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# **Surviving the Crisis:**

**The impact of public spending cuts on women's voluntary and community organisations**

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## About the Women's Resource Centre

WRC is a unique charity which supports women's organisations to be more effective and sustainable. We provide training, information, resources and one-to one support on a range of organisational development issues. We also lobby decision makers on behalf of the women's not-for-profit sector for improved representation and funding.

Our members work in a wide range of fields including health, violence against women, employment, education, rights and equality, the criminal justice system and the environment. They deliver services to and campaign on behalf of some of the most marginalised communities of women. There are over ten thousand people working or volunteering for our members who support almost half a million individuals each year.

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## Acknowledgements

WRC would sincerely like to thank all of the women's organisations who have participated in this research, particularly the four organisations that took part in the anonymous in-depth interviews, discussing the difficult circumstances they and their service users face with honesty and clarity.

WRC would also like to thank members of WRC's Policy Team who have worked on this research over the past six months. Our sincerest thanks to Natalie Ntim and Francesca Romita for their hard work on this project. We would also like to thank Annette Ashley and Karen Moore for their editing and proofreading support.

Finally, WRC would also like to thank the Big Lottery Fund for their support in the undertaking of this vital research and for their ongoing support of the women's voluntary and community sector.



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## Introduction

Women's voluntary and community organisations act as local unsung heroines, providing often life-saving support to women, families and their local communities. The sector is a family of diverse, high quality services, varying in size, income and the groups that they work with. Women-only services have far reaching benefits, providing safety, solidarity and empowering women to develop higher self-esteem and greater confidence.<sup>1</sup>

Compared with other types of service charities, women's organisations are unique in terms of their holistic service provision. They are also particularly vulnerable to financial shock, due to the limited number of available income sources for women's organisations.<sup>2</sup> Gradual changes to the ways in which women's organisations are funded and the introduction of wide-ranging public spending cuts have severely weakened the women's voluntary and community sector. Previous research has found that 95% of women's organisations face funding cuts or a funding crisis in 2011/12 and 25% said that further cuts would result in closure.<sup>3</sup>

Cuts to public spending are not the only issue that are putting women's organisations under a growing amount of pressure. Other policy reforms, such as structural reorganisation of the NHS, the introduction of Police and Crime Commissioners and changes to the legal aid and probation system will all have a significant impact on the women's voluntary and community sector. These issues reinforce the obstacles that women's organisations already face, such as resisting pressure from public bodies to provide services to men or trying to engage with local decision making processes.

As an organisation that supports the women's sector to become more sustainable, Women's Resource Centre (WRC) has observed the impact of these changes on women's organisations and service users across the UK with increasing concern. Many women's organisations are struggling to deliver their services against a backdrop of growing demand for them. The increase in demand for support has been keenly felt throughout the women's sector. WRC has noted a marked increase in the numbers of statutory agencies and women themselves contacting our staff in search of specialist support for complex cases.

WRC believes that cuts to public spending have acted as a catalyst for the long-term destabilisation of the sector, creating the funding crisis that now faces women's organisations. Therefore, we launched a research project to investigate the scale of cuts to women's organisations and the impact of this and other reforms on the sector. This report complements an earlier report on the impact of public spending reforms on women's organisations in London.

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<sup>1</sup> Women's Resource Centre (2007), *Why women-only?* <http://thewomensresourcecentre.org.uk/wp-content/uploads/whywomenonly.pdf>

<sup>2</sup> Women's Resource Centre (2010), *Assessing the Financial Vulnerability of Charities Serving Women*, [http://www.wrc.org.uk/includes/documents/cm\\_docs/2011/a/assessing\\_the\\_financial\\_vulnerability\\_of\\_charities\\_serving\\_women.pdf](http://www.wrc.org.uk/includes/documents/cm_docs/2011/a/assessing_the_financial_vulnerability_of_charities_serving_women.pdf)

<sup>3</sup> Women's Resource Centre (2011), *survey on women's organisations and funding*

## Background

### What is the women's voluntary and community sector?

Women's voluntary and community organisations exist to challenge inequality and empower women to overcome discrimination. They provide vital and life-saving support to women who often have complex needs, including recovering from domestic or sexual violence, alcohol or drug abuse and mental or physical health difficulties.

Women's organisations provide a great variety of services that support women, their families and wider community, from internet training for women returning to work to refuge accommodation for women fleeing a violent partner. Through previous research WRC have identified a number of key features of women's voluntary and community organisations:

**Holistic and women-centred:** Holistic services allow women to access a range of services that will address their various needs. For example, a woman who has experienced domestic violence may need financial, employment and housing advice as well as a refuge space and counselling.

**Feminist:** The women's sector grew out of the Women's Movement of the 1970s and 80s. For many organisations in the sector, feminism and women's empowerment are at the heart of their services. Women's organisations are at the forefront of challenging inequality and discrimination, through campaigning against violence, racism, homophobia, sexism in the workplace and other forms of discrimination that affect women. A feminist ethos inspires the sector's women-centred approach, led by women who have had similar experiences and involving service users in service development.

**Women-only:** Offering a space where women are able to openly share experiences and develop solidarity is vital to challenging inequality. Women-only spaces are particularly important when supporting women who have experienced forms of domestic and sexual violence. Previous WRC research has found that there is a demand for women-only services across a range of areas. For example, 56% of women polled would prefer a women-only gym and 90% of women thought it was important to have the right to report domestic or sexual violence to a woman.<sup>4</sup>

**Independent & flexible:** Women's organisations are often small grassroots organisations, making them more flexible in responding effectively to the needs of their service users. These organisations reach marginalised groups of women through their independent status, which makes accessing their services more appealing to many women than going to statutory services for support.

**Specialist:** The women's sector is unique in its emphasis on specialist services run by specific communities of women. Made up of organisations that are led by and for Black, Asian, Minority Ethnic and Refugee (BAMER) women, Lesbian, Bisexual and Transgender (LBT) women, disabled, poor, young and older women and women of minority faiths, the women's sector is a multi-layered safety net for women from all walks of life. Previous research by the Women's Resource Centre (WRC) has demonstrated that specific

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<sup>4</sup> Women's Resource Centre (2007), *Why women-only?*, <http://thewomensresourcecentre.org.uk/wp-content/uploads/whywomenonly.pdf>

services are popular with women from marginalised groups,<sup>5</sup> who often feel more comfortable talking through their experiences with someone with a similar background.

### What shape is the women's sector in?

There are an estimated 1,273 women's organisations in the UK.<sup>6</sup> Since they began to establish themselves in the early 70s, women's organisations have worked with a limited budget to develop high quality and diverse support for women. They have consistently provided innovative services, driven by the needs of women service users and supported by the work of passionate and dedicated staff and volunteers.

Previous research has found that women's organisations are generally small or medium sized, with fewer sources of income than other types of service charities.<sup>7</sup> These sources make up a large proportion of their overall income, making them more vulnerable to financial shock. For example, traditionally many organisations received funding from their local authority as a grant or Service Level Agreement (SLA). The SLAs and/or grants provided core funding to organisations. Funding was provided with a number of agreed outputs such as the number of women supported etc.

