

FOCUS ON

Armed Forces Charities' Financial Support

2021

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Foreword



When individuals or families need assistance from SSAFA, the Armed Forces charity and the wider armed forces charity sector, one or more of the 'Ds' have often created problems in their lives: drink, debt, drugs, divorce, depression, domestic violence, dependency culture and digs (housing). All too often, SSAFA finds that the negative spiral starts with debt, something which often causes rent arrears, loss of accommodation, loss of job and much more. The fact that debt is a cause of these issues is exacerbated because financial budgeting and savings are not things which young service personnel worry about

unduly while they are serving. And the financial problems have only been worsened as a result of the COVID-19 pandemic.

Hence this report is both timely and of strategic importance. Providing financial support is regularly the foundation on which veterans and their families can be helped to regain their independence and dignity. This report's analysis of what types of financial support are provided and how will help us all understand better where there is overlap and where there are possible gaps in provision. At a time when charities are likely to face reduced incomes from donations, limited resources, increased expenditure and the expectation that deficits will continue to grow over the next few years, the need to optimise how support is provided has never been more important and urgent.

The report's findings - which reflect the reality we see in SSAFA - note that the most common type of financial support provided by survey respondents is grants for essential goods including food. In addition, the fact that almost two-thirds of respondents to this report's survey dedicate more than half of their expenditure to the provision of financial support is a stark reminder of the level of financial need faced by our beneficiaries. SSAFA's own research, *The Nation's Duty*, found that 87% of SSAFA veteran beneficiaries had experienced financial problems since leaving Service, 79% struggled to make ends meet at the end of the month, and 67% reported problems managing finances or debts.

In order to continue to meet this need, armed forces charities themselves must be financially stable; the report notes that, perhaps unsurprisingly, funding is the most common practical challenge identified, an issue worsened by the COVID-19 pandemic. There is a need to bring both income and investment more in line with expenditure; this should be achieved through cost reductions, partnerships/mergers and some cuts to services, although it may also require investment, not least to be able to better measure the impact of our work. The report is right to call for improved data collection and impact reporting.

Supporting those in need is why SSAFA and all armed forces charities exist. We can do that most effectively by working in partnership with governments, corporate organisations, welfare and health care providers, local authorities and other charities. The Directory of Social Change (DSC) is an excellent charity which continually highlights key issues for the armed forces charities and encourages organisations to do better. We must all accept that challenge, seek to embrace new ways of working and wider opportunities, and prepare to deal with much greater individual and organisational financial pressures. I commend another excellent and relevant report by DSC; it shines a spotlight on a strategically important subject.

Lieutenant-General Sir Andrew Gregory, KBE, CB, DL

Chief Executive, SSAFA, the Armed Forces charity

About the authors

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Prior to joining DSC, Chester worked as a Research Assistant, supporting projects on child poverty and wellbeing, and a Freelance Consultant to a group of children's charities. He also volunteered as a Researcher and Report Writer for a statutory health organisation.

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Before joining DSC, Stuart held an academic post in public health research, working on projects in partnership with the World Health Organization, Alcohol Research UK and the NHS.

Stuart holds a BA (Hons) in Psychology and Sociology, an MSc in Applied Psychology and a PGCE in Psychology. He is a qualified teacher and taught for five years before moving into applied research.

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About the Directory of Social Change

At the Directory of Social Change (DSC), we believe that the world is made better by people coming together to serve their communities and each other. For us, an independent voluntary sector is at the heart of that social change and we exist to support charities, voluntary organisations and community groups in the work they do. Our role is to:

- **provide practical information** on a range of topics from fundraising to project management in both our printed publications and e-books;
- **offer training** through public courses, events and in-house services;
- **research funders** and maintain a subscription database, Funds Online, with details on funding from grant-making charities, companies and government sources;
- **offer bespoke research** to voluntary sector organisations in order to evaluate projects, identify new opportunities and help make sense of existing data;
- **stimulate debate and campaign** on key issues that affect the voluntary sector, particularly to champion the concerns of smaller charities.

Since 2014, Forces in Mind Trust has commissioned DSC to produce research aimed at illuminating the armed forces charity sector. Now in its seventh year, the project has grown to include three *Sector Insight* (2014, 2016, 2020) reports and a searchable online database of armed forces charities, which are free resources for members of the public.

DSC has also published seven *Focus On* reports on a range of topics: mental health (2017), education and employment (2017), physical health (2018), housing provision (2018), criminal justice (2019), sector trends (2019) and support for families (2021). These are intended as short, easily digestible reports to inform those who work within the charity sector, policymakers, media professionals and members of the public who are interested in the work of armed forces charities. Building on these existing publications, this report provides a focus on armed forces charities' financial support.

For details of all our activities, and to order publications and book courses, go to www.dsc.org.uk, call 020 4526 5995 or email cs@dsc.org.uk.

For details of our research go to www.dsc.org.uk/research, or email research@dsc.org.uk.

For more information on DSC's Armed Forces Charities project, or to download the reports, visit www.armedforcescharities.org.uk.

Executive summary

As in the civilian population, financial wellbeing is an important aspect of the lives of those in the armed forces community. Financial stressors, which can occur both during and after service, have wide-reaching implications for many other parts of individuals' and families' lives. Accordingly, the armed forces charity sector provides varied financial support – activities that help beneficiaries meet an immediate financial need, relieve financial hardship or meet a long-term financial goal – such as providing advice and information, making grants and funding other organisations.

The purpose of this report is to hold an objective mirror to the armed forces charity sector and – for the first time – to provide an overview of the financial support available to the armed forces community. The report is aimed at those involved with, or interested in, the armed forces charity sector, such as charity workers, policymakers, the media and the public.

To address this remit, DSC devised the following research questions:

- How many armed forces charities deliver financial support and how many beneficiaries do they support?
- What types of financial support are delivered to beneficiaries?
- What examples of collaboration and evaluation exist?
- What challenges do charities face?

KEY FINDINGS

178 armed forces charities provide financial support

DSC's researchers identified 178 armed forces charities that deliver financial support. As of July 2020, DSC's data indicates that the total number of armed forces charities operating in the UK was approximately 1,800. Therefore, the subsection of armed forces charities which provide financial support makes up only around 9.9% of the armed forces charity sector.

Approximately one-quarter (24.7%, N=44) of these charities responded to DSC's survey.

Survey respondents supported 50,000 beneficiaries

In the year to July/August 2020, 49,765 beneficiaries accessed financial support from respondents to DSC's survey. This is calculated for 40 of the 178 charities identified by DSC as providing financial support; the number of beneficiaries receiving financial support from armed forces charities overall is likely to be greater.

Survey respondents spent £39 million on financial support

The survey respondents spent £39 million providing financial support during the year to July/August 2020. This is calculated for 36 of the 178 charities identified by DSC as providing financial support; it is likely that the total expenditure is greater for all armed forces charities providing financial support.

Armed forces charities provide at least eight distinct types of financial support

The three most common types of financial support reported by the survey respondents were grants or loans for essential goods (65.9%), benefits or welfare advice (54.5%), and cash gifts

or vouchers to relieve need (43.2%). Other types of support available were goods or gifts in kind, help with debt management, help with day-to-day budgeting, pensions advice and support for gambling addiction.

Types of support varied depending on the types of beneficiary that the survey respondents reported serving. For charities which support both serving and ex-Service personnel, the most common type of support was grants or loans for essential goods, whereas for charities which support only ex-Service personnel this was benefits or welfare advice.

Support is most commonly provided during times of crisis

The vast majority (86.4%) of the respondents to DSC's survey indicated that they provide financial support to their beneficiaries during times of crisis, such as dealing with debt, homelessness or bereavement.

Over half (56.8%) of the respondents provide general financial support, on an ongoing basis, in contrast to times of crisis. More long term, over one-third (36.4%) assist with good financial management and avoiding crisis situations and just under one-quarter (22.7%) support their beneficiaries to plan for the future, such as for the transition from Service or planning for retirement.

Armed forces charities provide 'bundles' of financial support

Among the respondents to DSC's survey, the average number of different types of financial support provided is three. This indicates that these charities typically provide different types of financial support together - though not necessarily to the same beneficiaries. Survey respondents with larger incomes typically provide a broader range of financial support.

Providing financial support is a collaborative effort

The vast majority (88.6%) of the survey respondents partner with at least one other type of organisation and the average number of partners is four. Survey respondents most commonly partner with other Service charities (72.7%), while almost two-fifths (38.6%) partner with other non-Service charities.

Altogether, over three-quarters (77.3%) of the respondents partner with one or more organisations outside the charity sector: for example, local authorities (50.0%), Ministry of Defence welfare services (50.0%), Armed Forces Covenant signatory organisations (45.5%), and community or welfare organisations (45.5%). This figure is notably greater than among armed forces charities supporting families (56.5%; Howarth et al., 2021: p. 26).

Funding is a key challenge

When delivering financial support, armed forces charities can face practical challenges that are specific to their context and their operations. However, a common key challenge is funding, reported by one-quarter (25.0%) of the respondents who experienced a challenge.

Funding may be challenging in various ways. For example, charities reported that challenges were related to being a small charity, relying on fundraising and public donations, or experiencing difficulties due to COVID-19.

Impacts of COVID-19 are widespread and overlapping

COVID-19 has affected over three-quarters (77.3%) of the charities surveyed, and 88.2% of those who experienced impacts reported more than one way in which COVID-19 had affected their charity. On average, the respondents experienced three different impacts.

The four most common impacts were a drop in fundraising or donated income (59.1%), changed methods of service delivery (50.0%), having to pause some services (43.2%) and having depleted reserves (36.4%).

RECOMMENDATIONS AND FURTHER RESEARCH

Investigate and address challenges with case-working

Relatively low but similar percentages of the respondents highlighted case-working as a benefit (17.1%) and a challenge of 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 with regard to awareness among caseworkers of the multitude of types of support which armed forces charities provide. More active information-sharing between charities and caseworkers could foster increased awareness, aiming to ensure that beneficiaries can reach the available support.

Supporting collaboration and evaluation

Collaboration and impact evaluation can be mechanisms through which charities – and ultimately their beneficiaries – can benefit. While this report found widespread collaboration among the survey respondents, collaboration was less common, on average, among micro charities (those with annual incomes under £10,000).

Furthermore, the percentage of the survey respondents which reported measuring impact (48.8%) was lower than previous research has found in the charity sector more broadly (75%; Ógáin et al., 2012). It was also notably lower among micro charities 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 – which may have fewer resources or experience to dedicate to pursuing collaborative working or measuring impact – to promote the benefits of working in partnership and assessing impact, and share expertise, resources, and best practice.

Further research

The aim of this report was to provide a comprehensive snapshot of armed forces charities' provision of financial support. The data for this report was collected during the early stages of the outbreak of and response to COVID-19 in the UK, a time of extensive economic and social upheaval – the effects of which are still unfolding.

Therefore, further research into key themes explored in this report over time would be insightful. This would provide an understanding of the ways in which the financial support provided by armed forces charities adapts in response to the changing context.

This report focuses on charities which meet DSC's definition of an armed forces charity. Nevertheless, there is important work undertaken outside the sector to provide financial support to the armed forces community – both in collaboration with armed forces charities and independently, by mainstream charities.

Further research into the support provided in collaboration with and beyond the armed forces charity sector would be methodologically challenging but would clarify the range of financial support available to the armed forces community and how collaborations within and outside the charity sector are established and maintained.

Introduction

CONTEXT

It is difficult to overstate the importance of financial wellbeing, in both the civilian community and the armed forces community. Whether an individual is aiming to meet immediate basic needs (such as for shelter, clothing and food) or striving to achieve long-term goals (such as homeownership or saving for retirement), financial stability has a huge impact on the person's wellbeing and quality of life.

Many members of the armed forces community do not face any financial hardship throughout their service or beyond. However, others face unique financial stressors, some of which are discussed below in the context of Service life, transition and civilian life after Service.

Financial stressors during Service life

The existing evidence base on the financial stressors faced by serving personnel and their families is limited. New research, which is being undertaken by the Northern Hub for Veterans and Military Families Research and SSAFA, the Armed Forces charity, will explore financial hardship and poverty among serving personnel (SSAFA, 2020a).

Presently, existing research suggests that for serving families with young children, the cost of childcare can be a financial stressor, which in some cases can lead to debt (Walker et al., 2020, p. 181). The MOD's Tri-Service Families Continuous Attitude Survey (FamCAS) shows that 34% of respondents in need of early years childcare were dissatisfied with the costs, and that childcare costs are likely to affect a large proportion of the serving community at some point as nearly eight in ten (79%) Service families have children (MOD, 2020b, p. 12). During 2020–21, a free 'wraparound' childcare service is being piloted by the MOD (MOD, 2020c), which may reduce this burden.

Research undertaken by the Ministry of Defence (MOD) suggests that, overall, just under two-fifths (39%) of serving personnel are satisfied with their basic pay and agree that 'their pay and benefits are fair for the work that they do'. However, satisfaction with basic pay is markedly higher for those of officer ranks, at 52% (MOD, 2020a, p. 7).

Three-quarters of respondents (75%) agreed that job security was an incentive to stay in a career in the armed forces. However, opinion was largely split when it came to the impact of pay on an individual's decision to remain in the armed forces, with 39% of respondents reporting it as an incentive to leave versus 38% as an incentive to stay (MOD, 2020a, p. 13).

The FamCAS shows that attitudes towards pay and job security were generally more positive among spouses and civil partners: overall, significantly more spouses and civil partners of serving personnel felt that household income (69% versus 13%) and job security (42% versus 28%) were positive aspects of Service life compared to those who felt they were negative (MOD, 2020b, p. 9).

The MOD's Tri-Service Continuous Attitude Survey (CAS) consistently shows that the area in which serving personnel feel most advantaged compared to the general public is with respect to financial advice and discounts specific to the armed forces and veterans. The most recent data shows that 45% felt advantaged and only 6% felt disadvantaged (MOD, 2019a, 2020a). As noted in the 2020 CAS report, serving personnel have access to an exclusive range of financial incentives and discount schemes including the Defence Discount Service, the Defence Privilege Card and Joining Forces (credit unions) (MOD, 2020d, p. 23).

While financial stressors do occur, Ashcroft (2014, p. 143) makes the general observation that 'personnel are financially secure while serving'. During service, personnel's wages can be thought of as disposable income because some everyday costs – such as rent and utilities – are deducted directly from their wages. However, this lack of exposure to financial planning can lead to a lack of financial preparedness for civilian life, as further discussed within the next section (see also Ashcroft, 2014, pp. 148–50).

Financial stressors during transition

Finance has been identified as a 'domain' of wellbeing underpinning a successful transition from military to civilian life (Pedlar et al., 2019). It is also listed as a key 'pillar' of transition in the MOD's *Defence Holistic Transition Policy* (MOD, 2019b, p. 3).

It is particularly important for personnel to plan for the inevitability of leaving the armed forces throughout their service. This is because unexpected departures – for example, due to medical discharge – can amplify financial problems in transition (Heaver et al., 2018, p. 31).

Finances were found to be the second most challenging aspect of transition in Heaver et al.'s (2018, p. 31) tri-Service study on experiences of transition. The study found that families and Service leavers were often surprised by the financial realities of civilian life. Unanticipated increases in the cost of living meant that some families ended up worse off after transition, and many families cited unexpectedly higher outgoings, such as 'mortgage repayments, council tax, water rates and commuting costs' (Heaver et al., 2018, p. 31).

Longitudinal research carried out by Scullion et al. (2019) found that ex-Service personnel frequently reported a lack of available information on eligibility for social security and benefits before and during transition (p. 53). Respondents highlighted how time serving could lead to unfamiliarity with eligibility for various benefits or how to access support (p. 18). As a result, the authors recommended that the Department for Work and Pensions and the MOD should collaborate to provide benefits guidance 'as a routine part of the resettlement support' (p. 53).

At present, Financial Aspects of Resettlement briefings are available to serving personnel, Service leavers and their spouses. The briefings are run by the Forces Pension Society – an independent organisation outside the armed forces charity sector – and provide information on preparing financially for civilian life (CTP, 2020; Forces Pension Society, 2020). Recent attendees in Heaver et al.'s (2018) study praised the briefings as useful; however, it was felt that they could be extended to discuss how best to prepare for 'unforeseen financial challenges'. Furthermore, take-up by spouses was low, as few were aware that they were eligible to attend (Heaver et al., 2018, p. 18).

To better equip Service leavers for the financial aspects of transition, Heaver et al. (2018) recommended that other Services adopt the army's model of providing 'Service-specific transition', which includes making widely available Individual Planning and Personal Development factsheets, newsletters and other resources that include comprehensive guides to financial planning and management post-Service (see MOD, 2020e).

Research conducted by Kantar Futures for Forces in Mind Trust additionally recommended creating a savings programme, noting that there is, at present, 'no formal programme/initiative to encourage regular in-Service saving to create a "cushion" for resettlement' (Forces in Mind Trust and Kantar Futures, 2017, p. 24).

With a view to supporting a successful transition for all Service leavers, the government's *Strategy for Our Veterans* aims to ensure that, by 2028, veterans will 'leave the Armed Forces with sufficient financial education, awareness and skills to be financially self-supporting and resilient' (MOD, 2018, p. 18).

Financial stressors for the ex-Service community

Financial hardship among the ex-Service community is a key driver of their accessing support from armed forces charities (Northumbria University, Armed Forces Covenant Fund Trust and SSAFA, 2020). Across the ex-Service population, The Royal British Legion and Compass Partnership (2014, p. 24) found that 9% of the adult ex-Service community reported at least one form of financial difficulty. Commonly reported challenges included 'not having enough money for day-to-day living' (experienced by 5% of the adult ex-Service community), 'not having enough savings to buy or replace items you need' (5%) and 'getting into debt' (3%). Financial difficulties were twice as common in households with dependent children. Notwithstanding, members of the ex-Service community were less likely to report any type of arrears than the civilian population (p. 56).

Research shows that almost one-quarter of veterans claim unemployment benefits at some point (23.4%), but this typically occurs shortly after leaving the armed forces, with the rate falling sharply from 7.0% within one month of leaving to below 2.0% within two years of leaving (Burdett et al., 2018, p. 29). Disability benefits were claimed by 5.3% of veterans overall and tended to be claimed on a more long-term basis (p. 8). Service leavers who are of a low rank, who experience an unplanned leave or who are medically discharged have a greater likelihood of accessing benefits upon leaving Service (p. 30).

Scullion et al. (2019) found that ex-Service personnel accessed benefits for wide-ranging reasons. In some instances, accessing benefits was related to factors such as redundancy, but it was most commonly due to the consequences of physical or mental health on employment (p. 17). In line with research in the civilian population, ex-Service personnel felt considerable stigma around claiming benefits as this was seen as a failure to live up to the 'self-sufficiency, strength of character and resilience' that respondents associated with serving (p. 22).

Many of the challenges ex-Service personnel face when claiming benefits mirror those in the civilian population. For instance, the standard five-week wait for the first instalment of Universal Credit has been widely reported to increase financial instability while the associated move to a 'digital by default' method of accessing benefits is problematic for those without digital literacy (Scullion et al., 2019, pp. 20-1).

However, ex-Service personnel may also experience more specific barriers to receiving benefits and other types of state welfare support related to their military career. For example, those in receipt of lump-sum payments through the Armed Forces Compensation Scheme (AFCS) may find themselves ineligible for housing support (Heaver et al., 2018, p. 24).

The Royal British Legion (2020c) notes that while AFCS payments are widely disregarded in benefits applications, War Disablement Pension is considered income. Hence, war pensioners who claim Employment and Support Allowance (ESA) are only entitled to keep the first £10 of their compensation and the rest is considered normal income (RBL, 2020a, p. 38). It also notes that military compensation will soon be fully disregarded under Universal Credit - but not all claimants will be able to access it until 2024, when the roll-out of Universal Credit is expected to be completed (p. 40).

