



Life-Changing and Life-Saving

Funding for the women's sector

December 2018

Table of Contents

| | |
|--|----|
| Key Facts Summary..... | 4 |
| About this report..... | 5 |
| 1. The case for specialist women’s organisations | |
| 1.1 The importance of women’s organisations..... | 6 |
| 1.2 The added-value of services provided..... | 8 |
| 2. Funding outlook | |
| 2.1 Sources of funding..... | 10 |
| 2.2 Income and financial situation of women’s organisations..... | 11 |
| 3. Current funding challenges | |
| 3.1 The impact of austerity..... | 12 |
| 3.2 Political and policy changes to funding..... | 17 |
| 3.3 Challenges of funding context..... | 17 |
| 4. The impact of Brexit | |
| 4.1 On funding..... | 20 |
| 4.2 On recruitment..... | 21 |
| 4.3 On demand for services..... | 21 |
| 4.4 Opportunities..... | 22 |
| 5. Recommendations | |
| 5.1 The optimal funding scenario..... | 23 |
| Appendix 1: | |
| Notes and details about the survey conducted to women’s organisations..... | 24 |

Key Facts Summary

Local specialist women's organisations provide life-changing services including employment training, psychological and legal support, confidence building, and emergency help for victims of domestic and sexual violence and their children.

The vast majority of women support women-only services; research shows many victims would not have accessed support spaces if they had not been restricted to women.¹

The Women's Resource Centre has calculated that the social value generated by women's services is five to 11 times greater than the amount of money invested in them.²

Yet funding for women's organisations does not currently reflect the social value they generate nor the money they save the state. Funding for women's organisations has been negatively affected by:

- Austerity measures since 2010, which have reduced funding available for women's organisations. At the same time cuts to statutory services and social security cuts and changes have increased the demand on the voluntary sector.
- The move away from local and national grants to competitively tendered-for contracts to deliver services.
- The short-term nature of many contracts and grants.
- Lack of funding to cover core costs and the demand from funders for 'innovative' projects.
- The push for mixed-sex services.

Brexit may offer some opportunities to the women's sector, namely in more advantageous VAT rules for charities and a simplified funding pot. However, these are far from guaranteed and unlikely to outweigh the negative impacts, including withdrawal of EU funds and risks associated with an economic recession.

Funders should:

- Recognise the importance of specialist women's organisations.
- Provide core funding for delivery of fundamental services and organisational costs.
- Develop longer-term funding streams of at least three to five years to ensure proper training and retention of staff and smooth and high-standard service delivery.

1. EHRC (2012) The impact of changes in commissioning and funding on women-only services (<http://bit.ly/2MP2qOp>)

2. WRC (2011) Hidden Value: Demonstrating the extraordinary impact of women's voluntary and community organisations (<http://bit.ly/2mhfQZ8>) p6

About this report

This is a report about the status of funding for the women's sector. It sets out the case for specialist women's organisations, identifies their current sources of funding and explores the challenges that they face in terms of financial sustainability. The report explores recent changes in the funding landscape for voluntary organisations, including the shift to commissioning of services, the impact of austerity on the demand for support services and on funding available, and the likely impact that Brexit is going to have on the women's sector.

This is the second report of the Coventry Women's Partnership, a collaboration of the Women's Budget Group with five women's organisations in Coventry to improve the delivery of support to vulnerable women and explore the issues that they face through policy analysis and research.³

For this report the Women's Budget Group partnered with the Women's Resource Centre (WRC), an umbrella association of women's organisations across the UK with extensive experience in policy and financial analysis of the sector. Our joint recommendations are set out in section 5.

This report draws on in-depth interviews with the Coventry Women's Partnership organisations, along with a snapshot survey of 41 women's organisations conducted in August 2018 about their financial situation, challenges faced, and future prospects. Details about the survey are in Appendix 1.

3. The organisations included in the Coventry Women's Partnership are FWT – a Centre for women (Foleshill Women's Training), Coventry Haven, Coventry Rape and Sexual Abuse Centre, Coventry Law Centre, and Kairos Women Working Together.

1. The case for specialist women's organisations

This report focuses on specialist women's organisations. With the exception of one organisation in the survey and one organisation in the qualitative interviews, all organisations who participated in this research are led by women, offering services and support targeted specifically to women. The aim of this report is to analyse how these specialist, often local organisations are faring in the current funding environment.

In this section we consider what women's organisations do, the type of services they provide and the women that they support. We also reiterate the importance of women's organisations and women-only spaces for meeting the needs of disadvantaged groups of women.

Box A Number of women's organisations in the UK

Due to their small and often informal nature, it is very difficult to know how many women's organisations there are currently in the UK. The Women's Resource Centre, an umbrella organisation that gathers the interests and

voices of women's organisations across the country, has estimated their number to be over 20,000 (7% of all estimated 400,000 charities).⁴

1.1 The importance of women's organisations

What women's organisations do

Women's organisations provide a range of services including:

- Psychological support;
- Legal aid and help navigating the judicial system;
- Help with benefit claims;
- Training to improve employment skills (English language, IT, CV writing, etc);
- Workshops on life skills (parenting, health, nutrition, etc);
- Supporting women in high-risk circumstances (prostitution and drug abuse) and getting them onto a safer path;
- Refuges and emergency services for women who have suffered domestic violence and sexual abuse and their children;
- Tackling women's health inequalities;
- Specialist support services for black and minoritised women and disabled women;
- Confidence building.

These services range from life-changing to life-saving. For example, improving employment and life skills helps marginalised women to integrate into their communities and wider society and combats isolation. Refuges and emergency support services protect women from an escalation in violence

and save them and their children from absolute destitution and rough sleeping.

Women's organisations work with many of the most marginalised women helping tackle social exclusion and promote community cohesion, by enabling women to integrate into wider society, and by bringing women from different walks of life together.⁵

Why women only?

Given the structural inequality between women and men, the disadvantaged position that women are often in, and the specific types of violence and abuse that women suffer, services and support need to be tailored specifically for them. This includes restricting these services and spaces to women as a way of making sure their needs and right to safety and recovery are met. For some women these services enable them to share experiences and improve their confidence and self-esteem. For victims of violence against women and girls (VAWG)⁶ women-only services can be crucial in enabling them to feel safe and access support.

A study of women-only services commissioned by the Equality and Human Rights Commission found that for the majority of service users the women-only aspect of the service was important in their decision to attend.⁷ Reasons for this included safety and security, building trust and confidence, peer support and the ability to talk freely about the issues facing them. These were particularly important for ethnic-minority service users.

4. WRC (2018) Hearing women's voices: Why Women? (<http://bit.ly/2pw1XYf>)

5. Ibid.

6. Violence against women and girls includes all forms of gender-based violence whose vast majority of victims are women: sexual and domestic violence, female genital mutilation, forced marriage, honour-based violence.

7. EHRC (2012) The impact of changes in commissioning and funding on women-only services (<http://bit.ly/2MP2qOp>)

8. Ibid.

9. WRC (2007) Why Women Only? The value and benefit of by women, for women services (<http://bit.ly/2O0NX6v>); WRC (2018) Hearing women's voices: Why women 2018 (<http://bit.ly/2MR7vWm>)

10. WRC (2007) Why Women Only? The value and benefit of by women, for women services (<http://bit.ly/2O0NX6v>)

11. WRC (2015) Women's organisations; the 'net beneath the net' (<http://bit.ly/2EXacGX>) p4

12. Equality Act 2010, Schedule 3, part 7, 27

The EHRC found that service users overwhelmingly reiterate the importance of services being restricted to women as a condition to having accessed them.⁸ This was echoed in other research studies that also asked women-only service users their thoughts on these services.⁹ Research by the Women's Resource Centre found that the vast majority of women value women-only services.¹⁰ In a survey of 1,000 women:

- 97% said that women should have a choice of women-only support services if they had been a victim of sexual assault;
- 90% believed that women should have the right to report sexual or domestic violence to a woman;
- 87% thought it was important to be able to see a female health professional about sexual or reproductive health matters;
- 78% thought it was important to have the choice of a woman professional for counselling and personal support needs.

Many women who access women's organisations' services will not access mainstream services, whether provided by other voluntary organisations or statutory institutions. For example, only 10% of survivors of rape and sexual abuse who access Rape Crisis Centres report their experiences to the police.¹¹

Single-sex services and spaces are protected by law. The Equality Act 2010 allows for the provision of single-sex services where it is a proportionate means of meeting a legitimate aim and one or more of a series of conditions are met. These are: only one sex has need of the service; a joint service would be less effective; the service is in hospitals or for people requiring special care, supervision or attention; the service is provided for more than one person at the same time and a person of one sex would reasonably object to the presence of a person of the other sex; or the service requires physical contact and the person receiving that service would reasonably object if the other person was of the other sex.¹²

In sum, research tells us that the vast majority of women think that there should be the option of choosing women-only services, and that many victims would not have accessed support spaces if they had not been restricted to women. Given the under-reporting of VAWG, and the high degree of vulnerability that many women who need these services are in, it is crucial that they do not face additional challenges seeking support, and that they feel safe in doing so.

The gendered nature of DVA and sexual violence

Domestic and sexual violence and abuse are gendered phenomena.

