

Drowning not Waving

Discussions With Scottish Small Charities

Introduction

The CSJ Foundation opened its Scotland office in September 2023. The first thing on our agenda was to understand the issues facing charities and communities in Scotland to help us set our priorities for the months and years ahead. We met with more than 80 leaders representing the best and brightest voices from the small charity sector and funding networks who were invited to talk about the key issues facing Scotland.

Three main questions were discussed:

1. What are the biggest challenges facing the most disadvantaged people in Scotland?
2. What are the biggest challenges facing small charities supporting the most disadvantaged people in Scotland?
3. What are the best solutions you have identified?

In addition, in January 2024 we commissioned an exclusive poll of over 1000 Scottish residents to ask their views of the challenges facing communities in Scotland, their views about poverty, and how they perceive the response of both government and charities.

This short paper provides a summary of the discussions with charities and the views of the Scottish people from our exclusive poll. Where relevant we have highlighted issues on policy, or where evidence differs between Scotland and England.

After summarising these, we provide ideas for how the CSJ Foundation can help and an outline of the next steps for our work in Scotland.

Background

The opening of a Scotland office is fitting because our roots and original story is in Scotland. Almost exactly 20 years ago our Chairman, Sir Iain Duncan Smith, visited Glasgow and spent time in Easterhouse and Gallowgate meeting with the people who lived there. His goal (as a 'Westminster politician') was to get out and see what life was really like for people who were struggling. He was shocked by what he saw – and shocked that Westminster politicians were doing very little about it.

And so the CSJ was formed, with cross party support and a mission to provide evidence-led policy solutions to issues of social breakdown. And for 20 years we have been doing exactly that, to help those who need it most. We do this by getting out into communities to properly understand the issues people are facing. Over that time, we've been back to Scotland many times, but until this point we have not established a dedicated office in Scotland as we have done in other parts of the UK. These offices enhance our ability to bring support from philanthropists to the best small charities and use their insights for national policy making. As regards policy, we propose and campaign for solutions that address the 'root causes' of poverty. We focus on interventions that break cycles of poverty, not simply apply sticking plaster solutions.

To do this we organise our work around five key areas that we have identified as the five primary Pathways to Poverty: 1. Worklessness, 2. Educational Failure 3. Family Breakdown 4. Problem Debt and 5. Addiction.

When we talk about poverty, we are not just focussing on a lack of money – that's certainly part of it – but it is the fundamental drivers that cause people to experience poverty. Therefore, the solutions need to be focused on the root causes. The way we work is different from other organisations in one important way. We believe the vast majority of social problems are being solved somewhere, often by community-based organisations, without fanfare and often on a shoestring budget. Our method of working is to speak to those who know better than us about what is happening on the ground in local communities. From these insights we are able to make recommendations to government on what needs to change and how. So, turning to the questions we asked of the charities themselves, what we heard was as follows:

1. What are the biggest challenges facing the most disadvantaged people in Scotland?

WORK AND POVERTY

Many charities reported seeing significant and increasing amounts of “in work poverty” and also child poverty. The benefits system was reported as being very complex and difficult to negotiate.

POLLING INSIGHT:

More than eight in ten (81%) of Scottish residents feel that poverty in Scotland has worsened over the last five years.

The temporary nature of work combined with scarcity of hours can make it difficult to secure stable, full time employment, locking people into being half in work and half in welfare.

The nature of available work is seen as unfulfilling and offers few opportunities to move beyond entry level jobs, making a job unappealing compared to the security of welfare. Other factors such as insecure hours, travel and uniform costs, and the likelihood of zero-hours contracts, means a job only offers marginal financial gain. The irregularity and flexibility of work also means workers miss out on the social and communal benefits of work.

POLLING INSIGHT:

61% of Scottish residents believe that the availability of good jobs has become worse.

Added to this, remaining cliff edges in the system still exist, which although improved in recent years, still make the jump into what is perceived to be insecure, low dignity and low progression work, a risk not worth taking for some.