Women's organisations have traditionally found it challenging to find sustainable long-term funding, due to widespread misconceptions about the causes and consequences of women's inequality. For example, the Donkey Sanctuary receives more donations than the combined incomes of the largest violence against women and girls organisations in the UK.<sup>8</sup>

Lack of understanding of the difference between formal and substantive equality continues to be a substantial barrier to the sustainability of the women's sector. Formal equality is the theory that equality is achieved when all people are treated exactly the same under law. However, this model can end up reinforcing discrimination as it assumes that all people have the same level of access to power. Substantive equality recognises that opportunities and access are not equally distributed throughout society and that equality will be achieved by catering to the needs of different groups to address this imbalance. Many public bodies have misinterpreted equalities legislation to mean formal equality and have consequently put pressure on women's organisations to provide an equal service for men, when this is often inappropriate for the organisation and when service users want the service to remain women-only.

In the past, women's organisations' incomes were made up of a combination of public donations and grants from charitable trusts and from local public bodies, including local councils and health authorities.

However, the past decade has seen a clear shift in how voluntary and community organisations are funded by their local public bodies, from needs-led grants to commissioning, which focuses on outcomes and efficiency of service delivery. This has affected the structure of women's organisations in the UK, how they deliver services, and

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<sup>5</sup> WRC's research into women-only spaces (*why women-only?*, 2007) found that many women who had also experienced other forms of discrimination because of their race, sexual orientation, disability etc. preferred to access services led by women from the same community. Research participants highlighted mutual understanding, mutual support and empowerment through solidarity as key benefits of accessing these services.

<sup>6</sup> WRC (2011) *Assessing the Financial Vulnerability of Charities Serving Women*, [http://www.wrc.org.uk/includes/documents/cm\\_docs/2011/a/assessing\\_the\\_financial\\_vulnerability\\_of\\_charities\\_serving\\_women.pdf](http://www.wrc.org.uk/includes/documents/cm_docs/2011/a/assessing_the_financial_vulnerability_of_charities_serving_women.pdf)

<sup>7</sup> Ibid

<sup>8</sup> The Guardian (2008) 'Britons give more to donkey sanctuary than abuse charities' <http://tinyurl.com/6e3kyv>

is arguably the most significant change that the women's voluntary and community sector has experienced in recent years.

Commissioning is the process of finding out about public needs, then designing and putting in place services that address those needs. Commissioning is carried out by local and national government and public bodies (like local councils or hospitals) who have a statutory responsibility to commission services that meet local needs. It's a decision making process that most frequently involves the procurement (purchasing) of services by either grant-funding or competitive tendering for contracts.

There have been some recently proposed additions to the commissioning process that have been introduced as part of the 2011 Localism Act. These policies are designed to improve the commissioning process, but have arguably made it more challenging for women's organisations to compete. These include:

**Payment by results:** The government is rolling out new commissioning regimes based on payment by results, where organisations receive funding on the basis of achieving a set of specific outcomes.

WRC is concerned about increased use of this payment method as it is not suitable for smaller voluntary organisations and means that funded organisations will take on greater financial risk. The payment model also increases the likelihood of providers 'cherry picking' or avoiding clients with complex needs to ensure that the organisation meets its targets and is paid for its service. In addition, there is a risk that the outcomes measured may mainly reflect the needs of funders and not be nuanced enough to capture the changes and outcomes that matter to service users.

**Participatory budgeting:** Participatory budgeting (PB) allows the members of a local community to participate in the allocation of part of the local public body's available funding. This means engaging residents and community groups representative of all parts of the community to discuss and vote on spending priorities, make spending proposals, and vote on them, as well giving local people a role in the scrutiny and monitoring of the process and results to inform subsequent PB decisions. PB aims to increase transparency, accountability and include the local community in local government affairs. However, the suitability of this approach for certain services, particularly violence against women and girls organisations or those that work with specific communities of women is questionable.

Commissioning has had a profound impact on the women's voluntary and community sector and how organisations work on a day-to-day basis. Women's organisations must now compete for contracts with other women's organisations, large generic voluntary and community organisations, statutory organisations and companies from the private sector. Most women's organisations are too small to individually compete with larger organisations, who can dedicate time and resources to completing complex bids and take on the risk of payment by results contracts.

Furthermore, many commissioning tenders require that successful bids provide services that are county-wide and/or support a diverse range of women, including BAMER, LBT and disabled women. Many women's organisations, because they are small and specialist, supporting a specific community of women, are often unable to provide such a wide service. Organisations now find themselves losing out to large organisations who have a wider geographical reach, but cannot provide a specialist service.

Despite their small incomes and the challenges represented by the new commissioning landscape, women's organisations continue to have an incredibly positive impact on their local community. Recent research by WRC has found that women's organisations create significant social value: for every £1 invested in their services, women's organisations created between £5 and £11 social value.<sup>9</sup> This value is reflected in the positive outcomes described by service users, including improved well-being, better physical and mental health and economic independence for themselves and their families.

## Impact of austerity

Since its formation in 2010, the coalition government has introduced an unprecedented level of reform and public spending cuts, which have caused hardship across the country, particularly for women. Many policy changes such as legal aid and welfare reforms are still being introduced, but are already affecting women who are turning to women's organisations for support. Recent research into the impact of the cuts on women has found that:

- 282,000 women have been out of work for more than a year – the highest number since 1995<sup>10</sup>
- As a result of reduced incomes, one in five mums are missing meals so their children can eat<sup>11</sup>
- 54.4% of women suffering from domestic violence would not qualify for legal aid under the new eligibility criteria.<sup>12</sup>

For women's organisations, recent policy changes combined with the shift to commissioning have completely transformed how they are funded and how they engage with decision makers. Councils across the country have experienced substantial cuts, losing £5bn and 230,000 jobs over two years. This has had an almost immediate consequential impact on the voluntary and community sector: Many local authorities cut more than 25% in voluntary sector support for 2012.<sup>13</sup>

Within the third sector, in the same way that women are bearing the brunt of the cuts, women's organisations have been disproportionately affected by efficiency savings in local government. Freedom of Information requests submitted to 152 councils across England found that spending on services for vulnerable women had been cut by an average of £44,914 for each council.<sup>14</sup> Because women's organisations have few available sources of income, the consequences of efficiencies have been widespread: a 2011 survey found that 95% of women's organisations faced funding cuts or a funding crisis in the next year.<sup>15</sup>

Many of the reforms that have been announced are yet to become legislation and will be phased in over the next few years. These policies will not only impact on individual women, but the local organisations that women will turn to when they need support:

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<sup>9</sup> WRC (2011) *Hidden value: Demonstrating the extraordinary impact of women's voluntary and community organisations*

