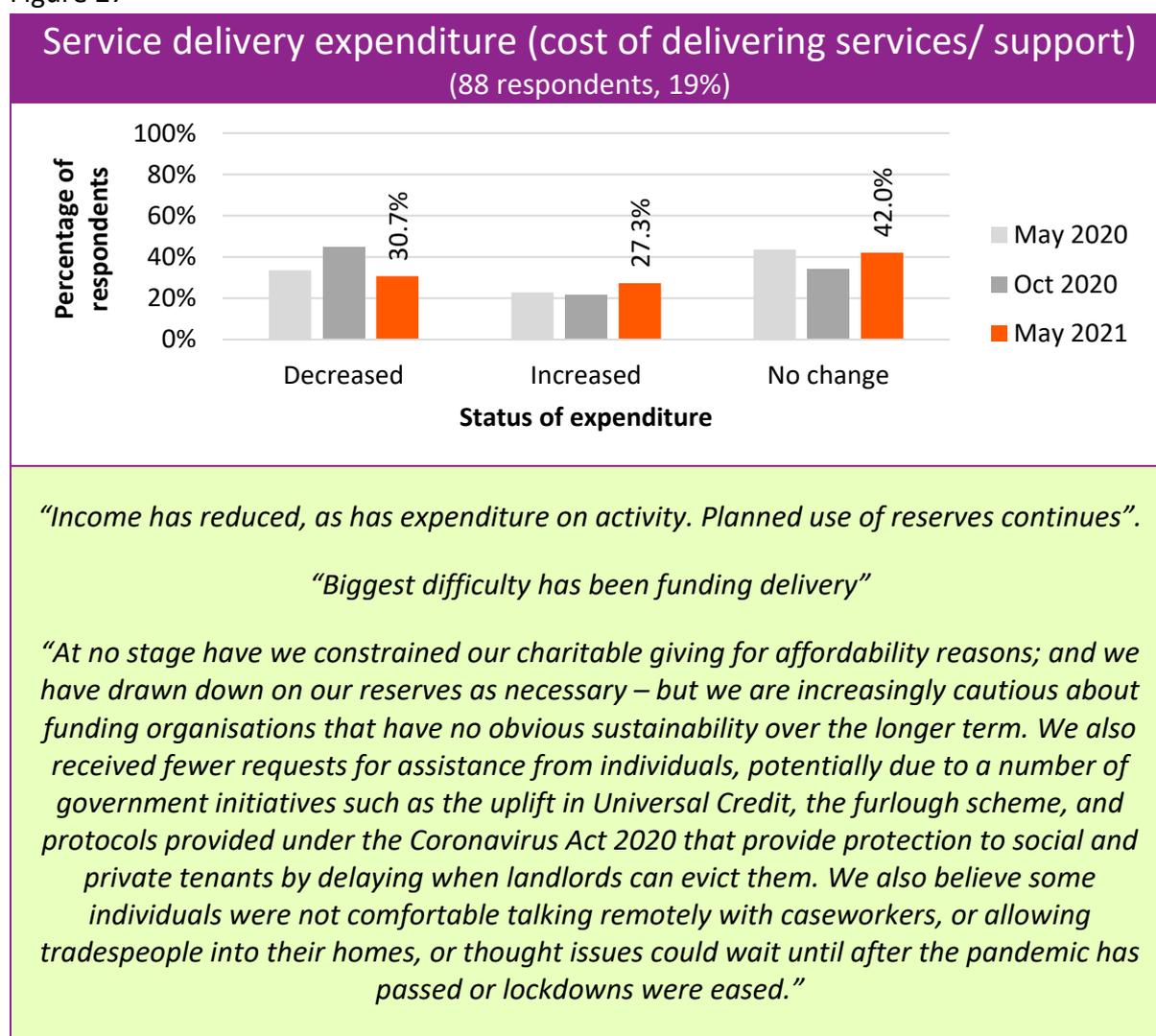
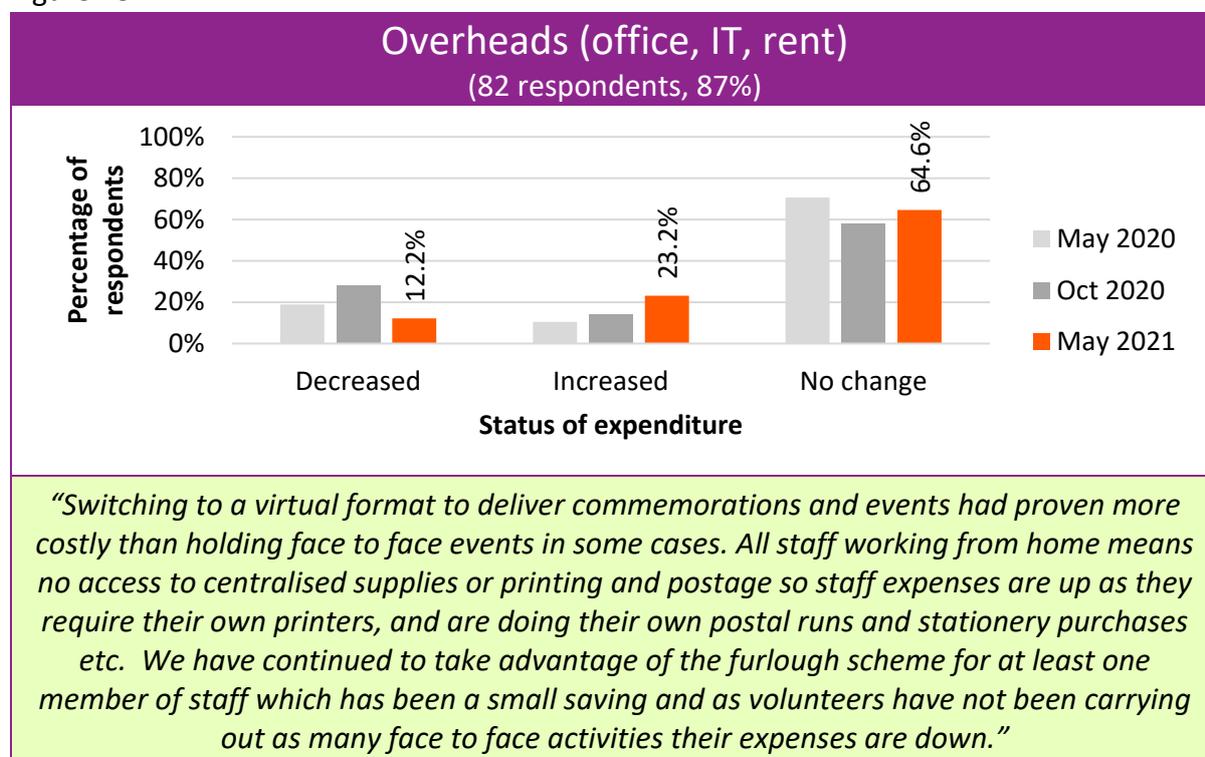


Figure 28 shows overhead costs. Most respondents (64.6%) reported no change in their overhead costs in the past six-months. Close to one-quarter (23.2%) reported an increase in such costs (up 9.2% since October).

Figure 28



Figures 29 and 30 show staff and volunteer costs. In total, 21.5% reported an increase in staff costs (up 9.3% since October). However, the majority of respondents reported no change in staff costs (58.2%) and in volunteer management costs (68.4%).

