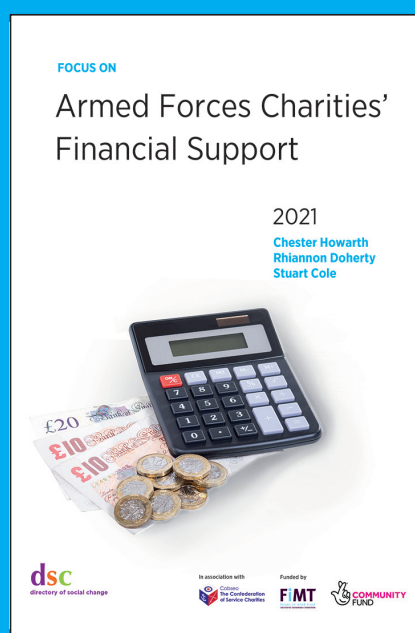


Armed Forces Charities' Financial Support

Financial stressors – which for those in the armed forces community may occur before, during, or after service – can have major impacts on individuals and families.

Overall, basic pay and job security are viewed relatively positively by serving personnel and their spouses or civil partners (MOD, 2020a, 2020b). Whilst existing research is scarce, financial challenges do occur during service. For example, approximately one-third of serving families are dissatisfied with childcare costs (MOD, 2020b) and, in some cases, this can lead to debt (Walker et al., 2020).

For many, relative security during service and lack of exposure to some aspects of everyday financial management can render some Service leavers unprepared for transition (Ashcroft, 2014). Finances can be one of the most challenging aspects of transition to civilian life, especially for unexpected departures (Heaver et al., 2018).



Research suggests around 9% of the ex-Service community experience one or more financial difficulty, including affording day-to-day expenses, having insufficient savings and getting into debt (Royal British Legion and Compass Partnership, 2014).

Social security is an important safety net, usually accessed by ex-Service personnel due to physical and mental health impacts on employment. However, they can feel considerable stigma, experience conflicts with military compensation schemes, and a face a lack of understanding in eligibility assessments (Scullion et al., 2019; Royal British Legion, 2020).

The armed forces charity sector plays an important role in providing financial support. This research provides a comprehensive overview of the financial support delivered by armed forces charities.

Methodology

- DSC maintains a database containing information on approximately 1,800 armed forces charities.
- To identify charities providing financial support, researchers examined the annual accounts, websites, and charity regulator information of all charities in DSC's database containing relevant keywords in their charitable objects or which were classified as association or welfare charities.
- Data on charities in DSC's database were gathered from the Charity Commission for England and Wales (CCEW), Office of the Scottish Charity Regulator (OSCR), the Charity Commission for Northern Ireland (CCNI), and Cobseo (The Confederation of Service Charities).
- DSC conducted a survey which received responses from 24.7% (N=44) of armed forces charities identified as providing financial support.

Key findings

Level of provision

In total, 178 charities were identified as providing financial support. This represents approximately 9.9% of all armed forces charities in the UK, as of July 2020.

During the year to July/August 2020, respondents to DSC's survey supported 50,000 beneficiaries and spent £39 million on providing this support. These figures are based on 36 survey respondents with available data; the total for the 178 armed forces charities that provide financial support is likely to be greater.



178

armed forces charities provide financial support



50,000

beneficiaries access support per year



£39m

spent on financial support per year

Beneficiaries and types of support

Almost all (93.2%) of the survey respondents provide financial support to ex-Service personnel and almost two-thirds (63.6%) support serving personnel. The majority (64.3%) support both serving and ex-Service personnel. Additionally, more than three-quarters of respondents (77.3%) support families and dependants.

Respondents to DSC's survey provide financial support to beneficiaries at various stages. These include times of crisis (86.4%), on an ongoing basis (56.8%), before problems arise to assist with good financial management and avoid crisis situations (36.4%), and to help in planning for the future, such as transition from the Services or planning for retirement (22.7%).



86%

support during times of crisis



57%

support on an ongoing basis



36%

support before problems arise

Regarding specific types of support, the three most common types are grants or loans for essential goods (65.9%), benefits or welfare advice (54.5%), and cash gifts or vouchers to relieve need (43.2%). Financial support also included provision of goods or gifts in kind, help with debt management and day-to-day budgeting, pensions advice and support for gambling addiction. Typically, charities provided 'bundles' of more than one type of financial support, though not necessarily to the same beneficiaries.