<sup>10</sup> Ibid

<sup>11</sup> Netmums(2012), *Feeling the Squeeze*, [http://www.netmums.com/files/Feeling\\_the\\_Squeeze\\_Survey\\_Summary.pdf](http://www.netmums.com/files/Feeling_the_Squeeze_Survey_Summary.pdf)

<sup>12</sup> Ibid

<sup>13</sup> Guardian (2010), *'Redundancies begin as voluntary sector feels impact of the cuts'* <http://tinyurl.com/6jlqal9>

<sup>14</sup> Huffington Post (2012), *Women's services face 'Disastrous' cuts as councils slash budgets, FOI reveals*, [http://www.huffingtonpost.co.uk/2012/10/31/domestic-violence-rape-crisis-cuts\\_n\\_2049137.html](http://www.huffingtonpost.co.uk/2012/10/31/domestic-violence-rape-crisis-cuts_n_2049137.html)

<sup>15</sup> Women's Resource Centre (2011), *survey on women's organisations and funding*



**Localism:** Based on the principle that local people are best placed to know what works best for their communities, localism devolves extensive decision making power to a local level. Introduced in 2011, the Localism Act gives local public bodies a 'general power of competence', allowing them to act outside of the activities designated by Parliament, such as set up a business or change the council's governance structure. Women's organisations are concerned that localism has overlooked communities of interest by concentrating on communities by location. Localising the commissioning of services is not always appropriate for tackling issues that cross boroughs, such as violence against women and girls (VAWG), which could lead to a postcode lottery of VAWG support services.

**Police and Crime Commissioners:** Elected in November 2012, Police and Crime Commissioners (PCC) are responsible for local policing priorities and outcomes. It will be in the PCC's powers to distribute grants to fund community safety initiatives and victim support services. Existing funding streams to address violence against women and girls and other crime will be diverted to a new fund that will not be ringfenced, so the PCC determines if and how this money gets spent.

**NHS reforms:** The NHS is in the middle of the biggest reorganisation since its creation in 1948. Local authorities and GPs will be given new responsibilities in planning services and patient treatment. Primary Care Trusts (PCTs) will be abolished from April 2013, to be replaced by Clinical Commissioning Groups (CCGs), made up of local GPs. CCGs will take an active role in planning strategies and budgets for 2013/14 and begin to develop relationships with local partners.

Made up of democratically elected representatives, patient representatives, CCGs and councils, Health and Wellbeing Boards will have strategic influence over commissioning decisions in health, public health and social care. Joint Strategic Needs Assessments (JSNAs) will analyse the health needs of a local population, based on a wide range of data including patient, service user and community views. The JSNA will inform and guide the local health and wellbeing strategy and commissioning decisions. WRC expect many drug, alcohol, mental health and some VAWG organisations to be affected by these changes.

**Criminal Justice Reforms:** Plans to outsource probation services for low-medium risk offenders will have a significant impact on women offenders, who often have complex and challenging needs. Women's centres which were established to support women offenders and women at risk of offending, following the publication of the Corston Report,<sup>16</sup> will no longer be guaranteed funding after the end of March 2013, which may result in a significant loss of vital service provision for vulnerable and marginalised women.

**Equality Act:** The equalities legislation of previous years, which specifically addressed gender, race and disability discrimination has been brought together and expanded to include other groups that have been marginalised. However, other changes introduced with the Equality Act have weakened its power over public bodies and is currently under threat of being weakened even further by a review of the Public Sector Equality Duty this year. Removing an obligation to conduct formal impact assessments of policy and funding decisions has allowed commissioners to ignore the needs of marginalised and vulnerable women and concentrate on generic services that can provide services to men and women at a price below the full-cost recovery rate for specialist women's services. Recent research on the impact of the cuts has found that:

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<sup>16</sup> The Corston Review <http://www.justice.gov.uk/publications/docs/corston-report-march-2007.pdf>

- In the North East, research conducted by the North East Women’s Network has found that over half of women’s organisations have lost funding, year on year, since 2009. Funding for violence against women and girls’ services has significantly reduced, with cuts of up to 40.6% in local authority spending on this issue. Women’s organisations also reported fewer women-only services, decreasing staff levels and less women-only spaces. Campaigning and research activities within organisations in the North East have fallen by over a third (35%) and over half (53%) of organisations that had lost staff reported that they now do less networking.<sup>17</sup>
- A recent report into the impact of commissioning on women’s services found that it had a major impact on staff capacity and that organisations were using a number of strategies to keep their services open, including fundraising events and charging for particular services, such as recreational activities.<sup>18</sup>
- In the same research on commissioning, organisations discussed the difficulties in competing with generic organisations, highlighting the lower cost base of bids submitted by generic organisations or the private sector. The research also found that Black and Minority Ethnic organisations are significantly at greater risk of losing out to generic organisations.<sup>19</sup>

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<sup>17</sup> North East Women’s Network (2013), *The Health of the Women’s Sector in the North East of England*

<sup>18</sup> Equality and Human Rights Commission (2012) *The impact of changes in commissioning and funding on women-only services*, [http://www.equalityhumanrights.com/uploaded\\_files/research/rr86\\_final.pdf](http://www.equalityhumanrights.com/uploaded_files/research/rr86_final.pdf)

<sup>19</sup> Ibid

## Methodology

With this research, WRC aimed to gather quantitative and qualitative data on the impact of public spending cuts and policy reform on the women's voluntary and community sector and examine the ways in which organisations are managing this change. We identified three main research areas:

- **What is happening financially to women's organisations?**

How secure is future funding for organisations? Do organisations have reserves and if so, are they planning to use them?

- **What has been the impact of recent policy change on women's organisations?**

Are more women coming to women's organisations for support? What has the impact of austerity policy been on the organisations internally and externally? Have organisations been expected to widen their remit e.g. provide services to men?

- **How are organisations surviving?**

What strategies are organisations using to keep services open in a difficult climate?

In order to answer these questions, we have collected and analysed data using a combination of quantitative and qualitative methods, including:

**Online survey:** The survey ran for 3 weeks and received 131 responses, with an average of 66 responses per question.

**'Crisis' spreadsheet and phone questionnaires:** The 'crisis' spreadsheet is an internal WRC spreadsheet of information on over 120 organisations collected from July 2010 to date. 20 organisations within the spreadsheet who had directly contacted the WRC for support due to funding cuts were approached to take part in a follow up phone questionnaire. Five organisations were unavailable to participate, two organisations had merged with other services and one organisation had closed entirely. Questionnaires were conducted with the remaining twelve organisations.

**In-depth interviews:** Interviews were conducted with four women's organisations who work in various fields including violence against women and girls, mental health and alcohol misuse. Organisations were selected from those in the survey who had indicated they were willing to participate in a follow up interview. All the interviews were conducted on condition of anonymity to enable organisations to speak freely about their experiences. The four organisations have been described briefly below. One secondary interview was conducted with Vivienne Hayes, Chief Executive of WRC and a founding member of the London Violence Against Women and Girls (VAWG) Consortium. The key points from this interview have been included in the report as a case study

### Organisation A

Organisation A is a front line women-only project which is part of a large statutory service. The organisation provides a range of services to women aged 16+ in need of support with their physical and mental health. The organisation has lost funding and some staff from their service, however they have more than 75% of income secure for the 2013/14 financial year.

