

The Value of Small

Big in a crisis

#ValueOfSmall

 @LBFEW

The COVID-19 crisis has been described as a 'syndemic', the effects of which have interacted with and exacerbated existing inequalities, affecting the very communities experiencing complex social issues that many smaller charities exist to support. In light of this unprecedented challenge, this report has explored **how**

smaller charities responded during the first six months of the pandemic. It builds on and tests the hypotheses from the original [Value of Small report \(2018\)](#) which found that **smaller charities were distinctive from public services and larger providers** because of who they serve and what they do, how they work, and the role they play within their communities and their contribution to public services. This combination of distinctive features, the report argued, meant smaller charities often amount to more than the sum of their parts and create large amounts of social and economic value. These findings led us to believe that smaller charities ought to be ideally placed to **respond to the effects of the crisis in ways that really mattered** to people and communities experiencing complex social issues and economic disadvantage. The findings of this latest research support and expand our original findings in a number of ways.

First, they show how **smaller charities have demonstrated tremendous energy, flexibility and professionalism** to understand the implications of the crisis and to continuously adapt their provision to ever changing needs and circumstances. We found that many **smaller charities 'showed up' and then 'stuck around'**, using their position of trust within communities experiencing complex social issues to support vulnerable people when they were needed most. **This is in contrast to parts of the public sector**, who were slower to react early on, and informal support and mutual aid, which has dissipated over time.

Second, we found that the service offer of smaller charities during the crisis was concentrated on addressing four main areas of need - access to food, isolation and loneliness, information, and mental health/wellbeing - in ways that were tailored to different groups and communities experiencing complex social issues. Smaller charities found **multiple ways to maintain human contact** by checking up on people, keeping in touch with them, and connecting them to one another wherever possible. **Who smaller charities worked with was particularly distinctive**, as they acted as a conduit for help and information with five main groups or communities where having a relationship of trust was especially critical: disadvantaged neighbourhoods, communities of faith or ethnicity, people experiencing poor mental health, and people seeking asylum. **The needs of these groups tended to be less well served by mainstream provision**, but they were more likely to be adversely affected by the health, social, and economic impacts of COVID-19.

Third, our findings show that the work of smaller charities during the pandemic has created **value for a wide range of different stakeholders.** Value has been created for **individuals and communities** through personal outcomes linked to health, mental health, and social isolation that have prevented lives from getting worse and ensured that people will be in a better position at the end of the pandemic than would have otherwise been the case. Value has been created for the **economy** in the face of a severe recession by continuing to employ local people, utilising local supply chains, and accessing funding to support the crisis response that could not have been brought into local areas by other types of providers. Further economic value for the public sector has been created by supporting people most likely to be adversely affected by the coronavirus and mitigating the wider effects

of lockdown. The efforts of smaller charities have undoubtedly prevented some people from contracting COVID-19 and reduced demand on the health system at **very minimal additional cost to the public purse**. Smaller charities have created **added value** through their networks and partnerships which have maximised the effectiveness of the public and civil society pandemic response, by being as flexible as possible to meet new needs and complex social issues as they emerged, and by communicating public health messages to groups and communities where these were not getting through.

Finally,

and despite the incredible response of smaller charities to the COVID-19 pandemic described throughout this report - and the benefits this has brought - we found that the crisis has also presented smaller charities with three sets of major challenges. First, there is the **changing nature of service user and community needs**, which are increasing in severity and evolving as different types of adverse impacts from the pandemic emerge. Second, there are a series of **organisational challenges associated with financial and human resources**, including reductions, unpredictability, and volatility in funding, which is also increasingly short term and COVID-19 specific; and concerns about staff wellbeing and how to guard against 'burnout'. Finally, there are challenges associated with **sustaining relationships with clients, volunteers, and key partnerships** developed prior to and during the pandemic.

The data for this study was collected prior to the second wave of the COVID-19 pandemic during autumn and winter 2020-2021. **The return of lockdown restrictions will undoubtedly have adversely affected smaller charities and the people and communities they serve even further.** However, our findings suggest that the learning and adaptations made by smaller charities during the first six months of the pandemic ought to have helped them to respond during this period - even though the extent to which they have the financial and human resources needed to withstand another extended period of lockdown remains to be seen.

Overall, this research demonstrates how, during a period of crisis and rapid change, **many small charities have demonstrated incredible resilience** in responding to an array of challenges. This **resilience** has seen small charities first demonstrate **absorptive capacity** by 'soaking-up' the unprecedented impact of the crisis on their work, operations, and the individuals and communities they support; and then show tremendous **adaptive capacity** by responding rapidly and flexibly through incremental adjustments and innovations that have been introduced on an ongoing basis.

Smaller charities have the potential to contribute to the transformational change needed if the economy and society is to 'build back better' following the pandemic. But we found that **their transformative capacity is currently constrained** by the local and national public policy environments in which they operate. Crucially, there is a need to recognise **that the real value of smaller charities during the COVID-19 pandemic has been the fact that they continue to be there for the people and communities that need them the most** - and in ways that mean they are distinctive from public services and many forms of informal support.

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This report was produced by a team of researchers from three Universities - Sheffield Hallam University, the University of Wolverhampton, and The Open University - and the Institute for Voluntary Action Research (IVAR), an independent research charity. We previously worked together between 2016-18 on the research project 'The Value of Small' which explored the distinctiveness and value of smaller charities in England and Wales. Collectively, our research activities are focussed on working with charities, voluntary organisations, community groups, social enterprises, and their funders and commissioners to develop practical responses to the challenges they face addressing complex social issues.