The Royal British Legion argues that no-fault compensation schemes for injury are distinct from income replacement benefits, such as ESA, and should never be treated as such. It stresses that ex-Service personnel should not have to give up their compensation to receive welfare support that their civilian counterparts can freely access (RBL, 2020a, pp. 38-40).

Concerns have also been raised around Work Capability Assessment (WCA) assessors' lack of understanding regarding armed forces-related illness and mental health, which can lead to deteriorating health outcomes for applicants (Scullion et al., 2019, p. 23-7). While there are 'Armed Forces Champions' in many Jobcentre Plus districts, Scullion et al. (2019) found inconsistencies in how well this role is carried out and reported varying degrees of access for ex-Service personnel (p. 51).

Moving forward, The Royal British Legion recommends that the Department for Work and Pensions should share information with veterans' agencies and use compensation assessments to inform disability benefits applications. This would give assessors a better understanding of military injuries and illness and would avoid ex-Service personnel undergoing multiple face-to-face assessments (RBL, 2020a, p. 33).

Many ex-Service personnel receive help and support from health-care professionals and armed forces charities while navigating their WCA. Whereas the 'importance of this support cannot be understated', Scullion et al. (2019) underscore how this causes 'significant "displacement" within the current benefits system, whereby the cost of supporting ex-Service personnel is borne by a wider range of organisations' (p. 28).

Gambling addiction has also been found to be significantly more prevalent among veterans than non-veterans in the UK (Dighton et al., 2018; Roberts et al., 2019). While this affects a small minority of the ex-Service community, it has significant impacts on individuals, families and society more broadly and is therefore considered an important public health issue which can have significant long-term effects on ex-Service families' finances.

On a positive note, a number of recently introduced initiatives aim to improve veterans' financial health. One notable example is Defence Transition Services (DTS), launched in October 2019 and run by Veterans UK in partnership with the Veterans Welfare Service (MOD, 2020f). DTS provides support and guidance on a range of issues including finance, debt, benefits and pensions; it triages requests for help and refers people on to a range of other statutory and voluntary sector organisations where appropriate (MOD, 2020f).

Overview of the context

The financial needs of those in the armed forces community largely mirror those in the civilian population. Nevertheless, serving and ex-Service personnel and their families can face some unique challenges, particularly during the period when they leave the relative financial security of Service life and adapt to the civilian environment.

However, it is important to note that the armed forces community is an extremely diverse demographic group. Many Service leavers transition seamlessly to civilian life with little need for financial support, while, conversely, for a range of reasons, others may require intervention to prevent debt and homelessness or receive long-term support in the form of disability benefits or compensation. It is therefore crucial that the range of financial support offered by statutory organisations and charities adequately responds to the diverse needs of the beneficiaries they serve.

FOCUS OF THE REPORT

This report aims to illuminate a subsection of the armed forces charity sector that provides financial support. To date, relatively little data has been gathered on the extent of financial support available from armed forces charities. This report aims to address this gap in knowledge by examining charities' financial provision, delivering new insights into the work of forces charities.

For the purposes of this report, 'financial support' refers to any activities which help beneficiaries to meet an immediate financial need, relieve financial hardship or meet long-term financial goals. These include:

- providing advice and information to help with financial planning and budgeting, welfare and benefits entitlements, pensions and compensation, or gambling and debt advice;
- distributing grants, gifts, donations or goods in kind, such as food, clothing, household goods, or help paying bills, rent, deposits or debts;
- funding or signposting to other organisations in order to deliver financial support.

Various other types of support, such as the provision of affordable accommodation or help gaining employment, are closely related to financial support. However, to sharpen the focus

of this report and limit overlap with DSC's previous research, these types of support are not included in this report. Analysis of these topics can be found in *Focus On: Education and employment* (Doherty et al., 2017) and *Focus On: Housing* (Doherty et al., 2018a).

This report examines the extent and types of financial support available, the number and types of beneficiary supported, and expenditure on financial provision. In addition, it explores how support is delivered, the extent of collaboration, and the challenges charities face when delivering financial support. The report does not make comments or value judgements on the effectiveness of charities' provision; rather, it holds an objective mirror to this subsection of the armed forces charity sector.

Undoubtedly, beneficiaries in the armed forces community may seek financial support elsewhere, for instance from the wider charity sector, non-profit organisations or statutory bodies. A prominent example is the Forces Pension Society, which advises, educates and campaigns on behalf of the armed forces community (Forces Pension Society, 2020). However, this report focuses exclusively on charities – specifically those whose main purpose is to serve the armed forces community and, therefore, meet DSC's definition of an armed forces charity, as outlined below.

TERMINOLOGY

Although charities may use their own definitions, in keeping with the language used in DSC's *Sector Insight* reports (Cole et al., 2020; Cole and Traynor, 2016; Pozo and Walker, 2014), in this report the term 'ex-Service personnel' refers to any person who has served in the UK armed forces (for at least one day) and 'serving personnel' refers to individuals who are currently employed in the armed forces.

The term 'families' refers to spouses or partners, widows, children and adult dependants of both serving and ex-Service personnel. The term 'spouses or partners' refers to those who are married to, in a civil partnership with, or in a long-term relationship with serving personnel or ex-Service personnel – and also includes divorced and separated spouses and partners. The term 'widows' refers to those whose late spouse or partner was a serving or ex-Service personnel. The term 'children' refers to dependants of serving or ex-Service personnel under the age of 18, while 'adult dependants' refers to the children of serving and ex-Service personnel over the age of 18.

When referring to all of the above (ex-Service personnel, serving personnel and their families), the term 'armed forces community' is employed.

DSC CLASSIFICATION OF ARMED FORCES CHARITIES

This report follows the definition of an armed forces charity originally developed for DSC's 2016 *Sector Insight* report:

[Armed forces charities are] charities that are established specifically to support past and present members of the armed forces and their families (the armed forces community). In this context, an armed forces charity must be able to apply this definition to their beneficiaries.

(Cole and Traynor, 2016, p. 24)

As of July 2020, DSC's data indicates that the total number of armed forces charities operating in the UK is approximately 1,800.

It is important to note that there are other charities which deliver support for the armed forces community but do not meet DSC's definition of an armed forces charity. There is increasing evidence of forces charities partnering with mainstream charities to deliver support and many mainstream charities now operate veteran-specific programmes.

These charities provide valuable support to the ex-Service community and often work alongside forces charities, sharing their expertise and resources. As their beneficiary group and charitable purpose are not primarily oriented around the armed forces community, they do not meet DSC's definition of an armed forces charity. Therefore, they are not featured in this report. Nevertheless, analysis of the support delivered by mainstream charities would be an interesting avenue for further research.

METHODOLOGY

The process by which DSC identified the subset of armed forces charities that provide financial support broadly followed four stages:

- undertaking systematic searches of the charity regulators' databases to identify charities with relevant keywords in their objects;
- undertaking analysis of information held in DSC's own database of armed forces charities;
- using charities' accounts, reports and websites to determine which charities show evidence of providing financial support;
- gathering information directly from charities themselves through the means of a survey.

DSC maintains a database containing information on approximately 1,800 armed forces charities. On 28 July 2020, email requests with a link to access DSC's online survey were sent to all armed forces charities in this database which had a publicly available email address (N=1,312).

Alongside this, DSC identified charities which include keywords relevant to financial support in their charitable objects (N=412). These charities were identified using a systematic search for keywords across the Charity Commission for England and Wales (CCEW), Office of the Scottish Charity Regulator (OSCR) and Charity Commission for Northern Ireland (CCNI) databases and the Cobseo (The Confederation of Service Charities) website. The computer programming software Python was used to conduct searches on the CCEW dataset, which can only be accessed via SQL.

Using this list of charities with relevant keywords in their charitable objects, on 14 August 2020 DSC sent targeted follow-up emails to charities with publicly available email addresses. Following this, final reminders were distributed. In previous research, DSC has distributed and followed up survey invites via telephone and mail correspondence. However, because COVID-19 had displaced charity employees from their offices, this was not possible in this case.

When the survey closed on 28 August 2020, DSC had received a total of 44 valid responses from armed forces charities that provide financial support. Responses from charities with duplicate responses and charities later discovered not to provide financial support were excluded.

Meanwhile, all of the charities with relevant keywords in their objects (N=412) were examined on a case-by-case basis for evidence (beyond their official charitable objects and regulator classifications) of providing financial support. This involved analysing charities' annual reports, annual accounts and websites for specific references to programmes and services which deliver financial support, funding for other organisations which deliver these services on their behalf, or relevant grants to individuals.

However, the researchers found that few charities identified in the keyword search evidenced providing financial support. Additionally, many large charities known to the researchers to provide financial support were not identified by the keyword search. For robustness, DSC therefore undertook an additional analysis of the welfare charities (N=501) and associations (N=80) in DSC's database, as previous research carried out by DSC found that these types

of charities are most likely to provide welfare support and award benevolent grants (Cole et al., 2020).¹ These 581 charities were assessed on a case-by-case basis as described above.

As noted in DSC's previous research, not all charities which state that they offer grants in their objects do so in practice (Traynor and Walker, 2015). Hence, charities were only included where their grant-making to provide financial support was evidenced explicitly in their financial accounts.

It is important to note that association branches are not included in the total count of charities providing financial support, unless they completed the survey. Instead, they are represented through their respective corporate bodies. This decision was made for methodological reasons: the information available in association branches' charitable accounts and websites was often limited and inconsistent. This is not to suggest that these charities do not provide financial support.

Through this thorough examination, DSC identified 178 armed forces charities which provide financial support. DSC is confident that the data on charities presented in this report is comprehensive and accurate as of the final data-collection and refinement date (December 2020).

ABOUT THE SURVEY DATA

As noted above, DSC undertook a survey to find out more about how armed forces charities provide financial support. This subsection explores the extent to which the survey data is representative of all armed forces charities identified by DSC as providing financial support with respect to charity regulator registration and size.

The researchers collected data using an online survey, which opened on 28 July and closed on 28 August 2020. There were 44 respondents to this survey, representing 24.7% of the 178 charities identified by DSC as providing financial support.

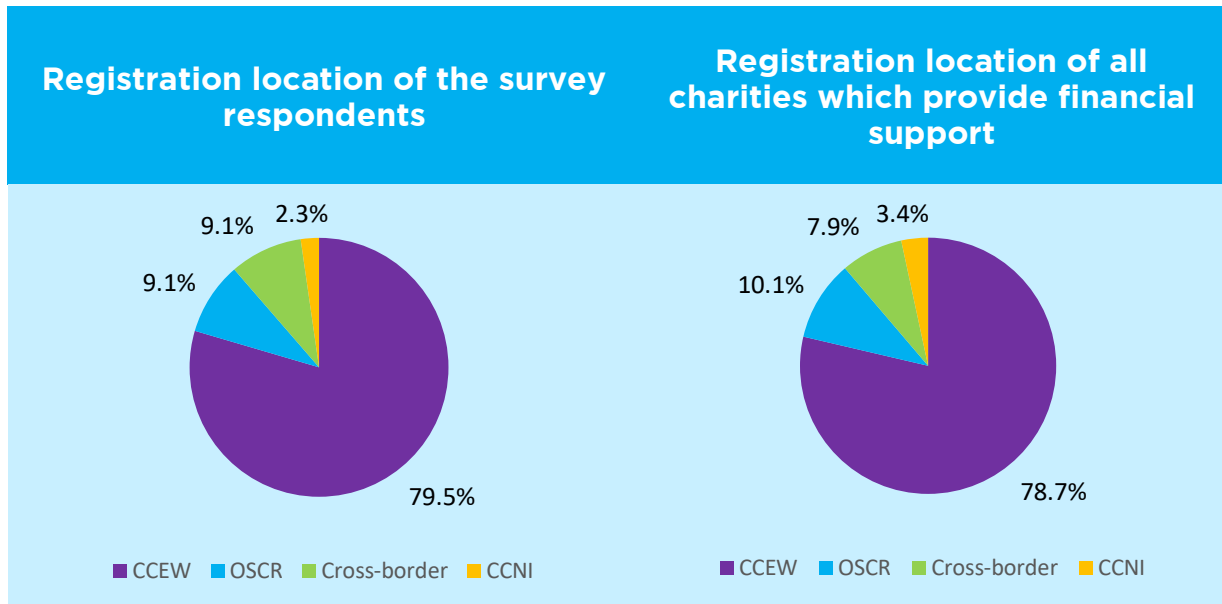
Charities can be registered exclusively with CCEW, OSCR or CCNI. However, some charities are registered with both CCEW and OSCR and are therefore classified as cross-border charities. For both the survey data and all armed forces charities identified by DSC as providing financial support, figure 1 shows the percentages of charities registered with each charity regulator and those which are cross-border.

The left-hand panel relates to the survey data. It shows that 79.5% (N=35) of the respondents are registered solely with CCEW, 9.1% (N=4) are registered solely with OSCR, 9.1% (N=4) are cross-border and 2.3% (N=1) are registered solely with CCNI. The right-hand panel relates to all armed forces charities identified by DSC as providing financial support. It shows that 78.7% (N=140) of these charities are registered solely with CCEW, 10.1% (N=18) are registered solely with OSCR, 7.9% (N=14) are cross-border and 3.4% (N=6) are registered solely with CCNI.

This comparison indicates that the composition of the registration locations of the survey respondents is very similar to that of all armed forces charities identified as providing financial support.

¹ Welfare charities are defined as those that 'deliver relief in need through services or grants across many areas of support, such as housing, health care, education and employment' and associations 'organise social gatherings and membership activities to maintain and foster comradeship' alongside sometimes providing 'welfare activities and benevolent grants' (Cole et al., 2020, pp. 44-5).

Figure 1



Note: The left-hand panel is calculated using the total number of respondents to DSC's survey (N=44) whereas the right-hand panel is calculated using the total number of charities identified by DSC as providing financial support (N=178). In the right-hand panel, the percentages do not sum to 100% due to rounding.

A useful way to assess a charity's size is to look at its income. Charities can be grouped into six size categories, with corresponding income brackets, as set out by CCEW (2018) and NCVO (2020). These six categories are shown in table 1.

Table 1

Charity size classifications and income brackets	
Charity size	Income bracket
Super major	Over £100 million
Large	£5 million to £100 million
Upper medium	£500,000 to £5 million
Lower medium	£100,000 to £500,000
Small	£10,000 to £100,000
Micro	£0 to £10,000

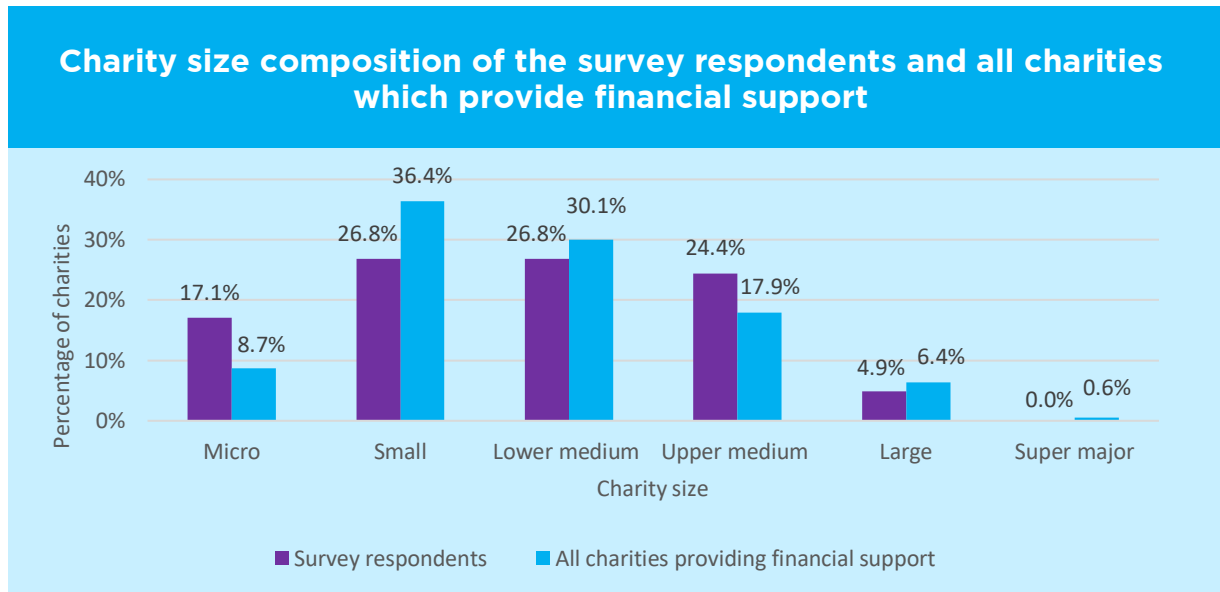
Sources: CCEW (2018); NCVO (2020). Note that there were no super major charities that responded to DSC's survey, so this category does not appear in the remainder of the report.

Applying the categories outlined in table 1, DSC calculated the percentages of charities in each size category for both the survey respondents and all charities identified as providing financial support. Figure 2 compares these percentages of each size category.

There are overrepresentations of both micro and upper medium charities among the survey respondents. Meanwhile, lower medium and small charities are underrepresented. The percentage of large charities among the survey respondents is similar to the corresponding percentage among all charities identified by DSC as providing financial support, but there are no super major charities in DSC's survey. Notwithstanding these differences, the compositions of the two groups broadly follow the same pattern and, importantly, there is a

strong representation of each charity size group (apart from super major) among the survey respondents.

Figure 2



Note: Based on charities' most recent available financial records as of July 2020. The percentages for the survey respondents are calculated from all survey respondents for which financial data was available (N=41). The percentages for all finance charities are calculated from all charities that provide financial support for which financial data was available (N=173). The percentages for the survey respondents do not sum to 100% due to rounding.

Finally, it is important to note that this survey data is used to inform the analysis throughout the rest of this report. Where information was gathered from other sources, this is clearly noted.

CHAPTER ONE

An overview of armed forces charities' financial support

1.1 INTRODUCTION

This chapter provides information and analysis on the extent and characteristics of UK armed forces charities' financial support of members of the armed forces community. The first part explores how many beneficiaries access financial support from armed forces charities before turning to some of these beneficiaries' characteristics. The second part provides an estimate of the expenditure dedicated by armed forces charities to providing financial support.

The chapter is divided into the following sections:

- Number and types of beneficiary who access support
- Charitable expenditure
- Chapter summary

1.2 NUMBER AND TYPES OF BENEFICIARY WHO ACCESS SUPPORT

1.2.1 Number of beneficiaries accessing financial support

DSC's survey asked respondents to specify the number of beneficiaries they had supported in the past year (the year to July/August 2020). These responses (N=40) indicate that the number of beneficiaries accessing financial support was 49,765 for the year to July/August 2020.

Members of the armed forces community may access more than one charity for support. It is not possible with current figures, or through current service providers' record-keeping, to control for the potential overestimate in beneficiary numbers due to such overlap. Further research on the beneficiary community is needed to better account for multi-service usage.

Nevertheless, there are methodological reasons to consider this a conservative estimate of the number of beneficiaries supported. The estimate is derived from charities which provided responses to this question in DSC's survey. These charities represent approximately 22.5% (N=40) of the total number of charities identified by DSC as providing financial support (N=178).

The average number of beneficiaries supported (N=1,244) is considerably larger than the median number of beneficiaries supported (N=65). This indicates that the data is skewed by a small number of charities supporting comparatively very large numbers of beneficiaries. Indeed, one large welfare charity had supported approximately 40,000 beneficiaries in the previous year, constituting 80.4% of the total number of beneficiaries supported.