## **Organisation B**

A frontline women's organisation, Organisation B provides a variety of services including one to one support, counselling and advocacy support to women who are misusing alcohol, or are concerned about their own or someone else's drinking. They also provide support to young people affected by parental or other family member's alcohol misuse.

They recently lost a significant amount of funding from their local authority. They have less than 20% of their organisation's income secure for the 2013/14 financial year and are at risk of closure.

## **Organisation C**

Organisation C is a medium sized front-line organisation that, for almost 20 years, has supported local women who have experienced domestic and sexual violence. They provide a wrap-around service for women including counselling, peer support groups, employment, debt and legal advice. They have less than 20% of their funding secure for the 2013/14 financial year and are at risk of closure.

## **Organisation D**

A large frontline women-only organisation, Organisation D has provided services to women experiencing violence for over 15 years. The organisation currently supports over 2,000 women a year through various projects, working closely and in partnership with key local agencies. They provide telephone and face to face support to women and teenage girls, as well as delivering training to external agencies. D have lost some funding from their local authority and have 51 – 75% of their funding secure for the 2013/14 financial year.

## **Challenges of conducting this research**

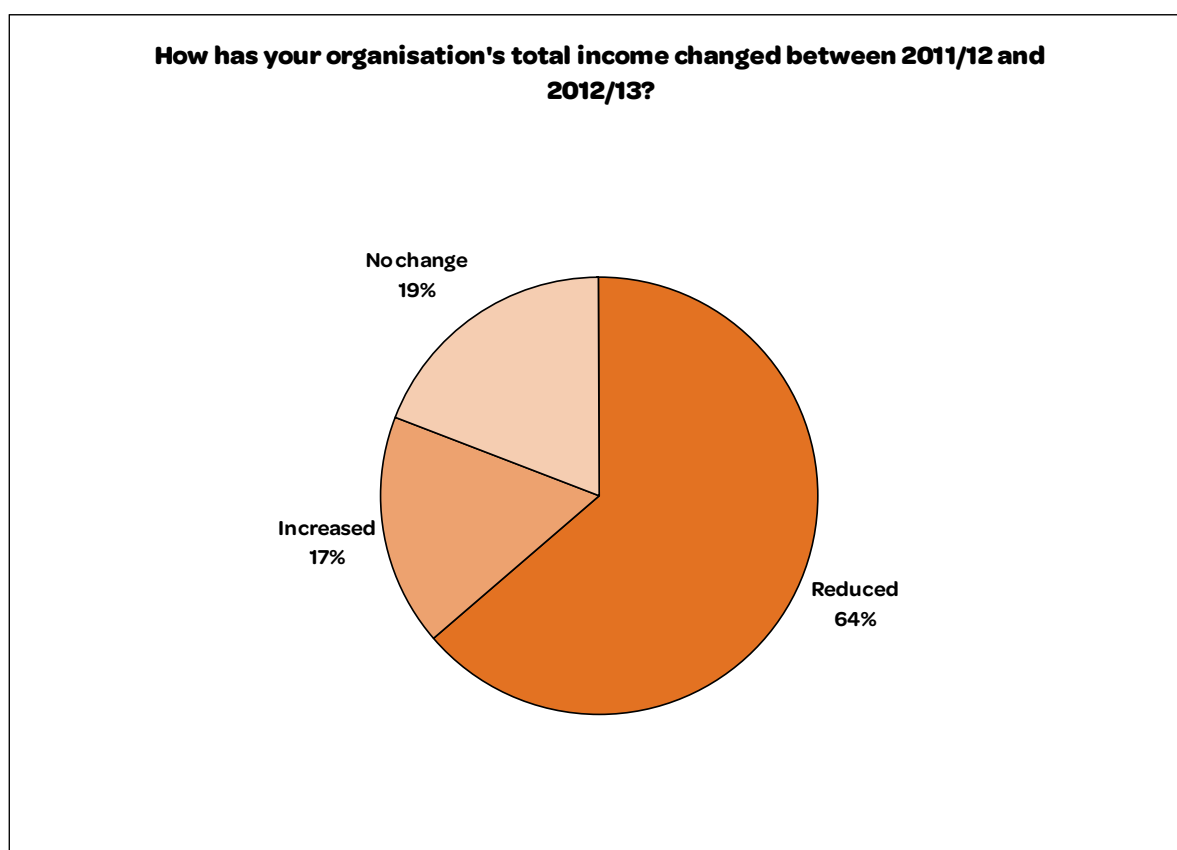
One of the key obstacles to conducting this research was the fact that many organisations that were logged onto our databases and elsewhere of being 'at risk' of closure had actually closed by the time we began our research. This means that it was impossible to gather further information on the impact of policy reform on these organisations, apart from deducing that the organisation had been compelled to close its services due to lack of funds.

It has been difficult to ascertain how many organisations have not closed, but simply do not have the capacity to take part in the research due to demanding workloads. Furthermore, for the research this has meant that some organisations who had secured funding or had more financial stability were unavailable for interview and we have been unable to collect as much qualitative data as desired. However, we have been able to use qualitative responses from the survey to support the interview findings.

## Findings

The findings from the data collected confirm some of the issues that WRC has been informed of regularly by our members. It also indicates that many of the challenges that women's organisations come across when engaging with public bodies have either improved very slightly or not at all.<sup>20</sup> We have discovered a number of emerging concerns that are affecting women's organisations across the UK.

### Vulnerability of the women's sector



#### **64% of organisations have lost funding in the past financial year.**

Although 19% of organisations said that there had been no change in their funding, organisations are usually funded by short or mid-term grants and contracts, meaning that they could also face income losses in the medium to long term.

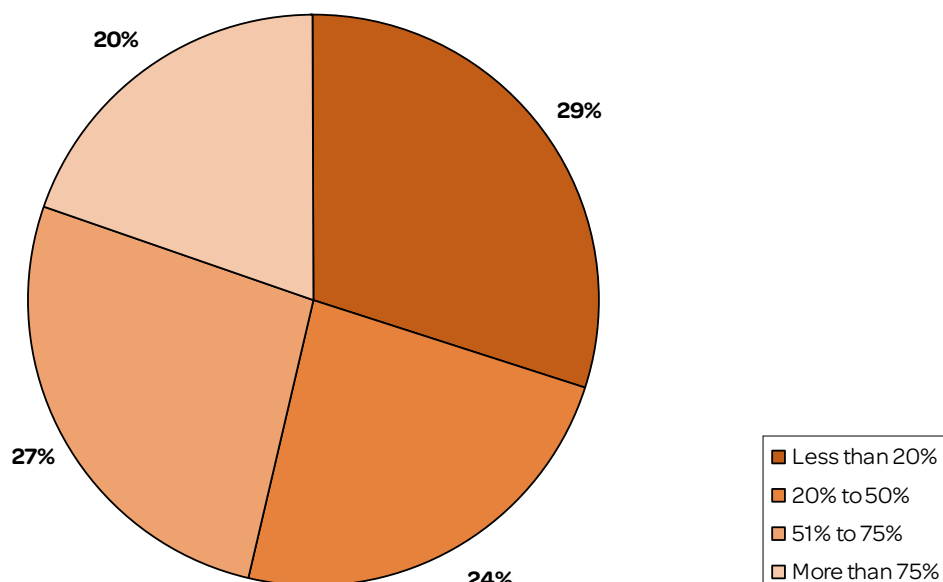
Organisations based in the East Midlands and the South West had experienced the highest rate of cuts to their funding, where 93% and 86% respectively had experienced a reduction. Organisations across the UK have lost funding from a variety of sources, including local authorities, public health bodies and charitable trusts.