Figure 29

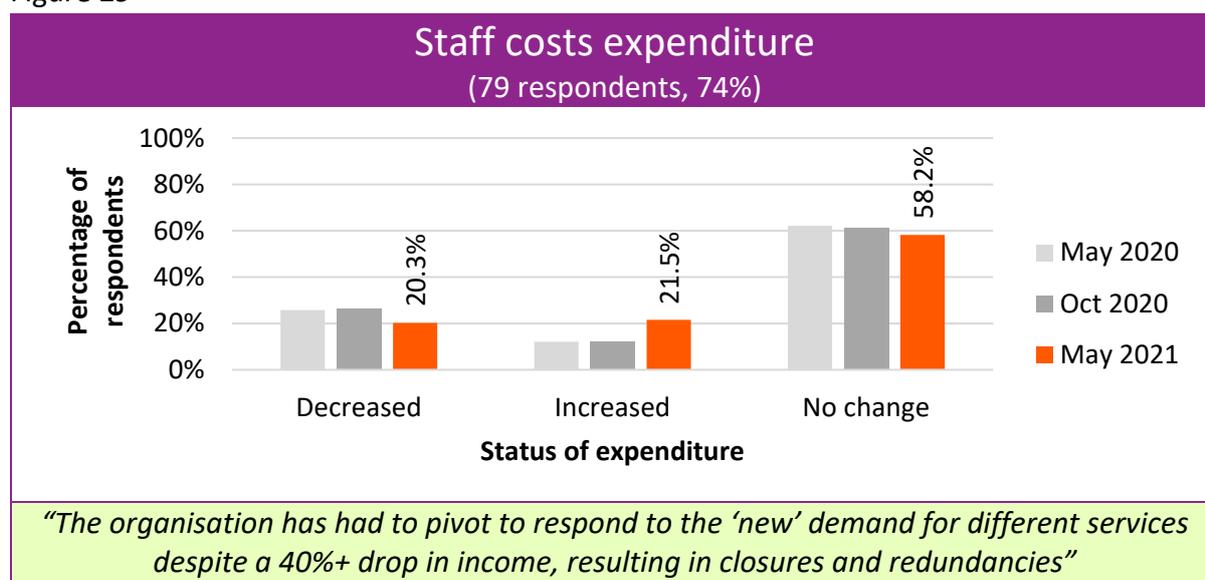


Figure 30

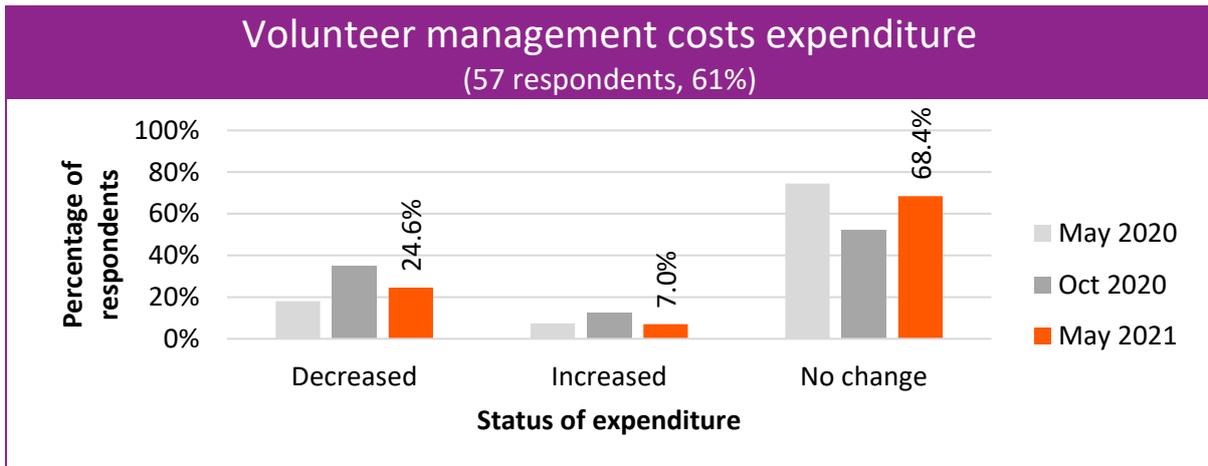


Figure 31 shows that the vast majority of respondents (84.8%) saw no change in governance costs over the past six-months. Additionally, Figure 32 shows 51.6% reporting no change, and 40.3% reporting a decrease in fundraising costs over the past six-months.

Figure 31

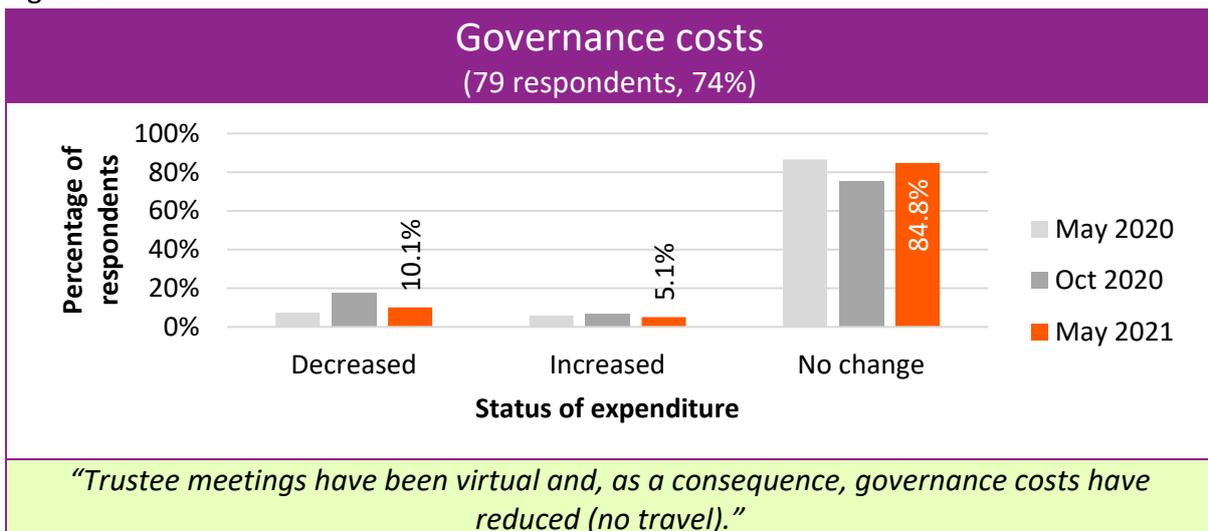
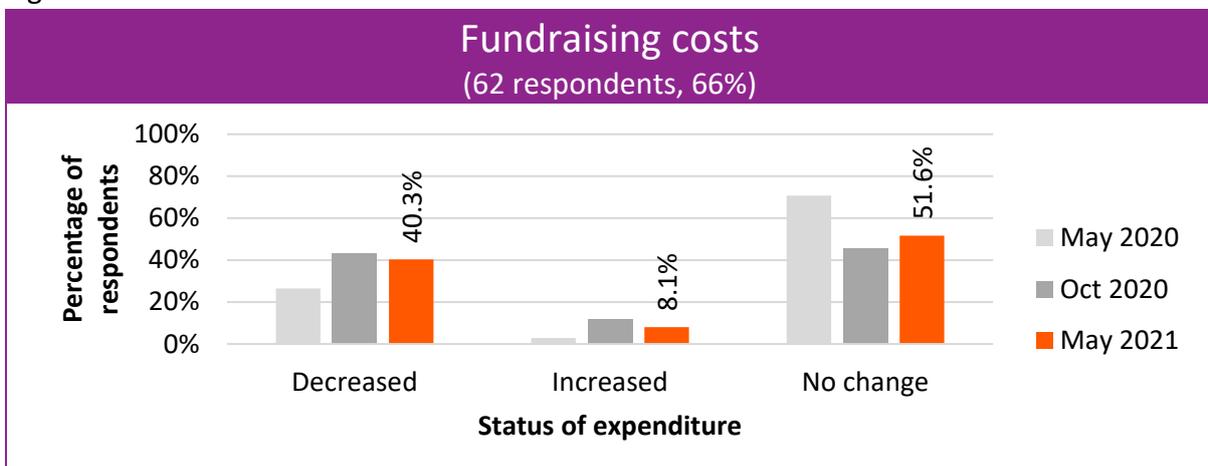


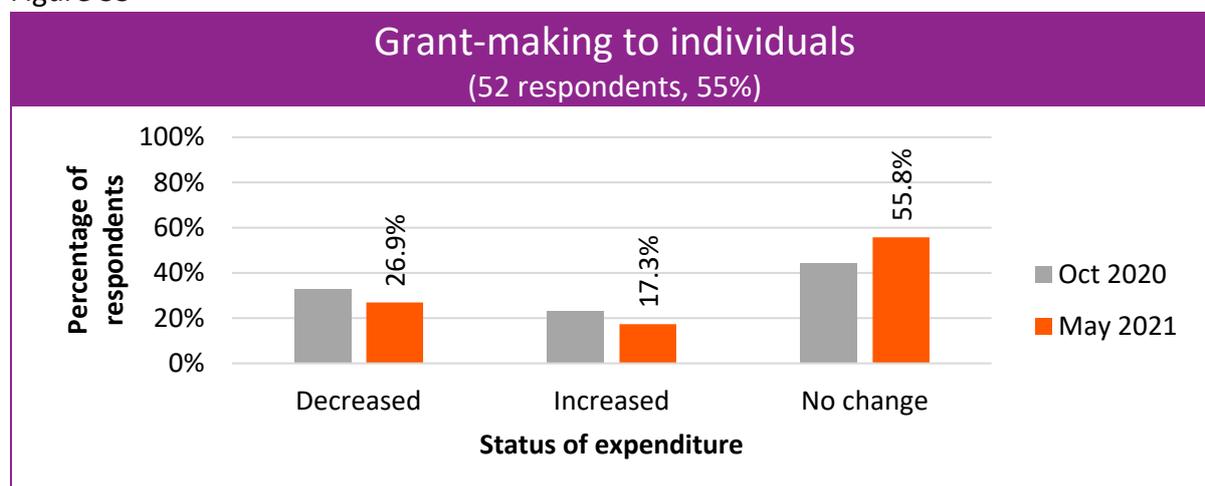
Figure 32



Respondents were asked about the pandemic’s impact on costs of grant-making to both individuals (figure 33) and to organisations (figure 34). Data was not collected on these topics in May 2020, and so data from the last six months is presented in the following graphs.