Since Covid, charities have seen an increase in online gambling issues and addiction in communities. Research by the CSJ shows the prevalence of gambling has increased by 57 per cent in the last decade with a 2019 survey by the Gambling Commission finding that 47 per cent of UK respondents had gambled in the previous four weeks. The gambling industry has proliferated across online platforms, with profits from licensed online gambling operations increasing from £1 billion to £5.3 billion between 2009 and 2019 and the overall gross gambling yield increasing to over £14.36 billion a year. And as more people are exposed to gambling products, they are also exposed the harm gambling can cause.

The cost of living was repeatedly mentioned as an issue, with increased energy costs coupled with poor quality housing which is difficult and expensive to heat.

Some charities reported significant misuse of the benefits received through substance misuse and gambling addictions, leading to the need for emergency support.

POLLING INSIGHT:

Over three in five (62%) of residents feel that drug and alcohol addiction has worsened over the last five years.'

YOUNG PEOPLE'S MENTAL HEALTH

All reported significant increases in mental health issues in school age children.

"We used to get the situation of some children from some school classes being referred for mental health support. Now we are getting whole classes...it's an epidemic."

Parents are struggling to parent confidently and set boundaries for children who are still deeply affected by COVID-19 lockdowns. Increased awareness of mental health has encouraged parents, young people, and schools to reach quickly for a mental health or SEN diagnosis, rather than to deal with the root cause of the issues. There is a danger that the mental health agenda encourages a 'medicalisation' of the normal challenges of growing up.

POLLING INSIGHT:

The biggest concern for respondents was the rise in mental health problems, with almost three quarters (72%) agreeing that mental health has worsened in the last 5 years.

This has significant implications for work too: significant economic inactivity is driven by those signed off work for mental health reasons. There is a danger that work is not seen as part of the solution to tackling certain types of mental ill health. A diagnosis of ADHD, autism or mental ill health can unlock significant additional provisions in the welfare system, and it was reported that some individuals from disadvantaged communities are looking to an ill health/SEN diagnoses, not to work, as the means to increase their income. Over diagnosis of mental ill health risks those with serious mental ill health being overlooked or being unable to access the limited resources.

There is also the issue of children being persistently absent from school, which significantly affects both Scotland and England – an issue we will return to in depth in a separate report.

LONELINESS AND SOCIAL ISOLATION

Charities repeatedly mentioned the breakdown of social cohesion and resulting loneliness. Public services are no longer a personal "face-to-face" experience but instead challenging on-line forms and difficult language. The elderly are seen to be particularly at risk from this, with poverty increasingly plaguing their lives, with little in the way of community frameworks to support them or ensure they are safe and well nourished.

POLLING INSIGHT:

66% of residents agree that Loneliness and social isolation has been exacerbated in recent years, only 11% able to say it has improved.

FAMILY BREAKDOWN

Young people are seen to be very badly affected by family breakdown with several charities mentioning the problems caused by a lack of fathers in families.

"Creating a sense of belonging and family is key to transforming the outcomes for children."

Previous CSJ research shows that those who experience family breakdown when aged 18 or younger are over twice as likely to experience homelessness, twice as likely to be in trouble with the police or spend time in prison and almost twice as likely to experience educational underachievement. They are also approaching twice as likely to experience mental health issues.

As an overall trend, children of parents who are married are less likely to experience family breakdown, as married parents are more than twice as likely as parents in any other family structure type to stay together. In the Millennium Cohort Study (MCS), 88% of the married parents were still together when their child was five years old compared to only 67% of parents who were cohabiting at the time of the child's birth.

We also know that the baby of a father who engages with their child(ren) will show greater cognitive development at five months, as a toddler they will have better problem-solving skills, and by age three they have on average a higher IQ score than children without a present father.

Across the UK 2.7 million children have no father figure at home, representing almost one in five of all dependent children.

IMMIGRATION

The plight of asylum seekers and non-native English speakers was seen to be particularly difficult. They were often seen to fall out of systems and end up homeless.

Some commented that Government had picked disadvantaged areas to house asylum seekers which increases the community tensions and speeds up disintegration. This increases the disconnect between people in local communities, who feel the negative impacts of these decisions, and the policymakers who decide on these issues, but who don't experience the impact of them. Inevitably it is poorer communities who are disproportionately affected.

