



Cost of Living Fund: Building Resilience **CONSULTATION REPORT**

May 2023



Following a round of cost-of-living grant funding in December 2022, we went back to our network of grassroots local charitable organisations to ask for an update about the current biggest issues and most critical challenges.

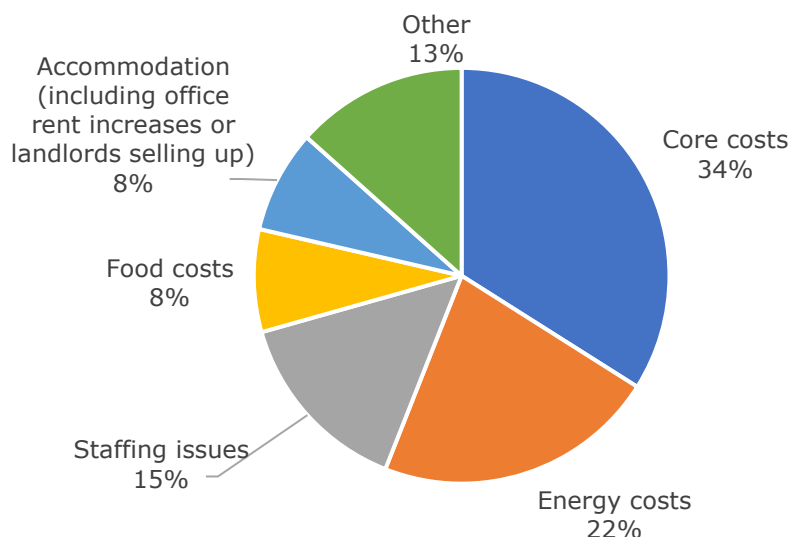
Charities were asked about the types of activities and funding that OCF should prioritise in our next grants round in June.

With similar response rates to our first consultation in September 2022, we received 67 responses to our survey, and 24 charity representatives attended our online workshop. The workshop covered the same questions as the survey to facilitate more in-depth and open discussions about current issues.

The following is a summary of the survey results, which were reinforced by the workshop discussions. The comments are taken from both the survey and workshop, with key issues for the charitable organisations themselves and for their beneficiaries summarised separately, and then some overlapping themes identified.

NB during the workshop, participants were organised into breakout rooms for smaller discussions, then one person from each group fed back. Some comments are attributed below to "Workshop discussion", meaning they are quoted from the person who fed back to the main room on behalf of their group.

What are the biggest issues for your organisation right now based on the cost-of-living crisis?



Respondents had to select the biggest issues for them as an organisation (rather than their beneficiaries) from a picklist of options, and the priority issues came out as core costs, energy costs, staffing issues, and other.

1. Core costs

"We have noticed funding is more competitive and it's getting harder to secure longer term funding for the core work we do." **Home-Start Banbury, Bicester & Chipping Norton**

"A lot of funders only support new projects without covering existing work and core costs." **Citizens Advice North Oxon & South Northants**

"Core Costs as a percentage of project delivery costs are rising at an unmanageable level." **Oxfordshire Play Association**

"New projects is not what we want to be doing right now." **Emmaus**

"The inflationary impacts on our budgets have been really tough and a lot of funders haven't necessarily taken that into account when asking charities to submit budgets. A 10% overhead doesn't cover the rise in inflation which is leaving charities much more underresourced." **Workshop discussion**



2. Energy costs

"Our fixed rate energy deal ends in July and our new rate will be 4X our current one! We can't absorb that, but to put up rents to cover all of it will make our Hall unaffordable for some users." **Leaffield Village Hall**

"With regard to energy costs, I think a lot of us probably got into fixed rate contracts and they're going to be with us for however long the fixed rate contract is and we don't see the cost of energy coming down much at all... The main providers are not bringing energy costs down so for anybody with facilities or using energy, that's quite a big issue." **Workshop discussion**

3. Staffing

"We are finding that recruitment is much harder as people can go to larger charities for a higher salary, despite us working hard to look at the market rate for particular job roles and offering what we feel is a fair wage to employees – this has also included a % increase for all staff in recognition of the cost of living crisis, but obviously this adds to our overall expenditure in a way that funders may consider 'unfavourable'." **Refugee Resource**

"One of the key things was around staff recruitment and staff retention, so that's something that happened last year but it's going to stay with us ad infinitum, because we had to put staff rates up in order for them to be able to fund their own cost-of-living crisis and in order to recruit and to retain... so that's going to stay with us now, we're going to get percentage increases on that salary." **Workshop discussion**

4. Other

These issues included increased grant requests; transport costs; project costs; costs for clients; cost impacts on schools; and demand for services.