The Crime Survey England and Wales estimates that 1.2 million women experienced domestic abuse in the last year, comprising two-thirds of all victims of domestic abuse.¹³ Moreover, research has found that many female victims experience (repeated) high-frequency domestic violence, and that this type of violence is not picked up by current official police and crime statistics.¹⁴

It is estimated that 1 in 5 women have experienced sexual assault in their adult lives (compared to 4% of men).¹⁵ In the last year alone, 3.1% of all women were victims of sexual assault or rape (compared to 0.8% of all men).¹⁶ The vast majority of victims (86%) do not report their experiences to the police according to the Crime Survey for England and Wales.¹⁷

Lived experience, sharing and recovery

Women's specialist organisations are important beyond providing support in a safe context. They are also valuable for the fact that they bring together women from a specific social group, including black and minoritised women, disabled women, or women who have lived through similar experiences, such as women who were sexually abused. These organisations allow women to talk about shared experiences making easier their journey to recovery and healing.¹⁸

Specialist organisations may focus on specific forms of violence that black and minoritised women suffer, be sensitive to the particular needs of these women, or be adapted to the needs of disabled women. Their expertise is thus tailored to women who face specific issues and/or who share characteristics. Many staff from specialist women's organisations are former service users. Grassroots organisations are also able to reach into communities and ensure that marginalised women get the support they need.¹⁹

Women's specialist organisations are thus not just crucial for victims of VAWG; they are also life-changing for women who share other characteristics. Yet it is important to recognise that many victims and survivors of VAWG start their support journeys through other women's organisations, before building up the trust to open up about their experiences of violence and abuse. It is crucial that strong partnerships between women's organisations are fostered to ensure that all support needs of their women users are met (see Quote 1).

13. ONS (2017) Domestic abuse in England and Wales: year ending March 2017 (<http://bit.ly/2xGBF9a>)

14. S Walby, J Towers and B Francis (2016) 'Is Violent Crime Increasing or Decreasing? A New Methodology to Measure Repeat Attacks Making Visible the Significance of Gender and Domestic Relations', *The British Journal of Criminology*, 56, 6(1), pp 1203-1234

15. ONS (2018) Sexual offences in England and Wales: year ending March 2017 (<http://bit.ly/2PVUw7U>)

16. Ibid.

17. Ibid.

18. WRC (2018) Hearing women's voices: Why Women? (<http://bit.ly/2pw1XYf>)

19. WRC (2015) Women's organisations; the 'net beneath the net' (<http://bit.ly/2EXacGX>)

In sum, the existence of specialist women's organisations, including women-only services and spaces, are crucial for marginalised women to access support, and not just in cases of violence and abuse.

Quote 1

“ This is horrendous, but we know that many women are only allowed to come to us because their husbands know there are no men on site. (...) We know this happens. But our priority is to get them to us, and once they're with us, is getting them out, whether it's staying with us and empowering themselves, whether it's through referrals for sexual violence or for domestic violence.”

1.2 The added-value of services provided

The Women's Resource Centre (WRC) has calculated the social return on investment (SROI) on the women's sector and found that:

“on average, over five years, for every £1 invested in women's services, between £5 and £11 worth of social value is generated for women, their families and the State.”²⁰

WRC has calculated that the total social value created by women's organisations and specific services within generic organisations ranges between £1,773,429 and £5,294,226.²¹ This is achieved by improving women's job opportunities, by preventing re-victimisation (in the case of domestic violence, for example), and by preventing health problems from arising or worsening. These organisations also contribute to social community cohesion and combat social exclusion and isolation by helping women into employment and active roles in their communities.

They also save the state money by providing services that statutory bodies ought to be providing – often at a much lower base cost.

This positive SROI of specialist women's organisations is not being reflected in the current funding mechanisms. For example, funding to women's organisations in the Victims Fund (Provision for Victims of Sexual Offending) decreased by 20% from 2004/05 to 2010/11, yet funding to generic organisations to deliver sexual violence support services to women increased by 6.6%.²³

Specialist women's organisations are being left behind and their positive contribution and added value in the form of unique expertise and experience is being overlooked by funders (see section 3 'Challenges for Funding').

Box B Economic cost of VAWG

In addition to having a terrible impact on victims, their lives, their families and wider society, VAWG has a significant financial cost. The public services provided to victims of VAWG and the lost economic output to women affected

(including missed work days due to the violence suffered) costs the UK an estimated £37bn each year.²² Investment in prevention and in adequate high-quality support for victims and survivors can therefore save additional cost to the state in the future.

20. WRC (2011) Hidden Value: Demonstrating the extraordinary impact of women's voluntary and community organisations (<http://bit.ly/2mhfQZ8>) p 6

21. Ibid. p 8

Working in partnership for holistic support

Many of the issues faced by the women that these organisations support are complex and interlinked and may need more support than one organisation can offer. Women's organisations often

work in partnership with other organisations or statutory services with a view to holistically support these women (see Image 1). These partnerships are important in ensuring that women access all the specialist services they need without having to tell their story numerous times.

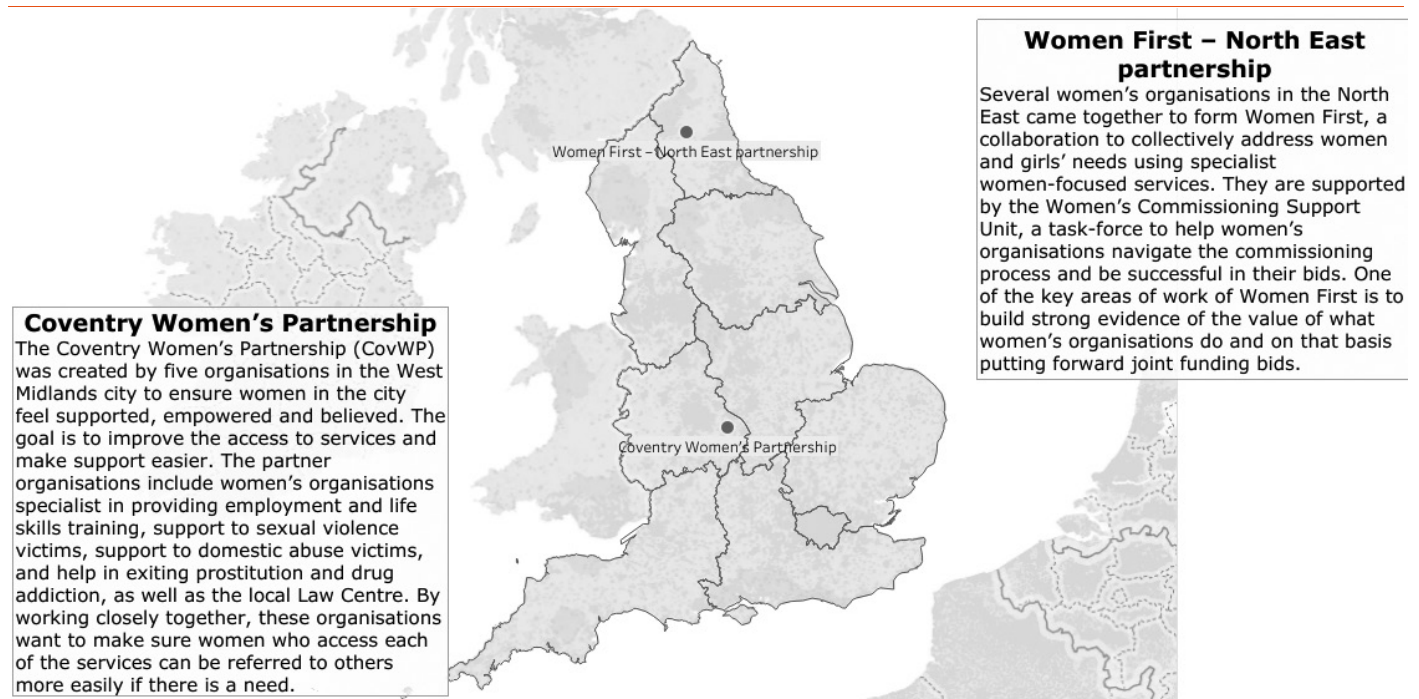


Image 1: Examples of women's organisations working in partnership in England.

22. Home Office (2013) Ending Violence Against Women and Girls (<http://bit.ly/2qQmjPy>), based on research by S Walby (2009) The Cost of Domestic Violence Up-date 2009, Lancaster University (<http://bit.ly/2AOTDWW>)

23. WRC (2011) Women-only services: making the case – A guide for women's organisations (<http://bit.ly/2maXKqY>) p 19

2. Funding outlook

2.1 Sources of funding

Women's organisations receive funding from a range of sources. While many organisations receive funding from their local authorities and from other statutory bodies through service contracts, the most common source of funding is grants from charitable organisations, foundations and trusts. A considerable number of organisations generate their own income – although most only make a very modest amount – and a few of the organisations surveyed do not have any income at all.

Changes in the type of funding available – the move away from local and national grants to competitively tendered-for contracts to deliver services – are having a negative impact on many women's organisations' ability to continue to support women. They are struggling in a context of increasing demand for their services. This is looked at in more detail in the next section. Increased competition for funding streams and the requirements of many grant-givers form an added barrier for smaller women's organisations to achieve a secure and stable source of income.

Grants from charitable organisations

Grant-making organisations and charitable trusts and foundations are an important source of funding for the women's sector. They fund a significant number of women's organisations, although mostly through project-based grants (see 'Challenges and the Ideal Funding Scenario' for more details). Funding for core costs is rarer.

Statutory funding

Governmental funding is a significant source of income for some women's organisations, particularly funding from local councils. However, funding available from local authorities to voluntary organisations has been severely reduced in the last decade, as a result of the massive cuts of investment in local government by Westminster (see section 3.1. 'The Impact of Austerity' for more details).