Asylum seekers can apply for support while waiting for their claim (or appeal) to be considered. If accommodation is offered, it is usually offered in a dispersal area, away from London and the South East.

As of December 2021, in Scotland there were 8.2 asylum applicants and 6.8 resettled refugees per 10,000 of the population. This compares to 19.0 asylum applicants and 17.3 resettled refugees in the North East (the area with the highest number) and 2.5 asylum applicants and 1.8 resettled refugees in the East of England (the area with the lowest number).

PROVISION OF PUBLIC SERVICES

Public services are reacting rather than trying to prevent people falling into further problems. Increasing numbers of people are presenting with trauma and suicidal tendencies, who could be helped at an earlier stage.

POLLING INSIGHT:

More than two thirds of residents believe that their communities are struggling because of failing public services (68%).

Many charities expressed frustration that the rise in demand for basic services had caused them to widen their offer away from preventative work, or intervening in very specific issues, to more reactive work. This reactive nature of services contradicts the vision of the Christie Commission published over 12 years ago. The Scottish Government has promoted the shift to "prevention" as a major social policy driver ever since, but so far without much evidence of success.

2. What are the biggest challenges facing small charities supporting disadvantaged people in Scotland?

FINANCIAL RESILIENCE

A common thread through all conversations was that demand has gone up and yet funding and resources have gone down. As a result, all charities were experiencing financial pressure. A lack of long-term core cost funding has exacerbated this problem. Our other Big Listen events across the UK all reported this as a major problem for charities.

Many Funders still focus on new projects. Learnings from the Covid epidemic when funders had previously “trusted” charities to deliver and had given core costs with a reduced level of reporting, had been forgotten.

A particular need around core IT/Digital investment was highlighted with a need for data sharing between organisations involved in a “whole journey” approach for those in need.

Large charities continue to receive the majority of available funding. Existing projects and core costs, even if well evidenced, are difficult to raise money for, with philanthropy and Government grants seeming to favour new projects.

Charities wanted a review of how commissioning and contracts work to allow effective programmes to continue over longer periods of time, to enable genuine community transformation, and to give security to service users.

As one charity at the Big Listen event in Yorkshire said:

“I am sick of people wanting to fund innovative stuff. Communities get sick of it. Projects are parachuted in for a limited period. Funders want to fund innovative things, rather than funding what we know already works or organisations that are already there.”

STAFF

Many charities reported staff burn out and an inability to recruit and retain good staff. Often funding increases are limited to well below inflation, which results in an inability to give salary increases, as a result staff are leaving for more secure and better paid jobs.

Many charities highlighted the need for volunteers and how recruiting and retaining volunteers was becoming more difficult. Communities are seen to be disintegrating with little social cohesion. As a result volunteers are becoming even more difficult to recruit.

POLLING INSIGHT:

Almost nine in ten Scottish residents (85%) either rarely or never volunteer for a local or national charity. Only 7% are frequently operating in paid work for a local or national charity.’

THIRD SECTOR LANDSCAPE

There was felt to be little collaboration within the sector, with reduced funding leading to everyone fighting for the same smaller pot of money. It was felt that the big charities were particularly good at this and were often winning at the expense of smaller charities.

Relationships with Local Authorities were felt to be very poor, with them having little understanding in the Local Authorities of what charities actually do.

“I had a meeting with a statutory service who didn’t know that charities in the community were providing the work that they said needed to be done!”

Statutory services were seen to have gaps which charities often filled, despite these gaps affecting some of the most vulnerable people, for example prison leavers, women fleeing domestic violence and drug users seeking rehab.

The public sector had very little appreciation of the need to spend on preventative services, everything seemed reactive and hence became much more expensive. The charities felt that the system was not working properly:

| *"So many things in Scotland are close to collapse."*

POLLING INSIGHT:

Half of Scottish residents (50%) believe the Scottish Government is less committed to supporting local charities than previously.

3. What are the best solutions you have identified?

FRONTLINE SOLUTIONS

The solutions suggested were not broad overarching answers and do not map neatly on to the biggest challenges raised, rather they tend to be more detailed and come from charities working in specific areas.