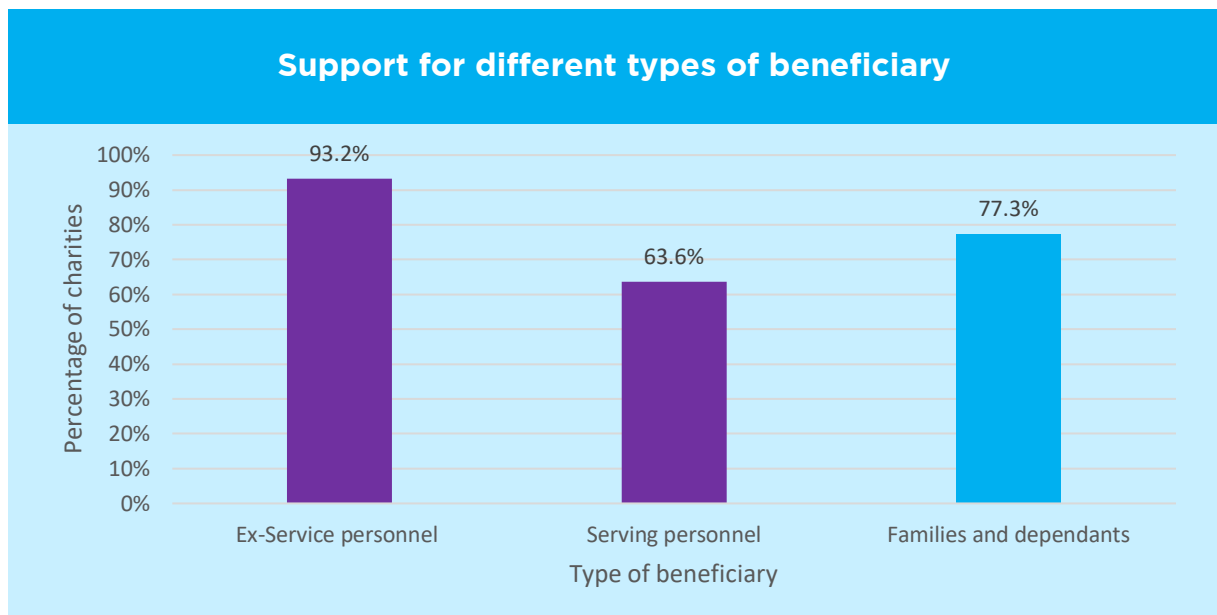
1.2.2 Types of beneficiary supported

DSC's survey asked respondents whether they supported one or more of three different types of beneficiary group: serving personnel, ex-Service personnel, and families and dependants.

The results, presented in figure 1.1, show that 93.2% (N=41) of the respondents reported providing financial support to ex-Service personnel. A further 63.6% (N=28) of the survey respondents indicated that they support serving personnel.

Meanwhile, 77.3% (N=34) of the charities surveyed provide financial support to families and dependants within the armed forces community. When a comparison is drawn with previous *Focus On* reports, this percentage is seen to be similar to the percentage among armed forces charities providing housing support (Doherty et al., 2018a, p. 3) but greater than the percentage among charities providing education and employment (Doherty et al., 2017, p. 3), mental health (Cole et al., 2017, p. 3) or physical health (Doherty et al., 2018b, p. 3) support.

Figure 1.1



Note: Respondents could select more than one of the items in this question; therefore, the percentages do not sum to 100%. Each percentage is calculated using the total number of survey respondents (N=44).

A good example of a charity which provides financial support to ex-Service personnel – in particular, to female former members of the Royal Navy – and their families is the Women's Royal Naval Service Benevolent Trust. Details of this charity's activities can be found in case study 1.

Case study 1: SUPPORT FOR EX-SERVICE PERSONNEL Women's Royal Naval Service Benevolent Trust

Founded in 1942, the Women's Royal Naval Service (WRNS) Benevolent Trust exists to provide advice and financial relief in cases of necessity or distress to former members of the WRNS and their dependants (WRNS Benevolent Trust, 2020).

As a small charity, the WRNS Benevolent Trust does not employ caseworkers; it works in partnership with The Royal British Legion (RBL) and SSAFA, the Armed Forces charity to assess beneficiaries' needs and eligibility for support. Meanwhile, overseas applicants are

supported by the Royal Commonwealth Ex-Services League. Casework reports are then put before the WRNS Benevolent Trust's grants committee – who are all former members of the WRNS – for consideration.

The WRNS Benevolent Trust gives priority to 'crisis cases'. These include cases where people do not have enough money to feed or clothe themselves or who are experiencing homelessness. These are followed by 'urgent cases', where individuals need an immediate intervention, payment or decision (within 24-48 hours) to avoid their case moving into the 'crisis' category.

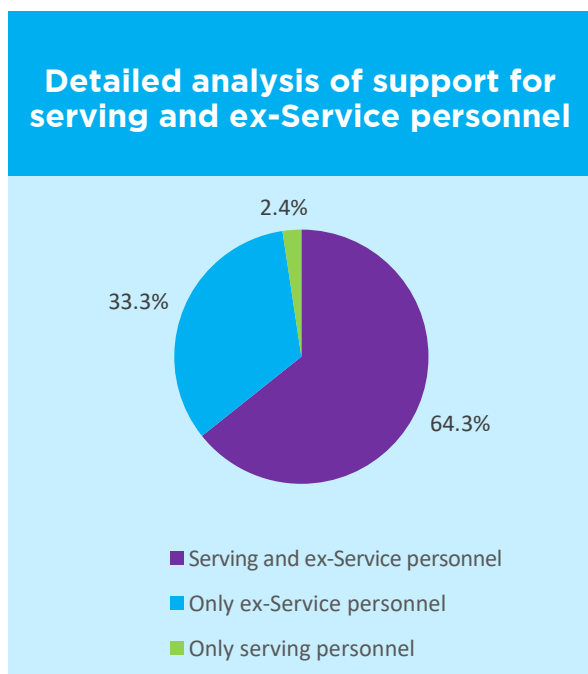
The WRNS Benevolent Trust also provides regular charitable payments to beneficiaries who require ongoing financial support. These payments are targeted towards different beneficiary groups, each with distinct needs. For example, those living in a care setting or receiving care in their own home, those existing purely on a state pension, or women who fall below state retirement age but have struggled to find employment due to their age or health. These regular grants are usually paid quarterly and are reviewed on an annual basis to see if there have been any changes to the beneficiaries' circumstances.

One-off grants provided by the WRNS Benevolent Trust include help with funerals, medical aids, education and training, debts and arrears, household goods and repairs, and rents or deposits (WRNS Benevolent Trust, 2020).

During the 2019 financial year, the trust awarded over £284,000 in grants to its beneficiaries, which included over £206,000 in regular charitable payments and over £77,000 in one-off grants (WRNS Benevolent Trust, 2019).

Note: Some of the information in this case study was gathered via interviews and/or correspondence with charity representatives.

Figure 1.2



Note: Calculated as percentages of respondents to this survey question (N=42).

The results shown in figure 1.1 suggest that there is more widespread support of members of the ex-Service community than of the serving community. Figure 1.2 presents the results of a more granular analysis to explore this further.

Out of the charities which responded to this question (N=42), almost two-thirds (64.3%, N=27) support both serving and ex-Service personnel. Thus, the majority of the respondents do not focus on supporting one of these two beneficiary groups exclusively.

However, out of those respondents that do focus on providing financial support exclusively to serving or ex-Service personnel (N=15), only one respondent provides financial support solely to serving personnel. These findings – that more charities support the ex-Service community overall and exclusively – are in line with DSC's previous research (Howarth et al., 2021).

It is likely that this finding reflects demographic differences: the UK's ex-Service population is considerably larger than the serving population (approximately 2,148,000 versus 190,000, excluding family members; MOD, 2019c, 2020f). Furthermore, as noted in the introduction, while more research is needed, the literature suggests that, in general, serving personnel require less financial support due to their relative financial security (Ashcroft, 2014). They also report feeling advantaged with respect to access to financial support which is outside the armed forces charity sector (see MOD, 2020a).

On the other hand, this finding may suggest that serving personnel – and their families – could benefit from financial support from more charities than is currently available. As noted in the introduction, more research on the stressors experienced by serving personnel and their families would be informative – and could be strengthened by an additional focus on the extent to which the available support is meeting needs.

In addition to serving and ex-Service personnel, some armed forces charities specifically serve other groups of beneficiaries within the armed forces community. Case study 2 provides an example of a charity, Blesma, which supports veterans who have lost a limb or suffered other life-changing injuries, such as losing their sight, as a result of their Service.

Case study 2: SPECIALIST SUPPORT FOR LIMBLESS VETERANS Blesma

Blesma has its origins in the period following the First World War – during which around 40,000 personnel serving in the British armed forces lost limbs – as limbless veterans came together to provide mutual support. By 1932, these individual associations had become a national charity, the British Limbless Ex-Service Men's Association (Blesma, 2020a).

The charity's work is wide ranging, including providing numerous activities to enable members to stay active and socially engaged; advice and support with prosthetics, including an in-house prosthetics expert; advice and emotional support through visits from support officers; and information on access to work (Blesma, 2020b).

For ex-Service personnel who have lost a limb or experienced another life-changing injury, earning an income through employment may not be possible. Blesma therefore provides information and advice on out-of-work benefits and disability and sickness benefits. This includes the publication of comprehensive factsheets to inform members about entitlements such as Personal Independence Payment and Employment and Support Allowance (Blesma, 2020c, 2020d). In addition, Blesma publishes information to support carers, such as on how to access and apply for Carer's Allowance (Blesma, 2020e).

More direct support is also available. Blesma Support Officers can help members claim under the War Pension Scheme and the Armed Forces Compensation Scheme, and can help them access Department for Work and Pensions benefits. This work includes representing members at hearings and tribunals and, increasingly, supporting them in preparing claims and formal challenges to benefits decisions (mandatory reconsideration).

Moreover, Blesma has advocated on behalf of veterans receiving disability benefits, such as in their work in collaboration with the Scottish Parliament to review the Scottish social security system (Blesma, 2020f, p. 17).

1.3 CHARITABLE EXPENDITURE

1.3.1 Total expenditure on financial support

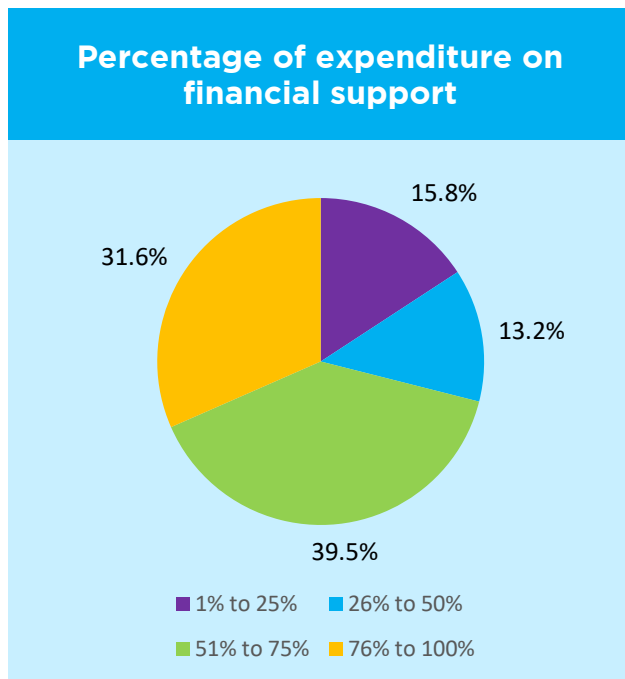
Charities often provide support – and thereby spread their resources – across multiple areas of need. Therefore, ascertaining a charity's expenditure in a particular area, such as financial support, presents a methodological challenge. The level of detail needed is not a generally available or required component of charities' published finances.

In light of this obstacle, DSC asked the survey respondents for an estimate of the percentage of their expenditure they had dedicated to providing financial support in the year to July/August 2020. By combining the replies with the charities' most recent published

financial data, the researchers calculated how much each charity typically spends on financial support. In total, 38 of the respondents provided an estimate of the percentage of their income dedicated to financial support, of which 36 also had financial data available (two newly registered respondents did not have published financial information).²

Following this methodology, the researchers calculated that the respondents with available financial data that responded to this question (N=36) spent approximately £39 million on financial support during the period in question. This could be regarded as a conservative estimate for all armed forces charities DSC identified as providing financial support (N=178) as it is calculated only for charities with available survey and financial data, comprising approximately one-fifth (20.2%) of this broader population.

Figure 1.3



Note: Calculated as percentages of respondents to this survey question (N=38). The percentages do not sum to 100% due to rounding.

To better understand how much of the survey respondents' expenditure is dedicated to financial support, further analysis is presented in figure 1.3.

Out of the respondents who provided an estimate (N=38), over one-quarter (29.0%, N=11) spent up to 50% of their income on financial support for beneficiaries.

Meanwhile, just under two-fifths (39.5%, N=15) spent between 51% and 75% of their income on financial support – the most common range. A total of 31.6% (N=12) of the respondents spent 76% to 100% of their expenditure on financial support.

Overall, the average percentage of expenditure that the charities in DSC's survey dedicated to supporting beneficiaries with financial support was 61.8%. This indicates that charities which provide financial support typically also dedicate a substantial proportion of their expenditure to other types of support for the armed forces community.

1.3.2 Expenditure by topic

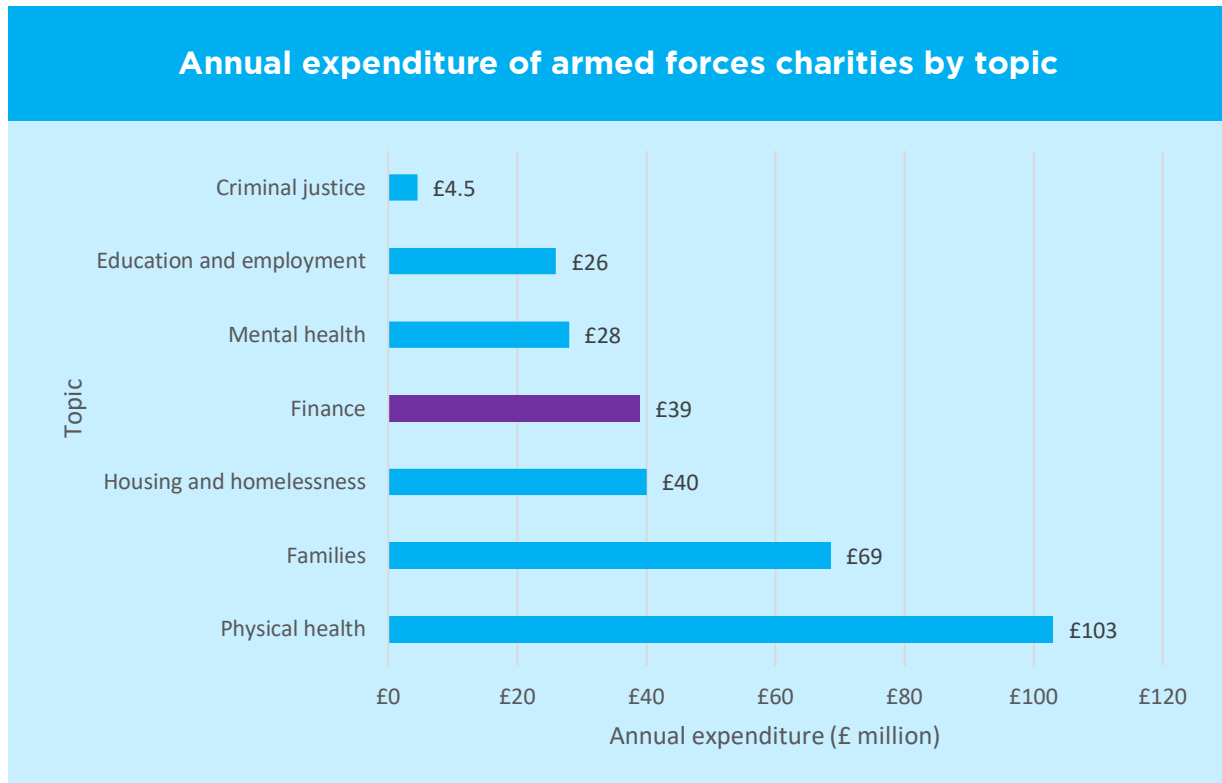
DSC's previous research on specific topics of support, such as mental health (Cole et al., 2017) or criminal justice (Robson et al., 2019), enables a comparison of expenditure data by topic. For each topic covered in previous *Focus On* reports, figure 1.4 shows the estimated expenditure during the financial years most recent to when each report was published.

The total expenditure dedicated to providing financial support (£39 million) is very similar to the amount dedicated to housing and homelessness (£40 million; Doherty et al., 2018a, p. 5) and is greater than the amounts dedicated to mental health (£28 million; Cole et al., 2017, p. 11), education and employment (£26 million; Doherty et al., 2017, p. 4), and criminal justice (£4.5m; Robson et al., 2019, p. 4). However, it is less than the expenditure allocated to supporting families (£69 million; Howarth et al., 2021, p. 6) and providing physical health support (£103 million; Doherty et al., 2018b, p. 6).

² Of those charities for which financial data and responses to this survey question were available (N=36), the most recent data was for the financial years 2019–20 (2.8%, N=1), 2018–19 (55.6%, N=20) and 2017–18 (41.7%, N=15).

While there are some limitations to this comparison, it provides an interesting insight into the sector's relative spending priorities.³

Figure 1.4



Sources: Cole et al. (2017); Doherty et al. (2017, 2018a, 2018b); Howarth et al. (2021); Robson et al. (2019).

1.4 CHAPTER ONE SUMMARY

1.4.1 Number and types of beneficiary who access support

A total of 49,765 beneficiaries accessed financial support from the armed forces charities that responded to DSC's survey (N=44) in the previous year (to July/August 2020). This can be considered a conservative estimate of the number of beneficiaries supported by the broader population of charities identified by DSC as providing financial support (N=178).

With respect to beneficiary types, 93.2% (N=41) of the survey respondents indicated that they provide financial support to ex-Service personnel, alongside 63.6% (N=28) which reported supporting serving personnel. Most of the charities surveyed (64.3%, N=27) support both serving and ex-Service personnel. Out of the charities that exclusively serve one of these beneficiary groups (N=15), only one supports serving personnel. The percentage of respondents which indicated supporting families and dependants was relatively high (77.3%, N=34) in comparison to equivalent findings in DSC's previous *Focus On* reports.

³ These figures are calculated using the same methodology as in this report. Hence, they too are conservative estimates based on data provided by survey respondents or in annual accounts. Furthermore, there may be overlap between the figures as previous expenditure includes spending on the families of serving and ex-Service personnel.

1.4.2 Charitable expenditure

Using charities' survey responses and the most recent financial data, DSC estimates that the total expenditure dedicated to providing financial support to the armed forces community is at least £39 million, based on data from survey respondents for which both an estimate and financial data were available (N=36).

Almost two-thirds (71.1%, N=27) of the respondents dedicate more than half of their expenditure to the provision of financial support. The average percentage respondents dedicated to financial support was 61.8%, suggesting that financial support is a major part of respondents' expenditure but that charities providing financial support also, on average, dedicate a substantial proportion of their spending to other types of support.

In comparison to the topics of support analysed in previous *Focus On* reports, the total expenditure on financial support (£39 million) is greater than that for mental health (£28 million; Cole et al., 2017, p. 11), education and employment (£26 million; Doherty et al., 2017, p. 4), and criminal justice (£4.5 million; Robson et al., 2019, p. 4). However, it is less than the amounts spent on supporting families (£69 million; Howarth et al., 2021, p. 6) and providing physical health support (£103 million; Doherty et al., 2018b, p. 6).

CHAPTER TWO

How armed forces charities provide financial support

2.1 INTRODUCTION

This chapter firstly explores the stages at which beneficiaries receive financial support, such as in times of crisis or to plan for the future, and the specific areas of financial support provided by armed forces charities, such as pensions advice and budgeting. Secondly, the chapter analyses how armed forces charities deliver financial support to beneficiaries.