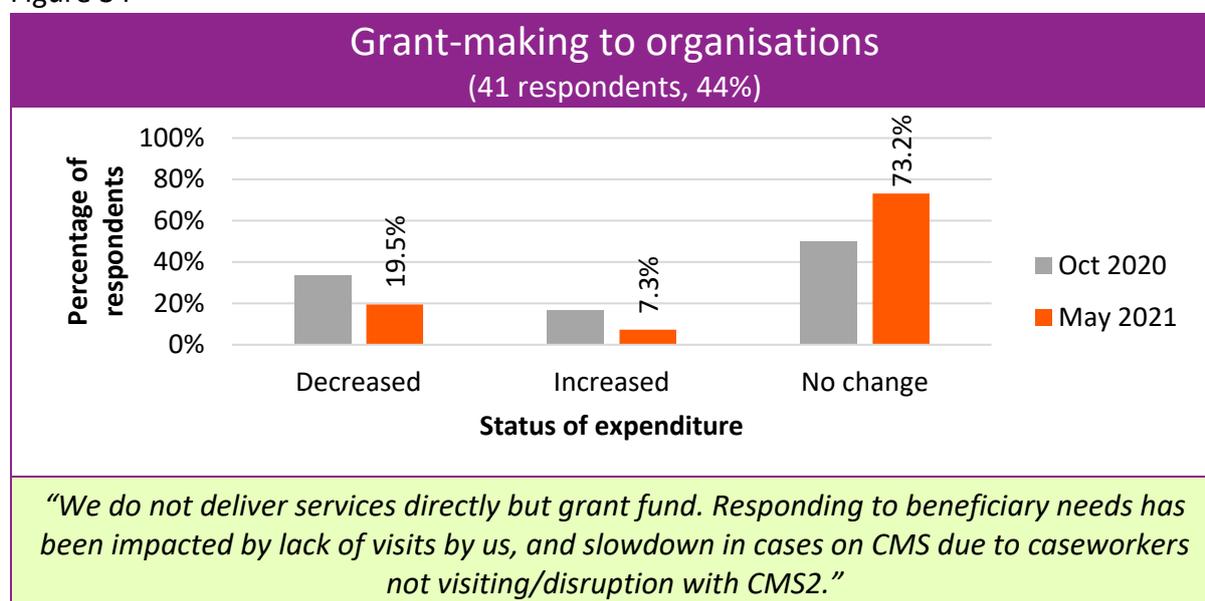
Figure 33 shows that most commonly, respondents saw ‘no change’ (55.8%) in costs for grant-making to individuals (up 11.5% since October).

Figure 33



Grant-making to organisations (figure 34) showed the vast majority (73.2%) of respondents reported ‘no change’ in costs of grant-making to organisations (up 23.2% since October).

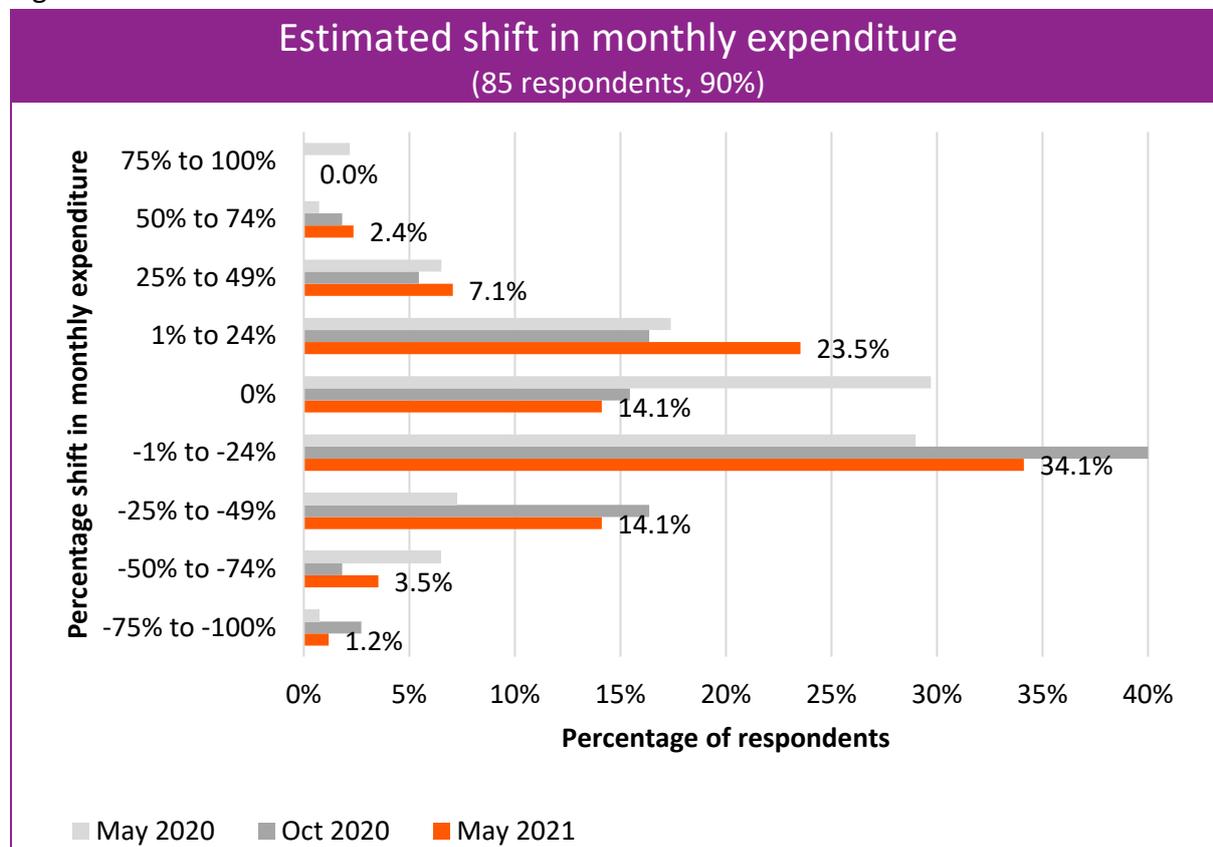
Figure 34



Respondents were asked to estimate the overall increase/decrease in expenditure over the past six-months. The same question was also asked in May and October 2020, allowing for comparison. Again, the respondents in each survey are not identical.

Figure 35 shows that a combined 52.9% of respondents reported a decline in expenditure (down 8% since October), of which 34.1% reported a -1% to -24% decrease. Conversely, 33% reported an increase in expenditure, (up 9.3% since October 2020), of which 23.5% reported a 1% to 24% increase.

Figure 35



A selection of respondents' comments on cash flow are presented below.

Respondents' comments on cash flow

"Due to the loss of public fundraising opportunities, we have seen a 20%+ decrease in income coinciding with an increase in demand for support services and referrals of over 70% over the past 6-9 months. We have had no choice but to begin using our small reserves to meet our core operating costs which are already stripped as low as we feel they can be. We have recently made a return to public fundraising but as restrictions continue and demand for such opportunities is so high, we are facing a shortfall in income for the remainder of the year at least. Competition for grants is increasing so despite our best efforts, it will inevitably be more challenging to obtain the now essential grant income we need."

"Additional cost of covid precautions has impacted. organisation was already in poor financial position before covid hit."

“Furloughing of staff has made a huge difference along with cutting costs. We have been successful with Covid related grants but are concerned that moving forward these grants will no longer be available and historic type of grant will be reduced. Fundraising and corporate sponsorship has been greatly reduced.”

“Legacy income has slowed significantly, public donations / fundraising completely decimated.”

“Number of beneficiaries and presenting needs increase consistently. The challenge is to access the funding to meet these needs.”

“Our cash flow has improved significantly due to two factors. 1. A very successful grants funding campaign, gaining sums from emergency Covid19 funding. 2. Very careful stewardship of expenditure with a naturally reducing expenditure with much activity being suspended due to lockdown.”

“Our investment income has dropped, and we have been unable to find new sponsors to support our work.”

“We believe it will take 2 - 4 years for the full effect of the pandemic to be realised and before pre pandemic donations and fundraising levels return. We also expect, fear, that grant giving organisations will tighten their belts; military grant givers will give less, and civilian organisations will focus on current and local needs which may not include veterans and members of the Armed Forces who are currently not in the public eye and are therefore not seen as a priority.”

“Reduced income from traditional donors. Greatly increased costs of providing the service to beneficiaries. Reduction in numbers of volunteers essential to provision of the service.”

“The organisations cash reserves remain unchanged, the main financial impact has been on fundraising activities which have not been able to be completed during the pandemic.”

“Use of reserves due to increased numbers of beneficiaries increased by 50% in 2020/2021. Unsustainable going forward resulting in efficiencies in the next 24 months.”

“With the increase in beneficiaries need for our services time to write and research grants is hard to find.”

“We have been unable to fundraise for the last 14 months and as a small charity we do not hold vast reserves.”

“While then number of applications have decreased the level of need has increased marginally.”