1. Closing the gap to rehab: Given the awful drugs death figures in Scotland a suggestion came from two of the charities working in the area of addictions and rehab. They identified that the rehab journey for those seeking to come out of substance misuse was disjointed and problematic. They suggested that charities could focus on the gap between a person wanting to change and getting them into rehab. This period of several months was often where most drug-related deaths occurred. People need help to safely reduce their consumption to the levels which allowed them entry to rehab. They suggested a new service which took users into rehab and helped them safely reduce their consumption.

Such a trial is a move in a different direction from the recent Scotland policy to allow 'safe' drug-consumption rooms. A desistance/reduction approach seems to be much more in keeping with both governments' stated objectives in this area.

2. Community Hubs: Community hubs were seen to be key to service improvement and the closure of many had a detrimental impact on communities. The lack of knowledge around Community Asset Transfer was highlighted as an area of need. The reopening of community centres using Community Asset Transfer powers was seen to be very effective:

| *"People need to feel they belong to a community. When you start to marginalise and isolate communities they become very introspective."*

POLLING INSIGHT:

Over half of respondents (56%) believe that Scottish homelessness has worsened in the last five years.'

3. **Creating an Access Hub for homelessness:** Homelessness charities highlighted The City Ambition Network in Glasgow as having been very effective in reducing homelessness. Charities came together around the person and focussed on those with the most chronic issues. This led to the creation of the Access Hub – a multidisciplinary, person-focussed service where the NHS, Housing, Charities, and Social Work services are all co-located and work together with a seamless approach.
4. **Micro-Financing and Fundraising:** Funeral Link was highlighted as a micro funding approach to overcome the problems of funeral poverty.

Two charities working with those released from prison highlighted their idea of fundraising for a shared goal through dignified community work such as car washing.
5. **Empowering people to help themselves:** Other services seen to be highly innovative and effective were “What Matters To You” which helped people to help themselves and their own communities. “Turn to Us” was an effective service where they use a benefits calculator to help people understand what is available to them locally.
6. **Deepening Understanding in the Sector:** In Dundee, Faith in The Community set up an “Anti-Poverty Commission” with local people, councillors, council staff, charities and funders. When they came together no one revealed who they were until the end. It was seen to foster relationship, respect, and enabled people to listen to each other.

SOLUTIONS FOR CHARITIES

1. **Collaboration between charities:** A repeated solution to improve services and no cost was for more collaboration between charities, and between charities and funders.

“How do we get back to collaborative working? This made a big difference to the quality of the service. Working together wasn’t about saving money but learning from one another and knowing each other’s strengths. Knowing connections and networks ensures better outcomes for service users.”

Local networking lunches were identified as being particularly helpful.

Also Funding workshops to build charity capacity and resilience were suggested. Examples given were where good practice in applications and reporting could be shared.

Another area of valuable collaborative support was around help with GDPR and data sharing protocols.

Also where charities could benefit from a collaborative approach would be in the recruitment and training of volunteers. Such a grassroots movements would be powerful in terms of community cohesion, personal development and helping those in need. As one charity said:

“People want to speak with a real person, not a professional.”

2. **Funding:** Other solutions included adding an automatic 10% to any application to cover the central costs of applying and core costs.

Charities asked for a focus on long term funding, and a desire to reset their CSR relationship with companies. Too often it seemed to focus on “fence painting” rather than accessing the deep skills contained in companies around IT, finance and digital.

In conclusion, it was recognised that charities themselves also needed to also change and to work differently. As one charity said:

“We have created a poverty industry, mortgages now depend on it, but we have to change. We must not get vain about our own specialness. We MUST work together better.”

How can the CSJ Foundation Scotland help?

The CSJ Foundation (CSJF) model can be summarised to two P's: policy and philanthropy. Our policy work is informed by insights from grassroots organisations and the evidence of what they see works. Our philanthropy approach is based around a 'funder plus' model where it is not just about money, but what support and capacity building we can bring.