Content analysis of survey data found that a significant proportion of organisations (58%) were funded by their local authority, which fell by 12% from 2011/2012 – 2012/13.

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<sup>20</sup> WRC's Power and Prejudice research (2009) found that women's organisations experience a number of barriers to engaging locally, including resistance from public bodies, lack of understanding of gender inequality, and the general invisibility of the women's sector locally. [http://www.wrc.org.uk/includes/documents/cm\\_docs/2010/w/wrc\\_power\\_and\\_prejudice\\_final.pdf](http://www.wrc.org.uk/includes/documents/cm_docs/2010/w/wrc_power_and_prejudice_final.pdf)

**What percentage of your income is secure for the next financial year  
(2013/2014)?**



**29% of organisations have less than 20% of their income secured for the next financial year.**

The majority of organisations (80%) have less than 75% of their funding secured for the next financial year. 57% of organisations that had lost funding also had less than half of their income secure for the new financial year. These findings demonstrate the vulnerability women’s organisations have to financial shock. By losing one or two sources of funding, women’s organisations can slip from being relatively financially healthy into being at risk of closure. The figures are particularly striking for organisations that work primarily with marginalised groups of women (BME, LBT, disabled, refugee and asylum-seeking women). 39% of these organisations have less than 20% funding secure for the 2013/14 financial year, almost double the main figures.

Many organisations with as little as 20% funding secure for the next financial year are also at risk of closure, as we found during the in-depth interviews of two organisations, who both stated that it was very likely that they would be closed by the summer of the next financial year if they could not find alternative funding.

**70% of organisations with reserves were planning to use this money to maintain their services.**

Using reserves to maintain services is a strategy that is sometimes used by organisations, buying time to continue fundraising until costs are recovered and the organisation is on a surer footing. However, reserves are typically used as a last resort. Having no reserves, like 21% of survey respondents, means that organisations that experience further financial

shock will have no buffer to keep services open. This is particularly true for BME, LBT and other specialist women's organisations, who are often smaller than other women's organisations, with even fewer income sources.

Another finding of particular concern is that 63% of organisations who lost funding last year are planning to use their reserves. The majority of these organisations (85%) were planning to use their reserves to maintain services. These findings are supported by the phone questionnaires; only one organisation was planning to use their reserves to transform their organisation's business model. As so many organisations have less than half of their funding secure for the 2013/14 financial year and have already lost funding, this year could be devastating for the women's sector.

Organisations that were using their reserves when interviewed acknowledged the increased vulnerability of their position but believed that they had no other choice.

### **Women's organisations under pressure**

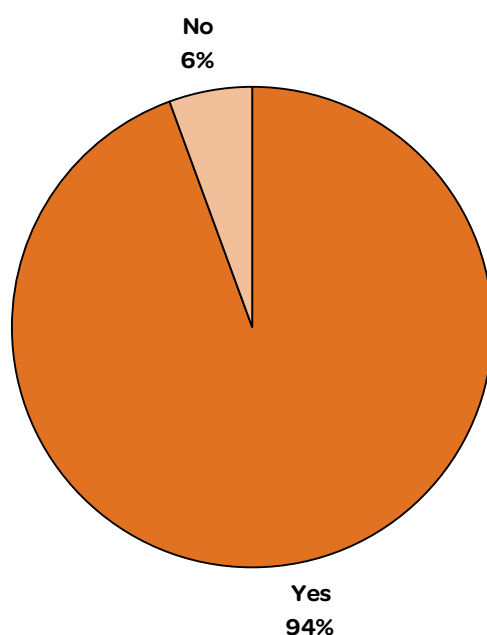
The impact of this vulnerability and financial uncertainty is keenly felt by staff and service users. More immediate impacts of income loss include staff cuts and closure of specific services, affecting morale and stress levels. The survey, questionnaire and in-depth interview responses demonstrate that organisations are also experiencing an increased expectation to expand the remit of their services to include support for men.

**71% of organisations who have lost funding have had to cut or reduce the availability of their services. 43% have made staff redundant.**

The types of roles that have been cut are a mixture of 'back office' and front-line roles. 31% of the roles made redundant within organisations were senior level posts or jobs that organisations rely on to ensure their sustainability, such as policy or fundraising officers. This is a great cause for concern; these roles allow organisations to increase their voice, capacity and influence locally, ensuring their survival in the long term.

The impact of cuts on service provision has been significant. Analysis of survey responses shows that a range of services have been cut, but key areas include: counselling, advice, training and employment services; crèches and children's services; outreach and sport activities. Almost half (42%) of respondents identified a reduction in their services as a main impact of funding cuts. Nearly 1 in 5 (18%) said that staff stress levels had increased. Many of these organisations said that staff stress was specifically linked to less organisational income and significant reductions to staff numbers or hours.

### Have you seen an increase in demand for your services this year?



#### 94% of organisations have seen an increase in demand for their services.

This statistic reflects the information that WRC has collected anecdotally from members and has also confirmed the concerns that we had when the government first announced the proposed spending cuts in 2010. An increased public awareness of the forms of discrimination that women and girls face through a number of high profile cases of childhood sexual abuse, such as the Jimmy Saville and Rochdale cases, have contributed to an increase in demand for support. However, a key reason for increase in demand, reflected across the wider voluntary and community sector,<sup>21</sup> is the number of women and families who have been disproportionately affected by further spending cuts. Recent analysis by the House of Commons library found that nearly 94% of spending cuts introduced in the 2013/14 financial year will disproportionately impact women.<sup>22</sup> As organisations continue to reduce services or close down, women will look to the remaining organisations for support. Therefore, it is particularly troubling that 67% of organisations that have reported an increase in demand in our survey have also seen a reduction in their income.