Findings show that charities are having to provide services beyond their core activities and capacity to do so.

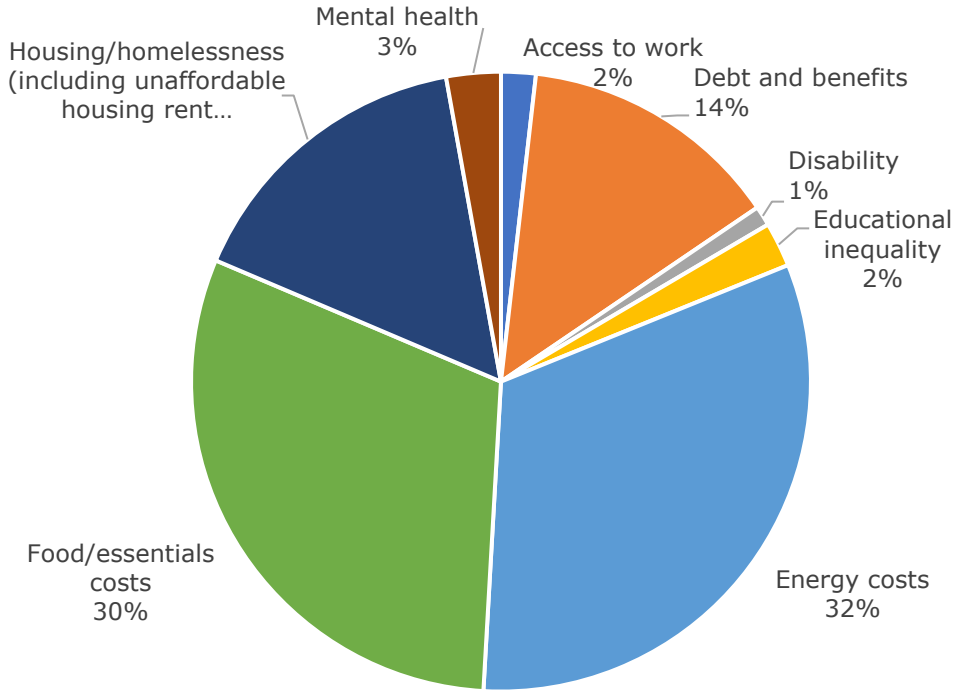
"Whatever the service delivery that the groups are providing, they've seen that they need to be adapting and are actually being required to provide far more than their initial response. So with regards to say a food larder, they are actually finding that what people need is more than just food. They're finding that they're actually providing support for mental health, signposting people to other services, so they find that they're actually doing a lot more than they originally set out to do, which of course puts extra pressure on the charities, it puts extra pressure on the staff." **Workshop discussion**

"Our biggest issue is actually the increase in demand and level of difficulties that some clients are now facing – the worst our Project Leader has seen in their 5 years in post." **Faithworks Furniture Project**

"As a minority community charity, we are still suffering the effects of the pandemic when our fundraising really took a dive. Building confidence is still taking time and as a result of rising costs, donations are much, much smaller." **Oxford Hindu Temple & Community Centre**



What do your beneficiaries/participants tell you are the most critical challenges to them currently in relation to the cost of living crisis?



Respondents were asked to select the top three challenges for the people they help (rather than their organisation). They selected their first choice, second choice, and third choice in order of perceived priority, and these were weighted to produce the overview above.

The most significant perceived challenge was energy costs, with 32% of respondents selecting this, followed by the costs of food and essentials at 30%.

This is reflected in the comments from the survey and workshop, which also give an insight into the broader impact of these increased costs. Crucially, these findings reinforced the complexity and inter-relatedness of these issues, and how those most in need will have more than one issue to overcome.