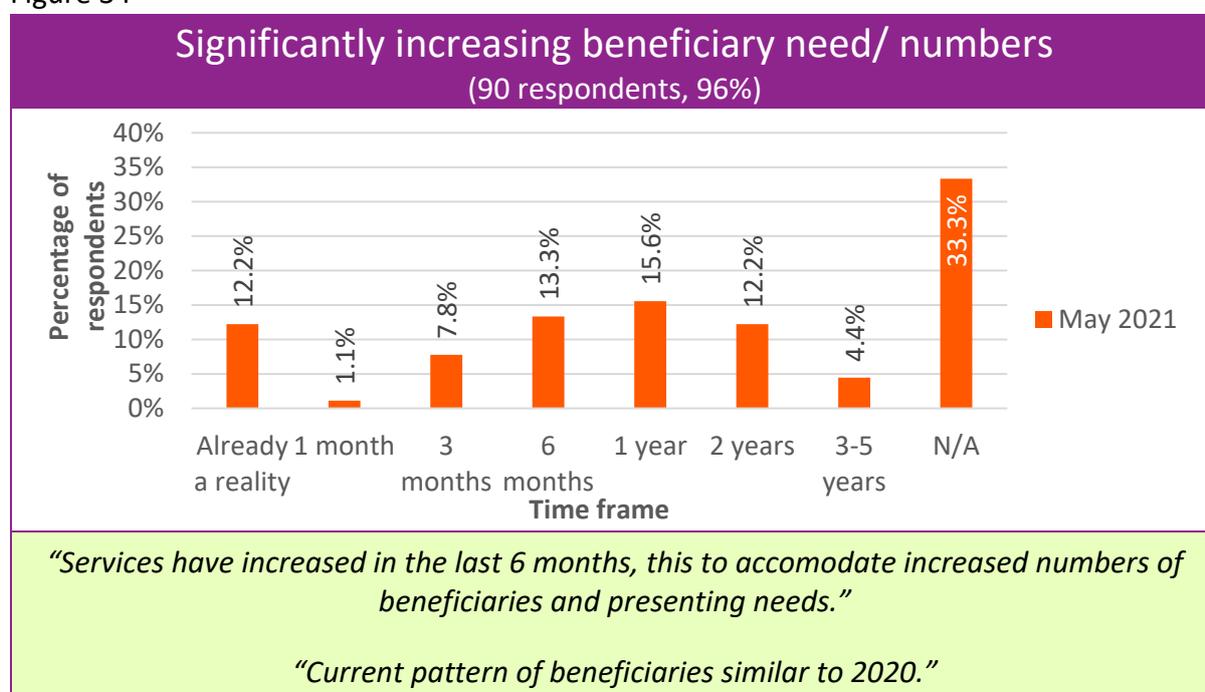
Risks

The following section explores risks facing Cobseo Members. Figures 36 and 27 present a series of risks and the time frame in which respondents believe those risks may become a reality.

Comparison data is displayed where available, as new risks have been added since the initial survey in May 2020. It is once again important to note that respondents to each survey are not identical.

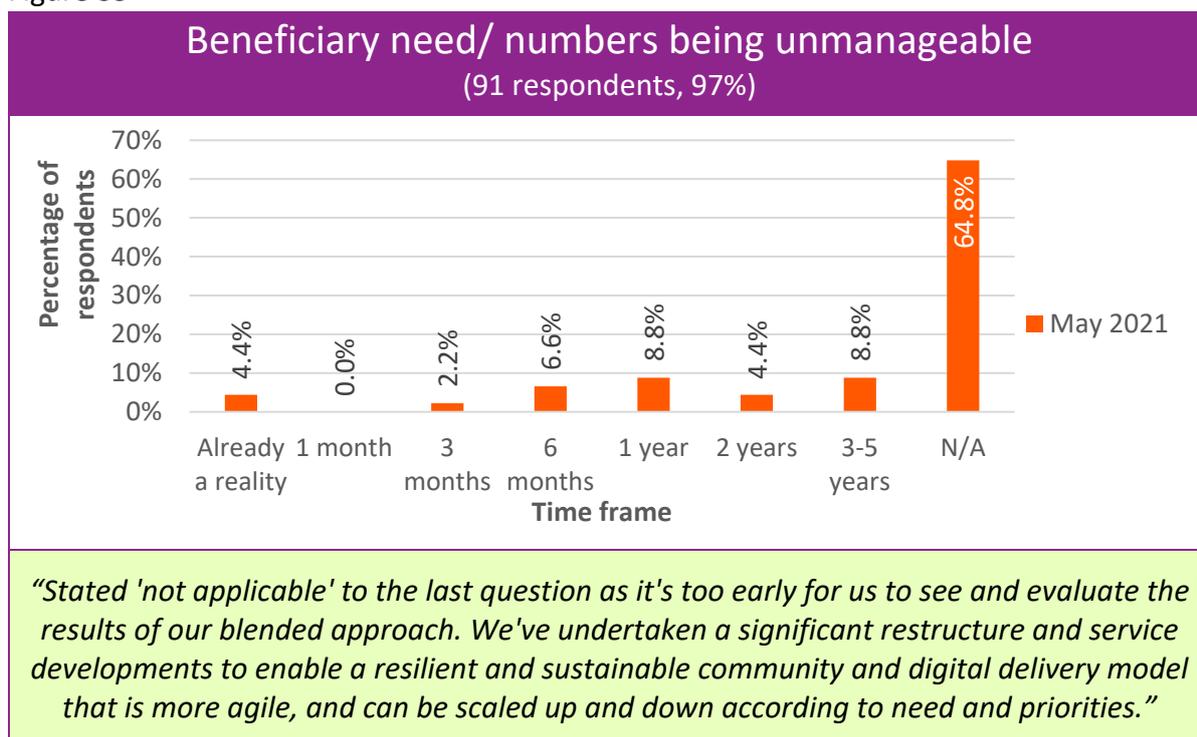
The most pressing risk to Members was significantly increasing beneficiary need/ numbers (figure 34), with 12.2% of respondents stating this is already a reality, and a combined 37.8% who believe this may become a reality within one-year. One-third (33.3%) of respondents reported that such a risk was not applicable to their organisation.

Figure 34



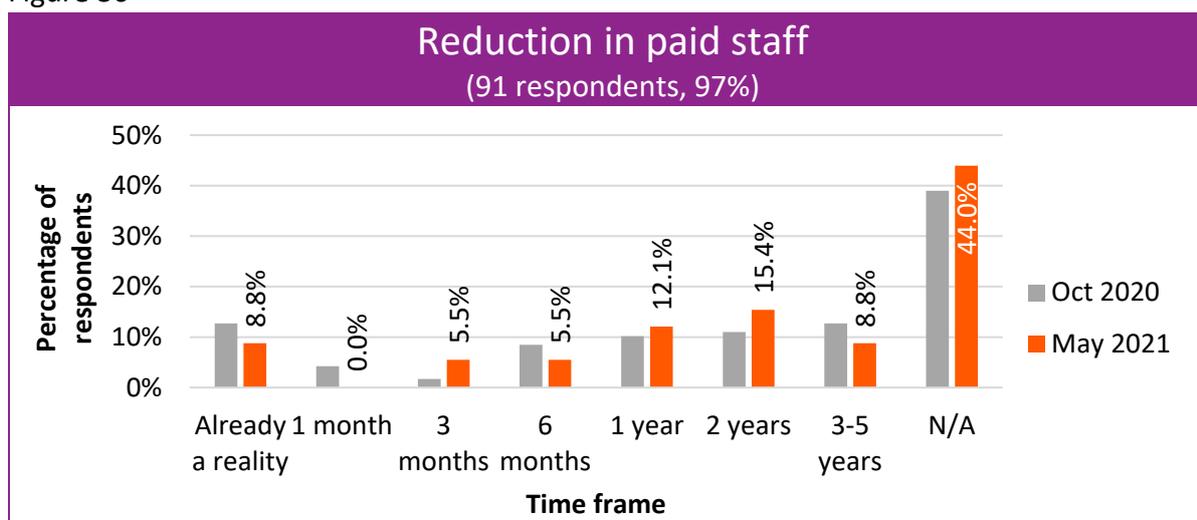
The significant majority (64.8%) of respondents in figure 35 reported that the risk of beneficiary need/ numbers being unmanageable was not applicable to their organisation. However, close to one-quarter of respondents combined (17.6%) believe this may become a reality in one-year.

Figure 35



Reduction in paid staff (figure 36) was ‘already a reality’ for 8% of respondents (down 4% since October). A combined 23.1% of respondents placed this risk within a one-year timeframe of occurring. While (44%) of respondents reported that such a risk was not applicable to their organisation. However, for 8.8% of respondents, this risk is already a reality.

Figure 36



Figures 37 and 38 show risks of reduction in service delivery and critical service delivery. Reduction in service delivery (figure 37) was already a reality for 10.1% of respondents (6% for critical services, figure 38). Additionally, a combined 20.1% believe that a reduction in service delivery will become a reality in one-year (20.9% for critical services, figure 38).