The loss of senior roles also means a loss of experience and knowledge, which is vital for managing the increase in demand for support and cases that are high risk or involve women with complex needs. One interviewee identified longer recovery times for service users as a direct impact of losing a number of senior level staff. All four organisations interviewed discussed high stress levels internally and the impact this had on service

<sup>21</sup> Guardian (2012), *Demand for food parcels explodes as welfare cuts and falling pay hit home*, <http://www.guardian.co.uk/society/2012/jun/25/breadline-britain-growth-food-parcels>

<sup>22</sup> Independent (2013), <http://thewomensresourcecentre.org.uk/wp-content/uploads/whywomenonly.pdf>



users. All agreed that there has been a significant increase in demand, but a reduction in what they have been able to provide due to limited capacity:

*“We’re the busiest we’ve ever been... it’s quite hard to manage on a day-to-day basis.”*

The interviewees all expressed extreme concern at the negative impact of public spending cuts on women service users, both directly and through the growing limitations on the support available, caused by a lack of funding. Some interviewees and survey respondents identified cuts to legal aid and welfare reforms as a key source of concern for their service users.

Research participants also highlighted the closure of other organisations as a factor in the increasing demand for support, leading to long waiting lists and less time spent with each individual. This was also discussed by organisations we spoke to for the phone questionnaires; almost half stated that they have less time and capacity to provide services and that they have had to turn away high-risk clients.

*“You never know from one year to the next if those services are going to be there for you... I think that is the reality for the women who use our services”*

A small number of organisations are considering charging on a sliding scale to keep certain services running when their funding ends. Interviewees remarked that the challenges women faced need long-term support and service users are requesting support for longer time periods, which is becoming more difficult for organisations to provide; *“we’ve never had to say [before] that ‘we’re going to have to limit you to 24 sessions’”*.

## **69% of organisations have been asked to provide services to men**

As discussed above, WRC has increasingly received information from members about direct or implicit expectations from funders to provide services to men. Content analysis of the survey data found that requests for men’s support services were made by a variety of sources. The highest proportion of requests came from local authorities (20%) or men seeking support (19%). A large number of organisations provided a support service when requested (71%). Many organisations who did not provide support directly referred or signposted men on to other services that could help.

The high rate of requests for support from men is a reflection of the need for specific services that can provide support to men when they need it. However, it is rarely appropriate for women’s organisations to provide these services. Men have different support needs which, in the same way as women-focused services, are often best managed by grassroots services led by those with similar backgrounds and experiences. Furthermore, in the case of violence against women and girls, some services have raised concerns over the safety of providing support to men and women in the same space.

For the organisations that did provide the requested service, there seemed to be mixed outcomes. Some organisations were able to provide services to men that were popular with service users, while others found it inappropriate to integrate this work and have therefore either worked in partnership with other organisations or created a service that exists separately from their other work with women, thereby creating a ‘men-only’ support service.

There does not appear to be a clear statistical correlation between organisations who have not provided services to men when requested and those who have lost funding.

However, three survey respondents drew a direct link between their rejection of a request for men's services from their local authority or funder and a subsequent loss of or threat to their funding. This is supported by the phone questionnaire responses; half of the organisations questioned, who had all been at risk of losing, or had lost funding, had also declined to provide services to men when requested. One of the organisations we interviewed believed that they had lost their funding for a particular service specifically because they wanted to remain women-only:

*"I really believe that we lost our IDVA service because we were not prepared to provide a generic service to men and women and it has gone to a service who is willing to do that... doing that work [with male victims] it isn't the same [as working with women]"*.

The growing pressure to provide more generic services for men and women is an important area for the women's sector, as some organisations have begun to pre-emptively develop services for men in order to appear more attractive to funders. This pressure arguably stems from a misunderstanding of what equality is and how that can be achieved within service provision. WRC believe that this is an area that requires further in-depth research to ascertain the full extent and impact of pressure to provide generic services.

### **Impact of commissioning**

***"I don't think it's just about less money, I think the impact of commissioning on third sector organisations generally is huge... Commissioning and spending cuts go hand in hand."***

Many organisations that responded to the survey and participated in interviews identified commissioning and its consequences on their work as a key issue.

Organisations highlighted that commissioning has contributed to a huge increase in competition, both within the women's voluntary and community sector and externally with other voluntary, statutory and private organisations. In particular, competition from larger, generic organisations has caused a lot of concern for the women's sector, who do not have the capacity to compete at the same level. One organisation, who expect to close entirely within the next few months due to losing their core funding from their council, described their concerns that the new service provider, a generic, national organisation, will not provide the same level of support:

*"[The new service provider] will get hit by payment by results, so they'll work with the women they can get payment for... if you haven't got the staffing levels and you're only looking at the alcohol use, not the underlying issues, all you're doing is putting a bandage on."*

Another interviewee also highlighted difficulties about the new payment by results system for women's organisations, stating that many services cannot give an exact estimate of the numbers of women they will support and are unable to frontload the costs as they are already using their reserves.

Due to managing the rising demand for support with fewer staff, many organisations find it difficult to engage with the commissioning process. A significant number of women's organisations, who are often small and specialist front-line services, simply do not have enough time or resources to complete the complex commissioning process:

*“We have to make constant decisions about whether we deliver a service... or we go out there and talk about our service and fundraise... while I’m lobbying, while I’m fund writing, I’m not seeing clients.”*

Increasing numbers of organisations are finding themselves in this position, when many of the staff who would work on funding applications and bids to run public services have been made redundant, because funders are increasingly reluctant to provide the core funding which would cover these roles.

Organisations working under commissioned contracts discussed the corporatisation of women’s services and raised concerns about the homogenisation of service provision due to larger generic organisations winning the majority of contracts:

*“Voluntary sector services are supposed to be something different to statutory services... voluntary organisations are increasingly under pressure to compete using the same language in the same way... what’s the point [in the difference] then?”*

Some organisations are still ‘hitting a brick wall’ with public bodies, as described in WRC’s Power and Prejudice report.<sup>23</sup> Interviewees gave examples of local government representatives misunderstanding the nuances of the fields they worked in, such as violence against women and girls; *“they say ‘isn’t that terrible, you’ll have to see them for less time, increase your capacity that way”*.

Others have simply been ignored by decision makers or have gone round in circles trying to find out who has the final say in funding decisions:

*“No one will accept that they made the decision. On anything... so you can’t get to the bottom of who even scrutinises [the proposal] and says, ‘this will have a negative effect on women’s services’.”*

Many organisations stated that local decision makers do not consider wider, long-term impacts of funding cuts on service provision, concentrating on the savings they can make in the short-term. Interviewees discussed how public bodies did not understand the need for women-only services and the role that these organisations have in tackling issues that are caused by women’s inequality, such as domestic violence:

*“There’s been quite a large investment in raising awareness around domestic abuse but that hasn’t been followed up with an investment in frontline services”.*

Organisations interviewed found this surprising as they, like the majority of women’s support services who responded to the survey, receive a substantial number of referrals from local public bodies:

### **77% of survey respondents receive referrals from statutory organisations**

*“Our borough council are all horrified that we’re going to close because they signpost to us all the time.”*

A number of interviewees stated that local authorities’ decisions were being completely driven by the cuts they had received to their own budgets, with one organisation saying,

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<sup>23</sup> WRC (2009), *Power and Prejudice*, [http://www.wrc.org.uk/includes/documents/cm\\_docs/2010/w/wrc\\_power\\_and\\_prejudice\\_final.pdf](http://www.wrc.org.uk/includes/documents/cm_docs/2010/w/wrc_power_and_prejudice_final.pdf)

*“The only reason [the council gave for refusing funding] is the cuts.”* Efficiencies that have had to be made at a local government level have also meant that in some cases standard consultation periods have been abandoned. Interviewees discussed how they had seen little to no consultation on new commissioning tenders and strategy documents:

*“There was no consultation with service users prior to tendering, I think it was all done on a cuts basis.”*

This was also a theme in the responses to our phone questionnaire: three organisations cited lack of sufficient funds in the local authority budget as the reason they were given for cuts to their funding. Local councils’ responses to budget cuts have been very varied and confirm our concerns about a postcode lottery of service provision, caused by severe cuts and less central government power on local services due to localism.