The chapter is divided into the following sections:

- Characteristics of financial support
- Service delivery
- Chapter summary

2.2 CHARACTERISTICS OF FINANCIAL SUPPORT

2.2.1 Stages at which armed forces charities provide financial support

DSC's survey asked respondents whether they typically provide support at any of the following stages relating to financial support:

- in times of crisis;
- general support on an ongoing basis;
- before problems arise;
- to help beneficiaries plan for the future.

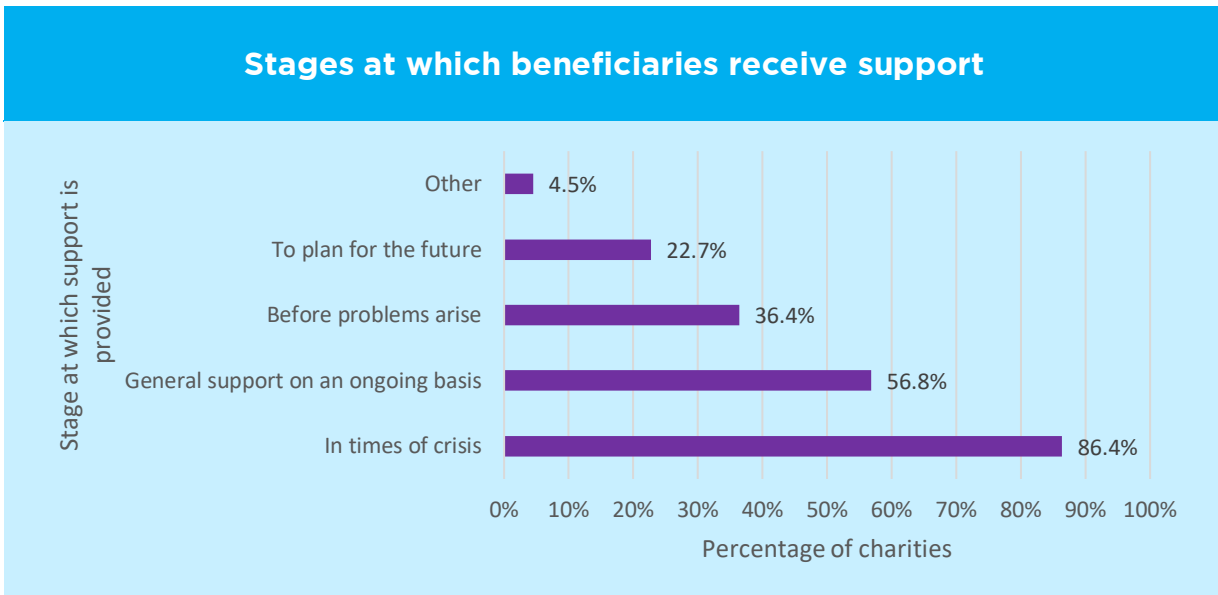
Figure 2.1 shows the percentages of all survey respondents (N=44) which indicated that they provide support at each of the stages above. The charities' responses are not mutually exclusive.

Respondents most commonly provide support during times of crisis, such as debt, homelessness or bereavement – this was the case for 86.4% (N=38) of the respondents. The second most common stage at which respondents provide financial support is general support on an ongoing basis (56.8%, N=25).

This is followed by respondents whose support takes a more preventative approach: 36.4% (N=16) of the respondents support beneficiaries before problems arise, to assist with good financial management and avoid crisis situations. Relatedly, 22.7% (N=10) of the respondents support their beneficiaries to plan for the future, such as for transition from Service or planning for retirement.

In addition, in the open-ended qualitative answers to this question, two survey respondents (4.5%) specified other stages at which they provide support: during reintegration after contact with the criminal justice system and to meet a sudden, specific need.

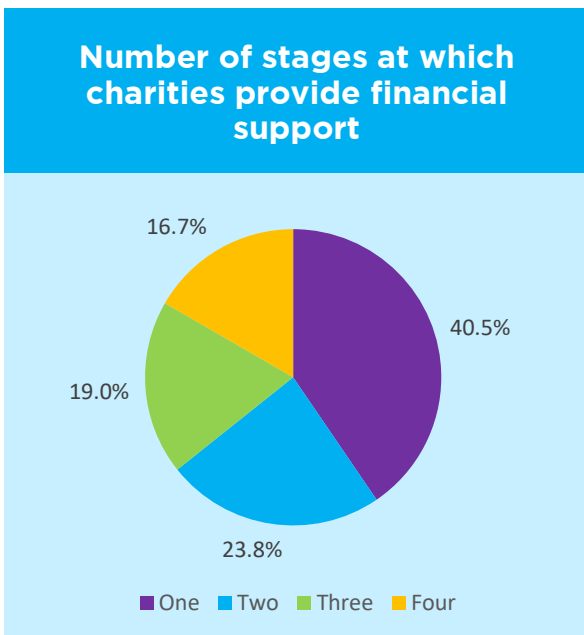
Figure 2.1



Note: Respondents could select more than one of the items in this question; therefore, the percentages do not sum to 100%. Each percentage is calculated using the total number of survey respondents (N=44).

Armed forces charities may provide support at more than one of the above stages. To investigate the number of different stages at which charities provide support – and the combinations of stages – DSC undertook further analysis of the charities which indicated that they provide support at any of the above stages (N=42).

Figure 2.2



Note: Calculated as percentages of the respondents to this survey question (N=42).

As shown in figure 2.2, just over two-fifths (40.5%, N=17) of the respondents provide support at only one of the above stages. These charities overwhelmingly provide support in times of crisis, such as debt, homelessness or bereavement (N=13), with relatively few charities only providing support in general and on an ongoing basis (N=3) or to help beneficiaries plan for the future (N=1).

Almost a quarter (23.8%, N=10) of the respondents provide support at two different stages. All of these charities provide support in times of crisis, with seven combining this with general support and three combining this with support before problems arise, to assist with financial management and prevent crisis.

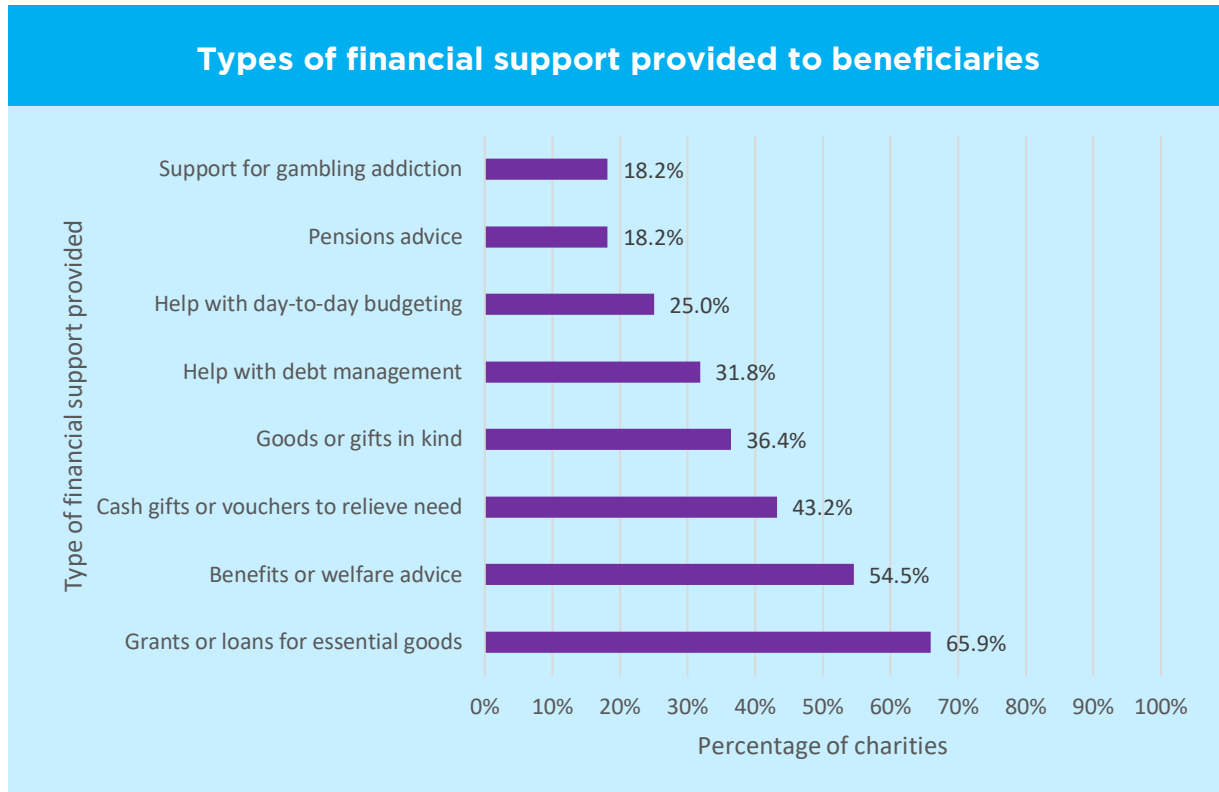
Approximately one-fifth (19.0%, N=8) provide support at three different stages. All of these respondents provide both crisis support and ongoing support, with six also providing support before problems arise and two also providing support to help beneficiaries plan for the future.

Finally, 16.7% (N=7) of the respondents provide support at all four stages in DSC's survey.

2.2.2 Types of support provided

Turning now to the specific types of financial support provided by armed forces charities, DSC asked the respondents whether they provide one or more of several different types of financial support. Figure 2.3 shows the percentages of all survey respondents (N=44) that provide each type of financial support.

Figure 2.3



Note: Respondents could select more than one of the items in this question; therefore, the percentages do not sum to 100%. Each percentage is calculated using the total number of survey respondents (N=44).

The most common type of financial support, provided by 65.9% (N=29) of the respondents, is grants or loans for essential goods. Examples from survey respondents' qualitative responses indicate that these essentials can include white goods (such as a washing machine or refrigerator), brown goods (such as a microwave oven) and clothing.

Over half (54.5%, N=24) of the charities surveyed indicated that they provide support in the form of benefits or welfare advice. Case study 3 provides a good example of a charity, the Royal Air Force Benevolent Fund, that provides benefits and welfare advice through its Advice and Advocacy Service.

Case study 3: BENEFITS AND WELFARE ADVICE Royal Air Force (RAF) Benevolent Fund

The Royal Air Force (RAF) Benevolent Fund was established just over a century ago in the wake of the First World War, which had left thousands in need of financial assistance – widows, widowers and dependants, and families of incapacitated ex-Service personnel. Initially named the Royal Air Force Memorial Fund, the charity was renamed the Royal Air Force Benevolent Fund in 1933 (RAF Benevolent Fund, 2020a).

Today, the RAF Benevolent Fund supports current and former members of the RAF, their spouses or partners, and their families through the provision of a range of practical, emotional and financial support. The RAF Benevolent Fund reports that it is unique in providing a range of support for those serving in the RAF and their dependants, from support with childcare and relationship difficulties to help with retraining, injury, disability, illness and bereavement.

With respect to financial assistance – one of the RAF Benevolent Fund's key aims (RAF Benevolent Fund, 2020b, p. 9) – the charity provides grants to beneficiaries intended to help with day-to-day living. In 2019 the charity spent £9.5 million on just under 7,000 grants to their beneficiaries (RAF Benevolent Fund, 2020b). These grants cover unexpected costs for practical items such as a fridge or to replace a broken boiler, and larger expenses such as renovating homes to help people live independently.

In 2015, the RAF Benevolent Fund launched its Advice and Advocacy Service, which has three core aims. The first is to provide information to serving and ex-Service RAF personnel and their families to enable them to effectively navigate the benefits system. The second is to give advice and representation, ensuring those who are eligible receive support from statutory services. The third is to provide assistance making complaints or appealing decisions when beneficiaries do not receive the correct support (RAF Benevolent Fund, 2020c).

Help from the Advice and Advocacy Service includes guidance on eligibility for state benefits, which can arise due to a change in circumstances in areas such as ill health, disability, bereavement, caring responsibilities or childcare costs. The service also helps beneficiaries experiencing difficulties applying for a Disabled Facility Grant for home modifications and beneficiaries who have incorrectly been asked to contribute towards relatives' care home fees. These services are accessed by beneficiaries online, via email or via a telephone helpline (RAF Benevolent Fund, 2020c).

In 2019, the RAF Benevolent Fund reported that this service helped to identify £1.6 million in unclaimed benefits for its beneficiaries and £53,000 in one-off lump-sum payments (RAF Benevolent Fund, 2020b). As of November 2020, the total amount of unclaimed payments identified since the service's inception was £8 million.

Note: Some of the information in this case study was gathered via interviews and/or correspondence with charity representatives.

Over two-fifths (43.2%, N=19) of the respondents provide cash gifts or vouchers to relieve need, while over one-third (36.4%, N=16) provide goods or gifts in kind. Examples from survey respondents' qualitative responses indicate that these types of support include vouchers for food, the provision of food parcels, cooking facilities, tyres for vehicles so people can get to work, and tents or sleeping bags for people who are experiencing homelessness.

Just under one-third (31.8%, N=14) of the charities surveyed provide support through help with debt management, such as grants for rent arrears or paying an essential bill. One-quarter (25.0%, N=11) provide support through help with day-to-day budgeting.

Meanwhile, pensions advice is provided by just under one-fifth (18.2%, N=8) of the survey respondents, and the same proportion provide support for gambling addiction. That gambling support is one of the least commonly provided types of support is unsurprising: as noted in the context, while more prevalent than in the civilian population, gambling addiction affects only a minority of the armed forces community.

Aside from these types of financial support, just over half (56.8%, N=25) of the charities surveyed reported that they provide non-financial support to beneficiaries. This is an unsurprising finding given the analysis in section 1.3.2, which shows that charities commonly allocate significant proportions of their expenditure to other types of support.

Case study 4 provides an overview of Scottish Veterans Residences, a charity which provides non-financial support – in this case, affordable accommodation – alongside financial support for ex-Service personnel who are experiencing homelessness.

Case study 4: FINANCIAL AND NON-FINANCIAL SUPPORT Scottish Veterans Residences

Scottish Veterans Residences (SVR) was established in 1910 in response to street homelessness among ex-Service personnel in Edinburgh. It is Scotland's oldest charity which supports veterans (SVR, 2020a).

To achieve its mission of providing support and accommodation to ex-Service personnel who are experiencing (or are at risk of) homelessness, SVR operates as a Registered Social Landlord, with three residences located in Edinburgh, Glasgow and Dundee (SVR, 2020a). In 2019, the charity had 240 residents across these properties (SVR, 2019).

At these residences, in addition to affordable accommodation, the charity provides housing support services, which are registered with the Care Inspectorate. Residents are supported by a key worker, who identifies areas of support in a 'personal support plan' for each resident. Residents' plans may include a combination of finance-related support and non-finance-related support (SVR, 2020b).

SVR's financial support includes assistance with benefit claims, which, as noted in the introduction to this report, research suggests can be a difficult process for veterans in multiple respects (Scullion et al., 2019; RBL, 2020a). Between 2015 and 2019, SVR assisted residents in making 917 benefit claims (SVR, 2015, 2016, 2017, 2018, 2019).

The charity also helps residents with claims for the Armed Forces Compensation Scheme (for injury or illness caused by service after April 2005) and the War Pension Scheme (for injury or illness caused by service before April 2005). These are both forms of financial compensation and take the form of a lump-sum or regular payment (MOD, 2020h, 2020i). Between 2015 and 2019, SVR assisted residents in making 73 claims for these forms of financial compensation (SVR, 2015, 2016, 2017, 2018, 2019).

Staff also help residents by imparting life skills such as budgeting. If and when a resident is ready to regain their independence, the charity aims to ensure they obtain grants, either from other funders or SVR directly, to help with deposits or to buy essentials such as cookers, carpets and blinds.

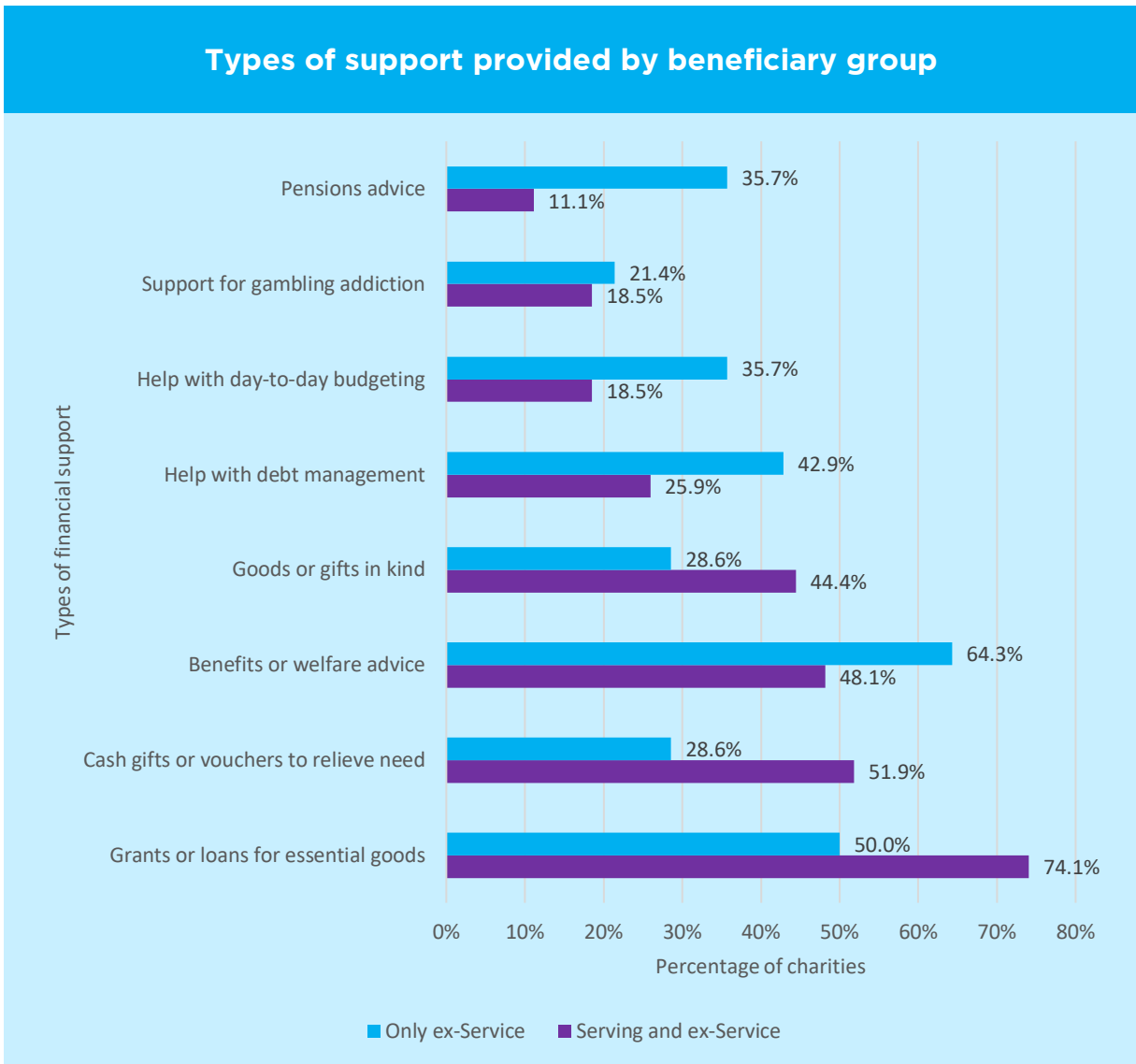
Note: Some of the information in this case study was gathered via interviews and/or correspondence with charity representatives.

2.2.3 Variation in types of support by beneficiary type

As noted in the introduction, the types of financial stressor that the serving and ex-Service communities face can differ in several important respects. It is therefore instructive to analyse whether - and to what extent - the types of financial support provided by the respondents to DSC's survey differ by the charities' beneficiary types.