Debt

"Energy and food costs are the most clearly expressed concerns, but there is mounting evidence that people are starting to run higher levels of debt than used to be the case, and in some cases never before experienced, in the hope that the corner will be turned and they can start to reduce the debt burden."

Cholsey Pavilion Trust

"Our users are elderly and proud, and we know they are using savings. Their two main costs food and energy are well above the average rate of inflation of 10%." **The Wychwoods Day Centre Ltd**

"Lots more advice is needed for people on debt management and Universal Credit." **Emmaus**

"The critical challenge for our beneficiaries is being able to engage in society eg the benefits of good health, educational attainment and job prospects, rather than rely on the council/state in adulthood."

Fight Against Blindness



Housing

"There is currently a very high demand for basic essentials and advice on debts and housing. More people in higher income households are at risk of homelessness due to rent arrears." **Citizens Advice North Oxon & South Northants**

"Younger users are finding it very very hard to afford somewhere to rent or be eligible for council accommodation." **Dovecote Children & Families Project**

Mental health

"In terms of young people, the mental health challenges that are being experienced are much more complex. The level and complexity of safeguarding disclosures that are being handled by youth workers and Frontline practitioners is just beyond anything we've ever seen before. That has an impact on youth workers in terms of their own wellbeing and resilience, and more support is needed for the frontline practitioners to make sure that they're equipped to be handling those issues." **Oxfordshire Youth**

"All of the above contribute to a decrease in clients' mental health and their ability to parent." **Oxford Parent-Infant Project (OXPIP)**

"Families cannot afford to access/pay for services for the benefit of their children as their disposable income has reduced so much, they need FREE activities/sessions/projects." **Oxfordshire Play Association**

Based on the critical challenges identified, have you noticed any changes since 2022?

We asked this follow-up question as we wanted to see what might have changed for communities since we [last consulted the sector in autumn 2022](#). Recurring themes that were echoed in both the survey and workshop have been categorised below.

Signposting to services and barriers to accessing support

"Signposting to the community larder service isn't sufficient in terms of breaking down some of those barriers around the stigma associated with accessing help. One of the things that has been working well is utilising the personal connections and building trust and rapport through different community-based projects, and then once that trust has been built, signposting in once people feel safe enough to share that they do need help. There's more work that needs to be invested in that supports volunteer-led initiatives that are building relationships within the community and helping to break that stigma down." **Oxfordshire Youth**

Services beyond core activities

"Whatever the service delivery that the groups are providing, they've seen that they need to be adapting, and are actually being required to provide far more than their initial response. So with regards to say, a food larder, they're actually finding that what people need is more than just food. They're actually providing support for mental health signposting people to other services, they're actually doing a lot more than originally set out to do, which of course puts extra pressure on the charities, it puts extra pressure on the staff." **Emmaus**

Mental health

"Our beneficiaries are struggling to pay for private counselling or support and therefore the demand on our services, which is offered free to all, is rising." **SeeSaw**

"In terms of young people, the mental health challenges that are being experienced are much more complex." **Oxfordshire Youth**

Debt

For organisations who provide advice, "...there's been a big increase in telephone consultations... and a lot of those concerns and issues are connected to financial problems and worries, debt management. One of the issues that was highlighted is that for many people, there has been a sense of kind of adjusting to government assistance, or schemes that have been rolled out over the last few years, which have given people a bit of a safety net, but those are starting to peter out. I think the energy boost ended this



month or last month for people, so seeing an increase in kind of worry and anxiety now that those additional packages of support are going away.” **Oxfordshire Youth**