Figure 37

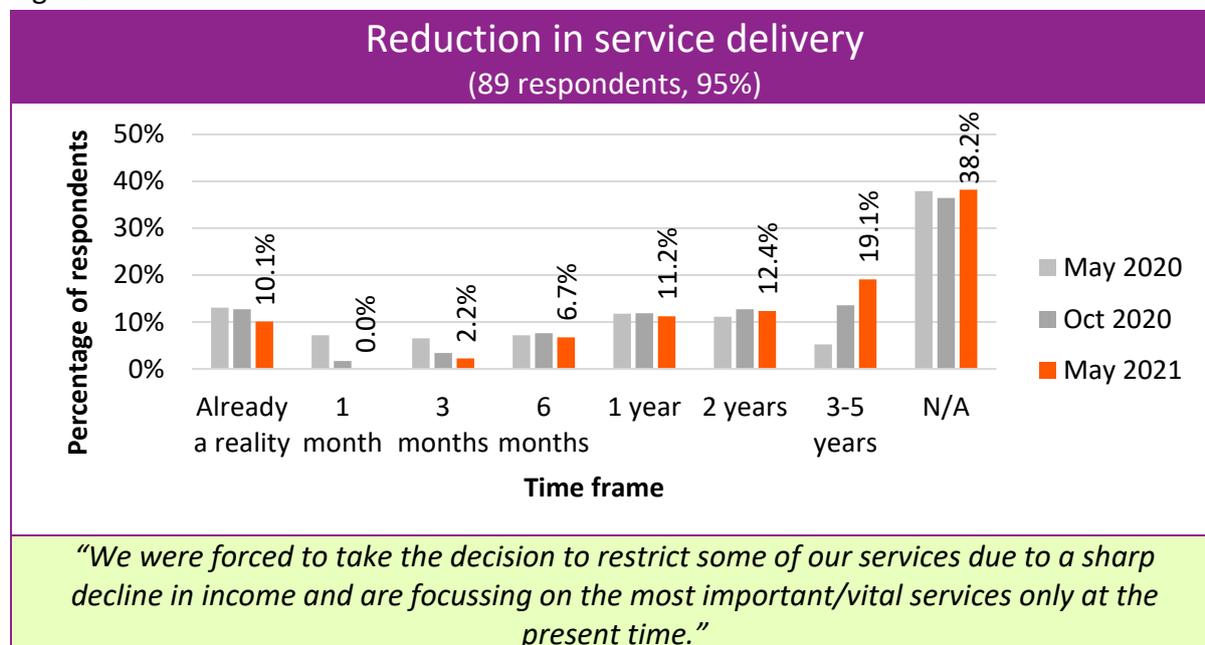


Figure 38

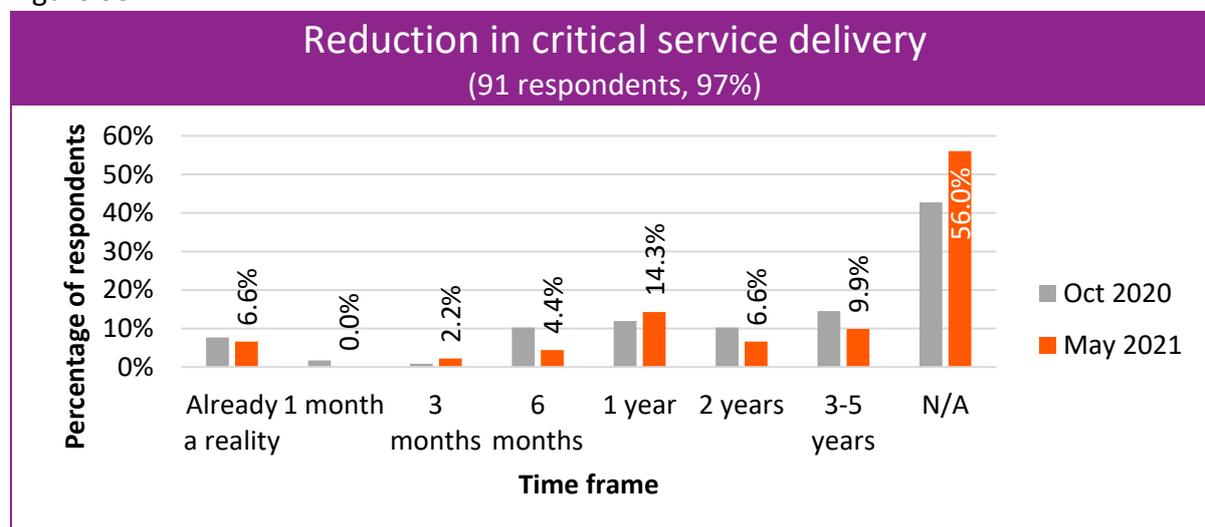


Figure 39 shows that a combined 18.7% of respondents placed the risk of cash reserves being completely depleted within a one-year timeframe of occurring. While almost half (49.5%) of respondents reported that such a risk was not applicable to their organisation, a combined 20.9% of respondents believe that the financial stability of their organisation may be compromised within one-year (figure 40).

Figure 39

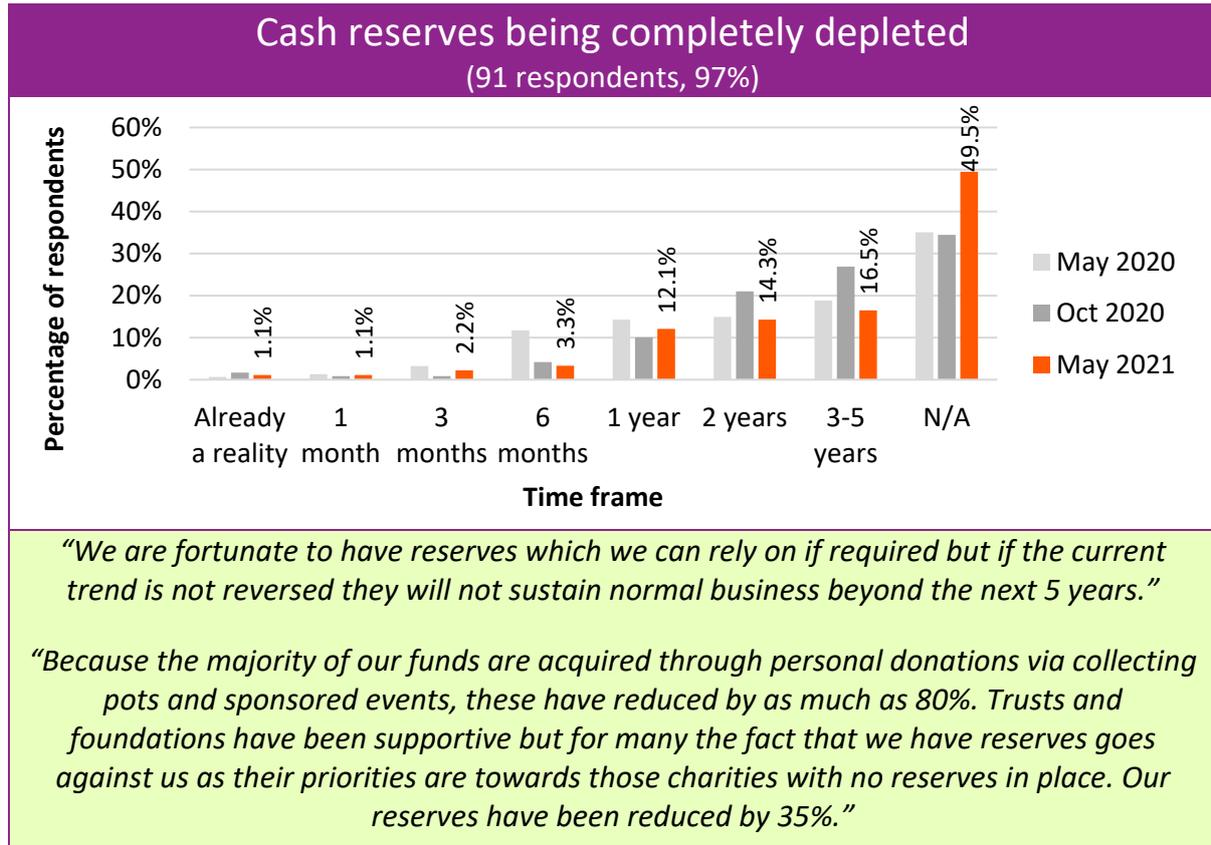


Figure 40

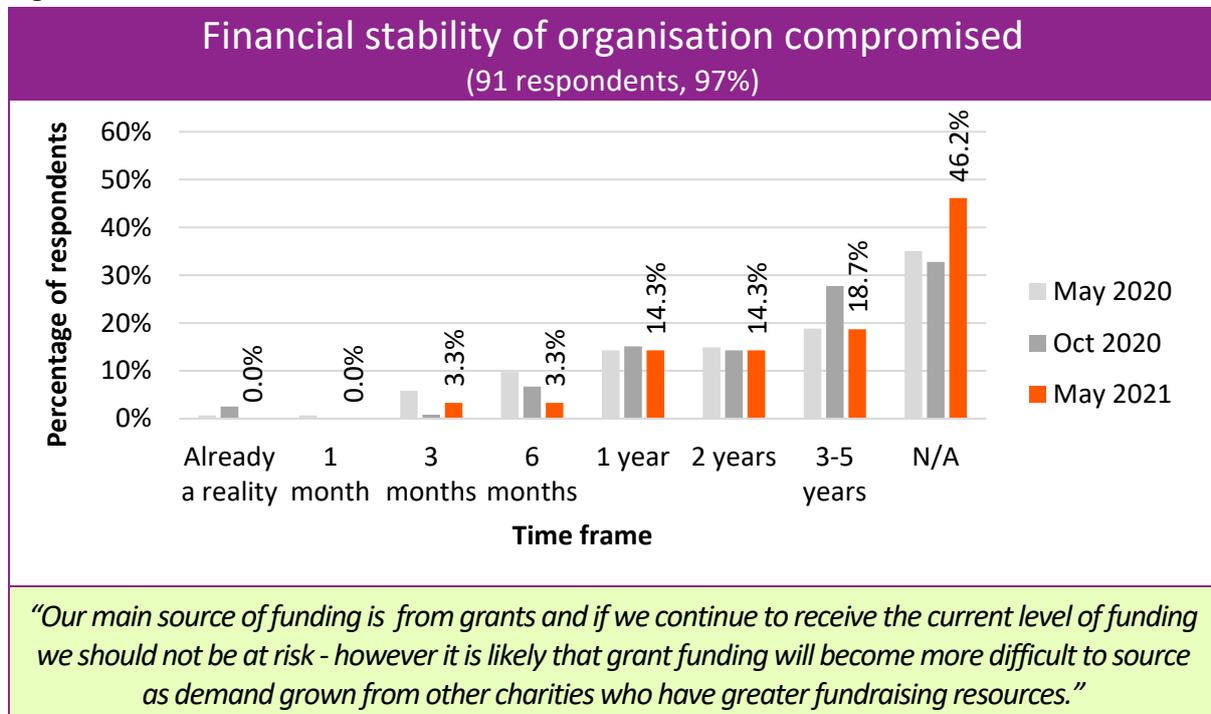


Figure 41 shows that for the majority of respondents (70.3%), the sale of assets to raise funds was not applicable to their organisation. However, a combined 18.7% of respondents believe this may become a reality within two-years.

