



Championing small charities: **Our national asset**

Cranfield Trust's 35th Anniversary
Panel Discussion
February 2025

Overview

It is an extremely difficult time in the voluntary sector for charities large and small. The cost-of-living crisis following the pandemic means that many people are struggling, and the decline in public services is driving increasing demand for charities' services.

To mark the Trust's 35th anniversary in 2024, we held a panel discussion in the presence of our Patron, HRH The Princess Royal, generously hosted and sponsored by The Mercers' Company. The discussion explored what we can expect of charities in the current challenging climate and the practical action we can take to safeguard and sustain the vital services of welfare charities.

Chaired by Dr Charmaine Griffiths, Chair of Cranfield Trust, the panel members included:

- **Dame Julia Cleverdon, DCVO, CBE** – Chair, National Lottery Community Fund
- **Caroline Taylor** – Chief Executive, Essex Community Foundation
- **Malcolm John** – Founder, Action for Trustee Racial Diversity UK and experienced trustee
- **Elizabeth Long** – Chair of Directors and Partnerships Coordinator, Refugee, Asylum Seeker and Migrant Action (RAMA), Colchester

This report gives an overview of the discussion that took place, with some key actions and recommendations for sector stakeholders: operating charities, grantmaking trusts and foundations, and central and local government. We also asked our speakers and guests what Cranfield Trust should be doing to offer the best possible support to smaller charities in a challenging climate.

We are happy to commit to the actions requested (page 4) and encourage other stakeholders to commit in their turn.



BUCKINGHAM PALACE

For 35 years The Cranfield Trust has been championing small charities. These charities have a deep understanding of community needs, they make strong relationships with local volunteers and use local support effectively to make their work sustainable.

Managing a charity can be comparable to managing a business and the challenges are often similar in both sectors. It's very important that charities recognise the skills they need at both management and board level – and bring in the right people to help them flourish.

Tension can sometimes exist between maintaining the flexibility and responsiveness of a small organisation, while achieving economies of scale, and benefitting from ideas and input from a larger group of people. Collaboration can help, working with other organisations in related areas can achieve scale without necessarily increasing the size of individual organisations.

I congratulate The Cranfield Trust on its 35th anniversary, and its outstanding record of support for charities and those they serve. I send my best wishes to you all and I look forward to seeing the Trust continue its invaluable work supporting small charities nationally, bringing together leaders and managers from all sectors to benefit our communities.

A handwritten signature in black ink, appearing to read 'Anne', with a long, sweeping underline.

Recommended actions to sustain vital services

Operating charities

Focus on services, not organisations: in a time of stretched resources, collaborate with others to ensure that resources are optimised across services, and that organisation services complement rather than compete with one another. Ensure that organisations are aware of others in their – or related – spaces, to help service users navigate available support more easily.

Take advantage of being small – smaller organisations can be agile, with the ability to engage and understand communities and individuals and to operate flexibly – but finding ways to collaborate or share resources and costs can help to gain the economies of scale of a larger organisation.

Plan ahead: both to strengthen the organisation but also to ensure that Boards and teams are united around a vision and plan. Putting together a strategic/business plan brings teams together, enables organisations to explore different future scenarios, focuses financial information on the future, and also supports fundraising applications – providing structure to help communicate the vision clearly to funders and supporters.

Support the wellbeing of staff and volunteers: in organisations under pressure, supporting colleagues and volunteers couldn't be more important. Overstretch and stress have long term implications for individuals and organisations – be realistic about what is possible.

Find ways to **add value to volunteering** – for volunteers and for organisations. Keep volunteers close, ensuring that they are well briefed on organisation developments, and that they feel connected to the work and to the staff team. Building strong relationships keeps volunteers' attention, helps retention and enables them to provide better support.

Keep working on **building diverse Boards and teams**. Don't just recruit to replace trustees who've retired, but carry out a skills and diversity audit and recruit to fill the skills gaps identified, don't recruit only by asking people you know. Across the organisation, reach out to more diverse networks and individuals to bring different perspectives, insight and innovation.

Trusts and foundations

Give unrestricted, multi-year funding, building knowledge of and trust in organisations supported, and enabling them to think more strategically, with some security of funding, is enormously beneficial. Short term funding has substantial implications for staff retention, as well as organisations' ability to plan ahead. Multi-year grants should ideally take account of inflation and be adjusted to include increasing costs.

Use charities' knowledge more strategically: Frontline charities have an unrivalled knowledge of the social issues they address. Their knowledge could be used more

strategically to develop funding strategies and inform funder development, perhaps in collaboration with other funders.