In figure 2.4, the purple bars show the percentages of respondents that provide each type of financial support out of the charities that support both serving and ex-Service personnel (N=27). Similarly, the blue bars show the percentages of respondents that provide each type of financial support out of the charities that support ex-Service personnel exclusively (N=14). As there is only one charity which provides support to serving personnel exclusively, and it provides only one area of support (benefits or welfare advice), this category is not included in figure 2.4.

Figure 2.4



Note: Respondents could select more than one of the items in this question; therefore, the percentages do not sum to 100% within each beneficiary group. Each percentage is calculated using the number of survey respondents in each group: serving and ex-Service personnel (N=27) and ex-Service personnel exclusively (N=14).

This comparison is therefore between respondents which reported supporting serving and ex-Service personnel, and those which reported supporting ex-Service personnel. While this is not as clear-cut as comparing charities with solely serving or solely ex-Service beneficiary groups, it nevertheless provides an insight into possible differences.

Analysis suggests that there are noticeable differences in the types of support most commonly delivered by charities that support both serving and ex-Service personnel compared to those that support only ex-Service personnel.

Specifically, charities that support both serving and ex-Service personnel are most likely to provide grants or loans for essential goods (74.1%), followed by cash gifts or vouchers to relieve need (51.9%), benefits or welfare advice (48.1%), and goods or gifts in kind (44.4%).

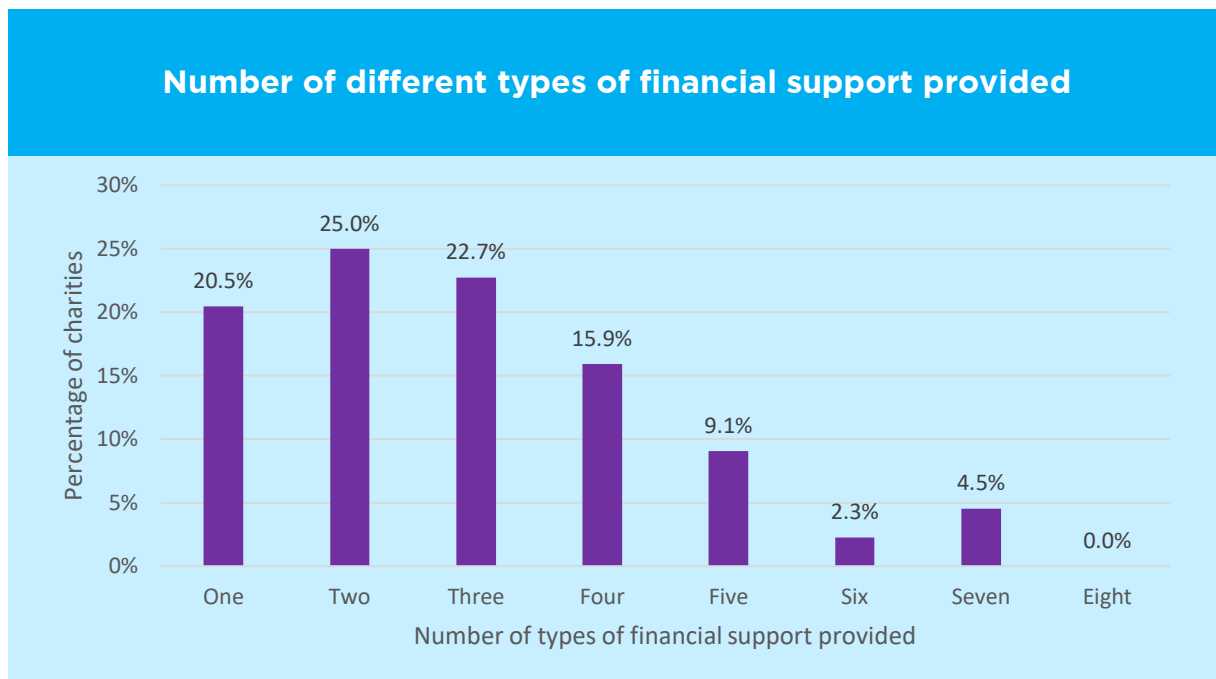
Meanwhile, charities which support only ex-Service personnel are most likely to provide benefits or welfare advice (64.3%) – an unsurprising finding given that ex-Service personnel and their families are more likely to be in contact with the benefits system during and beyond transition into civilian life – followed by grants or loans for essential goods (50.0%), help with debt management (42.9%), help with day-to-day budgeting (35.7%) and pensions advice (35.7%).

2.2.4 Number of types of support provided

As previously noted, armed forces charities may provide more than one type of financial support to their beneficiaries. Specifically, they may provide between one and all eight of the types of financial support detailed above. Figure 2.5 shows the percentages of charities which provide each number of different areas of support.

Charities most commonly provide two different types of financial support (25.0%, N=11). However, the median number of different types of support provided is three, indicating that typically survey respondents provide 'bundles' of financial support (though not necessarily to the same beneficiaries). However, it is uncommon for respondents to provide six or more different types of financial support.

Figure 2.5



Note: Respondents could select more than one of the items in this question; therefore, the percentages do not sum to 100%. Each percentage is calculated using the total number of survey respondents (N=44).

An example of a charity which provides a 'bundle' of different types of financial support is The Royal British Legion, detailed in case study 5. This charity brings together a range of support including compensation, pension and benefits advice; debt management; and grants for essential goods.

Case study 5: A BUNDLE OF FINANCIAL SUPPORT SERVICES The Royal British Legion

The Royal British Legion (RBL) helps to ease the burden of financial pressure for thousands of serving and ex-Service personnel every year. It does so by delivering a range of welfare advice and awarding grants which help with debt and emergency situations (RBL, 2020b). This case study focuses on RBL's advice, research and advocacy services, which aim to improve the financial health of its beneficiaries.

RBL's Benefits, Debt and Money Advice (BDMA) service provides free, confidential advice about benefits that serving and ex-Service personnel may be entitled to, assistance in making an appeal against a benefit decision and comprehensive advice for those in

unmanageable debt (RBL, 2020c). The charity's financial advisers provide a broad range of financial advice via telephone or online chat, both of which are open seven days a week. Face-to-face support may also be available via local branches.

RBL also helps serving and ex-Service personnel to claim compensation when they have suffered an injury or illness while serving. Specialist advisers guide beneficiaries through the compensation scheme and support applications for both the War Pension Scheme and the Armed Forces Compensation Scheme. They also provide support throughout the compensation appeals process by helping beneficiaries to lodge an appeal and representing them at appeals tribunals, all free of charge.

The BDMA service works closely with RBL's War Pensions and Compensation Service, other specialists in RBL and external partners to support veterans and their families. The BDMA service is available throughout England, Wales and Northern Ireland and has 33 advisers across the UK, 13 of whom are based in RBL's contact centre in Wales. During 2018/19, the BDMA service provided support in 2,121 cases (RBL, 2020a, p. 5).

In Scotland, RBL partners with Poppyscotland to deliver the Armed Services Advice Project (ASAP) Scotland, which distributes money and benefits advice alongside a wide range of welfare support via a national helpline and case-working team which cover 11 Scottish regions (RBL, 2020a, p. 5).

In addition to providing financial advice, RBL conducts research on financial challenges faced by the armed forces community and advocates on behalf of individuals and their families for fairer treatment with regard to compensation claims, pensions and benefits entitlements.

RBL's report *Making the Benefits System Fit for Service* examined veterans' experiences of the benefits system. It concluded that urgent steps need to be taken to ensure that benefits applicants in receipt of armed forces compensation can access the benefits to which their civilian counterparts are entitled (RBL, 2020a, p. 53). The report highlighted current flaws and inconsistencies in the application process for veterans in receipt of armed forces compensation and set out 24 key recommendations to improve veterans' access to benefits (RBL, 2020a, pp. 53-5).

Note: Some of the information in this case study was gathered via interviews and/or correspondence with charity representatives.

As might intuitively be expected, the number of areas of financial support provided by armed forces charities is at least partly linked to charity size, with charities with larger incomes being able to provide a broader range of financial support than those with lower incomes. As shown in table 2.1, charities can be grouped into five size categories with corresponding income brackets (see CCEW, 2018; NCVO, 2020).

Further analysis reveals that large charities (with incomes above £5 million) provide, on average, six different areas of support. In contrast, micro charities (with incomes below £10,000) provide, on average, around two different areas of support. Despite the average being below trend for lower medium charities, the overall trend suggests that larger charities tend to provide more areas of support.

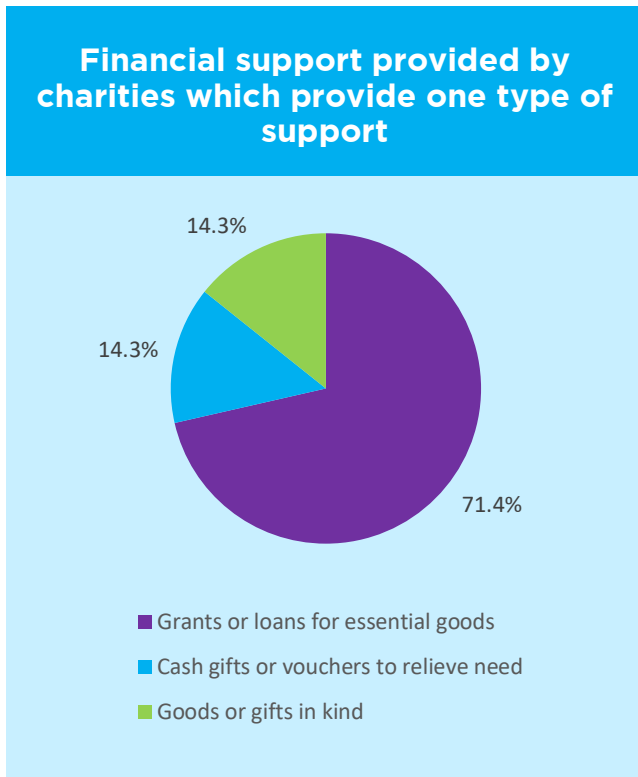
Table 2.1

Average number of areas of support by charity size		
Charity size	Income bracket	Average number of areas of financial support
Large	£5 million to £100 million	6.0
Upper medium	£500,000 to £5 million	3.5
Lower medium	£100,000 to £500,000	1.9

Small	£10,000 to £100,000	3.3
Micro	£0 to £10,000	2.1

Note: The respondents consisted of N=7 micro charities, N=11 small charities, N=11 lower medium charities, N=10 upper medium charities and N=2 large charities (N=3 charities did not have available financial data). The sixth category is omitted as there are no super major charities among survey respondents.

Figure 2.6



Note: Calculated as percentages of respondents which selected one type of financial support (N=7).

To better understand the types of support that respondents focus on providing, DSC undertook a more detailed analysis of the 20.5% (N=9) of respondents which reported providing one type of financial support.

This analysis, presented in figure 2.6, shows that only three types of support are provided by charities which provide one type of financial support. These are grants or loans for essential goods (N=5), cash gifts or vouchers to relieve need (N=1), and goods or gifts in kind (N=1).

This suggests that charities which reported providing only one type of financial support are around five times more likely to provide grants or loans for essential goods, compared to cash gifts or vouchers, or goods or gifts in kind.

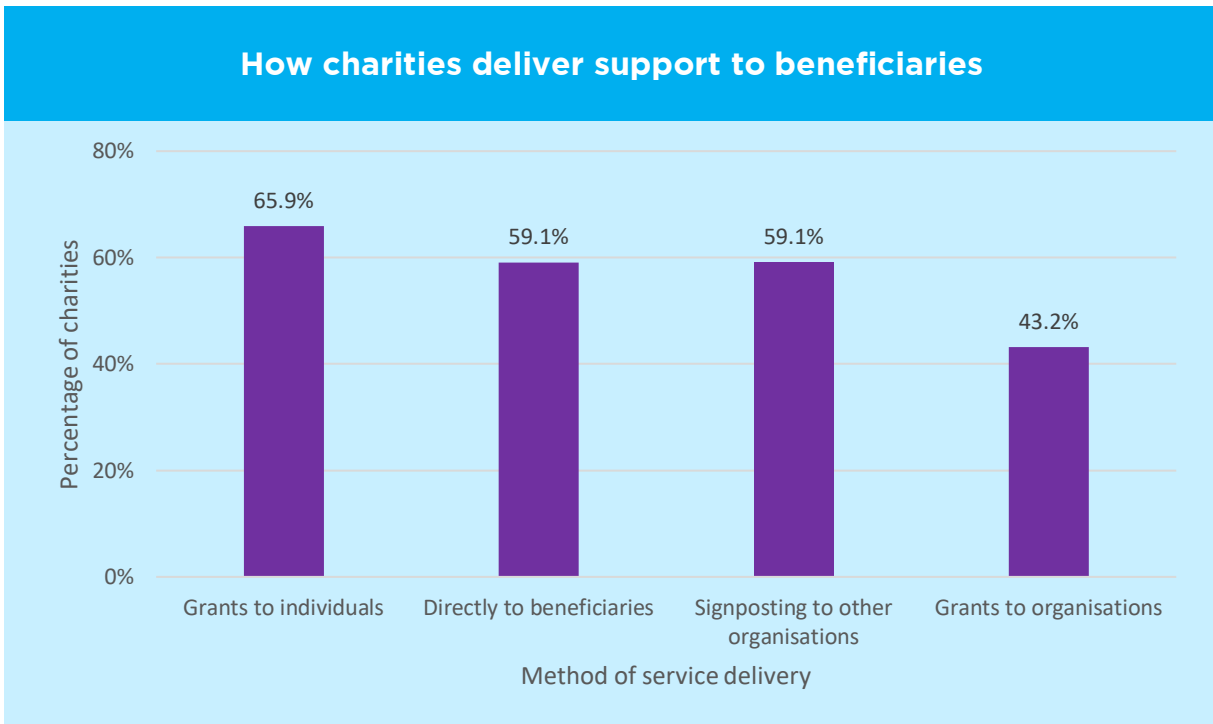
Moreover, none of the charities provide any of the five remaining types of financial support – benefits or welfare advice, help with debt management, help with day-to-day budgeting, pensions advice and support for gambling addiction – on their own. The respondents only provide these alongside other types of financial support, which reinforces the idea that charities typically provide a collection of different types of financial support, as described above.

2.3 SERVICE DELIVERY

2.3.1 How charities deliver support

Charities not only vary according to the areas of financial support they offer their beneficiaries but also according to how they provide that support. DSC's survey asked respondents to specify how they deliver their support to beneficiaries. Figure 2.7 shows, out of all survey respondents (N=44), the percentages that deliver support in each of four ways.

Figure 2.7



Note: Respondents could select more than one of the items in this question; therefore, the percentages do not sum to 100%. Each percentage is calculated using the total number of survey respondents (N=44).

Almost two-thirds (65.9%, N=29) of the charities provide grants to individuals, making this the most common way in which support is delivered. This is unsurprising given the previous finding that the most common type of financial support is the provision of grants or loans for essential goods.

An in-depth explanation of the grant-making process is undertaken in DSC's *Sector Insight* (Cole et al., 2020, pp. 154-7). Key components of the grant-making process – case-working and almonisation – are briefly explained here as they underpin the high level of co-ordination through which beneficiaries are assessed and grants are sourced and distributed.

Case-working is how charities undertake a 'formal assessment of need' (Cole et al., 2020, p. 154). It entails visiting beneficiaries in order to understand the kind of help they would benefit from, finding sources of support and arranging for them to access it (SSAFA, 2020b). Where a grant is deemed to be appropriate for a beneficiary, almonisation may then be undertaken.

Almonisation is the 'process by which armed forces charities source and combine funds from different benevolent organisations to pay them as a single grant to a beneficiary' (Cole et al., 2020, p. 154). The charity which receives and distributes the funds from the grant-making charities is known as the 'sponsoring organisation' and is usually also the case-working charity (Cole et al., 2020, p. 155). In short, the sponsoring organisation enables the channelling of funds from numerous disparate charities into a single final payment made to a beneficiary.

Case study 6 provides details of how SSAFA, the Armed Forces charity, a key sponsoring organisation, undertakes casework and almonisation.

Case study 6: CASE-WORKING AND ALMONISATION SSAFA, the Armed Forces charity

SSAFA, the Armed Forces charity was established in 1885 under a Royal Charter, making it the oldest national tri-Service military charity in the UK (SSAFA, 2020b). SSAFA, the Armed Forces charity provides a wide range of support to serving and ex-Service personnel and their families - including with issues such as mental health, relationship breakdown, debt and homelessness - with a focus on providing direct support (SSAFA, 2020c).

The charity is also a core component of the armed forces charity sector's grant-making infrastructure. Specifically, SSAFA, the Armed Forces charity acts as a 'sponsoring organisation' - it conducts casework and almonises funding on behalf of a number of other charities (Cole et al., 2020, pp. 154-5).

SSAFA, the Armed Forces charity is the largest case-working organisation in the UK, and casework is undertaken by a team of around 2,000 trained volunteer caseworkers who work locally in the UK and abroad, for example in Cyprus, France, Germany and Thailand. In 2019, SSAFA, the Armed Forces charity reported that 41,365 visits and cases were completed by caseworkers and the charity's other volunteers (SSAFA, 2020d, p. 20).

Serving and ex-Service personnel and their families are referred to SSAFA, the Armed Forces charity via many different avenues. Most commonly, referrals come through individuals themselves or their families (such referrals often come via SSAFA's helpline Forcesline), other charities or statutory organisations. A caseworker can then make a visit in order to understand the kind of help the person would benefit from, find sources of support and arrange for the person to access them (SSAFA, 2020e).

During the initial meeting, which typically lasts a number of hours, the caseworker completes an assessment form to help them understand the person's financial situation and any other factors that are affecting their life. The caseworker also confirms eligibility for grants, which can vary between charities from one day's paid service to a number of years. In 2020, COVID-19 caused a shift towards working online using video-call services rather than making in-person visits.

Case-working is co-ordinated through a centralised system called the Casework Management System (CMS), a piece of software used 'by the majority of military charities for managing casework within the military charity sector' (SSAFA, 2019, p. 11). Following their initial assessment, the caseworker uploads a report with recommendations onto the CMS. Out of the approximately 110 member charities - some of which make a financial contribution to the service - relevant charities are then alerted to the new request for support.

In cases where a grant is recommended, a number of relevant charities may contribute funds - which may be topped up by SSAFA, the Armed Forces charity - to form a single grant, which can then be distributed to the beneficiary by SSAFA, the Armed Forces charity (according to the process of almonisation, explained above). The grants most often involve sourcing goods and services rather than providing money directly, and grants are often accompanied by other practical and emotional support. Occasionally, if there is a longer-term need, such as a widow or widower needing an ongoing income, charities may gift an endowment.

Note: Some of the information in this case study was gathered via interviews and/or correspondence with charity representatives.

Returning to figure 2.7, the results show that 59.1% (N=26) of the respondents deliver support directly to beneficiaries (for example, advice services or drop-in centres). The White Ensign Association, detailed in case study 7, provides a good example of a charity that provides support directly to beneficiaries, in this case through a series of lectures and information sessions.

Case study 7: DELIVERING SERVICES DIRECTLY TO BENEFICIARIES White Ensign Association

The White Ensign Association (WEA) dates to 1958, when it was established by the Royal Navy and the City of London. The association was founded to provide a financial advice service for serving, reserve and retired personnel in the Royal Navy, Royal Marines and associated Services, in addition to their families. Today, the charity also supports beneficiaries during resettlement and re-employment (WEA, 2020a).

The primary component of the WEA's activities is providing guidance on a range of financial matters. A key mechanism through which this is achieved is the provision of outreach services at major Royal Navy bases, shore establishments and Royal Marines units (WEA, 2019).