In recent years the UK government launched some programmes specifically targeted to fund the provision of services to victims of VAWG. They include:

- The Service Transformation Fund, for services addressing violence against women and girls (£15m for 2017),²⁴
- A programme of £20m from DCLG to support victims of domestic abuse (2016 and 2017).²⁵ This was spread over 76 local projects across England – although 50 local authorities received nothing (equivalent to 15% of the female adult population).²⁶
- The Rape Support Fund (2014-2016) provided funding for two years for 77 organisations that delivered sexual violence support services in England.²⁷
- The Tampon Tax Fund, announced in 2015 (£15m), was created to fund women's services. However, in 2018 only two in 10 charities awarded funding from this pot were specialist women's organisations.²⁸
- The Centenary Grant Scheme (£1.1m) to increase young people's engagement with democracy and encourage more women to take part in public life. Again, only two of the eight grants awarded went to organisations focusing solely on women's needs.²⁹

In November 2018 the Government announced additional funding of £800,000 for victims of rape and sexual abuse, to be tendered for and awarded in three-year grants, instead of the previous one-year grants.³⁰

However, it is not certain whether specialist women's organisations are benefitting from these VAWG funding programmes. As mentioned above, only 20% of organisations who received Tampon Tax Fund awards were specialist women's organisations.

BOX C Funding for women's organisations in Scotland

The Scottish Government has their own funding streams specifically targeted to ending violence against women and wider inequalities. The Equally Safe (VAWG) Fund has been allocated £19m for three years (2017-2020) and it is the main funding stream to achieve Scotland's policy commitment to eradicate VAWG. For the same period, £2.3m were allocated to local rape crisis organisations. Equality funding for 2016/17 amounts to a further £8.3m.

Women's organisations have been successful in securing funding from these sources. They secured 66% of the funding for VAWG and 24% of the general equalities funding (in 2016/17).³¹ Some organisations focusing on black and minoritised women were also awarded funding within these streams. The Equally Safe (VAWG) Fund and the Rape Crisis Specific Fund were awarded to organisations for the period of 2017-2020 in three-year contracts.

24. Home Office (2016) Violence against women and girls: service transformation fund (<http://bit.ly/2ms4KQW>)

25. DCLG (17 February 2017) 'Government support for more than 19,000 victims of domestic abuse' (<http://bit.ly/2CSk4N2>)

26. The Bureau Local (16 October 2017) 'Revealed: Thousands of Vulnerable Women Turned Away as Refuge Funding is Cut' (<http://bit.ly/2NXPIBp>)

27. Ministry of Justice (2017) Organisations awarded funding from the Rape Support Fund 2014-16 (<http://bit.ly/2QK2SR4>)

28. Department for Digital, Culture, Media & Sport (26 March 2018) 'Women and girls set to benefit from £15 million Tampon Tax Fund' (<http://bit.ly/2MQru7y>)

29. Home Office (11 April 2018) 'Government announces winners of funding to celebrate centenary year of suffrage' (<http://bit.ly/2poVRIZ>)

30. Ministry of Justice (7 Nov 2018) 'Government increases funding for rape and sexual abuse victims' (<http://bit.ly/2DvjsAW>)

Funding is also available from other statutory bodies, including contracts from Public Health England, local Police and Crime Commissioners, and PBR (payment by results) contracts. These contracts are about statutory bodies commissioning services to companies and organisations through a bidding process whereby each applicant presents a plan with a budget to deliver the services required. Specialisation and quality are very often neglected in favour of economies of scale and lowest cost offered – even though some of these contracts are then subcommissioned to the specialist organisations who were turned down in the first place (see more in section 3.2. ‘Political and Policy Changes to Funding’).

Funding from the European Union

The European Union is also a funding source for some women’s organisations in the UK. There are two main EU funding streams that specifically support projects aiming to improve equality, economic integration and combat social exclusion and poverty: the European Social Fund (ESF) and the European Regional Development Fund (ERDF). They are administered by the UK government through Department of Work and Pensions (DWP) and regionally through Local Enterprise Partnerships (LEPs).

The Rights, Equality and Citizenship (REC) fund directly support projects that focus on human rights, violence against women and discrimination and it is administered directly to organisations by the European Commission.

Self-generated income

Some women’s organisations are completely self-funded, operating on very low incomes. Perhaps unsurprisingly, since they rely mostly on membership fees and other subscriptions, a key worry of these self-funded organisations is retaining and recruiting members.³²

2.2 Income and financial situation of women’s organisations

The women’s civil society sector is composed of organisations of varied sizes and financial capabilities. However, many organisations in the sector are very small and their survival is only guaranteed in a year-on-year basis. Many organisations that participated in this research have currently little to no income, with close to a third falling in the ‘under £10,000’ bracket.

Nearly half of surveyed women’s organisations reported an annual income below £100,000, and over two-thirds have less than £300,000.

Activities to generate income in addition to memberships and subscriptions include donations and raffles.

One organisation based in Yorkshire and the Humber has successfully established a social enterprise business model which generated 70% of their relatively high income (between one to three million pounds) (see Box E). Some organisations operate without any income. (Two of the organisations surveyed for this report had no income whatsoever.)

BOX D Generating own income

Preston Road Women’s Centre is an organisation with fifteen years of experience in generating income through self-finance and social investment. They are conducting a research project into longer-term funding mechanisms for feminist women’s organisations and are looking into producing a toolkit to help women’s organisations to start to generate their own funds. More details can be found here: <http://bit.ly/2xDKG3I>.

29% of the organisations surveyed for this report rely completely or for the most part on self-generated income. However, for most organisations, the most obvious way of generating their own income – charging for services delivered – is not a possibility (see Quote 2).

Quote 2

“Becoming sustainable through charging for your services is unrealistic when working with women on low incomes. We do charge for counselling services but fees do not cover all the costs of the service.”

In this context, it is hardly surprising that many respondents were pessimistic about their organisation’s future, echoing previous research into the financial sustainability of the sector.³³

Quote 3

“I want to reassure the women that we’ll still be here in a few years’ time but I’m not in a position where I can say that.”

31. WBG’s own calculations based on Scotland’s government list of projects funded: Cabinet Secretary for Communities and Local Government (2018) Funding to tackle violence against women and girls (<http://bit.ly/2zrzq8U>); Local Government and Communities Directorate (26 August 2016) Equality funding 2016 to 2017 (<http://bit.ly/2NM3sjo>)

32. For more challenges voiced by women’s organisations who completed our survey see Appendix 1.

33. See for example: Imkaan (2016) Capital losses: The state of the specialist BME ending violence against women and girls sector in London (<http://bit.ly/2N5Pwvs>); WRC (2016) The impact of austerity measures on women’s voluntary organisations and the response of the women’s sector (<http://bit.ly/2DgN5GR>); WRC (2018) Hearing women’s voices: Why women 2018 (<http://bit.ly/2MR7vWm>)

3. Current funding challenges

The previous section showed the variety of sources of funding on which the women's sector relies including central, devolved and local government, grant-making organisations, statutory bodies, donations and the European Union. Previous research has shown that in recent years women's organisations have been struggling very hard to secure adequate funding.³⁴ This is due to the shift to commissioning of services, reduced local government budgets and less targeted funding from national government.³⁵

41% of the organisations surveyed for this briefing reported a reduction in their income in the last year (with a further 31.7% reporting no change). At the same time 80% of the organisations saw an increase in demand for their services in the same period.

Austerity, through cuts to public services and to social security, has increased the number of people seeking support from voluntary organisations.³⁶ This has not been matched by an increase of funding available for these organisations so a major challenge has been to cope with higher demand on the same or lower budgets.

This section looks at characteristics of the current funding landscape and the challenges they pose to women's organisations, including the impact of austerity on the organisations' financial survival and capacity to respond to demand.

3.1 The impact of austerity

Austerity measures since 2010 had an impact on the availability and accessibility of statutory services to vulnerable women, availability of funding for women's organisations, and on the demand for support and services from the voluntary sector by the most disadvantaged people.

Local authorities

At the same as time as the Coalition Government decided to devolve power over certain services to local areas, overall funding by central government was cut. Central government funding for local government fell by over 50% between 2010/11 and 2015/16³⁷ and then by a further 30.6% in 2017/18.³⁸ Funding for the police was cut by 20% between 2010/11 and 2014/15,³⁹ with consequences for victims of domestic and sexual violence, including cases dropped due to problems collecting evidence and a reduction in police funding for specialist support services.⁴⁰ For health, although spending was protected, there was actually a fall of 1.3% in age-related per capita spending, a result of increased demand due to a growing and ageing population.⁴¹

Reduced local funding

Cuts to funding for local authorities and other statutory bodies have had an impact on their funding for local services.

This is reflected in how commissioning was handled: with the overriding criteria for choosing between bids often being cost rather than quality of services, failing to implement the Social Value Act 2012 (see Box H on p 16).⁴²

For women's organisations, these cuts in local budgets had two main competing consequences, namely reduced funding and increased demand.

A consequence of the cuts has been the closure of many small local women's organisations, particularly organisations specialised in supporting black and minoritised women⁴³ (see Quote 4), women with disabilities and lesbian women.

Black and minoritised women services at higher risk

Quote 4

“Women services are not prioritised – there is even less commitment to support women groups and minority ethnic groups to grow, which is where we are placed.

Regard for women's needs in general seems to be diminishing. I think this is worse for poor women and women from minority groups.