Additionally, 12.1% of respondents reported the belief that merging with another organisation may become a reality within two-years (figure 42), although for the majority (61.5%), this was regarded as not being applicable.

Figure 41

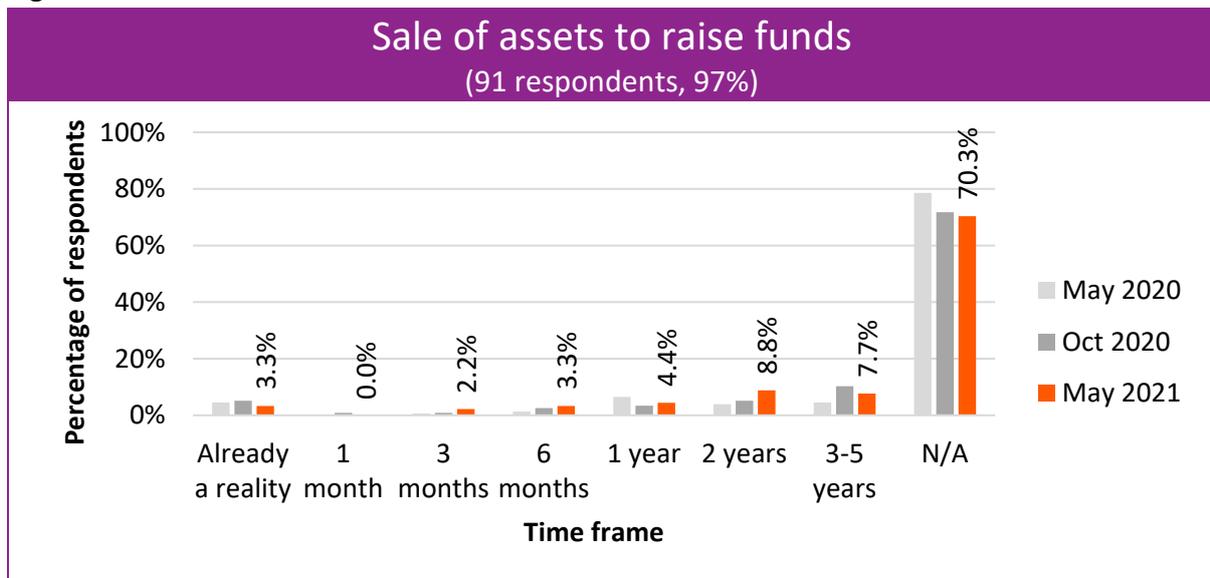


Figure 42

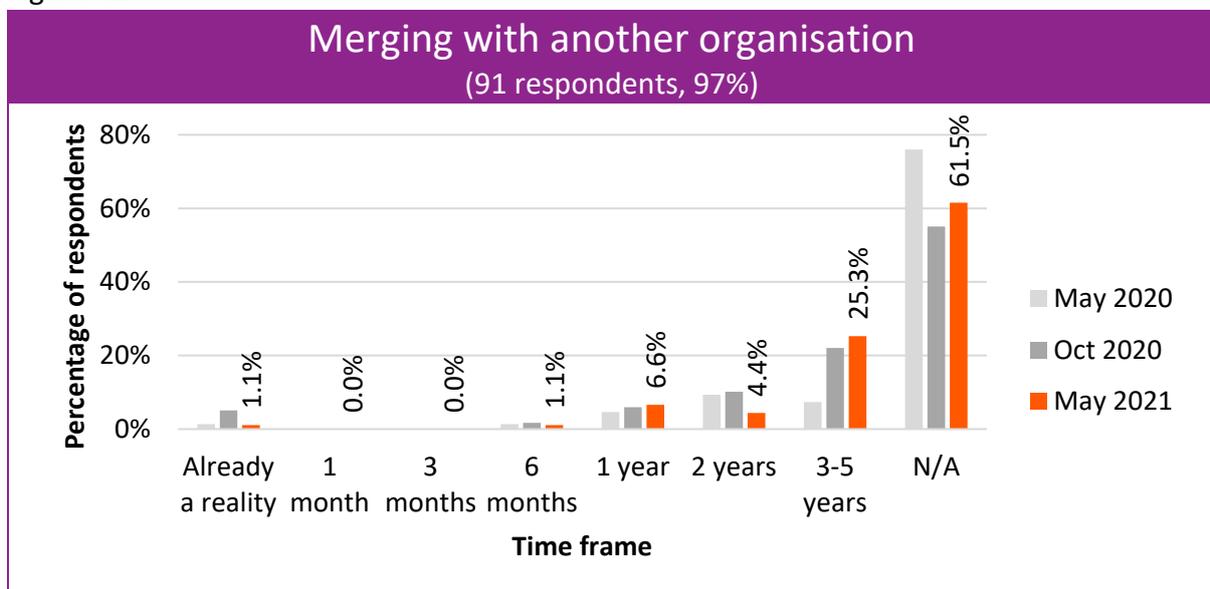
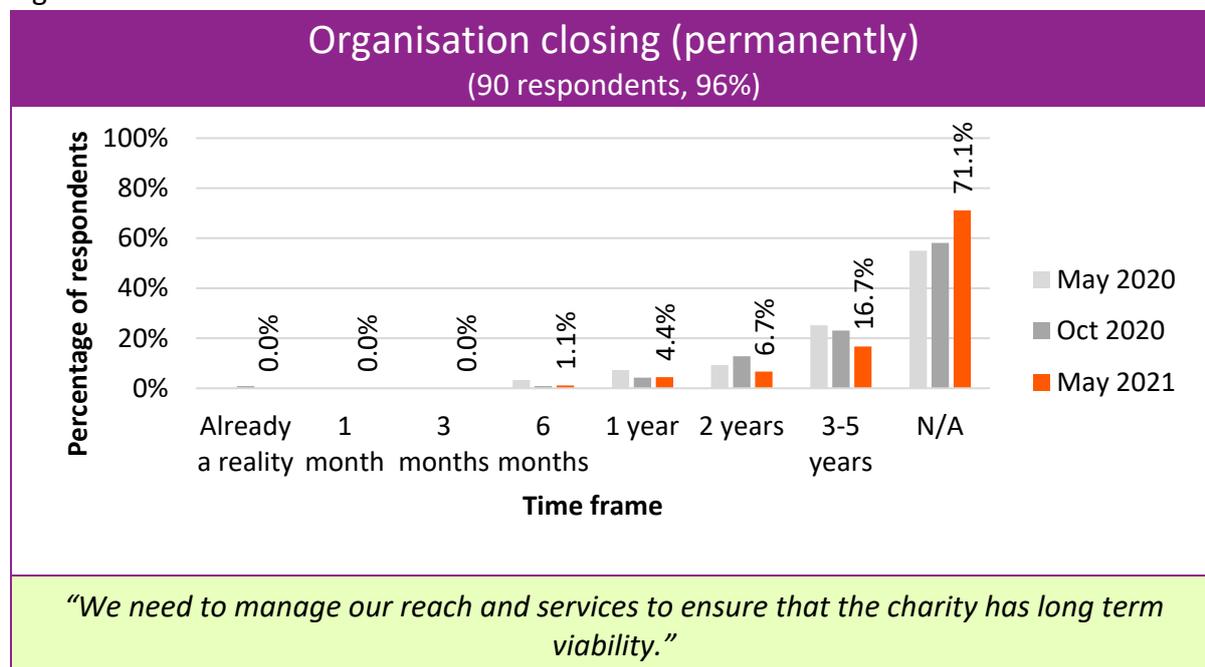


Figure 43 shows that 71.1% of respondents believe that a risk of their organisation closing is not applicable, and that only 11.1% believe that this may become a reality within two-years.

Figure 43



Members were asked what their organisation's greatest risk or concern was over the next six-months. A selection of responses is presented below.

Greatest risk or concern over the next six months

“A possible sharp rise in applications for support.”

“Another large increase in volume of applications for support combined with a reduction in funding.”

“Pressure to resume 'normal' face to face service too early.”

“Being overrun with beneficiaries needing our services.”

“Being unable to carry on.”

“Being able to secure the funding we need to run our programmes and meet demand from clients.”

“Being unable to re-introduce new services.”