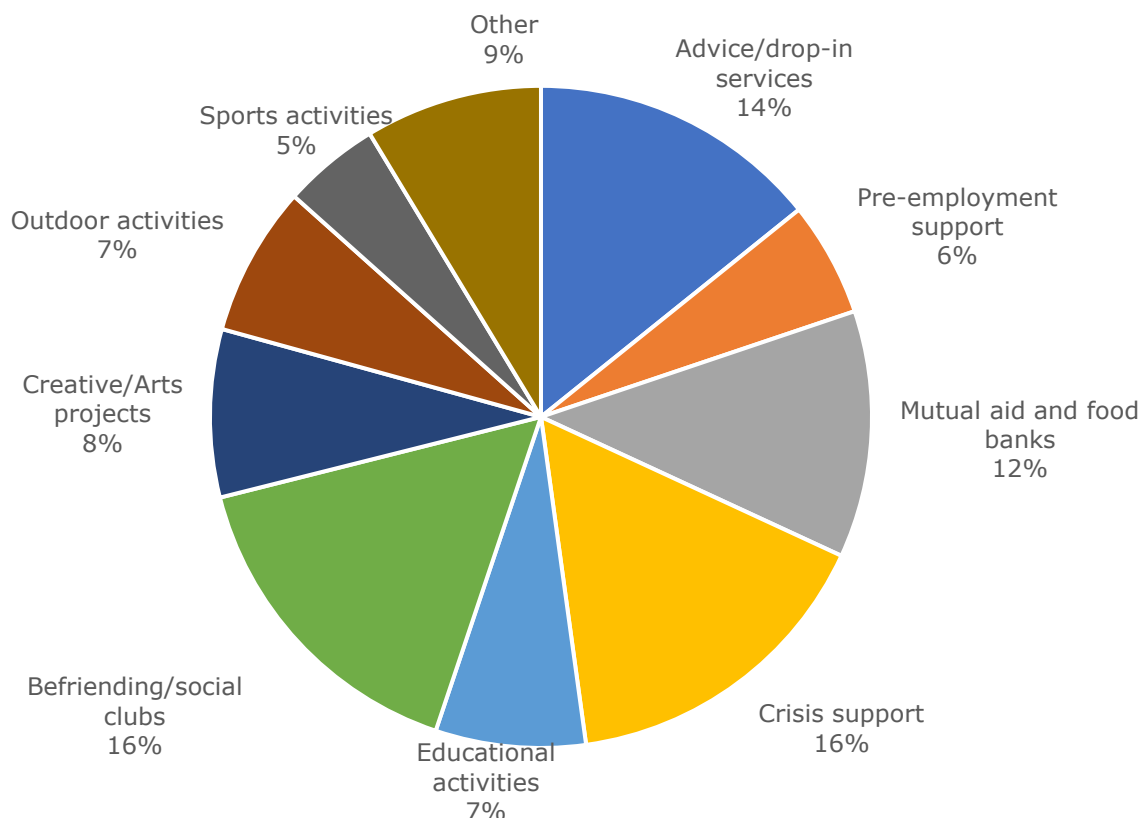
Travel difficulties

“Transport is a problem. Lots of the local bus routes in Oxfordshire have been cancelled in the last year or so and so community transport is very very important to get people to events as well.” **OCF discussion summary**

Our volunteers are encouraged to claim their travel expenses for when they come in to the Branch for their shifts but in the past only around 40% of volunteers actually made a claim and of those that did, some then donated them back to the Branch using Gift Aid. We have noticed that more volunteers are now claiming their mileage as is their right, and fewer are donating them back. This is a direct consequence of cost of living increases impacting on our volunteers and therefore to the running costs of the Branch. **Banbury & District Samaritans**

“Rural poverty is largely hidden. Lack of public transport is a huge problem. A taxi to the Doctor’s surgery is £10 each way, people have to rely on neighbours, friends and families. a round trip is a minimum of six miles. There is no bus to two of the three surgeries that serve this village.” **Leafield Village Hall**

What type of activity would best support your beneficiaries/communities with the cost-of-living crisis?



Respondents again chose from a picklist of options to answer this question, and were able to choose as many options as they wanted.

The leading activities to be funded were crisis support, befriending/social clubs, advice/drop-in services and mutual aid/food banks, matching with the issues identified in earlier questions, and reiterating that many charitable organisations are still on a crisis footing, despite the time that has passed since the cost of living first hit the headlines. Every respondent chose more than one option, proving the need for multiple support activities. Responses to the “Other” option included: covering utilities bills; rent support; peer mentoring; increased levels of truly affordable housing; affordable social expenses; accessible transport; short weekly breaks for family carers; and accessible family centres.