34. WRC (2015) Women's organisations; the 'net beneath the net' (<http://bit.ly/2EXacGX>); WRC (2016) The impact of austerity measures on women's voluntary organisations and the response of the women's sector (<http://bit.ly/2DgN5GR>); WRC (2018) Hearing women's voices: Why women 2018 (<http://bit.ly/2MR7vWm>)

35. The Bureau Local (16 October 2017) 'Revealed: Thousands of Vulnerable Women Turned Away as Refuge Funding is Cut' (<http://bit.ly/2NXPIBp>); EHRC (2012) The impact of changes in commissioning and funding on women-only services (<http://bit.ly/2MP2qOp>)

36. WBG and Runnymede Trust (2017) Intersecting inequalities: The impact of austerity on Black and Minority Ethnic women in the UK (<http://bit.ly/2jLave5>) p 41; WRC (2016) The impact of austerity measures on women's voluntary organisations and the response of the women's sector (<http://bit.ly/2DgN5GR>)

37. IFS (2016) Council-level figures on spending cuts and business rates income (<http://bit.ly/2nYfPKf>)

38. Local Government Association (2016) Local Government Finance Settlement: Technical Consultation 2017/18 (<http://bit.ly/2qAj5MQ>)

There is already a lack of services for BME women in Scotland experiencing domestic abuse. Two main Women's Aid groups provide refuge and outreach support for women, children and young people. It is vital that funding remains at a level where holistic support is available to vulnerable women from experienced specialist staff."

Commissioning and funding cuts drastically reduced the amount of funding available for local specialist services. The Bureau Local found that over three quarters of councils have reduced the amount they spend on domestic violence refuges, with total spending on refuges reduced by a quarter (24%) since 2010 (from £31.2m in 2010/11 to £23.9m in 2016/17).⁴⁴ In a year alone, there was a cut of 31% in funding to the sexual and domestic violence sector, from £7.8m in 2010/11 to £5.4m in 2011/12.⁴⁵

Increased demand due to public service cuts

Cuts to women's organisations' funding were accompanied by an increase in the demand for their services. Many statutory services introduced or raised their eligibility thresholds to accommodate only the very worst cases, following severe public spending cuts. So frontline third-sector organisations are being forced to pick up the slack on these cuts, receiving people with unmet support needs that are turning to voluntary organisations as their last resort (see Quote 5).

Quote 5

"Our client base has become more complex, so we are dealing with clients now with mental health issues that ten years ago we would never have seen walking through our door because they'd have gotten psychological services delivered to them but they haven't now so we're seeing them.

So the stress of managing this system that is broken – the statutory services around it are broken and we are fractured – and yet we're being told that the voluntary sector is where things in terms of health and social care need to be. So there's going to be more and more things pushed our way. The resources are not following. And what I know is they are being pushed our way because we're known to be so much cheaper.

I think if I stepped into the shoes of somebody from the statutory sector, they don't have a choice. They've been

slashed to the core and actually they don't have the means to deliver the services. So where do these clients go? The only other place for them to go is the voluntary sector."

Quote 6

"There's sometimes an understanding that the voluntary sector will do it for nothing, that you can do it on the cheap."

Demand is also increasing from other sources. Increased spending on prevention and awareness-raising campaigns on violence against women and girls, and high-profile cases such as the #MeToo movement and the Saville case, are leading more people to report abuse and seek help, as reported by women's organisations interviewed for this report. This is a positive development, but without funding available for core support services to match the demand the result has been longer waiting lists for women's organisations' services.

BOX E Delivering for more people with the same resources

A sexual violence support organisation has seen an increase of 40% in their helpline calls in the last few years, even though they saw a reduction on their income from 2017/18 to 2018/19. The quote below mentions the struggle of trying to deliver high-quality services under increased demand and with the same resources:

"The increase in demand without an increase in resources has created its own pressures. I've had quite high turnover, which is very unusual for this organisation, in my senior management team, and I know it's stress that's done that. When you're in this world because you're committed to these value-based services to really vulnerable people and you see waiting lists growing and growing and growing with no hope on the horizon that you can tackle it, except cutting the services or making them less robust – or increase our thresholds and mirror what the statutory services have done."

39. IFS (2015) Funding the English and Welsh Police Service: from boom to bust? (<http://bit.ly/20lJF0G>)

40. The Independent (9 April 2017) 'Thousands of domestic violence victims withdrawing from legal action after Government cuts' (<https://ind.pn/2Nt6N6V>)

41. IFS (2017) UK Health Spending: Briefing Note 201 (<http://bit.ly/2QPddek>)

42. NCV0 (9 Feb 2017) 'Review of the Social Value Act' (<http://bit.ly/2QoLqAZ>)

43. Imkaan (2016) Capital losses: The state of the specialist BME ending violence against women and girls sector in London (<http://bit.ly/2N5Pwvs>)

44. The Bureau Local (16 October 2017) 'Revealed: Thousands of Vulnerable Women Turned Away as Refuge Funding is Cut' (<http://bit.ly/2NXPIBp>)

45. APPG on Domestic and Sexual Violence (2015) Report of Inquiry into the Changing Landscape of Domestic and Sexual Violence Services (<http://bit.ly/2xvDs1M>)

Poverty and domestic violence

Austerity measures since 2010 have made poor people worse off, with a disproportionate impact on women, particularly from minority ethnic groups and disabled women.

Black and Asian women in the poorest 33% of incomes will lose 14% and 19% respectively in their living standards each year by 2020.⁴⁶ Disabled women are set to lose 13% of their annual net income by 2021 from cumulative tax-benefit changes.⁴⁷

There is a complex link between poverty and domestic violence. We know that women from lower income households are 3.5 times more likely to experience domestic abuse than those in better-off households.⁴⁸ Poverty also makes it harder for women to flee abusive relationships, and is likely to exacerbate their complex circumstances and require holistic support to address their needs. Moreover, recent research has found that domestic violence and abuse cases spike during economic crises.⁴⁹ This is consistent with the dramatic rise in the number of domestic violence incidents reported to the police since 2010, to over a third more.⁵⁰

These links are compounded for disabled women, who are more likely to live in poverty and to face higher levels of violence. Disabled women face additional challenges in leaving abusive relationships, including accessibility problems in victim support services, transport and accommodation, the dependency on the abuser for care, and the non-portability of care packages across councils.⁵¹

Cuts and changes to social security

The roll out of Universal Credit is also taking a toll on women's organisations' strained resources and feeding into the increased demand for their services.

On one hand, cuts to benefits and the roll out of Universal Credit (UC) are making many low-income people worse off. The Trussell Trust, an organisation that provides most food aid in the UK, found that in areas with full UC roll-out there was a 52% increase in foodbank use in the previous year, compared to a 13% increase in areas with no UC roll-out.⁵² Many people are turning to voluntary organisations for help. On the other hand, the complexity of claiming benefits under the new system of Universal Credit is making many people seek help from voluntary

organisations – including women's organisations in the present research – to sort out their UC claims.⁵³

Rising numbers of women in poverty and financial disadvantage are therefore having a knock-on effect on the demand for women's organisations' services, including domestic and sexual abuse support.

Quote 7

“A strength of the voluntary sector is that you're still there even when everyone else comes and leaves and moves elsewhere.”

Legal aid cuts

The introduction of the Legal Aid, Sentencing and Punishment of Offenders Act 2012 (LASPO) dramatically changed the scope, eligibility criteria and access to legal aid from 2012 onwards.

Legal aid for cases of asylum, debt, education, employment, family law, housing, immigration and welfare benefits was restricted or entirely cut. Among the most dramatic changes are:

- Welfare benefits removed from the scope of legal aid;
- Family law cases only included if there was domestic violence (but a very narrow definition of domestic violence and child protection applies);
- Employment cases only covered when there is discrimination.⁵⁴

The eligibility criteria were also tightened, so legal aid now only applies to the very poor, leaving a lot of low-income families with no support or legal recourse, in a context of austerity cuts to welfare benefits and a rise in welfare sanctions.

Prior to LASPO women were more likely to use civil legal aid (62.2% in 2010), which meant they have been disproportionately affected by the cuts introduced to it. The Government's own impact assessment into legal aid cuts found that women make up:

- 65% of those who will no longer receive legal aid for family law cases;
- 60% of those in housing cases;
- 73% of those in education cases (often bringing a case on behalf of a child).

46. WBG and Runnymede Trust (2017) *Intersecting inequalities: The impact of austerity on Black and Minority Ethnic women in the UK* (<http://bit.ly/2jLave5>) p 5

47. WBG (2018) *Disabled Women and Austerity* (<http://bit.ly/2QsVAkk>)

48. S Walby and J Allen (2004) *Domestic violence, sexual assault and stalking: Findings from the British Crime Survey*. Home Office.

49. S Walby, J Towers and B Francis (2016) 'Is Violent Crime Increasing or Decreasing? A New Methodology to Measure Repeat Attacks Making Visible the Significance of Gender and Domestic Relations', *The British Journal of Criminology*, 56, 6(1), pp 1203-1234

50. The Bureau Local (16 October 2017) 'Revealed: Thousands of Vulnerable Women Turned Away as Refugee Funding is Cut' (<http://bit.ly/2NXPIBp>)

51. WBG (2018) *Disabled Women and Austerity* (<http://bit.ly/2QsVAkk>)

52. Trussell Trust (24 April 2018) "Benefit levels must keep pace with rising cost of essentials" as record increase in foodbank figures is revealed' (<http://bit.ly/2Hl4KyG>)

53. Our next report as part of the Coventry Women's Partnership project will look in detail into how the roll out of Universal Credit in Coventry is having an impact on low-income women and the demand for women's organisations' services (to be published in Spring 2019).