*“When our council talk to me about cuts, I think, well X borough council can fund their local women’s centre, so why can’t you fund us? [Local authorities] have all had cuts, the cuts are not particular to our borough council.”*

### **Survival for women's organisations**

Data collected in the online survey show that women’s organisations are using a number of tactics to challenge decision-makers and keep their services open, including:

- **Working in partnership (71%)**
- **Increasing numbers of volunteers (61%)**
- **Engaging in decision-making forums (64%)**

75% of organisations we spoke to during the phone questionnaires had challenged decisions made by funders, using different strategies, including lobbying public bodies directly, asking their MP for support and using legal challenges and policy frameworks such as the Compact, Equality Act and public law. None of the organisations who did this believed that these actions had a positive outcome. However, a few organisations have successfully increased their funding (17%) and just one of the organisations we interviewed has over 75% of their funding secure for the next financial year. All interviewees highlighted a range of key factors that would help to secure and develop a sustainable future for the women’s sector.

**A strong local presence:** Raising awareness of their organisation and the work that they do is a key part of one interviewee’s strategy:

*“One of the ways of saving this service is to make sure it’s very well established”.*

Having a strong presence locally with statutory bodies and within the local community is key. As found in previous WRC research, the invisibility of the women’s sector is a key barrier to women’s engagement locally.<sup>24</sup> Being recognisable to local public body representatives means that women’s organisations can position themselves as a source of expertise, and provide access to marginalised groups of women. An established relationship with the local community can be used to add strength to an organisation’s voice when campaigning against cuts to funding services. This is supported by the survey data: 35% of respondents had used local campaigning to challenge funding decisions.

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<sup>24</sup> WRC (2009), *Power and Prejudice*, [http://www.wrc.org.uk/includes/documents/cm\\_docs/2010/w/wrc\\_power\\_and\\_prejudice\\_final.pdf](http://www.wrc.org.uk/includes/documents/cm_docs/2010/w/wrc_power_and_prejudice_final.pdf)

**Access to decision-makers:** 44% of survey respondents had also directly lobbied a public body official when challenging funding decisions, with varying degrees of success; some organisations stated that it had very little positive impact. However, having access to decision-makers has been particularly useful to one interviewee's organisation. This service is fortunate in that its representation in the decision-making process is a part of its agreement with its funder, a local public body. Having this access has legitimised the voice of the service as a source of expertise and has made it easier for the service manager to promote its work and influence policy:

*"It entitles me to have a voice at meetings... [our position] is key to building up relationships and gaining access."*

This is a good example of best practice for relationship building between local authorities and local women's organisations: formalising women's involvement during the commissioning or decision-making process within funding agreements would greatly help organisations to engage locally. It would also assist local authorities to ensure high quality service provision for marginalised groups of women in their locality and support public bodies to meet their obligations under equalities legislation.

**Good relationship with commissioners:** Building strong working relationships with local public bodies is vital to the survival of the sector. Interviewees who had previously had stable funding but were struggling to maintain that stability identified a weakening relationship with their local authority representatives as an important factor in their changing funding status.

**Consistency of vision and strategy:** A number of interviewees discussed the importance of maintaining a clear strategy and vision for organisations and services. There were mixed opinions about how being women-only affects their ability to attract funding. All were agreed that providing women-only services was essential to their organisation's ethos, that women-only services were what women wanted and were what worked best for their recovery and development. Only one interviewee believed that being a women-only service was an advantage for her organisation when looking for funding, whereas others had found it a disadvantage due to misconceptions about women-only and feminist services. In particular, there is little understanding of the difference between formal equality – treating all persons alike under law, and substantive equality, which defines equality as treating people differently to cater for the individual needs of service users:

*"I really do think there are a lot of stereotypes [about feminism] that impact on us... No matter how many times we gave [funders] information about formal and substantive equality, they ignored it, it's like some sort of equalities blindness people have got."*

At a time of economic austerity, it may seem counter-intuitive to support services which are seen as 'niche'. However, time and again research has shown that these services produce more sustainable outcomes in the short and long term, making considerable savings to the State. For example, WRC have demonstrated in recent research that women's organisations create a social value of between £1,773,429 and £5,294,336.<sup>25</sup>

<sup>25</sup> WRC (2011), *Hidden Value*, <http://tinyurl.com/d2qdeme>. Further research on the value of women's support services can be found in nef's 2008 report *Unlocking Value*, [http://www.neweconomics.org/sites/neweconomics.org/files/Unlocking\\_Value\\_1.pdf](http://www.neweconomics.org/sites/neweconomics.org/files/Unlocking_Value_1.pdf) and NPC's report *Hard Knock Life*, (2008) <http://www.thinknpc.org/publications/hard-knock-life/>

**Working in partnership:** Many interviewees believed that working collaboratively with other women's services, both loosely and more formally, had been beneficial to their organisation. One interviewee had found partnership working particularly useful to her service, which are part of a local network. She identified benefits such as sharing information, access to useful research to support her own work, solidarity and campaigning support, which was reiterated by other interviewee's experiences of partnership working.

Some interviewees also discussed the importance of working in partnership with service users to improve their support. Service user involvement in developing services is a founding principle of many women's organisations and is an untapped resource for local public bodies. They can use the information gathered by organisations to ensure that local service provision is high quality and will actually be used by the women they are aiming to support.

The London VAWG Consortium, detailed in the case study below, is a recent example of a particularly successful formal partnership. The Consortium has recently won a large scale bid to provide support services to women and girls who have experienced violence across London.

**The London Violence Against Women and Girls (VAWG) Consortium** is a new partnership of over 21 organisations based in London. The Consortium has recently been commissioned by London Councils to provide specialist support to people who have experienced gender based violence, including domestic and sexual violence, forced marriage, 'honour-based' violence and female genital mutilation.

The Consortium was borne out of concerns within a group of organisations that they would struggle to maintain their current income levels thus impacting on their ability to support their service users in a long-term climate of austerity. Now that the Consortium is established, they have a wider vision of building consensus in London's VAWG sector and influencing policy with evidence based research, creating stronger referral pathways and developing best practice across London.