“Even though we have an enhanced benevolence budget for 2021, that we are able to cope with any surge in demand for financial assistance.”

“Existential senior organisational changes requiring staffing cuts.”

“We have seen very little impact from covid in terms of Benevolence applications despite trying to increase awareness of avenues of assistance. We fully anticipate a sharp increase once the full fallout of the pandemic affects some of our veterans. Although we consider a decrease in our investment income to be a permanent risk this has not materialised to date and although there have been fluctuations over the past year returns have rallied. However, we remain vigilant.”

“To meet increased demand without depleting reserves significantly.”

“Expenditure exceeds income.”

“Funding to go along with increasing demands.”

“Further lockdown would be an existential threat.”

“Our greatest concern is the expected increase in requests for assistance driven by unemployment which will require financial assistance to support those out of work.”

“Income levels remaining at current levels.”

“That we can generate the cash to continue past the next 12 months.”

“There are no critical concerns in the coming six months. We have no paid staff, so costs have always been managed well and there are no ongoing overheads to be of concern. Our resources can be focussed on beneficiary needs.”

“Meeting beneficiary need at a time of reduced funding.”

“Reduced requests for support.”

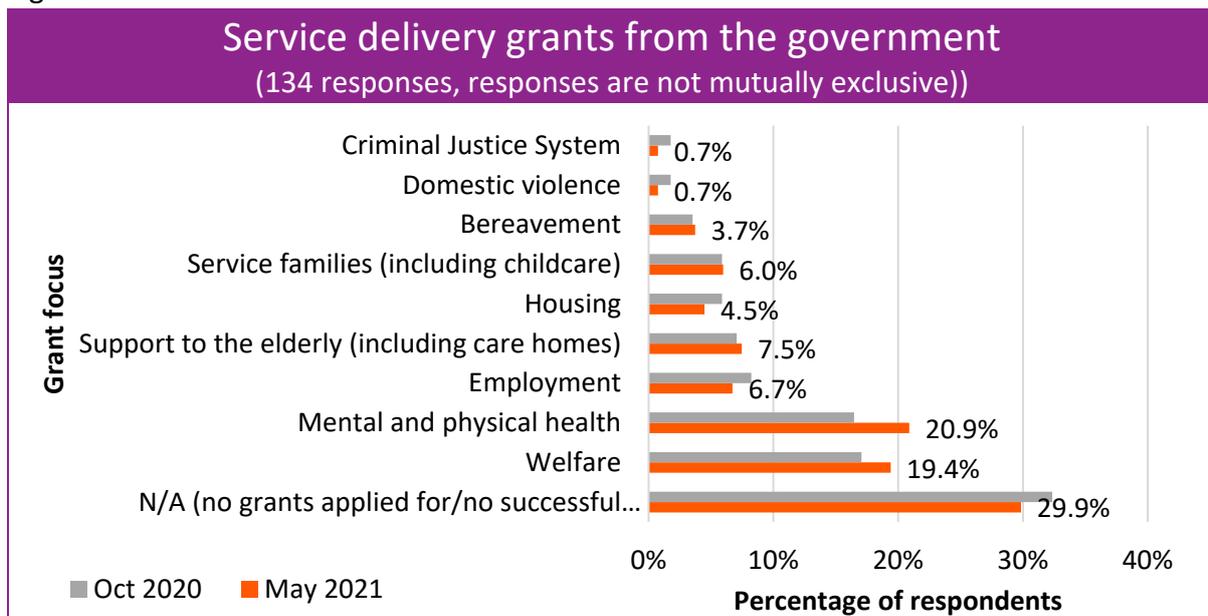
“Going forward we believe that the next six months will be even more difficult. We envisage our fundraising revenues remaining flat and have already seen the cancellation of our traditional events held overseas and at prestigious venues. Although there was an increase in funding sourced from Trusts/Foundations, it is unlikely that this level of funding will be available again in 2021.”

Support

This section explores government support currently being accessed by Members and additional support needs required.

Figure 42 shows service delivery areas for which respondents had used government Covid-19 grants. 29.9% of respondents had not applied for or been successful in obtaining grants. Of those who specified grant topics, welfare (19.4%) and mental health and wellbeing (20.9%) were most common.

Figure 42



Members who had successfully applied for a grant were asked about the impact of government-grants on services. A selection of responses is presented below.

The impact of government-grants on services

“Allowed us to adapt both facilities and programmes.”

“Supported development of remote services.”

“We were able to support emergency funding for veterans suddenly out of work and not eligible for Government assistance.”

“The grant enabled us to continue to provide support services throughout the pandemic and continue Health & Wellbeing activities to support mental and physical good health.”

“The grant allowed us to carry on service delivery offsetting a drop in income caused by being unable to hold events.”

“Immediate impact- providing direct basic care and support.”

“It provided security/stability for our clients and enabled us to take on clients impacted by the pandemic (isolation and loneliness in particular).”

“It was the lifeblood to allow us to keep going - without Gov't funding, through the AFCT, we would have had to reduce output or use up significantly more of our already depleted reserves.”

“It enabled us to meet the huge rise in demand for support.”

“Contributed to core delivery costs enabling us to maintain capacity/delivery teams for high demand services.”

“Huge impact - we could not have delivered our services without this vital support.”

“Enabled us to maintain services due to reduced income in some parts of the operation due to lockdown restrictions.”

“Ensured core costs for mental health services were delivered fully.”

“Allowed us to continue normal service delivery.”

“As well as being able to resume our core programme of activities, we were able to support staff costs to deliver our virtual programme and plan our programme for 2021.”

“Allowed us to continue providing services.”

Figure 43 shows respondent’s level of support needed to sustain or achieve delivery of critical services in the coming year. A combined 60.4% of respondents reported needing support (up 4% since October), of which, 24.4% need significant support, and 36% need minimal to moderate support (up 5% since October). Those requiring ‘no support’ has improved, decreasing by 7.3% since October.

Figure 43

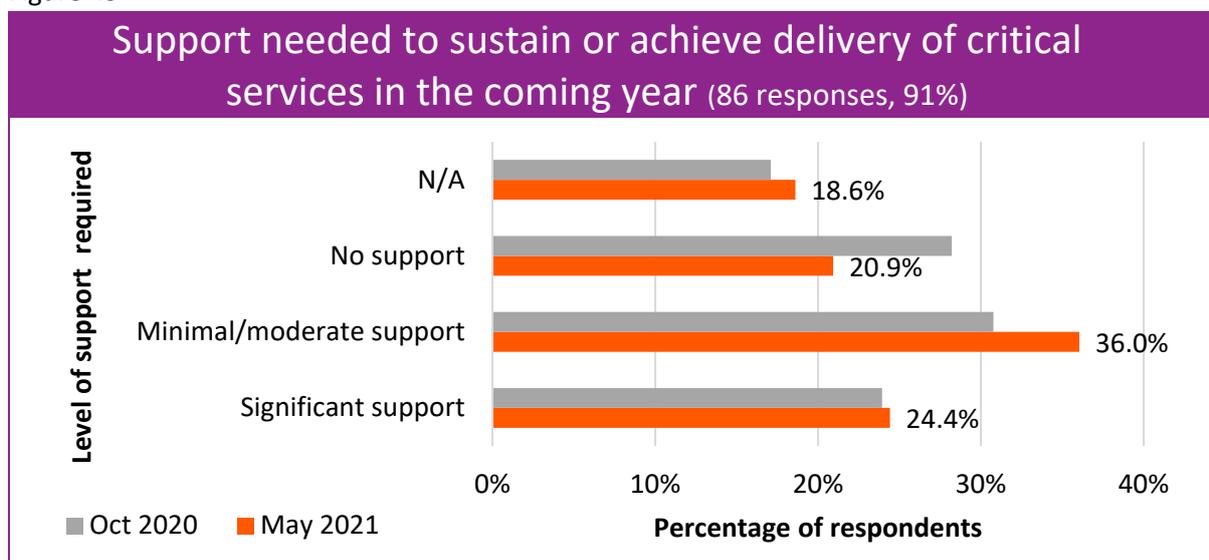


Figure 44 shows respondent’s level of support needed to sustain or achieve improvement to the efficiency of service delivery to beneficiaries.

A combined 60.4% of respondents reported needing support (up 14% since October), of which, one-third (36%) reported needing minimal to moderate support in this area (up 2% since October). However, 24.4% reported requiring significant support (up 11.5% since October). Those requiring no support decreased by 14.4% since October.