More specifically, the WEA provides two types of visits. Firstly, 'Financial Awareness Lectures' are intended to provide wide-ranging guidance to build serving personnel's knowledge on topics including savings, mortgages, debt and credit reports (WEA, 2020b).

Secondly, through 'Your Future' sessions, the charity aims to inform beneficiaries of finance-related implications of transition, resettlement and re-employment, and build awareness of where support can be reached. These are often accompanied by personal interviews, which provide an opportunity for one-to-one tailored support on transition and employment (WEA, 2020b).

During 2018-19, the WEA delivered just over 200 lectures, reaching an audience of approximately 3,500 beneficiaries. The majority of these beneficiaries (57.1%) were supported with Financial Awareness Lectures while just under one-quarter (23.8%) received support in the form of Your Future sessions (WEA, 2019, p. 6).

As also shown in figure 2.7, 59.1% (N=26) of the respondents also deliver support to beneficiaries by signposting to other organisations (for example, to the large welfare charities SSAFA, the Armed Forces charity and The Royal British Legion). Slightly less commonly, the charities surveyed deliver grants to other organisations (43.2%, N=19). A good example of a charity which provides grants to other organisations to deliver financial support is Lloyd's Patriotic Fund, detailed in case study 8.

Case study 8: FINANCIAL SUPPORT THROUGH GRANTS TO OTHER ORGANISATIONS Lloyd's Patriotic Fund

Lloyd's Patriotic Fund was established over 200 years ago, in 1803, to support the armed forces community on behalf of the Lloyd's insurance market (Lloyd's, 2020). Lloyd's states that the aim of the charity is to improve 'the transition to civilian life for veterans and their families who need the most help' (Lloyd's, 2020).

Lloyd's Patriotic Fund achieves its charitable objects in two ways: through providing small grants to a range of armed forces charities and through strategic partnerships with charities which draw on pro bono support from the insurance sector, engaging colleagues across the market in awareness-raising, fundraising and volunteering initiatives.

The fund launched a new strategy in 2019 following a decision to work with charities to help the most at-risk groups. This strategy focuses on mental health and building resilience, employment support, and financial independence.

In order to achieve this aim, Lloyd's Patriotic Fund has comprehensive criteria and guidance that help charities to apply for a large three-year partnership or to receive a small annual grant. The fund prioritises initiatives that encourage collaboration within the sector, support the government's Strategy for Our Veterans (MOD, 2018), involve service users in decision-making, and evidence financial security and high governance standards.

With respect to charities which provide specialist financial support for the armed forces community, during the financial year to June 2019, Lloyd's Patriotic Fund awarded £22,000 to Lothians Veterans Centre. This grant was used 'to fund an outreach project worker to widen the geographical reach of [Lothians Veterans Centre's] programmes' following a three-fold increase in demand for the charity's support. Lothian Veterans Centre's services include financial support, such as with 'benefits, pension and financial management' (Lloyd's Patriotic Fund, 2020, p. 7).

In addition to specific grants such as this one, Lloyd's Patriotic Fund has longstanding relationships with armed forces charities. For example, between 1999 and 2019, the fund provided annual grants to SSAFA, the Armed Forces charity; the amount was £40,000 per annum until the financial year to June 2015 and then increased to £70,000 per annum (Lloyd's Patriotic Fund, 2016, p. 4). The fund also donated £25,000 to SSAFA's COVID-19 Emergency Response Fund. As detailed in case study 6, SSAFA, the Armed Forces charity is a key component of the armed forces charity sector's grant-making infrastructure, provides financial support directly to beneficiaries and signposts to other organisations to provide financial support.

Note: Some of the information in this case study was gathered via interviews and/or correspondence with charity representatives.

Charities may also deliver support through advocacy on behalf of their beneficiaries. While this is not the case for the charities that responded to DSC's survey, an example of a charity which provides advocacy (on behalf of war widows and widowers) is the War Widows Association of Great Britain, detailed in case study 9.

Case study 9: FINANCIAL SUPPORT THROUGH ADVOCACY War Widows Association of Great Britain

The War Widows Association of Great Britain was established in 1971 by a group of 14 women as a means to campaign against 'a great sense of injustice' engendered by the taxation of the War Widow(er) Pension (War Widows Association, 2020a).

Since its founding, the association has grown substantially and reports being 'as relevant today as it was when it was established'. Key achievements in the association's history include the following (War Widows Association, 2020b):

- removal of income tax from the War Widow(er) Pension;
- extra Age Allowance for war widows and widowers (a payment made automatically at ages 65, 70 and 80);
- reinstatement of the War Widow(er) Pension to war widows and widowers if a second or subsequent marriage ends;
- retention of the Ministry of Defence occupational pension on remarriage;
- retention of the War Widow(er) Pension for individuals widowed before 1973;
- retention of the War Widow(er) Pension when a war widow or widower remarries or re-partners (since April 2015).

These significant policy changes evidence the association's efficacy as an advocate to support its beneficiary group. The association has retained, and continues to exercise, its original focus on campaigning with the aim of improving war widows' and widowers' quality of life (War Widows Association, 2020c).

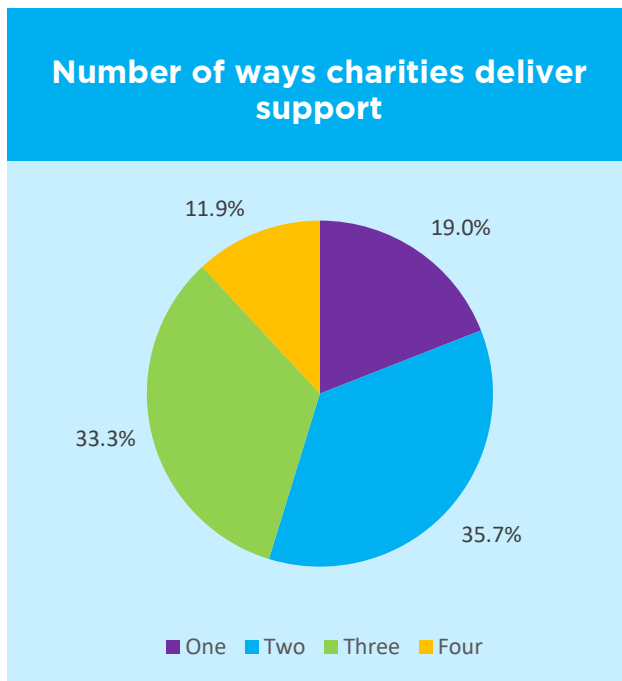
At present, the association's campaigns continue to focus on ensuring that war widows and widowers are not disadvantaged financially. This involves engaging with key decision

makers on longstanding issues, such as aiming to remove the pension from consideration in means testing for state support such as benefits and social care costs (War Widows Association, 2020c).

While financial support through campaigning to improve conditions for war widows and widowers forms a core pillar of its work, the association also engages in 'caring' and 'remembering'. This work involves fostering social interaction between members, including at three annual events - the annual general meeting, the Founders' Service and the Act of Remembrance at the Cenotaph - and through the provision of tablets, along with digital skills training, to mitigate loneliness (War Widows Association, 2020c, 2020d).

Note: Some of the information in this case study was gathered via interviews and/or correspondence with charity representatives.

Figure 2.8



Further analysis, presented in figure 2.8, reveals that respondents typically deliver their support using more than one of the ways discussed above. This is the case for 80.9% (N=34) of the respondents, with 35.7% (N=15) using two different ways to deliver support, 33.3% (N=14) using three different ways and 11.9% (N=5) using four different ways.

For the charities which used one way of delivering support to their beneficiaries (19.0%, N=8), this was most commonly delivered directly to beneficiaries (37.5%, N=3) followed by signposting to other organisations (25.0%, N=2), grants to individuals (25.0%, N=2) and grants to organisations (12.5%, N=1).

Note: Calculated as percentages of respondents to this question (N=42). The percentages do not sum to 100% due to rounding.

2.3.2 Identifying beneficiaries

Charities may identify beneficiaries in need of support in a number of different ways. DSC's survey asked respondents whether one or more of the following ways aligned with their charity's approach to identifying beneficiaries:

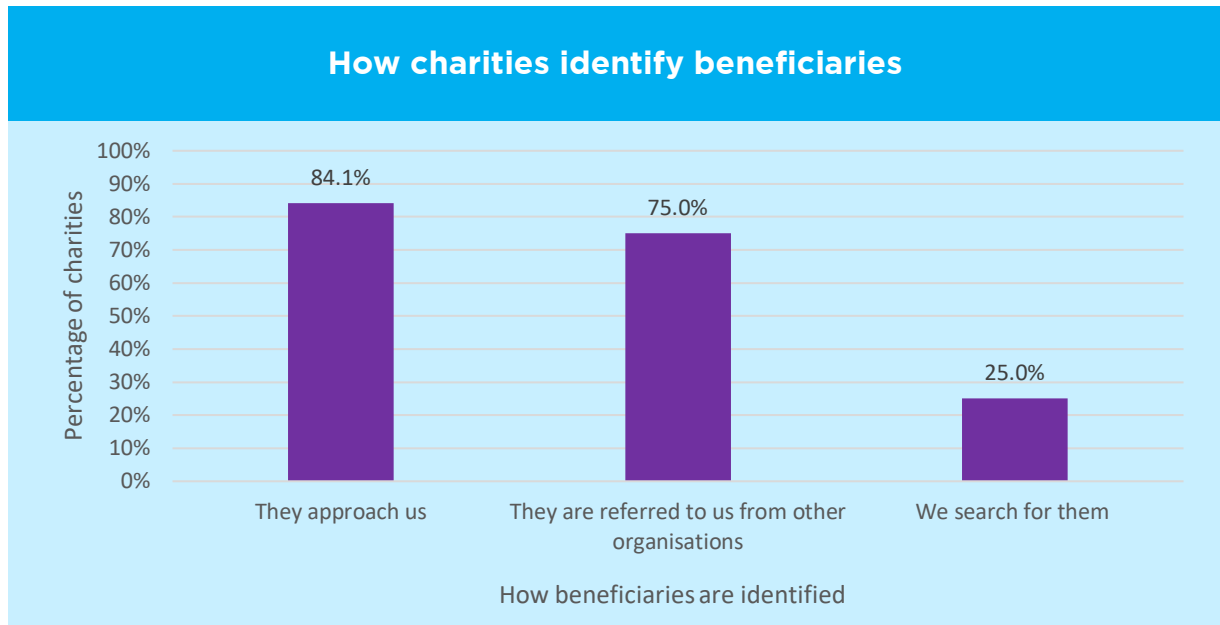
- 'They approach us'
- 'They are referred to us from other organisations'
- 'We search for them (advertising, outreach)'

Figure 2.9 shows the percentages of the survey respondents (N=44) which selected each of these ways to identify beneficiaries.

The most common approach to identifying beneficiaries, selected by 84.1% (N=37) of the respondents, is that they are approached by beneficiaries themselves. Following this, three-quarters (75.0%, N=33) of the respondents stated that their beneficiaries are referred to them from other organisations. Finally, one-quarter (25.0%, N=11) of the charities surveyed identify

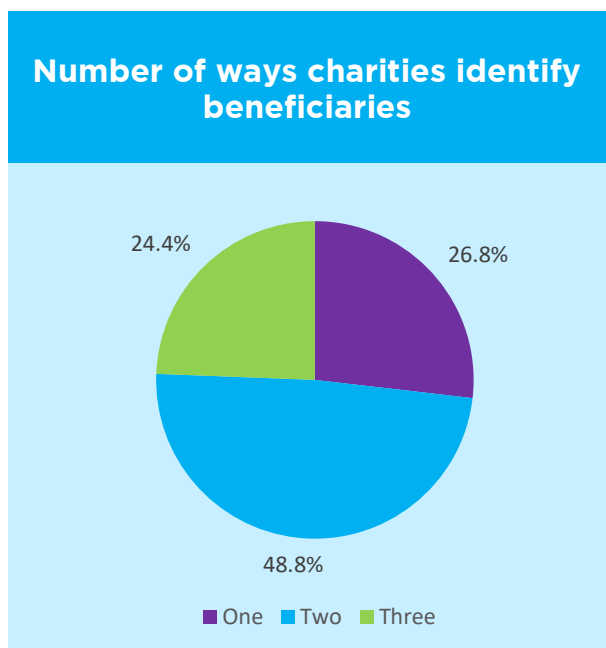
their beneficiaries through actively searching for them. This can include, for example, the use of advertising or outreach.

Figure 2.9



Note: Respondents could select more than one of the items in this question; therefore, the percentages do not sum to 100%. Each percentage is calculated using the total number of survey respondents (N=44).

Figure 2.10



Note: Calculated as percentages of the respondents to this survey question (N=41). The percentages do not sum to 100% due to rounding.

As noted above, charities may use more than one way to identify beneficiaries. More in-depth analysis of those charities which responded to this question (N=41) reveals that just over one-quarter (26.8%, N=11) identify beneficiaries in one way (see figure 2.10).

Therefore, most respondents use more than one way of identifying beneficiaries, with almost half (48.8%, N=20) employing two ways and 24.4% (N=10) employing three ways.

2.3.3 Support in hard-to-reach or rural areas

DSC asked the survey respondents whether they support families in any rural or hard-to-reach areas.⁴ The left-hand panel of figure 2.11 presents the percentages of charities, out of the total number of responses to this question (N=44), which indicated that they

⁴ 'Rural and hard-to-reach areas' was not defined in the survey so that it could be interpreted by respondents according to their work and context.

do (61.4%, N=27) or do not (38.6%, N=17) operate in rural or hard-to-reach areas.

Respondents who indicated that they provide support in rural or hard-to-reach areas were invited to supply more information on where they provide this support. These open-ended answers were grouped into geographically defined categories: regional, national and international.

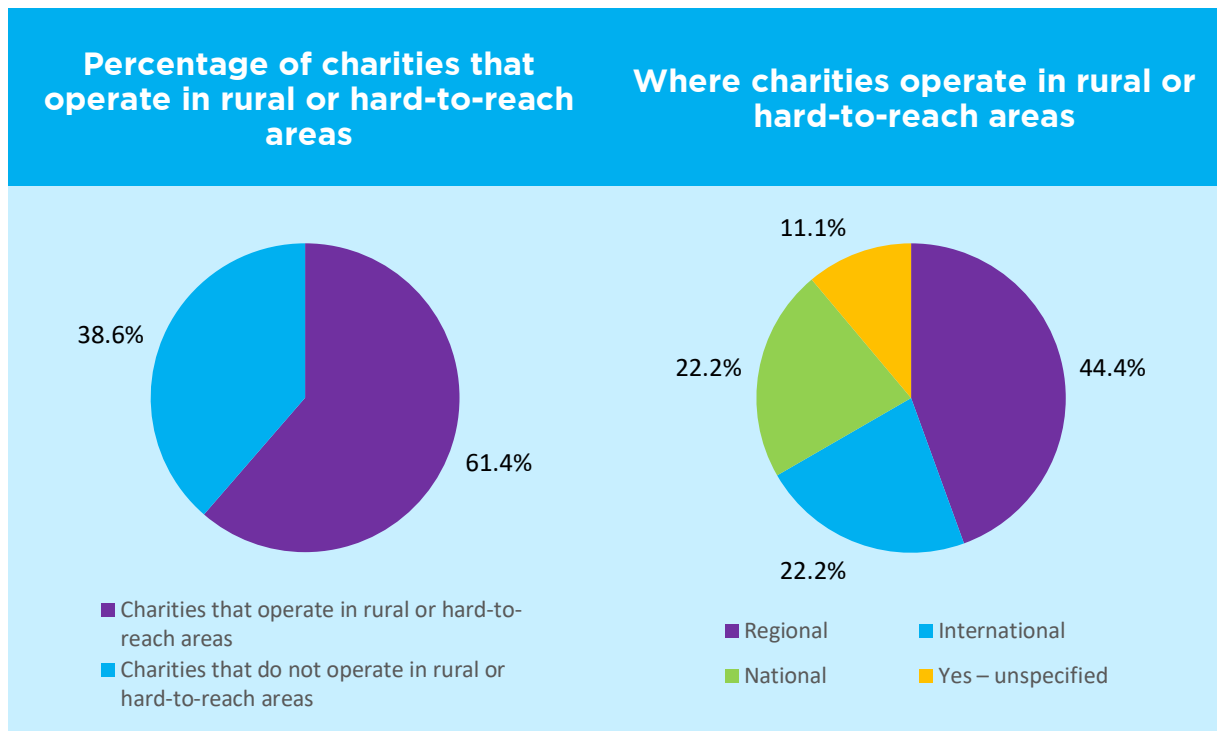
As shown in the right-hand panel of figure 2.11, it is most common (44.4%, N=12) for respondents to provide support in rural or hard-to-reach areas regionally. Here, 'regionally' may refer to charities providing support exclusively within one particular country of the UK (i.e. only one of England, Wales, Scotland or Northern Ireland). However, it may also have a narrower focus. For example, some charities operate in more localised regions, such as 'the Highland and Islands of Scotland' or 'rural and urban Cambridgeshire'. Meanwhile, others operate across wider regions in one country, for example 'Cornwall, Northumberland and Yorkshire' or 'throughout Northern Ireland'.

Meanwhile, 22.2% (N=6) of the respondents indicated that they provide support in rural or hard-to-reach areas internationally – both in the UK and abroad, such as at British armed forces military bases. For example, one respondent stated that they provide support in rural and hard-to-reach areas 'in every single county in the UK and where the Armed Forces are based throughout the world'.

Just under one-fifth (22.2%, N=6) of the respondents referred to providing support nationally within the UK – that is, in two or more of England, Wales, Scotland and Northern Ireland. For example, one charity reported that it provides support on a 'UK-wide basis via local caseworkers from other organisations'.

An additional 11.1% (N=3) of the respondents that operate in hard-to-reach or rural areas were not categorised as additional information was not provided.

Figure 2.11



Note: The left-hand panel is calculated as percentages of the total respondents to this survey question (N=44). The right-hand panel is calculated as percentages of the total survey respondents which specified making provision in rural or hard-to-reach areas (N=27). The percentages in the right-hand panel do not sum to 100% due to rounding.

2.4 CHAPTER TWO SUMMARY

2.4.1 Characteristics of financial support

The respondents to DSC's survey provide financial support to beneficiaries at various stages, including in times of crisis (86.4%, N=38), on an ongoing basis (56.8%, N=25), before problems arise to assist with good financial management and avoid crisis situations (36.4%, N=16), and to help in planning for the future, such as transition from the Services or planning for retirement (22.7%, N=10).

The charities surveyed also indicated that they provide wide-ranging financial support. The three most common types of financial support are grants or loans for essential goods (65.9%, N=29), benefits or welfare advice (54.5%, N=24), and cash gifts or vouchers to relieve need (43.2%, N=19). A substantial proportion of the respondents also provide non-financial support alongside financial support (56.8%, N=25).

The five most common types of supported provided by respondents which support only ex-Service personnel are benefits or welfare advice, grants or loans for essential goods, help with debt management, help with day-to-day budgeting and pensions advice. Meanwhile, respondents that support both ex-Service and serving personnel most commonly provide grants or loans for essential goods, cash gifts or vouchers to relieve need, benefits or welfare advice, or goods or gifts in kind. While there is some overlap, this suggests there are different priorities in terms of areas of support depending on the beneficiary group.

The respondents tend to offer a range of different types of financial support. Only 20.5% (N=9) of the respondents provide one type of financial support, while the median number of different types of financial support provided is three. This suggests that charities tend to provide a collection or 'bundle' of distinct types of financial support.

Indeed, further analysis reveals that only three types of financial support are provided by the charities which provide financial support in a single area. These are grants or loans for essential goods (N=5), cash gifts or vouchers to relieve need (N=1), and goods or gifts in kind (N=1). None of the survey respondents solely provide any of the following types of financial support: benefits or welfare advice, debt management, budgeting, pensions advice or support with gambling.