Hosted and administered by WRC, the Consortium began as 6 organisations and has expanded to include many other specialist organisations over the past 18 months. It has been particularly important for the group to have its shared vision and values formally documented, which all the members of the Consortium sign up to as equal partners.

Developing the Consortium has been a long and resource intensive experience. Some of the key challenges for the group included finding time for all the members to meet and the amount of commitment needed from all partners.

Despite these difficulties, working as a consortium has given strength to the work of partner organisations, who can speak with the voice of the London VAWG sector. The size of the Consortium and the diversity of its partners made its bid for funding stronger than those from individual organisations as they can provide a truly London-wide service that tackles all the forms of gender-based violence. Furthermore, this kind of partnership presents minimal overheads for commissioners.

*"Building consortia and partnerships is a positive response to an increasingly hostile and competitive environment. We don't have to compete against each other, we can work together. That is more appropriate for the women's sector, which is rooted in equality."*

Although partnership working in a consortium can work successfully, it is resource intensive and is not always appropriate for an organisation's funding or strategic needs. However, a key finding from this case study, which transfers to all kinds of partnership working, is that planning ahead is key. Building any relationships, whether with local public bodies or other women's organisations, takes a lot of time to develop properly. Therefore, organisations that are facing the end of a funding contract or further cuts at the end of the new financial year should investigate partnership working with other women's organisations as a priority.

## Conclusion

Women's organisations make up a distinct and vital part of the women's voluntary and community sector. Though often seen as 'niche' by service providers, they provide cost-effective, often life saving support on a shoe string. They deliver a range of social and economic benefits over the short and long term for vulnerable and marginalised women and girls.

They are also a proud part of our history. Emerging at a time of immense social change for women, they are a marker of our progress towards women's equality and a reminder of how far we have come, as well as how far we have to go.

Before embarking on this project, WRC knew from previous research that women's organisations are vulnerable to financial shocks. We were also becoming increasingly concerned that many women's organisations were undeniably struggling to keep their services open, whilst many others were preparing to close entirely.

WRC believe that steps need to be urgently taken to mitigate the impact of the current economic and policy reforms for women's organisations across the UK and to preserve the decades of expertise and experience of this specialist sector. Many women's organisations regularly manage high-risk, complex cases with limited budgets. Once lost, this wealth of knowledge would be near-impossible to rebuild and will put more women and families at risk of harm or falling further into poverty.

We are concerned at the high numbers of organisations that are using their reserves, putting them in an even more precarious position financially. Our findings from the survey also confirm our fears about the numbers of organisations who have lost funding and have very little income secured for the future. It is vital for local decision makers to consider the long-term impact of reducing the funding available to women's organisations, not just on their communities, but on statutory services. Whilst we acknowledge that the cuts are a necessary evil and have sympathies with the decisions public bodies are faced with, we call for an approach which minimises the impact of policies on the most vulnerable and marginalised women and girls in our communities.

Increase in demand for support is widespread across the country, with many organisations reporting high stress levels and low morale internally, long waiting lists for service users and having to provide a limited service to women in order to manage demand. Without more support from local public bodies these issues will grow and spread to alternative sources of support, such as statutory support services, as more women's organisations close or reduce services when they lose funding. The majority of organisations have also received requests for provision of men's support services, when it is often inappropriate or unworkable to do so. This issue has had a mixed reception and varied outcomes for the sector. We believe that it is important to research this in more detail.

An emerging issue from the interviews was the impact of commissioning on women's organisations, putting services on an even more uneven footing. This unequal playing field has been exposed and exacerbated by public spending cuts. It is vital that the sector is supported to engage on a level playing field in this increasingly competitive environment, particularly as some commissioning arrangements, such as Police and Crime Commissioners, are shifting to a regional focus. This presents an additional threat to women's organisations, who have a local, community based focus and may find it difficult



to get on the agenda of regional commissioners and decision-makers. The growth of private sector contractors in public sector service delivery is another area that women's organisations and the wider VCS have to adapt to. It is essential that both regional and local commissioners allow women's services access to the decision making process at an early stage.

The research also highlighted the brick wall that still exists for organisations that try to engage with local decision makers. The gaps in public bodies' knowledge on the realities of women's inequality and the value of the women's sector makes arguing for specialist services even more difficult for women's organisations who are already under pressure. New legislation such as the Social Value Act<sup>26</sup> and the current Public Sector Equality Duty offer opportunities for commissioners to take a broader view of service provision to ensure that social as well as economic factors are taken in to account in decisions about funding.

However, a small number of women's organisations have succeeded in winning new funding or securing their current income for the next financial year. Some organisations have survived by using strategies such as building strong relationships with public bodies, developing a strong local presence and having consistent organisational vision. Partnership working is also an important tool for the women's sector. Although this may be a challenging option for organisations, there could be long-term benefits for the sector. However, this approach is resource intensive and requires support and investment.

The funding climate for both the statutory and women's sector is hostile and fiercely competitive. It is vital that both sectors work together to ensure the survival of the women's sector; supporting women and communities in need and challenging discrimination.

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<sup>26</sup> The Public Services (Social Value) Act 2012 came into force in January 2013. The Act is a statutory requirement for all public bodies to have regard to economic, social and environmental well-being in connection with public services contracts and for connected purposes. You can find more information on the Social Value Act in the following guide: [http://www.socialenterprise.org.uk/uploads/files/2012/03/public\\_services\\_act\\_2012\\_a\\_brief\\_guide\\_web\\_version\\_final.pdf](http://www.socialenterprise.org.uk/uploads/files/2012/03/public_services_act_2012_a_brief_guide_web_version_final.pdf)

## Recommendations

### For local public bodies and commissioners:

- Ensure that decisions about how to meet the needs of local communities are based on evidence of need and what works. This can be achieved by using appropriate measures – such as equality impact assessments and disaggregating data by equalities group – to monitor the impact of policy and funding decisions
- Recognise women’s organisations as partners in meeting local needs and to engage and involve them from the very beginning of the commissioning process
- Utilise the resources and intelligence of organisations such as WRC in order to co-deliver cost effective and appropriate services for women and their families
- New commissioners, such as Police and Crime Commissioners and Clinical Commissioning Groups, must work in partnership with women’s organisations and each other to ensure women’s safety and health needs are met in a holistic, efficient way
- Utilise new legislation such as the Social Value Act to consider the long-term social and financial impact of cuts to women’s services on their local community
- Ensure that representation on key decision making forums includes representatives of women’s VCOs and / or ensure that equalities considerations underpin decision-making processes

### For women’s voluntary and community organisations:

- Introduce local lobbying work as a strategic part of their fundraising approach
- Begin planning partnership work, where possible and appropriate, with other organisations to fulfil their objectives
- Try to engage with commissioners at the start of the commissioning cycle to ensure that women’s needs are prioritised