Create space to connect and learn: smaller charities often have brilliant ideas but lack the capacity to test them. Supporting experimentation can unlock creative solutions to complex challenges. Grant funders willing to take more risk could achieve real benefits for communities supported.

Make applications and reporting proportionate: monitoring is often not proportionate to the value of the grant, either too onerous for a very small grant or too relaxed – it's possible to do lots of work on a project but not to have anywhere to demonstrate the impact. This is a lost opportunity to encourage funders to offer repeat funding, or encourage statutory services to rethink the appropriateness of their own provision.

Overall, **reduce bureaucracy** to reduce the fundraising resources, costs and burden on frontline organisations.

Stay open! The number of grantmaking organisations 'pausing' funding to review strategy was noted, including some of the leading funders of smaller organisations. For organisations with stable resources, strategic work should be possible while continuing operations – or resources should be deployed to make this possible.

Advocate for charities supported: the panel called on funders to use their influence and voice to build understanding of how grantees work and the value they offer.

Local and Central Government

As with Trusts and Foundations, the panel called on government at both levels to **use charities' knowledge more strategically**, especially where reduced resources and staff turnover in local authorities make it more difficult for them to maintain detailed knowledge of social challenges. Frontline charities can contribute their in depth knowledge to inform government policy and spending, supporting charities to be more proactive, rather than reactive.

Acknowledge the sector as a key partner – including infrastructure organisations which play a vital support role for the sector.

Communicate: keep relationships as open as possible, and communicate early on timing of contracts or funding, to help delivery organisations plan as best possible.

In funding relationships, follow the same advice as for Trusts and Foundations: make **multi-year commitments** and **reduce admin and bureaucracy** around contract/grant management. **Clarity around impact measurement** is important: when asking for data or information, being clear about what it will be used for and why it's important is helpful in enabling charities to report effectively.

Use convening power to bring together organisations which could benefit from collaboration or shared services. Take a user view to help organisations with referrals, improving pathways for service users.

Cranfield Trust's commitments

Provide practical, accessible support: leadership development and strategic planning can be transformative. Cranfield Trust will continue to provide this, ensuring it is tailored to the realities of smaller charities.

Stay close to frontline charities, ensuring that Cranfield Trust's services develop in line with the needs of operating organisations.

Encourage forecasting: work with charities to ensure that they have good future visibility and strong financial forecasts, to enable confident and timely decision making.

Create space to connect and learn: Cranfield Trust has the opportunity to convene groups of charities to share ideas and experiment with new approaches.

Champion small charities and the vital role they play in our society, using Cranfield Trust's knowledge, drawn from working with hundreds of charities each year.

Summary of 35th anniversary panel discussion

This report was compiled following the panel discussion in January 2025, drawing together key themes, insights, and actionable recommendations from the panel and survey findings.

Each speaker provided a fascinating perspective on the sector's challenges and shared practical recommendations as follows:

Dame Julia Cleverdon

Dame Julia opened the discussion by highlighting the key role that smaller charities play in responding to community needs—never more vital than during the pandemic and now in the cost-of-living crisis.

As Chair of the National Lottery Community Fund (NLCF), she pointed out that 80% of their funds go to small charities. Dame Julia called for greater philanthropy and stronger connections in communities – to bridge the gap between those who can help and those in need of support. Highlighting surveys into giving, she said that the most common answer to why people don't give money to charities is that they haven't been asked, and called on both businesses and individuals to support the voluntary sector at a local level.

She emphasised that cross sector connections are essential for strong communities, and the vital importance of engaging young people, to ensure that services and charities work in ways that support them, and make use of the technologies most familiar to them, that they will be able to take forward. She challenged everyone present to think about diversity in the widest sense – racial background, age, lived experience, learned experience, disability – gather as many diverse views as possible to get the best possible results, whatever part of the sector you're working in.

Her advice to those supporting frontline charities, like Cranfield Trust, was to make sure that support is practical and accessible, tailored to their needs, and with space to connect and learn from each other.

Dame Julia encouraged funders to take more risks, and to champion the work of small charities and use their influence to represent this vital part of the sector.

Caroline Taylor

Caroline Taylor spoke about the need for grantmakers to be transparent, and to trust charities. Referring to IVAR's 'Open and Trusting' movement, she described the importance of clear communication, flexibility and long term support – allowing charities to plan effectively, strengthen partnerships and build resilience.

She acknowledged that, in spite of a commitment to unrestricted, multi-year funding, when reviewing their grants, Essex Community Foundation found that they had 'sleep walked' into some one year, project-based funding. They have now focused on unrestricted funding, and simplified their application process to ensure that their support is accessible and more stable for Essex charities.