2.4.2 Service delivery

The respondents most commonly deliver support to beneficiaries through grants to individuals (65.9%, N=29), followed by delivering support directly to beneficiaries (59.1%, N=26) and signposting to other organisations (59.1%, N=26). It is less common for the respondents to deliver support through grants to other organisations (43.2%, N=19).

In terms of identifying beneficiaries, it is considerably more common for the respondents to be approached by beneficiaries (84.1%, N=37) or for beneficiaries to be referred from other organisations (75.0%, N=33) than for the respondents to search for beneficiaries themselves through, for example, advertising or outreach (25.0%, N=11). However, approximately three-quarters (73.2%, N=30) use a combination of ways to identify beneficiaries.

It is more common for charities to support beneficiaries in rural or hard-to-reach areas (61.4%, N=27) than not to do so (38.6%, N=17). These rural and hard-to-reach areas are most commonly within one country of the UK (44.4%, N=12), followed by both in the UK and abroad 22.2% (N=6), and across two or more countries in the UK (22.2%, N=6).

CHAPTER THREE

Collaboration, impact measurement and challenges

3.1 INTRODUCTION

This chapter firstly explores whether charities collaborate with other organisations in providing financial support to their beneficiaries and, if so, with which types of organisation. Subsequently, it turns to whether charities evaluate the impact of their support and which methods they use to do so. Finally, it discusses the practical challenges faced by armed forces charities when providing financial support. The impact of one of these challenges, COVID-19, is analysed in particular detail.

The chapter is divided into the following sections:

- Partnership and collaboration
- Impact measurement
- Practical challenges
- Chapter summary

3.2 PARTNERSHIP AND COLLABORATION

3.2.1 Types of organisation charities partner with

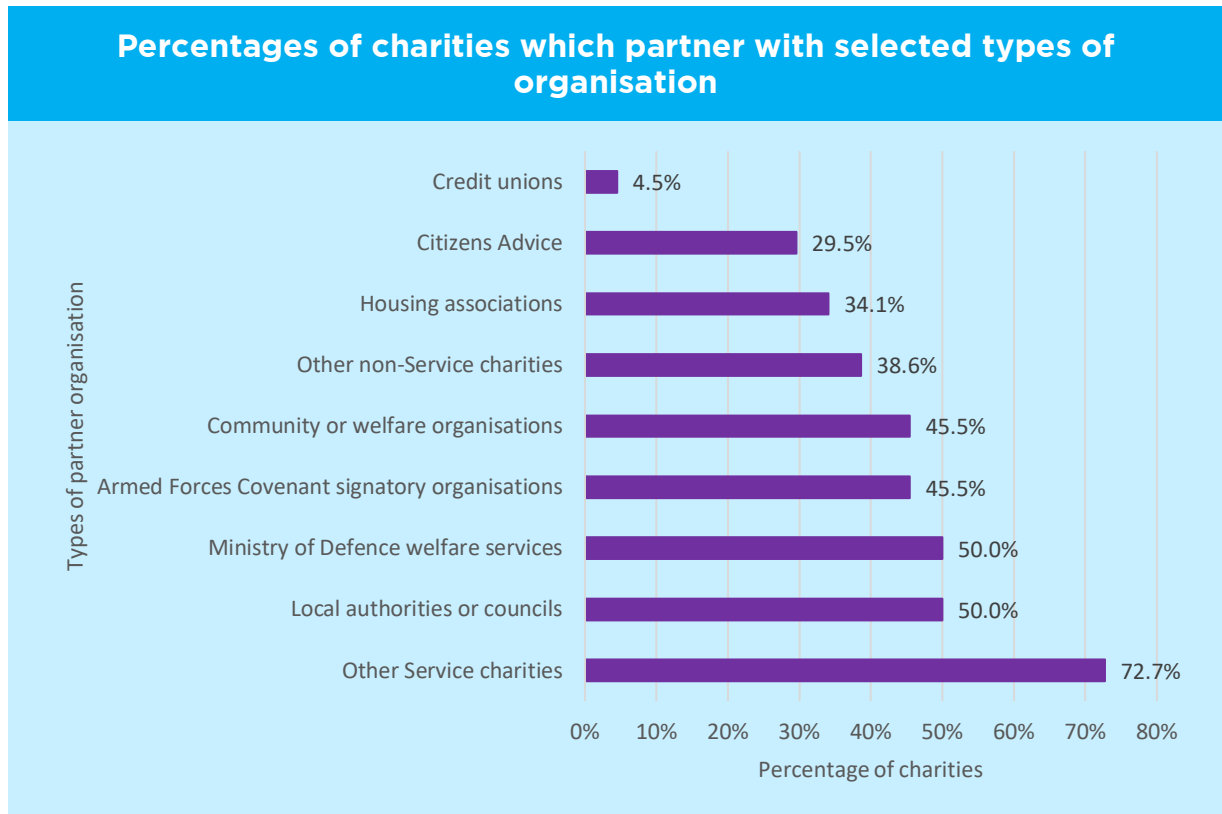
As has been shown in DSC's previous *Focus On* reports, armed forces charities demonstrate a considerable degree of collaboration both within and outside the armed forces charity sector (Cole et al., 2017, p. 8; Doherty et al., 2017, p. 13; Doherty et al., 2018a, p. 30; Doherty et al., 2018b, p. 21; Howarth et al., 2021, p. 27 Robson et al., 2019, p. 21).

For the present report, DSC asked armed forces charities whether they partnered with any of the following organisations:

- Other Service charities
- Other non-Service charities
- Local authorities or councils
- Ministry of Defence (MOD) welfare services
- Armed Forces Covenant signatory organisations
- Community or welfare organisations
- Housing associations
- Citizens Advice
- Credit unions

The overwhelming majority of the charities which responded to DSC's survey reported partnering with at least one other type of organisation (88.6%, N=39). Figure 3.1 shows the percentages of all survey respondents (N=44) which partner with the different types of organisation listed above.

Figure 3.1



Note: Respondents could select more than one of the items in this question; therefore, the percentages do not sum to 100%. Each percentage is calculated using the total number of survey respondents (N=44).

Almost three-quarters (72.7%, N=32) of the survey respondents partner with other Service charities. This is unsurprising, as DSC’s research has consistently found that intra-sector collaboration is both extensive and the most common type (Doherty et al., 2018a, p. 31; Howarth et al., 2021, p. 27; Robson et al., 2019, p. 22).

Consistent with previous findings (see Doherty et al., 2018a; Howarth et al., 2021; Robson et al., 2019), respondents are less likely to partner with other non-Service charities than with other Service charities. Nevertheless, there still exists substantial collaboration with the charity sector more broadly, with more than one-third (38.6%, N=17) of the respondents collaborating with non-Service charities.

Meanwhile, half (50.0%, N=22) of the respondents reported partnering with local authorities or councils. Local authorities or councils typically have grant-making programmes for residents facing hardship; examples include the provision of cash to avoid homelessness and discretionary housing payments (Shelter, 2020), grants for essential household maintenance and Disabled Facilities Grants for home adaptations (Citizens Advice, 2020a), and grants for beneficiaries without enough money for food and other essentials (DEFRA, 2020).

Additionally, 50.0% (N=22) of the respondents partner with MOD welfare services. As noted in the introduction, these services include the Veterans Welfare Service, which is linked with Defence Transition Services, an organisation that provides help, guidance and assistance with matters such as pensions and benefits, as well as signposting to organisations including armed forces charities (MOD, 2020j).

That half of the survey respondents partner with local authorities or councils and/or MOD welfare services evidences a high degree of collaboration between statutory bodies and armed forces charities.

Almost half (45.5%, N=20) of the respondents indicated that they partner with Armed Forces Covenant signatory organisations. These are wide-ranging organisations – including businesses, local governments and charities – that have formally recognised their

commitment to treating serving and ex-Service personnel and their families with fairness and respect (Armed Forces Covenant, 2020).

A further 45.5% (N=20) of the respondents partner with community or welfare organisations. Just over one-third (34.1%, N=15) partner with housing associations, while 29.5% (N=13) partner with Citizens Advice, a UK-wide organisation that provides free confidential advice services (Citizens Advice, 2020b).

Noticeably fewer respondents (4.5%, N=2) reported partnering with credit unions than with the other types of organisation.

Overall, over three-quarters (77.3%, N=34) of the respondents reported a partnership with one or more organisations that did not fall into the category of 'other Service charity' or 'other non-Service charity'.

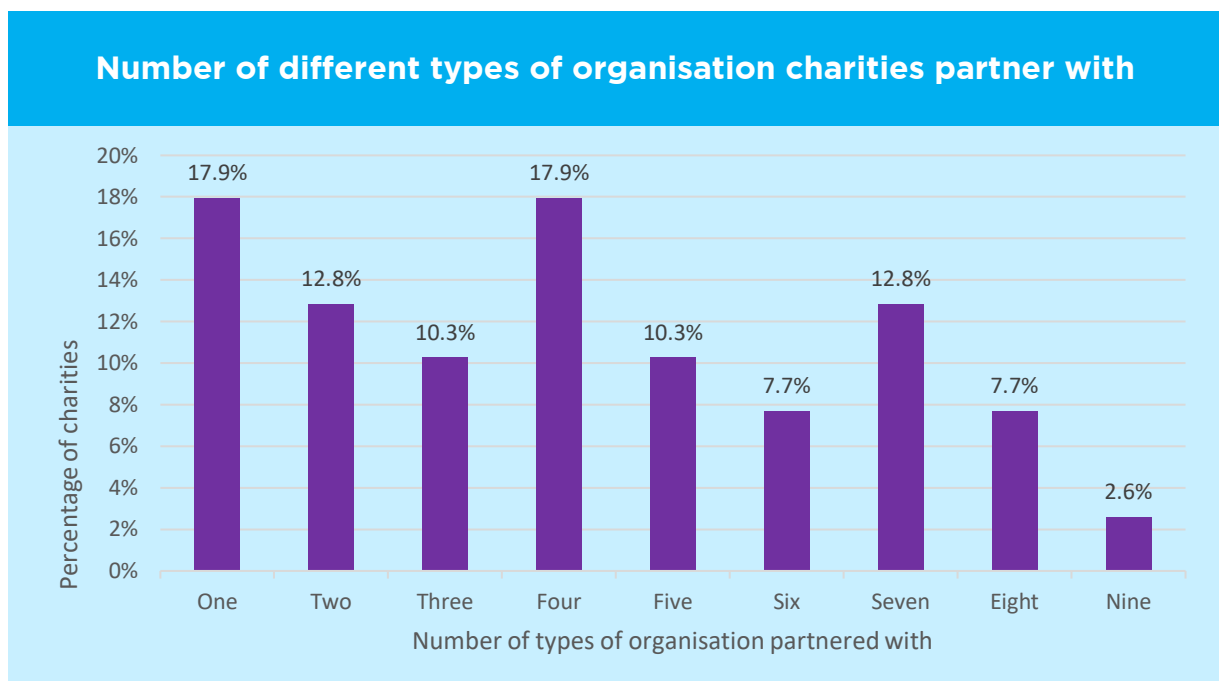
Finally, in the open-ended part of this survey question, a small number of the respondents (N=2) reported partnering with an alternative type of organisation. These were commercial partnerships and partnerships with staff at a military base.

3.2.2 Number of types of organisation charities partner with

Armed forces charities may partner with between one and nine of the different types of organisation described above. For example, a charity might have separate partnerships with both Service and non-Service charities, or separate partnerships with Citizens Advice and with local authorities or councils. Figure 3.2 shows the percentages of charities according to how many types of organisation they partner with (from one to nine).

Under one-fifth (17.9%, N=7) of the respondents partner with only one type of organisation; the overwhelming majority of charities partner with two or more different types of organisation, with a median of four. Almost one-third (30.8%, N=12) of the respondents partner with six or more different types of organisation.

Figure 3.2



Note: Calculated as percentages of the survey respondents which partner with other organisations (N=39).

Previous research has suggested a link between charity size and extent of collaboration due to barriers which are particularly salient for smaller charities (CCEW, 2003, 2010). Indeed,

DSC's previous *Focus On* report found that smaller charities were slightly less likely to collaborate and had fewer types of partner organisation (Howarth et al., 2021).

Table 3.1 breaks down - by charity income bracket - the percentages of charities which collaborate with others and the average numbers of types of partner (as seen above, the numbers can range from one to nine). The percentages of charities which collaborate with others are relatively constant across the large, upper medium, lower medium and small income brackets, which each have collaboration rates above 90%. However, the collaboration rate is noticeably lower for micro charities, at 57.1%.

Table 3.1

Percentage of charities collaborating and average number of different types of partners by charity size			
Charity size	Income bracket	Percentage of charities which collaborate	Average number of types of partner
Large	£5 million to £100 million	100% (N=2)	8.0
Upper medium	£500,000 to £5 million	100% (N=10)	5.0
Lower medium	£100,000 to £500,000	90.9% (N=10)	3.4
Small	£10,000 to £100,000	90.9% (N=10)	4.2
Micro	£0 to £10,000	57.1% (N=4)	2.75

Note: The survey respondents comprised N=7 micro charities, N=11 small charities, N=11 lower medium charities, N=10 upper medium charities and N=2 large charities (N=3 charities did not have available financial data).

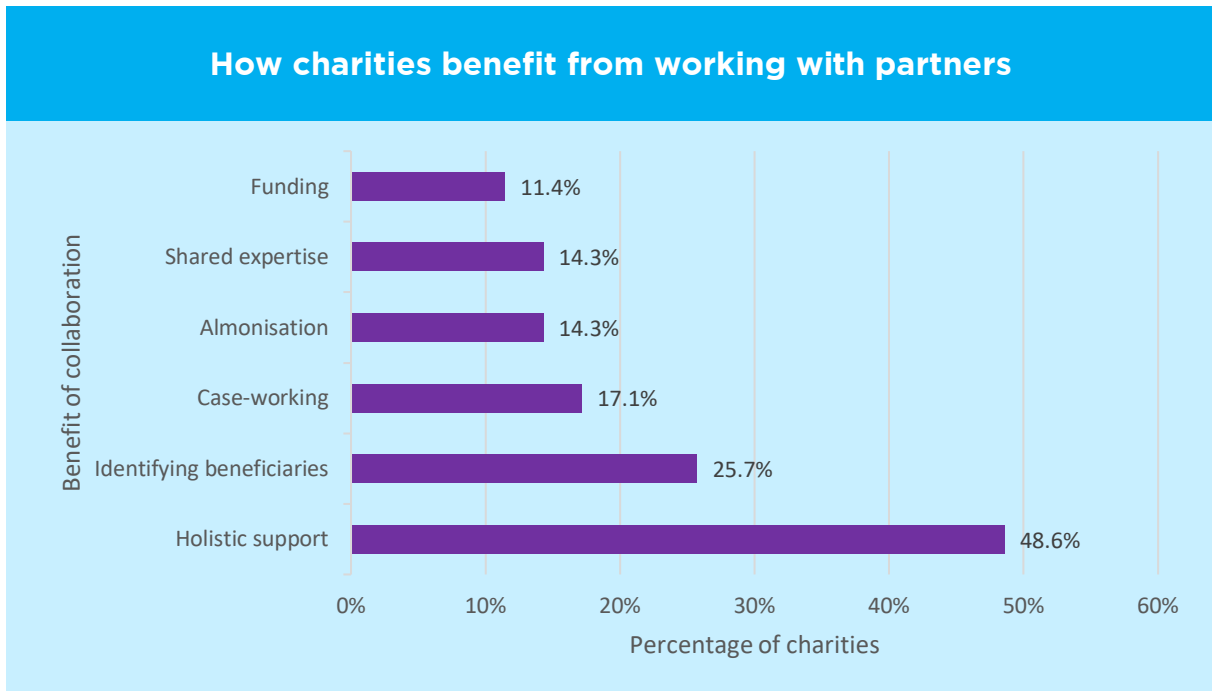
3.2.3 How charities benefit from partnerships

DSC's survey included an open-ended question which invited respondents to explain how they benefit from working in partnership with other organisations. Approximately nine-tenths (89.7%, N=35) of the charities which reported partnering with one or more organisation indicated a benefit from partnership. The key categories of benefit which emerged from analysis of the charities' responses were:

- Holistic support: working together to meet beneficiaries' needs
- Identifying beneficiaries: enhancing the process through signposting and referrals
- Case-working: jointly developing a system to assess needs, source grant-makers and distribute grants
- Almonisation: splitting the cost of grant-making
- Shared expertise: sharing knowledge and providing advice

Figure 3.3 presents the percentages of survey respondents to this question (N=35) that reported each of these benefits from collaboration. Charities may fit into more than one of these categories based on their responses.

Figure 3.3



Note: Respondents could select more than one of the items in this question; therefore, the percentages do not sum to 100%. Each percentage is calculated using the total number of respondents to this survey question (N=35).

The most common benefit from collaboration, reported by almost half (48.6%, N=17) of the respondents, is that it enables charities to ensure holistic support for their beneficiaries. More specifically, it enables beneficiaries to be supported in multiple areas of need in a way that would not be possible through one charity alone or through charities working independently. Charities which support beneficiaries in one (or more) area collaborate with another charity (or charities) which support beneficiaries in other areas to achieve this holistic support. To illustrate this, several responses within this category are reproduced below.

Example responses: Holistic support

'Collaboration means that we can provide a wider range of services that benefit the client. It means each organisation can provide the support that they are the experts in.'

'Where appropriate and additional support outside of our remit is required, we refer on to others.'

'We benefit from working collaboratively with others by being able to provide the "full package" to our veterans. Where our programmes don't cover the necessary support, we are able to signpost and work with other organisations so that our veterans get what they need.'

Survey respondents

Note: Quotes are for illustrative purposes only and the views expressed by respondents are not endorsed by DSC.

The second most common benefit from collaboration which emerged in the charities' qualitative responses was identifying beneficiaries. This was identified in over one-quarter (25.7%, N=9) of the charities' responses.

As noted in section 2.3.2, 'identifying beneficiaries' refers to the various processes through which charities and beneficiaries are brought together, including being approached by beneficiaries, receiving referrals and searching for beneficiaries. Examples of the benefits of identifying beneficiaries collaboratively are reproduced below.

Example responses: Identifying beneficiaries

'[Partner organisations are] a constant source of referrals and signposting. This increases our reach.'

'We are able to reach more people in need through the larger Service charities.'

'We receive requests for assistance [from partner organisations] or we refer to other charities cases that we are unable to fully support.'

Survey respondents

Note: Quotes are for illustrative purposes only and the views expressed by respondents are not endorsed by DSC.

Case-working and almonisation featured as benefits of collaboration in 17.1% (N=6) and 14.3% (N=5) of the responses, respectively. As explained in section 2.3.1, these key components of the grant-making process benefit partnering charities because they enable them to distribute grants to beneficiaries that they otherwise might not be able to reach. This is achieved by drawing upon the resources, expertise and networks of the sponsoring organisations.

Shared expertise was mentioned as a benefit in 14.3% (N=5) of the responses. This category refers to sharing various types of information, which may include specific knowledge on particular areas of support, advice or information on what charities are working on, which can prevent duplication of effort and resources.

The final distinct theme in the charities' qualitative responses concerned funding. Just over one-tenth (11.4%, N=4) of the responses referred to this theme.

In addition, several charities (N=5) described one or more benefits which did not fit into the above themes. These were sharing the burden or load of support provided (N=2), being able to provide greater and more focused grants (N=1), helping to diminish stigma around mental health issues in the armed forces community (N=1), improving transparency (N=1) and more generally being able to improve outcomes for beneficiaries (N=1).