Looking Forward we will aim to do the following:

1. Explore the issue of addiction and see if there is a role to play in arguing for policy change around the rehab journey.
2. Organise local networking lunches for charities by geography and theme.
3. Organise further Big Listens as well as local "Wee Listens" to bring together local charities across urban and rural Scotland to explore the pressing issues of the day.
4. Identify outstanding work within our Alliance members across the UK with the aim of making connections between excellent charities and introductions to philanthropists.
5. Bring other resources beyond just funding to Alliance members, to include capacity building workshops on areas such as making good funding applications, PR and Media skills, and influencing public policy.
6. Use evidence from these excellent charities in our work to seek to influence government policy in Westminster and Holyrood.
7. Build our charity Alliance network through the use of national policy updates and online seminars.
8. Consult with Alliance charity members to contribute to the wider policy work of the CSJ.

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Annex: CSJ Foundation – Scotland Polling, January 2024

Methodology: On behalf of the CSJ Foundation, Whitestone Insight interviewed 1010 Scottish residents online between 19th and 25th January 2024. Data were weighted to be representative of all Scottish adults.

PARTICIPATION LEVELS WITH LOCAL AND NATIONAL CHARITIES

- As highlighted in the CSJ Foundation’s ‘Drowning Not Waving’ report, levels of volunteering across Scotland are incredibly low. Almost nine in ten (85%) either rarely or never volunteer for a local or national charity and less than one in ten (7%) are currently very or somewhat frequently operating in paid work for a local or national charity.
- However, this is not to say that Scottish residents do not see a place for charities in helping their local communities. Over half of Scottish residents (56%) either very or somewhat frequently donate to a local or national charity and only one in five (19%) never donate.
- It’s often those who have seen the transformative effects of charities who are more likely to either volunteer or donate to local or national charities. Of those who very frequently conduct paid work for charities, one in ten (8% and 7% respectively) also very frequently volunteer their time and donate money. In comparison, of those who never conduct paid work for a local or national charity, more than nine in ten (96% and 96% respectively) never volunteer or donate to a local or national charity.
- Those who volunteer for a local or national charity are more likely to be female than male (17% vs 13%), young (18-24 year-olds being the most engaged age demographic at 25%), unemployed (17% vs 14%), financially well off (AB being the most engaged age demographic at 20%) and live in South Scotland (11%).
- Those who are currently unemployed are surprisingly the most likely to donate to a local or national charity very frequently (23% vs 17%).

Do you currently do any of the following:	Very frequently %	Somewhat frequently %	Rarely %	Not at all %
Paid work for a local or national charity	4	3	4	89
Volunteer for a local or national charity	7	9	12	72
Donate to a local or national charity	19	36	25	19

PUBLIC PERCEPTION OF POVERTY IN SCOTLAND

- More than eight in ten (81%) Scottish residents feel that poverty in Scotland has worsened over the last five years. A further two thirds of residents believe that charities in their local area seem to be stretched beyond their capacity (63%) and that their communities are struggling because of failing public services (68%). This echoes frustrations noted in the CSJ Foundation report on charities having to broaden out their offer away from preventative work due to a clear gap in public service provision.
- Half of Scottish residents (50%) agree that the Scottish Government seems to have less commitment to supporting charities locally, compared to 16% who disagree. A further third (34%) responded that they don't know, suggesting that the Government is doing very little to publicly show support for front line charities.
- Those most likely to feel as though poverty in Scotland has worsened over the last five years are also those most likely to suffer the consequences, with 86% of those in social grade DE agreeing that poverty has worsened in the last half decade. There is also a notable difference between both genders, with women almost 30% more likely to strongly agree that poverty in Scotland has worsened (42% vs 33%).
- There is a noticeable gap between ethnicities and their perception of whether or not charities are stretched beyond their capacity. Whilst almost two thirds (64%) of white respondents agree that charities are overstretched, this figure is almost halved among those from a BAME background at 38%, creating a clear 26 percentage point gap between the two groups.
- Those most likely to feel the burden of their community struggling due to a lack of public services are those aged 35-44 (74%), disabled (75%), white (69%), wealthy (70% AB) and reside in either Central Scotland or West Scotland (both 72% respectively).