Sports activities; befriending/social clubs; outdoor activities; creative/arts projects

“In terms of actual need for what we do: one person made a good point where his activities are free and he’s completely inundated with people. At Thomley, we’ve never seen better numbers because we offer such a great value day out. So there’s clearly a need.” **Workshop discussion**

“Activities could be targeted to diverse disabled communities, who have been more adversely affected by the cost-of-living crisis and the pandemic. A lot of activities that are being organised are the free ones... whereas actually, at some point, we need to get back to addressing positive activities that can be about families’ emotional wellbeing etc. Things like a swimming group or inviting families to go on swimming events.” **Workshop discussion**

Advice/drop-in services

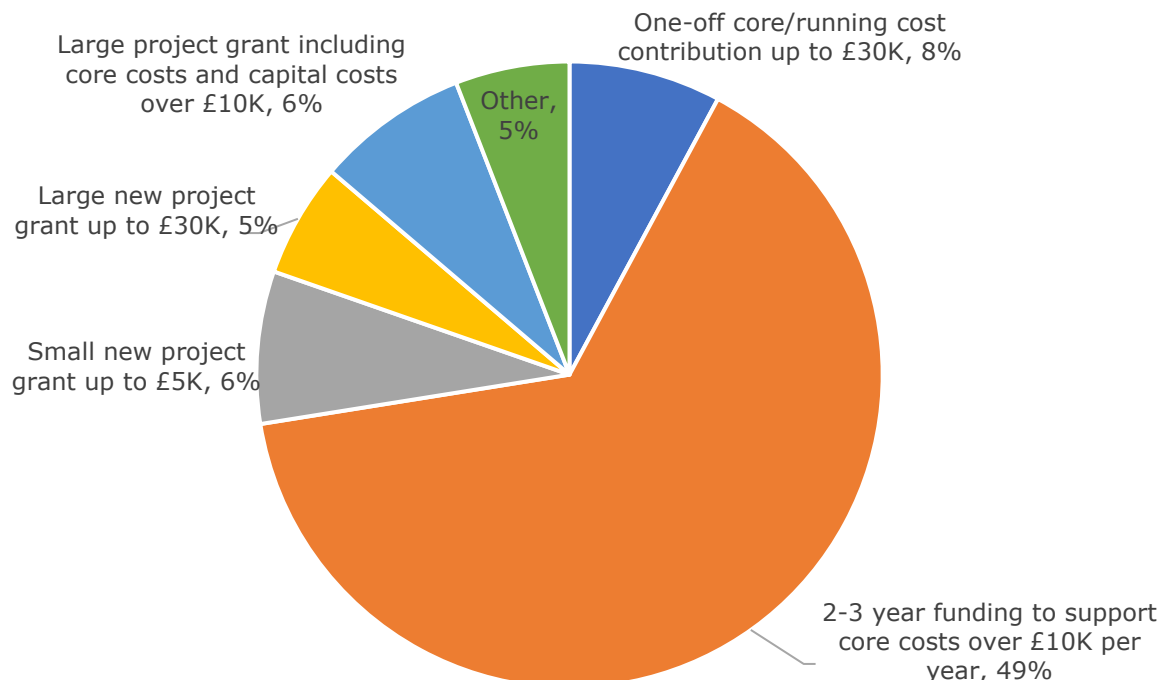
With government assistance and packages “...starting to peter out, that is leaving an added vulnerability in that people have had an extended period of time where they haven’t had to learn those independent skills around financial management and financial health, so the need for investing in financial literacy programmes is really there.” **Oxfordshire Youth**

Other

“Taking into consideration what childcare costs are like at the moment, organisations need to be thinking about their timings and the venues just to enable parents to be able to attend different activities so that they can really put in their input.” **Workshop discussion**

How should funding be targeted?

This question was designed to delve into what funding models would work best for grantees, and to share the decision-making around what format grants should take. It should be noted that the responses did not factor in the (limited) budget available to OCF for making these grants.



Nearly half (49%) of all respondents agreed that longer term funding of two to three years to support core costs would be the best use of funds. This would give charities more stability and consistency regarding funding sources.