Collaboration, evaluation and challenges

The vast majority of respondents partner with at least one other type of organisation (88.6%). On average, these charities collaborated with four different types of organisations – both within and outside of the charity sector: for example, local authorities, Ministry of Defence welfare services, Armed Forces Covenant Fund signatories, and community organisations.

Almost half (48.8%) of the respondents measure the impact of their financial support, examples of which include beneficiaries' feedback, measuring outcomes and recording services provided.

The challenge which emerged most often from charities' qualitative responses was access to funding (25%). Meanwhile, 77.3% reported one or more impact of COVID-19, such as a drop in fundraising or donated income, a change in methods of service delivery, or having to pause some services.



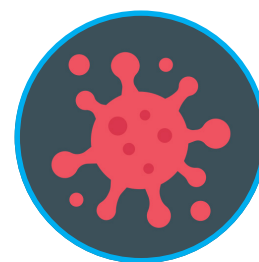
89%

collaborate with other organisations



25%

find getting funding
challenging



77%

experienced impacts of
COVID-19

Conclusions and recommendations

Investigate and address challenges with case-working

In total, 17.1% of respondents highlighted case-working as a benefit and 15.6% highlighted challenges associated with collaboration (15.6%). This suggests that the case-working system is working well for armed forces charities in some respects but that further steps could be taken to make improvements.

DSC's survey suggests that one area for improvement may be awareness among caseworkers of the multitude of services that armed forces charities provide. Greater active information-sharing between charities and caseworkers could help to foster increased awareness, ensuring that beneficiaries are able to reach available support.

Support collaboration and evaluation

Collaboration and impact evaluation are mechanisms through which charities can maximise benefits to their beneficiaries. While this report found widespread collaboration, it was less common, among micro charities (annual incomes under £10,000).

Further, impact measurement was less common (48.8%) than previous research has found in the charity sector more broadly (75%; Ógáin et al., 2012) and was notably lower among micro and small charities (the latter have annual incomes between £10,000 and £100,000).

Hence, across the sector – but in particular for smaller charities – there is scope for greater collaboration and impact measurement. One way in which this could be achieved is through larger charities actively approaching smaller charities and sharing expertise, resources and best practice.

About the report

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This publication is the eighth Focus On report, a series providing overviews of specific types of support within the armed forces charity sector.

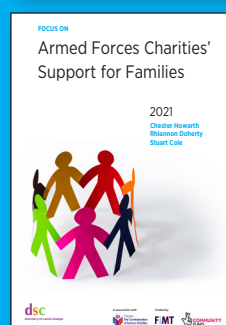
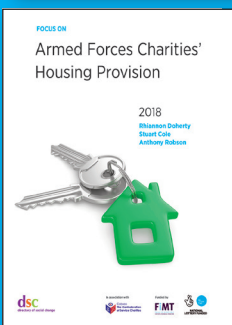
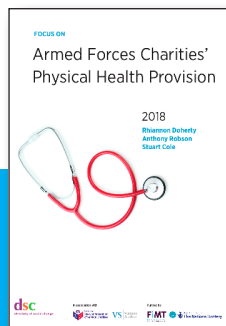
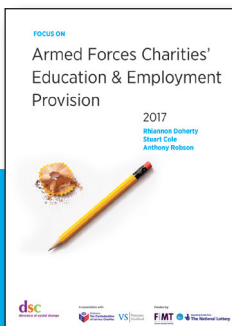
The reports follows on from DSC's *Focus On* series, of which this is the eighth and final report in the series.



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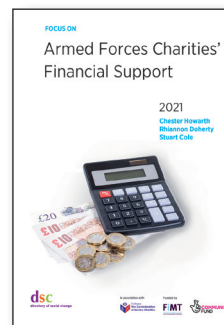


About DSC

The Directory of Social Change (DSC) has a vision of an independent voluntary sector at the heart of social change.

We help independent charities, voluntary organisations and community groups to achieve their goals by:

- Providing practical tools that organisations and activists need, including publications, training courses, conferences and research
- Acting as a 'concerned citizen' in public policy debates, leading campaigns and stimulating debate on key policy issues
- Carrying out research and providing information to influence policymakers



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