To what extent do you agree or disagree with the following:	Strongly agree %	Somewhat agree %	Somewhat disagree %	Strongly disagree %	Don't know %
'I feel as though poverty in Scotland seems to have got worse over the last 5 years'	37	44	7	2	10
'Charities in my local area seem to be stretched beyond their capacity'	19	43	9	2	27
'The Scottish Government seems to have less commitment to supporting charities locally'	18	32	11	4	34
'My community is struggling because of failing public services'	21	47	16	3	13

PUBLIC PERCEPTION OF ROOT CAUSES OF POVERTY AND THEIR SEVERITY

Across all seven issues presented, the majority of respondents felt as though they have all grown worse, ranking in the following order:

1. Mental health problems (71%)
 2. Loneliness and social isolation (66%)
 3. Drug and alcohol addiction (63%)
 4. Availability of good jobs (61%)
 5. Homelessness (56%)
 6. Educational outcomes for children (52%)
 7. Family breakdown (42%)
- There is significant uncertainty around the issue of family breakdown, with almost half (48%) saying they don't know. Those who have likely witnessed peers' or personal experience of family breakdown are the most likely to say that it has gotten worse, with more than half (54%) of those aged 45-54 selecting significantly or somewhat worse. Those in the lowest social grades (C2 and DE) are also the most likely to say that it has gotten significantly worse (13% for both respectively).
 - There is still hope for the future, especially with regards to educational outcomes for children and the availability of good jobs. Respondents felt most positively about educational outcomes for children getting better out of all the causes (one in five, or 22%, believe that they have gotten better). Those currently in employment are the most likely to see an increase in the availability of good jobs (20% vs 12%), suggesting that more is being done behind the scenes to improve job opportunities.

To what extent do you believe the following are getting better or worse in your local community:	Significantly better %	Somewhat better %	Somewhat worse %	Strongly worse %	Don't know %
Drug and alcohol addiction	1	10	37	25	26
Homelessness	2	11	37	19	31
Family breakdown	1	10	30	12	48
Availability of good jobs	1	16	41	20	22
Mental health problems	1	8	41	31	20
Loneliness and social isolation	1	10	43	23	23
Educational outcomes for children	2	20	34	18	27

APPRECIATION FOR SCOTTISH GRASSROOTS CHARITIES

- There is significant concern for the funding grassroots charities receive. Almost two third of respondents (60%) think grassroots charities in Scotland do not receive sufficient funding for the needs of the people they serve, compared to the 15% who think they do.
- In contrast, those in Scotland feel more positive about local people showing adequate support for grassroots charities, with almost half (48%) agreeing that they're shown adequate support. However, that leaves a remaining 52% who either believe grassroots charities are worthy of more praise locally or don't know.
- Only one in five (22%) believe that grassroots charities receive sufficient appreciation from the Scottish government for the work they provide.

To what extent do you agree or disagree that grassroots charities in your community receive enough of the following:	Strongly agree %	Somewhat agree %	Somewhat disagree %	Strongly disagree %	Don'tknow %
Sufficient funding to meet the needs of people they serve	2	13	35	25	25
Appreciation locally for the support they provide	8	40	21	7	24
Appreciation from the Scottish Government for the support they provide	22	19	27	17	34

"Increasingly young people's life chances are being defined by their circumstances, a postcode and nothing to do with their potential and talent. Lived experience needs voice and even more so in the face of fashion focused politics and short term policy fixes. The CSJ provides a critical and unique platform to bridge effective practice with policy. We need this more than ever!"

Iain MacRitchie, Founder, MCR Pathways

"The launch of Centre for Social Justice in Scotland is timely and welcomed. Scotland is known for being innovative and forward-thinking in our approaches to tackling issues that impact the lives of the most vulnerable in our society. PEEK is looking forward to joining CSJ in their mission to influence policy and practice and improve life chances for all in Scotland."

**Michaela Collins MBE, CEO of PEEK
(Possibilities for Each and Every Kid)**

"The CSJ represents the brokering of two distinct worlds – the world of immediate need, expertise and very localised action with the world of philanthropic desire, national legislature, and the power that comes from sharing what is effective. The radical impact potential is enormous. We are grateful to be a small part of the big conversations around societal need here in Scotland, conversations now being captured by the CSJ."

Charles Maasz, Glasgow City Mission