"We would like it to all be about core costs, again, not new projects. We were saying that we see in other funders that we can meet the criteria, but then you'll get the 'we don't fund salaries, we don't fund core costs', and, you know, new projects is not what we want to be doing right now. And, you know, there was the question on, would we want funding to be looking at adapting our services and adapt an organisation to make it more sustainable? Yes, absolutely – if the funding is there, then fantastic, we would very much want to take that, but not until we know we've got the core costs, the focus of the operation covered first." **Workshop discussion**

"Moving away from project-based funding to more overhead funding, as well as multi-year when we're choosing to apply to funding. The multi-year ones are always going to take priority just because of the stability it gives the organisation." **Asylum Welcome**

"Small amounts of money are significant to small volunteer charities. Perhaps have two funding streams to cater for this and to allow higher amounts for larger charities." **The Wychwoods Day Centre Ltd**

"The cost of the living grant should support core costs not create another project, like example if we cover SOFEA food cost and hiring spaces and staffing then yes we can support a lot of families, and we will have more impact and social change in terms of supporting others to have a social enterprise like us." **Oxford Community Action**

"Many charities have depleted reserves after covid – a large injection of c. £30k would enable breathing space to apply for other grants to continue the work later this year/next year in a more planned and strategic way, and give certainty of continuity for a good period of time to help plan and deliver services." **The Hub by Q1 Foundation**

"It is important to support community based organisations that have a strong track record of supporting people in particularly deprived areas and which are themselves struggling to meet rising costs. Support for core running costs is more important in this situation than project based funding." **Blackbird Leys Amateur Boxing Club**

"To ensure the sustainability of our service, longer-term funding will provide better stability leading to higher staff retention. Short-term funding often leads to higher staff training and recruitment costs, resulting in service interruptions." **Citizens Advice North Oxon & South Northants**

"Multi-year grants help with sustainability and in particular leveraging grants from other funders." **Refugee Resource**

Conclusions and recommendations

Conclusion	Recommendation for OCF's funding
<p>The cost-of-living crisis has not subsided for the poorest communities</p> <p>Despite the fact that for some in Oxfordshire, the cost of living is a crisis that has been and gone, for the most disadvantaged people locally it is a live issue that is still forcing them to make difficult choices in their spending. It is leading to longer-term issues such as mental health problems, embedded debt and increased isolation.</p>	<ul style="list-style-type: none"> • Continue to make this case to funders and donors to solicit as much funding as possible for the next round of grants. • Use case studies and quotes from the consultation and from grantees to bring home the issues.
<p>Charities are struggling to survive, let alone thrive</p> <p>Charities have dipped into their reserves too many times and cannot see an end to price rises that affect their own costs, in particular energy, premises and salary costs. Charity workers and volunteers are experiencing stress and burnout due to the continued demand for services and the lack of financial and other resources to support them.</p>	<ul style="list-style-type: none"> • Prioritise the funding of core costs, making it clearer to applicants that these costs are eligible, in common with all of OCF's grants rounds. • Encourage applicants to budget for full cost recovery on project work, ie factoring in a percentage of core costs to every project.



Conclusion	Recommendation for OCF's funding
	<ul style="list-style-type: none"> Consider ways to make the application process simpler for groups – eg fast-tracking anyone who has succeeded in receiving funding in the past year. Consider multi-year grant funding, if budgets allow. Prioritise organisations that pay employees the Oxford Living Wage.
<p>We can use urgent needs as a way in to building more preventative solutions</p> <p>Despite immediate needs for food and debt advice remaining the most pressing problems, no issue stands alone, and these needs create other problems that affect how well people can manage their health, housing or general thriving. If we want to encourage more preventative work, it should sit by side with the immediate needs.</p>	<ul style="list-style-type: none"> Prioritise work that meets multiple needs, such as a food provision service that also signposts people to other support.
<p>A variety of activity types should be funded</p> <p>The types of activity groups suggested to be funded gained fairly equal weighting. OCF should fund a good variety of work to come at this issue from multiple angles.</p>	<ul style="list-style-type: none"> Monitor the themes and locations of work being proposed by applicants and aim for variety of activity type.
<p>Communities trust and rely on charitable organisations working at the grass roots</p> <p>More people are accessing services than before, and may feel self-conscious or ashamed about asking for help. Once beneficiaries access support, they rely strongly on it and groups are finding themselves pulled in more directions.</p>	<ul style="list-style-type: none"> Ask applicants how they are building trust in their communities in order to get help where it is needed.

ocf@oxfordshire.org

01865 798666

www.oxfordshire.org

3 Woodin's Way, Oxford, OX1 1HD