Black and minority-ethnic families are disproportionately affected by these cuts as black and minoritised women and men are more likely to claim legal aid.⁵⁵

Severe cuts to legal aid had a massive impact on organisations that provided legal advice and support for disadvantaged women and men (see Box H). One in six law centres has closed and over 70% of not-for-profit legal advice services could only meet half or less of the demand.⁵⁶

BOX F Impact of legal aid cuts on Central England Law Centre

The Central England Law Centre (CELC), formerly known as Coventry Law Centre, was able to continue to operate despite the severe legal aid cuts since 2012. They opened an office in Birmingham in 2013 after Birmingham Law Centre closed due to the cuts. CELC had to diversify their funding streams, including building relationships with commercial firms and supporting them to do pro-bono work, to make sure they continued to support the direst cases.

Although the Law Centre has actually grown in capacity in the last few years funding is currently not sufficient to meet demand – ‘*we still turn people away*’. It has not been possible to replace the funding that was removed with the cuts to legal aid and so they can offer only limited help on employment cases, debt and immigration.

“Welfare benefits we’ve tried really hard to maintain, so we’ve used the Coventry City Council grants, and we’re using funding from universities to keep that going.”

Central government funding streams

Funding from government to voluntary organisations fell from a highest of £16bn in 2010 to £15.3bn in 2016/17.⁵⁷ It now accounts for less than a third (32%) of the voluntary sector’s income.⁵⁸ The bulk of this funding goes to major organisations, amounting to 40% of their total income. The amount received by smaller voluntary organisations (including specialist women’s organisations) has continued to fall.⁵⁹

As noted, much of the money available by central government does not go to specialist women’s organisations. Additionally, national funding made available for VAWG services have not proved enough to offset the cuts to local funding from local authorities, police and health services on which women’s organisations depended (see details in previous section).

BOX G Rape Crisis England and Wales

Rape Crisis Centres received a total of £3,624,768 from the Ministry of Justice in 2017/18. The grant includes Centres that received less than £50,000 each and eight that received over £100,000. Funding from the Ministry of Justice represented 18% of the overall income of the Rape Crisis network.

There continues to be a decline in the number of Centres in receipt of funding from their local Clinical Commissioning Group (CCG) down from 13 in 2016/17 to 10 in 2017/18. There is a wide variation in the amount of funding received from CCGs. For example, one Centre received £5,000 whilst another received over £100,000. Removing these two Centres from the analysis, the average received from a CCG by the remaining seven Centres was £51,800, almost identical to that received in the previous year. This is despite a significant rise in demand for sexual violence support services: the waiting list at Rape Crisis England and Wales grew 50% in 2018 (compared to previous year).

Source: Rape Crisis England and Wales’s written response to survey conducted for this report

54. WBG and Runnymede Trust (2017) *Intersecting inequalities: The impact of austerity on Black and Minority Ethnic women in the UK* (<http://bit.ly/2jLave5>) pp 36-37

55. *Ibid* p 37

56. Justice Select Committee (2015) *Impact of changes to civil legal aid under Part 1 of the Legal Aid, Sentencing and Punishment of Offenders Act 2012* (<http://bit.ly/2DePKkv>)

57. NCVO (2018) *UK Civil Society Almanac 2018* (<http://bit.ly/2xBYISK>)

58. NCVO (2018) *Civil Society Almanac, Income from Government* (<http://bit.ly/2MQasXa>)

59. *Ibid*.

3.2 Political and policy changes to funding

In addition to cuts to the amount of funding available there have been other changes to the funding landscape.

The impact of commissioning

One of the key items in the Coalition Government's agenda (2010-15) was devolving decision- and policy-making power to localities, allowing local communities to define solutions to their specific needs. The term 'Big Society' was used, reflecting the goal of passing on responsibility to civil society to deliver services with reduced input from central government.⁶⁰ Local authorities and other local statutory bodies such as Clinical Commissioning Groups and the newly created Police and Crime Commissioners were given responsibility for commissioning services in their areas.

There was thus a reduction of direct funding from central government to voluntary sector organisations, and a shift from grant aid to competitive tendering for the provision of services.⁶¹

However, at the same time there were sharp cuts to central government funding for local authorities (see section on austerity above). Local budgets for statutory services were cut and, despite commissioning guidance on how to evaluate the quality of bids and the Social Value Act 2012, women's organisations report commissioners are facing increased pressure to accept the lowest bid (see Quote 8).

BOX H Social Value Act 2012

The Public Services (Social Value) Act 2012 requires all public sector commissioners to consider broader social, economic and environmental benefits to their area when awarding public sector contracts. According to the Government, '[t]he Act is a tool to help commissioners get more value for money out of procurement'. It also encourages commissioners to engage with their local community to design better services and find solutions to the problems at hand. However, the Act has not been fully implemented due to a lack of awareness and statutory guidance on the Act to commissioners,⁶² and strength in the Act itself to make consideration of social value a widespread practice in commissioning.⁶³

Quote 8

"I've had commissioners coming back to me and saying 'I didn't want this big generic organisation to get the contract but I had no choice', because of the price and slickness of the bid."

This fundamentally disadvantages local specialist women's organisations. Large generalist organisations, with a broader user base, can offer cheaper services per user as a result of economies of scale. However, women's organisations have extensive expertise in supporting disadvantaged women with complex needs and very high and stringent quality standards in service delivery (see Quote 9). They usually have a high profile among the targeted social group locally, and their grassroots and often long-established nature makes it easier to form long-term relationships with vulnerable women,⁶⁴ a cornerstone of successful support (see Quote 10).

Quote 9

"What commissioning after commissioning is doing is shaking us to our core and stopping us from being able to function and bringing in competitors which I think are dangerous to the delivery of high-quality specialist services."

Quote 10

"I want to be here for as long as these women need us. (...) You've got to be in it for the long term and the funding world at the moment is not enabling me to be in it for the long term."

Larger organisations also have dedicated staff to write the resource- and time-consuming tendering applications, and to monitor the outcomes as intensively as required by the new commissioning process. Smaller women's organisations find that the process of quantitatively measuring the progress of service users can be intrusive and not really consider the initial position of some of the most vulnerable women and what progress means in those cases (see Box I).

60. Third Sector Research Centre, University of Birmingham (January 2013) Making sense of the Big Society: perspective from the third sector (<http://bit.ly/2psolrJ>)

61. EHRC (2012) The impact of changes in commissioning and funding on women-only services (<http://bit.ly/2MP2qOp>)

BOX I Measuring progress for the most disadvantaged and marginalised women

Funders and commissioners will require the organisations they fund or commission to report on outcomes. However, for many women's organisations dealing with women with highly complex needs progress may not be linear and take longer than the life of the project. This can make it difficult to demonstrate success in the time scale allowed, particularly if funding is for a very short period:

“Funders want to see results, they want to see some targets, tick some boxes. So we can say, “look at what we've done, your money has funded this.

Great project!” But in reality what we're bringing is: today you are not dead. Today this person is still alive and they're still looking forward, thankfully. And tomorrow they may be looking forward to the day after, whereas yesterday they weren't looking forward to it. And that is it.

We're unravelling years and years of abuse, there are complex needs moulded into one and you're left with this traumatised person.”

3.3 Challenges of funding context

Alongside the changes to funding available and the impact of austerity of the last decade in the demand for their services, the financial sustainability of women's organisations is also affected by the design and requirements of funding streams. Women's organisations face a range of challenges including grants that run only for a few months, complex and bureaucratic reporting requirements and an increasing disregard for women-specific services.

Short-termism of funding

Much of the funding available for women's organisations is for very short periods of time. Organisations reported the onerous process of sometimes applying for grants that funded specific activities for only a few months. This constrains their ability to provide high-quality, consistent and sustained delivery of services and support for women.

Quote 11

“The battle to secure funds on a yearly basis is exhausting and demotivating. The service we provide is emotionally challenging without having to constantly worry about where the funding will come from.”

Quote 12

“In terms of time to apply there is no other word for it: it's a nightmare. It absolutely rocks organisations that are small charities, that are front-facing direct service deliverers. It will take so much time of my management's team and my time to fill in [different funding streams].”

Quote 13

“Obviously it's not just about writing funding applications, it's reporting, it's audit trails, the potentially monthly funding submissions, it's the reports at the end.”

Short-term funding is often the only possible route for smaller organisations but it has several downsides:

- **Recruiting and training staff to deliver high-quality support takes time** and funding streams that run for only a few months to a year do not take that into account (see Quote 14). This service-delivery training is often on top of staff having to familiarise themselves with a new project-reporting system, as required by funders.

62. Cabinet Office (2015) Social Value Act Review (<http://bit.ly/2D5Z9ZX>)

63. NCVO (9 Feb 2017) 'Review of the Social Value Act' (<http://bit.ly/2QoLqAZ>)

64. Ibid.

- **Staff recruitment and retention is a huge problem for women's organisations** and is exacerbated by very short-term funding. Work contracts are often tied to specific projects meaning staff lack long term job security. Many organisations are forced to lay off experienced and trained staff because they are unable to secure further funding for continuing projects. Some people simply cannot afford the insecurity of short-term contracts and leave the sector altogether (see Quotes 15 and 16). High staff turnover also has a negative impact on effectiveness of support in certain cases (see Quote 14).
- **Many funded projects that run for less than a year have reporting requirements very similar to longer-term projects**, which consumes much time and effort from resource-scarce organisations. This leaves many small organisations in a catch-22 situation: short-term grants are often the only ones they can apply for, but their administrative burden is hardly worth the effort.