Figure 44

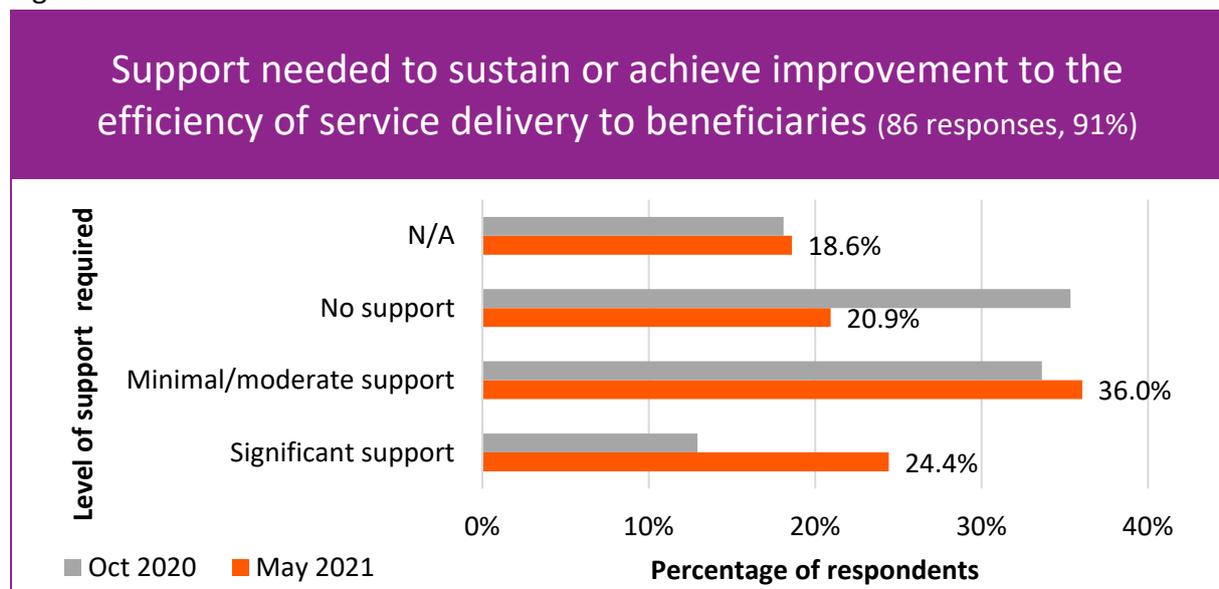
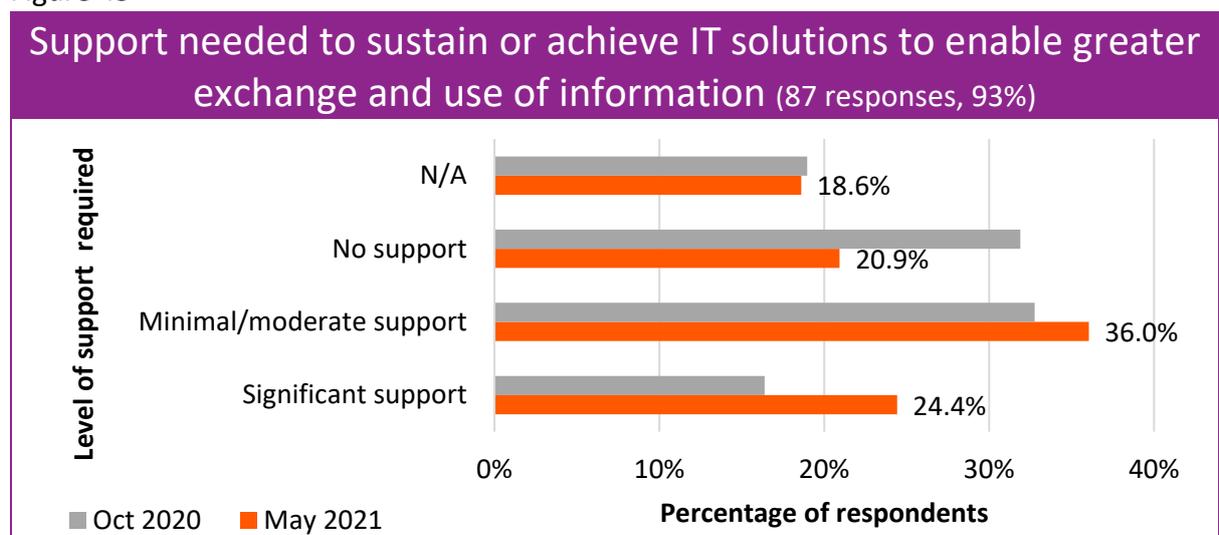


Figure 45 shows levels of support needed to sustain or achieve IT solutions to enable greater exchange and use of information. A combined 60.4% of respondents reported needing support, of which, over one-third (36%) need minimal to moderate support in this area, and just under one-quarter (24.4%) require ‘significant support’ (up 8% since October).

Figure 45



Members were asked about other external support measures that would help them to sustain or improve the efficiency of their organisation in relation to Covid-19. A selection of responses is presented below.

External support to help Members to sustain or improve the efficiency of their organisation

“Benchmarking, shared experiences, and collaborative opportunities.”

“Working with partner organisations to enable us to reach more of our potential beneficiaries.”

“Our critical external support comes from the caseworker system. Should those charities who currently provide this service free of charge start to be impacted by the pandemic, we would not be able to efficiently support our community.”

“More communication with Cobseo members to ensure no veterans get left behind.”

“If we could secure 2-year funding for salaries we could then focus on the programmes we need to deliver now. It would give us breathing space to allow us to regroup and start regenerating corporate sponsors and fundraising.”

“Longer term funding partnerships for planning, stability of operations, and realisation of sustained positive outcomes/social value.”

“Core funding support.”

“Grants (and resources to find funders) are vital as are public fundraising opportunities.”

“Better linkage with specific external support organisations, the ability to directly link from our webchat to another support organisation where applicable.”

“Continued financial support from Government.”

“Continued notifications of funding streams available and access to training resources and networking webinars which have both been very helpful.”

Conclusions

Beneficiary demand

Beneficiary demand remains heightened with 44% of respondents reporting an increase in beneficiaries in the past six months, and 21% reporting no change over the same period. 34% of respondents reported a decrease in beneficiaries (a 9% improvement since October). This disparity is likely based on how Members serve beneficiaries either directly or indirectly.

“We are not a direct delivery organisation and hence nothing has fundamentally changed.”

Mental health and loneliness support showed particularly high demand, with 68% reporting an increase in beneficiaries for mental health support, and 64% reporting an increase in loneliness support. Overall findings suggest that beneficiary demand is not reducing, rather, for many Members it is increasing or remaining as it has been since October 2020, when reports of increasing beneficiary numbers was particularly high.

“The long term effect of COVID on our beneficiaries has exacerbated loneliness and social isolation for many of our clients and members. This in turn has had a knock on effect on mental and physical health as well as general welfare.”

In terms of ability to cope, over half of respondents (55% combined) reported coping with difficulty or with very significant difficulty, or that they could not meet the demand from beneficiaries. This is an 11% increase over the past six-months (since October 2020). Conversely, 45% of respondents-combined reported being able to cope easily, or very easily. It is also true that some front-line service organisations have managed to adapt and are able to cope with increased demand; however, this is again likely down to respondents' methods of serving beneficiaries.

“Support to those with alcohol dependency and mental health (often both) has become more demanding and more in number, an increasing number of mental ill-health referrals from NHS has increased along with the numbers asking for help. Conversely, the number of 'normal' welfare cases requiring simple financial support has decreased.”

Mental and physical health was the critical service area to report the highest levels of 'significant impact' from the pandemic (46%), with welfare (40%) and support to the elderly (33%) reported as being significantly impacted. Support to the elderly (6%), and service families support (6%) saw the highest levels of 'closed or undeliverable' critical services.

Significantly impacted critical services showed little difference to figures from six-months prior, suggesting that, as reported by many respondents, there is little change in beneficiary demand, which for many Members means no change in services being significantly impacted over the past six-months.

“Current pattern of beneficiaries similar to 2020. “There are actually less cases, but they are more complex and take longer to support.”

Financial situation

Overall, 60% of respondents reported a decrease in income in May, and only 18% experienced an increase. As expected, with social distancing still in effect, fundraising events income showed very little change since October, with over four-fifths (82%) reporting a decrease, particularly for public donations (55%). In total, 11% reported an increase in donations (a 10% improvement since October). Investment income showed a similar increase as stock-markets recovered, as did legacy giving. This is a small increase, but a positive sign non the less.

“Income has been reduced dramatically but so has expenditure, so we have been able to run other services using reserves.”

Expenditure levalas differed between respondents, likely due to differences in service delivery methods, with 53% of respondents reporting a decline in expenditure, and 33% reporting an increase in expenditure.

Close to one-fifth (19%) of respondents placed the risk of cash reserves being completely depleted within a one-year timeframe of occurring. Similarly, a combined 21% of respondents believe that the financial stability of their organisation may be compromised within one-year.

“Thank goodness we took steps to protect our reserves prior to Covid and we are in a fairly good financial position due to good governance.”

Conclusions and recommendations

As noted in the first Members’ survey of May 2020, qualitative responses combined with figures appear to show a notable difference between Members who are delivering front-line services, compared with organisations who are not direct service delivery organisations.

While only 18% of all respondents reported a risk of beneficiary need/ numbers being unmanageable within one-year, there is clearly increased demand for mental health and wellbeing services, which require front-line delivery and continued cash-flow to support. This area has the potential to see further increase in need as the pandemic continues to bear on individual’s mental wellbeing. Additionally, those unable to access stretched services now, may present later with more complex and compounded needs, further stretching services.

“Demand for both our mental health and physical health clinical services remains high. We have experienced a particular capacity stretch in our mental health service, resulting in an up to 8 week waiting list for Initial Assessment for some periods since Dec 2020.”

DSC recommends close monitoring of the current situation with Members providing front-line services, particularly for mental health and wellbeing, to develop a detailed understanding of funding and service delivery challenges with which to inform policy efforts.