53 charities in Essex have now undertaken the Thrive Programme – a partnership with Cranfield Trust offering leadership support and development. Caroline spoke positively about the effect of

Thrive's support on participating charities, and how they had improved their leadership, strengthened operations, and increased the long term impact on the communities they serve.

Malcolm John

Malcolm John describes himself as a serial trustee, having been on nine Boards to date. As Chief Executive of the newly registered Action for Trustee Racial Diversity, he is experiencing the real need for trustees who bring added value and solutions to organisation challenges.

His challenge to charities was to recruit more widely when filling trustee roles: carry out a skills and diversity audit before starting on recruitment, and don't ask people you know, or use existing networks. He quoted Walter Lippman, the 20th century American writer, who said 'when all think alike, no one thinks very much.'

Malcolm also pointed out that diverse Boards may need to change established practices – meeting in the evening to enable younger full time workers to participate, encouraging video applications to support neurodivergent candidates, and not just recruiting one person of colour as this could be seen as tokenism.

Action for Trustee Racial Diversity's aim is to bust the myth that charities 'can't find' trustees from black or Asian backgrounds by holding a database of 500 potential trustees – addressing the gap of 40,000 trustee positions between existing black and Asian trustees and the number needed to achieve population level representation.

Elizabeth Long

Elizabeth Long spoke about the challenges of supporting vulnerable migrants, including refugees, asylum seekers and victims of trafficking, who are often excluded from support from public services. She highlighted the challenges of generating income, especially when working with commissioners or funders who do not fully understand the context of RAMA's work. Their funding interests may focus on issues which are being overtaken by changes – and they may not always be open to developing further understanding. Funding is often geared to new projects, even when existing work has produced new results.

Working with volunteers has been vital to RAMA's development: volunteers help in RAMA's office and by running external activities, allowing case workers to engage in longer, more meaningful interactions with clients. Volunteers have full access to all team members, are included in meetings where relevant and have a voice in discussion. They are a key part of RAMA's capacity. Co-production is effective, and RAMA has three projects with partner organisations, and often run joint activities with other local charities.

Fundraising is a pressure on staff capacity: applying for funds is time consuming with no guarantee of success. RAMA admits that it tends to be reactive in applying for small, local funding opportunities – its focus has been on building strong relationships with the ICB and Local Authority – and without funding for a specific fundraising post, it's difficult to be more proactive, researching and forming relationships with potential donors and funders. Elizabeth also asked for less of a focus on numbers and processing time from funders, and more focus on outcomes and client experience. Some funds are slow to come through – even when promised.

Unrestricted, multi-year funding is key to operating in a strategic way – it's impossible to have a strategic vision without knowing where funding might come from, whether you can continue to pay staff, or expand.

Following questions, **Amanda Tincknell, Chief Executive of Cranfield Trust** spoke to encourage everyone present to be bold in looking at their own services and organisations, and in thinking about the systems we're working in.

She said that, of the 1,600 charity leaders and managers who shared their major concerns with Cranfield Trust in the last year, almost half said that generating income was their top challenge. Further critical challenges were meeting and managing demand for support, and looking after their staff and volunteers.

Cranfield Trust sees many organisations which are forced to invest considerable resources in fundraising and income generation, and supports the calls from other speakers to funders and local authorities – to streamline processes, and to focus on multi year, unrestricted donations or contracts, with timely notification of change.

Amanda welcomed the work of Action for Trustee Racial Diversity and other organisations which support trustee recruitment, such as Reach Volunteering, in supporting the development of strong, diverse boards.

She spoke about the pressures on leaders and managers of charities, and commented that Chief Executives are often drawn into delivering services, to try and meet demand, at a time when they need to be thinking about the future. Cranfield Trust strongly encourages leaders to invest time in planning ahead and to develop good financial forecasts – to 'look over the edge' and explore different financial scenarios, as well as being rigorous on managing costs, and critically, to support each other, focusing on the wellbeing of staff and volunteers.

Cranfield Trust also encourages organisations to focus on services, not individual organisations – a tough request of charities, their board and teams. Amanda emphasised the importance of staying connected – it is difficult to make time to connect with others in our sector – but vital in terms of making the most of resources and reducing any – if there is any – duplication

Cranfield Trust has just had a year which saw our highest demand ever – we have worked with hundreds of organisations on business plans, with our mentors, through our peer support groups and by engaging through management webinars. Amanda reiterated the Trust's commitment to continue supporting essential, frontline charities, complementing their expertise.

Cranfield Trust's 35 year track record of support has been made possible by the Trust's funders, donors and volunteers who all give to us so generously, and by the organisations who invest their time and trust in working with us.