Quote 14

“Women supported get really upset with staff turnover because the support work is very intense and there is a very high level of trust, as it's the only way women will open up.”

Quote 15

“One of the impacts of funding is that if you have these short-term contracts that are tied to funding, that means that your staff don't have security to their jobs, so when

it's drawing close to the end of their contract and you can't guarantee immediately that they'll be extended they will – understandably – start looking for a new job.”

Quote 16

“We've lost good people who haven't been able to cope with the up to the wire, whereas other people have been more able to cope – but they've usually got safety nets underneath them. But if you're a single parent paying a mortgage or rent, you're caught, really. So we've lost good expertise out of that.”

Project-based funding

Relying on grants from foundations and other charitable organisations is challenging for many organisations due to the design of those grants and their requirements. Most of the funding available is for specific projects to be run for a determined period of time, usually short-term projects. Unrestricted funding, or funding for the core costs of organisations (rent, salaries, equipment, utilities), is difficult to secure. This undermines the capacity of organisations to deliver the services they are specialised in and that their users need.

Some organisations mentioned how challenging it was to have to constantly invent new ways of delivering their services to appeal to the grant-makers' desire to see innovation. Funding and resources were thus pulled away from high-quality core service delivery to new experimental projects, with organisations risking their funding being pulled in case of failure (see Box J).

BOX J Drive for 'innovative' projects

A recurring issue flagged up by organisations was funders' constant drive for innovative projects and fresh ways of doing things, even when organisations had extensive experience of delivering high-quality services meeting the needs of victims and a robust evidence base to prove it.

“Everything we do is based on our reports, everything is evidence-based, to the last detail so we can prove that we can do it.”

This created problems for organisations who found it harder to raise funding to meet core costs. Some organisations often respond to this by finding ways to re-package on-going core services as new or innovative but this was draining and distracting.

“It's the same thing you're delivering but you may call it something else or find a different way to describe it to that funder. But it's really difficult because we do what we do, there aren't a vast many ways that we can repackage that. We need more core funding.

What they're doing is saying, 'Be innovative! Bring more people through the door! But we're not going to fund your core services', so what are we going to do when these innovative programmes will bring more people through the door and we can't get core funding to deliver the services? Our waiting lists grow astronomically!

It's a distortion. I don't know what it is about funders who like innovative transformative projects, because you can only innovate and transform if you've got a robust core. If you haven't got a robust core, what is that innovation and transformation underpinned by? And it's not to say we can't work in other ways, that we can't be innovative in the way we deliver core services, but that's not often what is meant. They mean 'we want to fund something no one's ever funded before! That we can really hold as a flagship, that we've done differently!'”

Push for gender-neutral services

As detailed in section 1.1., specialist women's services and women-only spaces are crucial for many women to be able to access support, particularly for survivors of domestic and sexual violence. Specialist services for black and minoritised women and for disabled women are also essential as many of these women may not be able to access mainstream services.

Yet despite the clear importance of specialist organisations and women's preference for women-only support in circumstances of vulnerability, funders have been pulling away from gender-specific services. Some organisations specifically referred the lack of recognition of the value of women-specific services as a major challenge.

In the survey conducted for this report, for organisations who have seen their income reduced recently, three quarters pointed to the lack of support from statutory bodies for women's organisations as a reason, half mentioned commissioning

services not valuing women's organisations, and a third referred the misinterpretation of the Equality Act 2010 – and the fact that it allows for women-only spaces and services in certain circumstances – as a reason for dwindling funding opportunities.

Quote 17

“I spent more time replying to the question 'What about the men? What about the men?' than talking about our services. I'm here as a women's organisation with experience in delivering services for women, bidding for this centre, and being asked, 'Well, this amazing work you do for women, can you do it for men as well?'. I said, 'If your commissioners are interested in building services for men I'll support them with their strategy so that they can then commission men's projects in the city. But these women have specific needs.'”

4. The impact of Brexit

Brexit is likely to have a negative impact on women's organisations in terms of funding available, recruitment of staff and volunteers, and on the demand for services. There may also be opportunities if VAT regulations are drawn more favourably for voluntary organisations and if government creates new more simplified funding streams.

4.1 On funding

There are two main EU funding streams that specifically support projects aiming to improve equality, economic integration and combat social exclusion and poverty. The European Social Fund (ESF) and the European Regional Development Fund (ERDF) are administered by the UK government through the Department of Work and Pensions (DWP) and regionally through Local Enterprise Partnerships (LEPs); their combined allocation for 2014-2020 in the UK is £9.13 billion. The spending on equality-focused objectives amounts to £4.15 billion in England, plus £1.4 billion in Wales, Scotland and Northern Ireland.

Another significant programme is the Rights, Equality and Citizenship (REC) fund and the PEACE fund in Northern Ireland. They directly support projects focusing on human rights, violence against women and discrimination. Unlike the ESF and ERDF, the REC fund is administered directly to NGOs, universities and other civil society organisations by the European Commission.

DAPHNE, the European Commission's specific funding stream for VAWG services and research that ran for almost two decades, was incorporated into the REC fund in 2014. This programme played an important role in getting frontline service organisations and researchers working together to demonstrate the added value of the services these organisations provide to victims. Research findings from projects funded by DAPHNE remain relevant for VAWG organisations' advocacy.

The impact of these programmes is huge. According to the Government, up to May 2015 there had been 5.59 million participants in projects funded by the European Social Fund in England and Gibraltar, including 533,000 disadvantaged young people helped to enter employment, education or training, 262,000 participants gained basic skills, and 521,000 unemployed or inactive people helped into jobs.⁶⁵ Many of these projects target disadvantaged groups of women, including black and minoritised women, lone parents (90% of which are women), young parents and victims of domestic violence.⁶⁶

The amount of EU funding women's organisations receive varies widely from year to year and from organisation to organisation. One of the five Coventry organisations we interviewed in depth received a considerable proportion of their funding from the EU – 40%. This specific grant was part of a project led by the local council and which included several other voluntary organisations (see Quote 19).

Quote 18

“If there had been a survey 3 or 4 years ago there would have been a completely different picture [about increase in income from previous year], and I'm again singing the praises of EU funding but it has been an absolute game changer for a small organisation because, as you know what we do is social, health and economics so the economic side – the employment, the training – has been fantastically covered in terms of what we can do. For all the bureaucracy – and there's a good deal of bureaucracy, actually – it is full-cost recovery so it gives us the capacity to employ full-time staff plus admin workers to support frontline staff so makes admin tasks a lot easier.”

It is important to note that funding that comes from the EU institutions is enmeshed in the complex patchwork that is the current funding structure for women's organisations and other voluntary-sector groups. In some cases, it is part of the funding that local authorities dispense, either through local councils or through the LEPs, and its availability shapes local development strategies. EU funding is also often matched by the government or by big grant-makers such as the Big Lottery Fund, through commitments such as the *Building Better Opportunities* programme.⁶⁷

Despite the Conservative party's pledge of a new *UK Shared Prosperity Fund* to replace EU Structural Funds post-Brexit – which amount to £8.4 billion⁶⁸ –, and the government's

65. DWP (2014) European Social Fund (ESF): 2007 to 2013 (<http://bit.ly/2Ob7QrG>)

66. For examples of equality projects financed by the EU please see Equality and Diversity Forum (2018) Shared Prosperity, Shared Rights: replacing EU funding for equality and human rights after Brexit (<http://bit.ly/2zs79Sx>)

67. Big Lottery Fund (2018) Building Better Opportunities (<http://bit.ly/2Q6uTBw>)

68. Local Government Association (n/a) Beyond Brexit: future of funding currently sourced from the EU (<http://bit.ly/2zshDBt>)

69. Ministry of Housing, Communities and Local Government (24 July 2018) Local Growth: Written statement – HCWS927 (<http://bit.ly/2Dr074Q>)

announcement in 2018 of a consultation into it,⁶⁹ it is unclear at this point how and to what extent EU funding will be made up for by the national government when the UK leaves the EU.

Even though many women's organisations do not receive funding from EU sources, there is a widespread concern that leaving the

EU and its funding programmes will increase the competition for national funding pots. In the event of an economic downturn post-Brexit, as all forecasts predict,⁷⁰ there are also concerns about further cuts to local government budgets, public services and funding available.

4.2 On recruitment

Another likely impact of Brexit on women's organisations is on the supply of workers, both as paid staff and volunteers. Recruitment is a challenge that many organisations are already facing.

The NCVO estimates that 5% of staff working in UK charities are EU nationals, and this proportion has been growing more rapidly than in the private and public sector.⁷¹ 6% of the growing social care workforce is made up of EEA nationals, the vast majority of whom do not have British citizenship. This means that charities will be impacted by restrictions in the freedom of movement of people after Brexit.

Women are the majority of the voluntary sector's workforce.⁷² One of the reasons for this is the widespread use of flexible

employment practices and part-time positions in the sector. In the women's sector staff and volunteers are almost exclusively female. This matters as the impact of Brexit will be gendered.⁷³

If the Government responds to a post-Brexit economic downturn with austerity policies, as it did to the financial crash of 2008, women will be disproportionately affected.⁷⁴ Reductions in social care, either through cuts to spending or through shortage of staff (6% of staff in social care are non-UK EU nationals), will increase the burden of informal and unpaid care work which is largely carried out by women. This means that women will have less time for paid employment and for volunteering, which can have a negative impact on women's organisations' ability to recruit as well as women's financial security.

4.3 On demand for services

An economic recession following Brexit will likely increase the demand for services provided by women's organisations for two reasons. This is based on what was observed in the aftermath of the UK economic recession of 2008-2010.

A period of economic downturn is likely to increase unemployment and send more people into employment precarity and financial disadvantage. This will be compounded if the strategy to deal with lower GDP is further cuts to benefits. More people will need support as they will be in situations of vulnerability. This is particularly true in the case of domestic violence, which increases in periods of economic crisis.⁷⁵

Moreover, if there are further cuts to (public) statutory services, a higher number of people will be forced to turn to voluntary services, even for help with issues that are not of these services' specialism.

In a context of economic recession, women's organisations will struggle with pressure to deliver high-quality support with longer waiting lists and shortage of staff, volunteers and funding.

70. WBG and Fawcett Society (2018) Exploring the Economic Impact of Brexit on Women (<http://bit.ly/2MI3nbn>)

71. CVO (2017) NCVO's General Election 2017 Manifesto: How it can be achieved (<http://bit.ly/2lfxupl>)

72. NCVO (2018) UK Civil Society Almanac 2018 (<http://bit.ly/2xBYISK>)

73. WBG and Fawcett Society (2018) Exploring the Economic Impact of Brexit on Women (<http://bit.ly/2MI3nbn>)

74. Ibid.

75. S Walby, J Towers and B Francis (2016) 'Is Violent Crime Increasing or Decreasing? A New Methodology to Measure Repeat Attacks Making Visible the Significance of Gender and Domestic Relations', *The British Journal of Criminology*, 56, 6(1), pp 1203-1234

4.4 Opportunities?

Brexit may offer some opportunities to the women's sector, although these are unlikely to outweigh the negative impacts.

Simplified funding process as replacement

In its latest commitment to the UK Shared Prosperity Fund, the Government has argued that replacing EU funds with a new mechanism is an opportunity to simplify the funding application, monitoring and reporting process that was too cumbersome for many small organisations.⁷⁶ This would be a welcome development that could extend funding alternatives to small women's organisations, as some reported the vastly bureaucratic process as a reason for not applying for EU funding.

Quote 19

“I've asked why we as an organisation didn't apply for funding from EU, because I know that there's huge pots of money – but apparently it's really, really complicated. From what I was told when I first started the monitoring and reporting is to a whole new level of complexity that they felt as an organisation that they didn't need to try for that just yet.”

Although simplification of funding process would be a welcome development, it is not clear yet what the UK Shared Prosperity Fund would cover and whether women's organisations would be able to benefit from it. An organisation mentioned that, for all its bureaucratic flaws, and unusually for funding in general, EU funding does recognise the needs of groups with protected characteristics: *'gender is actually written into the contracts, vulnerable groups, BME communities'*.

New VAT rules

A potential opportunity of Brexit for charities is a rewriting of VAT rules. Currently the UK government is bound by EU regulations and cannot lower VAT or introduce new exemptions. Leaving these regulations would open up the opportunity for the government to introduce zero-rates and rebates to charities to solve the issue of irrecoverable VAT.⁷⁷

The creation of new VAT rules might also involve ending the charging of VAT on women's sanitary products as luxury products. This would also see an end to the Tampon Tax Fund, a funding stream that is currently financed by the amount of money the Government collects on those products. Some women's organisations have benefitted from it so if the fund is discontinued due to the implementation of a zero-VAT rate on sanitary products, it could have a negative impact on the sector.

Better procurement and tendering rules

The Charity Finance Group argues that Brexit could be an opportunity to improve rules and especially practice around procurement and tendering contracts. They argue that, even though the EU has been a positive influence in making sure the concept of value is broadened to include environmental and social benefits, civil servants have been erring on the side of caution and opting for the lowest (monetary) cost bids.⁷⁸

However, it is unclear that this decision-making pattern is a result of EU membership and even less certain that it would be improved once the UK leaves the EU. It may simply be a misunderstanding of commissioning rules and unpreparedness of staff – as the group also mentions – and pressure to save money in a context of severe cuts in public spending. The current UK government is in favour of compulsory competitive tendering and has been rolling it out for an increasing number of services, so it is unlikely that this policy would stop even if the UK leaves the EU.

It is also sometimes argued that, once the UK is out of the Single Market, tendering and procurement would no longer have to be open to firms and organisations from the rest of the EU, so there would be less competition for national organisations. However, any trade agreement the UK makes with other countries is likely to include provision on public services. Post Brexit, the UK will then be in a much less powerful position to secure better provisions, much less protectionist ones, to shield its services from foreign competition. It is very likely that US firms, for instance, will want access to tendering and procurement processes. The sheer size of some of these firms, and the fact that they operate in contexts where environmental, social and consumer standards are much lower than the UK (via its EU membership) currently enjoys, may make competition even fiercer in commissioning and exclude even further smaller organisations.

In sum, Brexit may provide some modest opportunities regarding the financial sustainability of the voluntary sector, namely more advantageous VAT and tax rules and a new simplified funding stream; however, they are unlikely to offset the overall negative impact of Brexit, particularly when it comes to the withdrawal of EU funds and the risks associated with an economic recession.

76. Ministry of Housing, Communities and Local Government (24 July 2018) Local Growth: Written statement – HCWS927 (<http://bit.ly/2Dr074Q>)

77. For a full explanation of the solution proposed see Charity Finance Group (2017) A Brexit that works for everyone – Brexit opportunities and risks for the UK charity sector (<http://bit.ly/2zsp19g>)

5. Recommendations

5.1 The optimal funding scenario

Women's organisations deliver life-supporting and life-changing services to women and their children, many of whom are in vulnerable situations and have complex needs. This expertise needs to be valued by funders, including statutory bodies when commissioning services. The gendered nature of domestic and sexual violence and abuse – who are most likely to be victims and most likely to be perpetrators – needs to be recognised and addressed accordingly. Specialist organisations, often small and local, are usually best positioned to do so.

Funders should strive for long-term relationships with the organisations they fund and design their programmes to make sure they contribute to these organisations' financial sustainability. This includes providing unrestricted funding to cover not just core costs of organisations but also their delivery of fundamental daily support to women who seek help. Funding streams should run for a significant time, ideally five years, to ensure proper training and retention of staff and smooth and high-standard service delivery.

Quote 20

“Longer-term, never going to be in a situation of perpetual funding, let's be realistic, but I want to see an end to short-term funding, so three years minimum. Because when you have short-term funding, once you start your project you're actually closing your project. If you're employing someone, you're investing in them, training them to get somebody to deliver the way they want to and the way the organisation needs them to. And three years enables you to do that. So minimum three years but preferably five years at a time.”

Quote 21

“To truly make the change we're asked to make to victims' lives the short-term nature of funding doesn't work. I guess ideally you would be looking at five years.”

Based on the problems identified in this report, the Women's Budget Group and the Women's Resource Centre make the following recommendations to ensure the survival of the women's voluntary sector:

Changes to funding process:

- All commissioning processes should fully implement the Social Value Act 2012 and end the drive for the cheapest bid.
- Commissioners should be given proper guidance on the Social Value Act, and on the provisions in the Equality Act 2010 for single-sex spaces and services.
- Understand that achieving equality requires recognising women's inequality and disadvantaged position and, therefore, supporting specialist services is paramount to achieve substantive equality.
- This is true also for other protected characteristics and how they intersect and compound each other. Specialist black and minoritised women's organisations and disabled women's organisations should be adequately funded.
- Funding for services should be offered according to need.
- Funding should cover the core costs of organisations.
- To guarantee sustainability and predictability of service provision, funding grants/contracts should be for no less than three years (ideally for five).
- Ringfence national funding for women's civil society organisations.

End gender-neutral policymaking by:

- Conducting Equality Impact Assessments into all policies and correct any negative impacts new policies may have on women, and women from groups with other protected characteristics in particular;
- Establish a national mechanism where women's organisations can support gender-responsible policymaking.

Appendix 1

Notes and details about the survey conducted to women's organisations

As part of our primary research, we invited women's organisations to take part in an anonymous online survey about the financial sustainability and health of the women's sector across the UK. We defined women's organisations as 'not-for-profit groups led by women who provide services and support to women'.

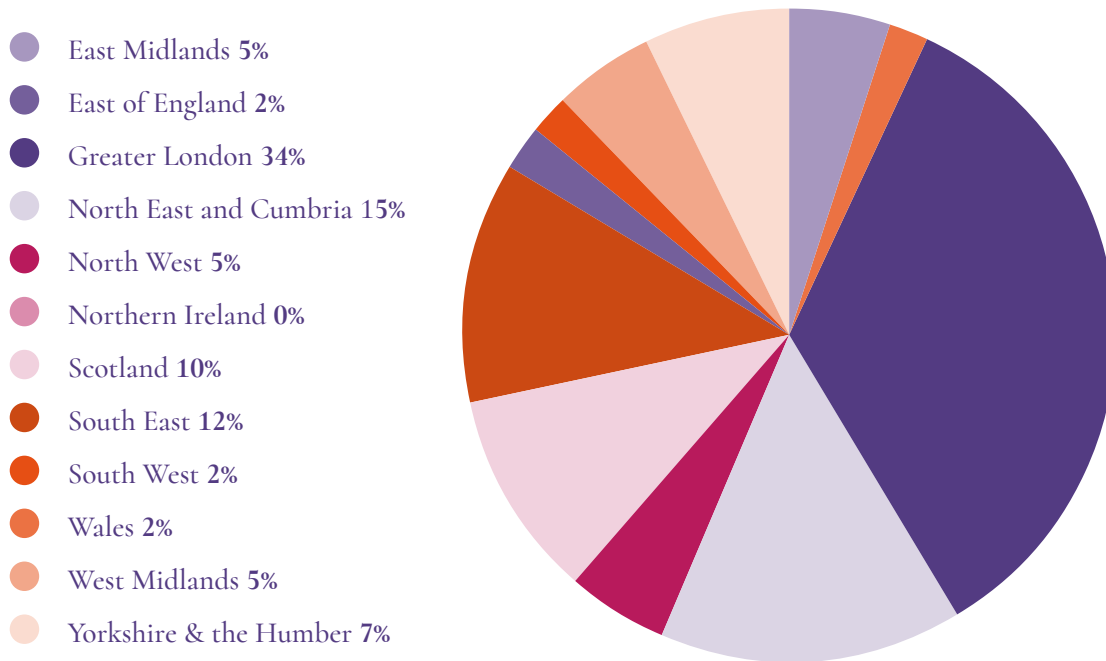
The survey was open from 27 July to 26 August 2018 and in total we received 41 responses to the survey form plus 1 written

response addressing some of the survey questions. As this constituted a relatively small sample size we decided not to use the data collected as the quantitative basis for the report. Nonetheless, the responses were useful in highlighting some of the challenges faced by the women's sector and a springboard for our qualitative research into the issues around funding for women's organisations. We feel it is worth sharing some of the responses raised here.

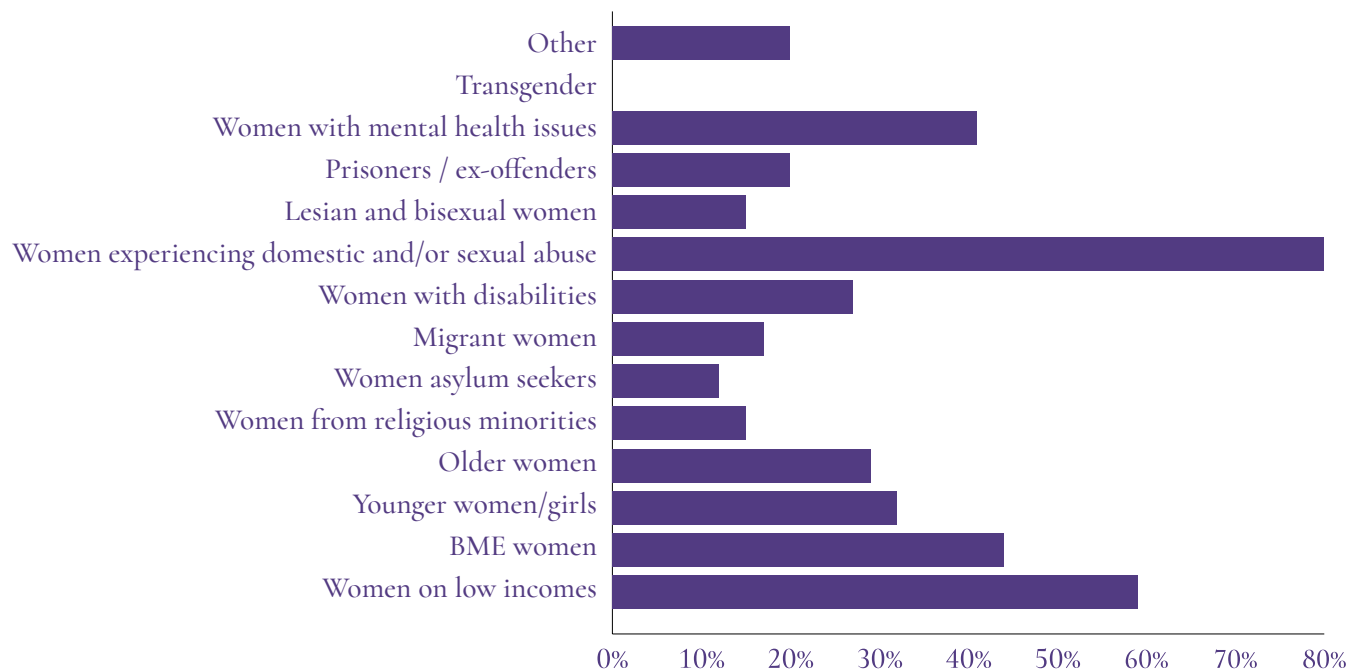
Questions included in survey

1. Where is your organisation based?
2. Are you a member of the Women's Resource Centre?
3. What description best fits your organisation?
4. How many women have you worked with / supported in the past year?
5. Do more than 50% of your service users identify with a particular community or group? (tick all that apply)
6. Have you seen an increase or decrease in demand for your services in the past year?
7. How many paid staff do you currently have? (full-time equivalent)
8. What are your sources of funding? (tick all that apply)
9. Can you provide an approximate % breakdown of where your funding comes from? (e.g. 50% from national gov, 25% from EU; 25% from contracts)
10. What is your organisation's annual income for 2018/19?
11. Does your organisation have money held in reserve?
12. What proportion of your annual turnover do you have in reserve?
13. What percentage of your income is secure for the next financial year (2019/20)?
14. Has your organisation's total income changed between 2017/18 and 2018/19?
15. If you lost funding in recent years, to what do you attribute it? (tick all that apply)
16. If your organisation's funding has REDUCED this financial year, what has been the impact? (tick all that apply)
17. If your organisation's funding has INCREASED this financial year, what has been the impact? (tick all that apply)
18. How confident are you in the following statements? [The organisation will still be here in 12 months]
19. How confident are you in the following statements? [The organisation will still be here in 2 years]
20. How confident are you in the following statements? [The organisation will still be here in 5 years]
21. What are the main challenges for your organisation right now?
22. What do you anticipate will be the main challenges in the next 2-5 years for your organisation?
23. Do you anticipate Brexit to have an impact on your funding?
24. If you anticipate Brexit to have an impact on your funding, in what ways will your organisation be affected?
25. Any comments you would like to add regarding financial sustainability of your organisation and/or the women's sector?

Where is your organisation based?



Do more than 50% of your service users identify with a particular community or group?



Location of women's organisations

A third of the organisations that responded are based in Greater London. Organisations based in the East Midlands, East of England, North East and Cumbria, North West, Northern Ireland, Scotland and the South East also responded to the survey.

Types of women's organisations

The vast majority (80%) of the organisations that responded are providing frontline services to women.

Groups / communities of women supported

Many of the organisations work with women from a variety of communities or groups, or with women who themselves identify with multiple communities or groups. The top four most commonly cited groups were ‘women experiencing domestic and/or sexual abuse’, ‘women on low incomes’, ‘BME women’ and ‘women with mental health issues’, highlighting the often intersecting nature of these characteristics.

Demand for services

1 in 8 participant organisations saw an increase in demand for their services in the past year compared to previous years.

Challenges

90% of participating organisations identified funding as one of the main challenges they currently face. Specifically, concerns about the lack of funding, funding sustainability, and securing/retaining paid members were amongst the most commonly cited issues.

The same 90% of organisations identified funding as one of the main challenges they anticipate their organisation facing over the next 2-5 years. An increase in the demand for services was the second most commonly cited longer-term concern.

Impact of Brexit

Over a third of organisations were confident that Brexit would have some impact on their funding. Another third remain unsure about the impact of Brexit on funding.

Of those organisations that were certain Brexit would have an impact on their funding, 79% felt that they would see their funding, or the availability of funding more generally, decrease.

“ We doubt that lost European funding will be replaced by Government funding and that will mean more charities applying to the existing funding streams. Meaning some charities will lose out.

We have actually changed our business model to make it ‘Brexit proof’ creating a manufacturing arm to our non-profit to “mop up” what we anticipate to be a likely breakdown in manufacturing links small women lead businesses will have with their European manufacturers.

We will lose opportunity to access EU funds if we grow big enough, anticipate the economy will get worse, there will be a reduction in public services and more need for charities. Women’s rights might get worse, especially loss of regard for human rights and equality.”

Sample of comments left by participating organisations on the general state of funding for the women’s sector:

“ Smaller charities struggle with funding yet deliver more services, future funding should include evidential partnership working and additional support towards growth and sustainability.”

“ Becoming sustainable through charging for your services is unrealistic when working with women on low incomes. We do charge for counselling services but fees do not cover all the costs of the service.”

“ We anticipate needing to rely on volunteers increasingly in the future but that it will be more difficult to recruit them in a tougher economic climate. The loss of Tampon Tax Fund grants will affect our sector post-Brexit, which is a bitter irony considering it exists to balance an unfair taxation on women.”

“ A partnership of women’s orgs has formed in the NE and we are just making inroads with influencing commissioners. However the 3 year project funding is coming to an end and this is simply not long enough to effectively sustain the good work that has been developed.”

“ Securing funding for the next few years so that we can develop and improve services. Have often had to operate from year to year due to funding challenges and this makes it difficult to forward plan and be strategic.”

Written by

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WBG is an independent, voluntary organisation made up of individuals from academia, NGOs and trade unions.

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