3.3 IMPACT MEASUREMENT

3.3.1 Percentage of charities which measure impact

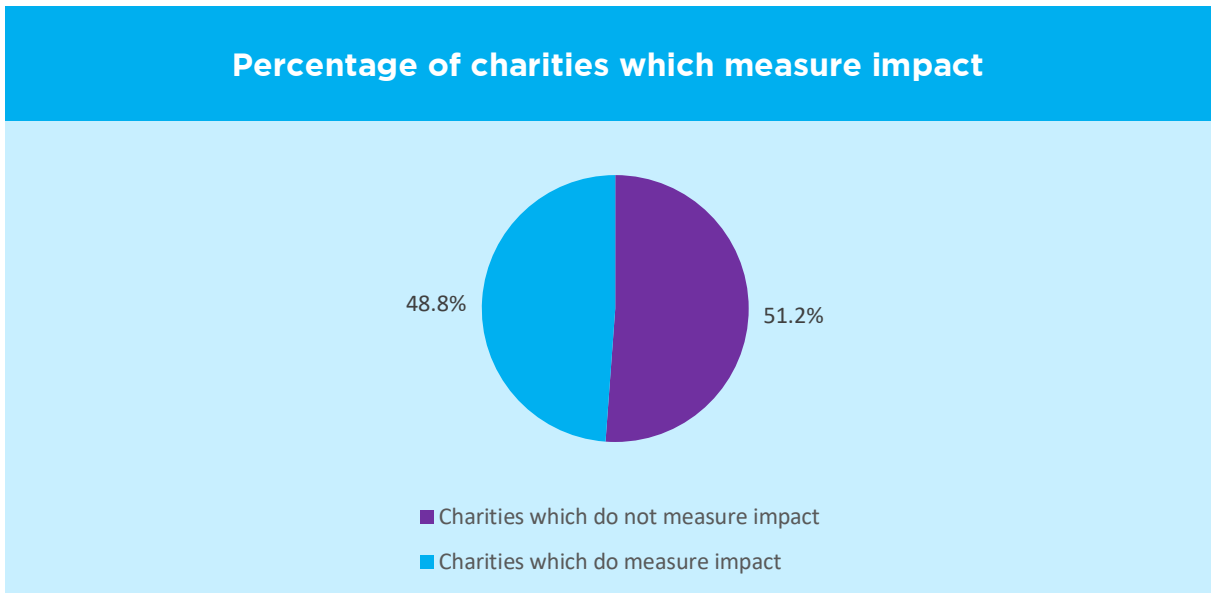
Evaluation can help charities to demonstrate their social impact and, in doing so, earn the confidence of funders, donors, beneficiaries and stakeholders. Further, it enables charities to assess whether their current range of support is effective and, where this is not the case, adapt it accordingly - a benefit frequently reported by charities (Ógáin et al., 2012).

DSC investigated whether the survey respondents measure impact and what procedures, practices and tools they commonly use to evaluate the financial support they provide to the armed forces community.

As shown in figure 3.4, just under half (48.8%, N=21) of the respondents to this question (N=43) reported that they do evaluate the impact of their support on beneficiaries. Meanwhile, 51.2% (N=22) reported not doing so.

The percentage of charities which evaluate their impact is similar to what was identified in DSC's previous findings (see Doherty et al., 2017, 2018a, 2018b; Howarth et al., 2021; Robson et al., 2019). However, it is less than the 75% that has been found for the charity sector more broadly (Ógáin et al., 2012).

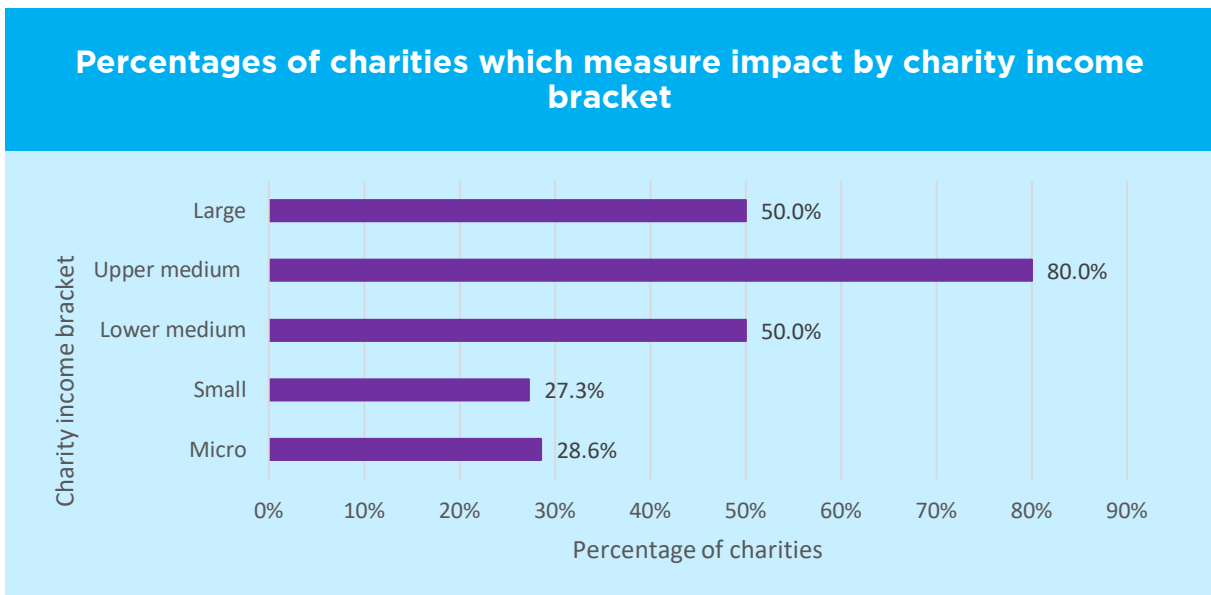
Figure 3.4



Note: Calculated as percentages of respondents to this survey question (N=43).

Previous research has indicated that there may be barriers to impact evaluation for smaller charities, which may explain their generally lower rate of impact evaluation (Ógáin et al., 2012; see also Howarth et al., 2021). Further analysis, presented in figure 3.5, corroborates this: fewer respondents in the micro (28.6%, N=2) and small (27.3%, N=3) income brackets evaluate their impact compared to respondents in the larger income brackets, particularly upper medium charities, which have the highest rate of impact measurement (80.0%, N=8).

Figure 3.5



Note: The percentages do not sum to 100% as they are calculated within each income bracket. In total, the survey respondents comprised N=7 micro charities, N=11 small charities, N=11 lower medium charities, N=10 upper medium charities and N=2 large charities (N=3 charities did not have available financial data).

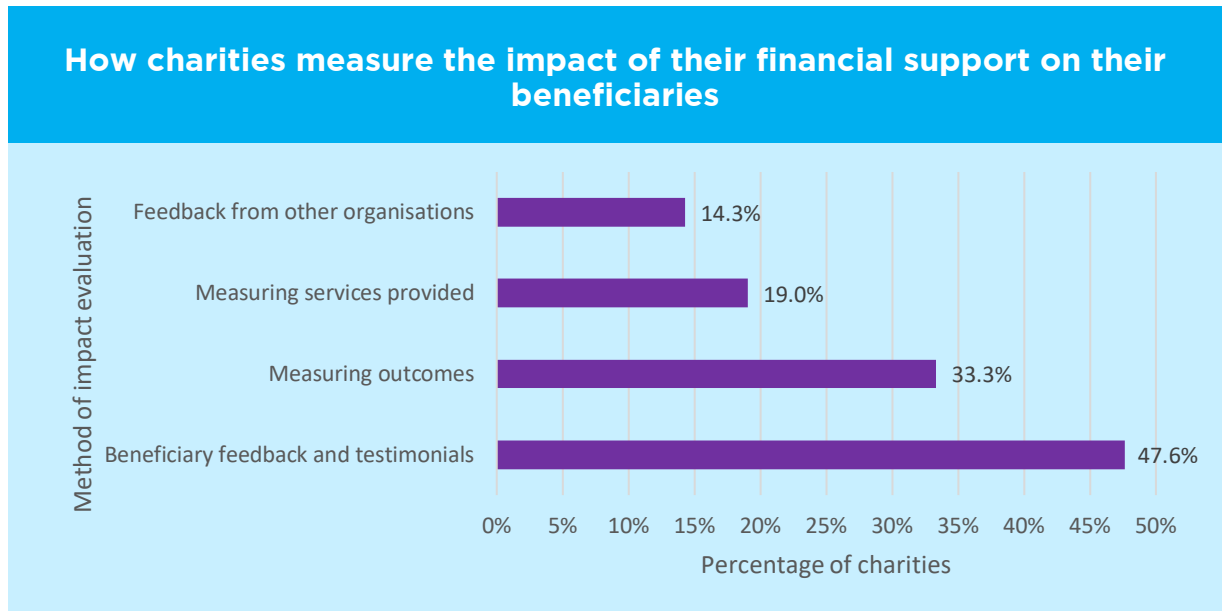
3.3.2 How charities measure the impact of their financial support

DSC's survey invited charities to describe how they evaluate the impact of their financial support on beneficiaries. From the survey respondents' qualitative responses, the following common means of impact evaluation emerged:

- Beneficiary feedback and testimonials
- Measuring support provided
- Measuring outcomes
- Feedback from other organisations

Figure 3.6 shows the percentages of charities which reported employing each of these different methods, out of the charities which specified that they measure the impact of their financial support on beneficiaries (N=21). These four main categories of impact evaluation methods are not mutually exclusive; charities may be grouped into more than one category based on their responses.

Figure 3.6



Note: Respondents could be assigned to more than one of the items in this question; therefore, the percentages do not sum to 100%. Each percentage is calculated using the total number respondents that measure impact (N=21).

Almost half (47.6%, N=10) of the respondents to this question reported gathering beneficiary feedback and testimonials as a way to evaluate the impact of their financial support. This was therefore the most common method of impact evaluation.

As can be seen from the examples reproduced below, the respondents typically gather beneficiaries' feedback through questionnaires, feedback forms or surveys. The respondents also gather beneficiaries' feedback through producing testimonials and/or case studies.

Example responses: Beneficiary feedback and testimonials

'We routinely encourage feedback from our beneficiaries to inform us of their experiences of our services and the impact that this has had on their lives.'

'We regularly obtain feedback from our beneficiaries about how our support has helped them.'

'We encourage families to let us know if they would be happy to be a case study and share videos/feedback quotes from families about their children's progress.'

Survey respondents

Note: Quotes are for illustrative purposes only and the views expressed by respondents are not endorsed by DSC.

The second most common method of impact evaluation, employed by one-third (33.3%, N=7) of the survey respondents, is measuring beneficiaries' outcomes. The example responses reproduced below illustrate that this may be done through assessing and reassessing beneficiaries' needs and following up on beneficiaries' progress regarding financial outcomes (for example, whether household finance needs are being met) and related non-financial outcomes (for example, wellbeing or financial worries).

Example responses: Measuring outcomes

'[Our assessment of beneficiaries' financial needs] is used to tailor the support provided and is also updated on an annual basis to ensure the support is adjusted over time as a family moves towards independence.'

'We make follow-up calls to monitor [beneficiaries'] progress beyond our support.'

'We carry out six-monthly evaluation questionnaires with families who have received support by phone, post or email. These measure things like improvements in wellbeing and confidence, ease of financial worries and impact on family relationships.'

'We monitor attendance [of charities' support services] and general wellbeing, and ensure that bills are paid by the individual.'

Survey respondents

Note: Quotes are for illustrative purposes only and the views expressed by respondents are not endorsed by DSC.

A further theme that emerged in the charities' responses was evaluating their impact through monitoring the support they provide. This was reported by 19.0% (N=4) of charities which measure impact. Examples included evaluating the value of financial disbursements made through grant-making, the number of people referred to other organisations and looking at more general records of the types of support beneficiaries had received.

Receipt of feedback from other organisations was described as a method of impact measurement by 14.3% (N=3) of the charities which measure impact. This may be done through the impact reporting undertaken by large case-working charities and also through reports from military units on the impact of funds.

Finally, four charities' responses indicated that they used methods of impact measurement not covered in the aforementioned themes. These were social value measurement (N=1), external evaluation (N=1) and annual reports (N=2).

3.4 PRACTICAL CHALLENGES

3.4.1 Types of challenges faced by armed forces charities

While the challenges that charities face vary according to the types of support they deliver, beneficiaries and context, commonalities emerged in respondents' accounts of the practical challenges they face in providing financial support to their beneficiaries.

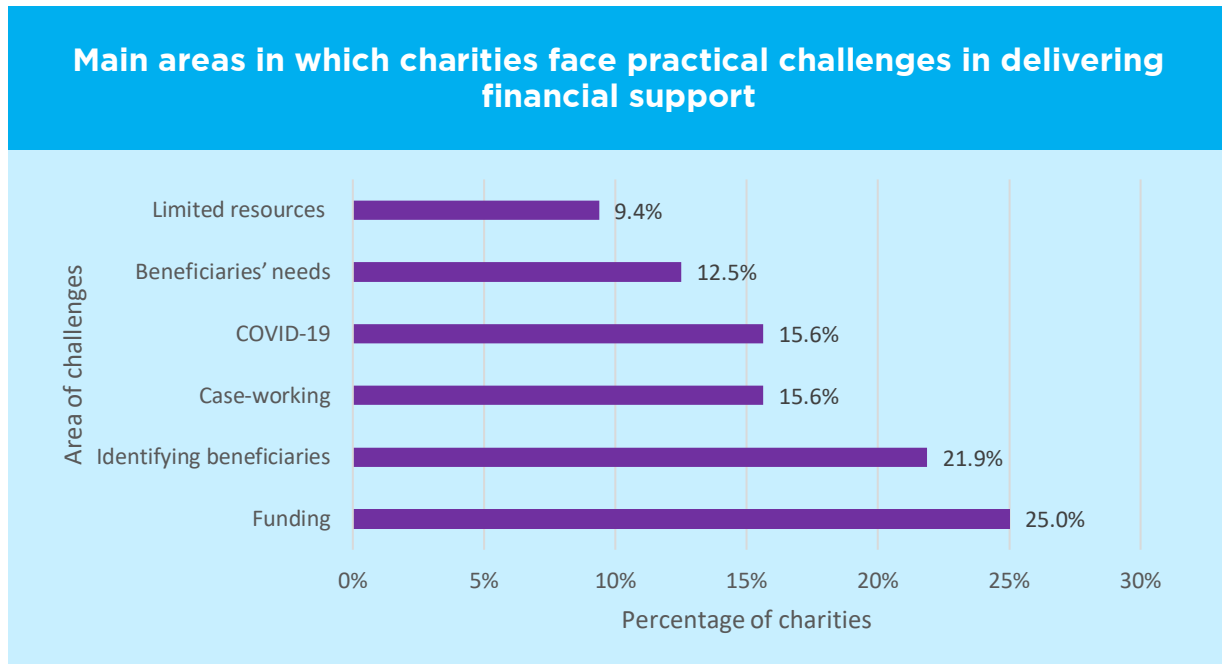
The charities which responded to DSC's survey were invited to provide a description of the practical challenges they face in delivering financial support. Just over one-fifth (22.0%, N=9) of the respondents to this question (N=41) reported that they do not face any practical challenges. The researchers analysed the remaining responses and grouped them into the following themes:

- Funding
- Identifying beneficiaries

- Case-working
- COVID-19
- Beneficiaries' needs
- Limited resources

Figure 3.7 presents the percentages of charities, out of the number of respondents which identified challenges (N=32), whose responses indicated each of these challenges.

Figure 3.7



Note: Respondents could be assigned to more than one of the items in this question; therefore, the percentages do not sum to 100%. Each percentage is calculated using the number of respondents which identified challenges (N=32).

The most common practical challenge, identified by a quarter (25.0%, N=8) of the survey respondents, pertained to funding. Charities' responses described finding the funding to support their beneficiaries difficult. For one charity this was related to being a small charity, for another it was due to reliance on fundraising and public donations, while for another it related to the time it takes for other charities to provide services or support. Two charities related their current funding difficulties to the ongoing COVID-19 pandemic, which is discussed in more detail in section 3.4.2. Example responses relating to funding challenges are reproduced below.

Example responses: Challenges relating to funding

'We are a small charity with limited funds and resources.'

'Finding the money to help our veterans.'

'Raising funds to support those who are in desperate need [is a challenge]. ... We rely on donations and raising funds by holding fundraising events.'

'[We have received] no funding. We have tried getting funds but have been refused.'

Survey respondents

Note: Quotes are for illustrative purposes only and the views expressed by respondents are not endorsed by DSC.

Just over one-fifth (21.9%, N=7) of the survey respondents highlighted challenges related to identifying beneficiaries. For example, these challenges related to beneficiaries' willingness to engage with or to accept help from armed forces charities (N=2); charities being approached at a late stage in the progression of a problem, which can make it more difficult to provide timely help (N=1); and an inability to approach beneficiaries due to a lack of access to MOD records (N=1). Some example responses are reproduced below.

Example responses: Challenges relating to identifying beneficiaries

'Reluctance to come forward and ask for assistance.'

'Our concern is that we are not reaching out to all those who are in need.'

'Individuals come to us at the later stages of their situation, which sometimes makes it difficult to allocate funding in a timely manner as we are a small organisation with restricted manning.'

'Some beneficiaries in debt do not want to engage with support.'

'[We face challenges] contacting those in need. The MOD refuses to assist contacting veterans in our area and so we wait for them to come forward for help.'

Survey respondents

Note: Quotes are for illustrative purposes only and the views expressed by respondents are not endorsed by DSC.

A further 15.6% (N=5) of the survey respondents drew attention to case-working as a challenge in delivering financial support. These challenges are varied and involve not having a sufficient number of volunteers to undertake case-working (N=1), lack of awareness among caseworkers of the types of financial support provided by charities (N=2), low quality of paperwork received (N=1) and adverse effects on the case-working system caused by the COVID-19 pandemic (N=1). Some examples are reproduced below.

Example responses: Challenges relating to case-working

'Not having enough volunteers to do casework.'

'Caseworkers on occasion do not fully understand the levels of support and variety of options we can provide.'

'We are reliant on the caseworker system to provide the evidence we need to support [our beneficiaries]. This has been affected by the recent pandemic.'

'We believe that our services are not well known to those caseworkers who could be assisting individuals who served in [military units relevant to our beneficiaries].'

'Not having direct contact - reliance on quality of received supporting paperwork from charity agents.'

Survey respondents

Note: Quotes are for illustrative purposes only and the views expressed by respondents are not endorsed by DSC.

Challenges related to COVID-19 were identified by another 15.6% (N=5) of the respondents and are discussed in the next section. Additionally, just over one-tenth (12.5%, N=4) of the survey respondents mentioned beneficiaries' needs in their descriptions of the challenges

they face; more specifically, they referred to challenges in assessing beneficiaries' needs (N=3) and in meeting increasing need due to an ageing beneficiary population (N=1).

Finally, 9.4% (N=3) of the respondents reported that limited resources present a practical challenge in delivering financial support. These responses referred to having insufficient resources to meet demand, with one respondent linking this problem to their charity's small team.

3.4.2 The effects of COVID-19

As noted in the previous section, several charities raised challenges relating to COVID-19. These COVID-19-related challenges were often not mutually exclusive with respect to other challenges, sometimes overlapping with or exacerbating other challenges. Examples of overlaps include funding (N=3), which included difficulties fundraising through the usual means; reduced capacity for case-working (N=1); and being able to deliver support 'in a timely and appropriate fashion' (N=1). Examples to illustrate the respondents' COVID-19-related challenges are reproduced below.

Example responses: Challenges relating to COVID-19

'COVID-19 has dramatically reduced our ability to fundraise and therefore disburse.'

'Funding [is a challenge]. The coronavirus pandemic has put a stop to all public fundraising activities and events, which is what we rely on for the majority of our income. The future of public fundraising will change and this will have a serious impact on our income streams and available funding.'

'We are reliant on the caseworker system to provide the evidence we need to support [our beneficiaries]. This has been affected by the recent pandemic.'

Survey respondents

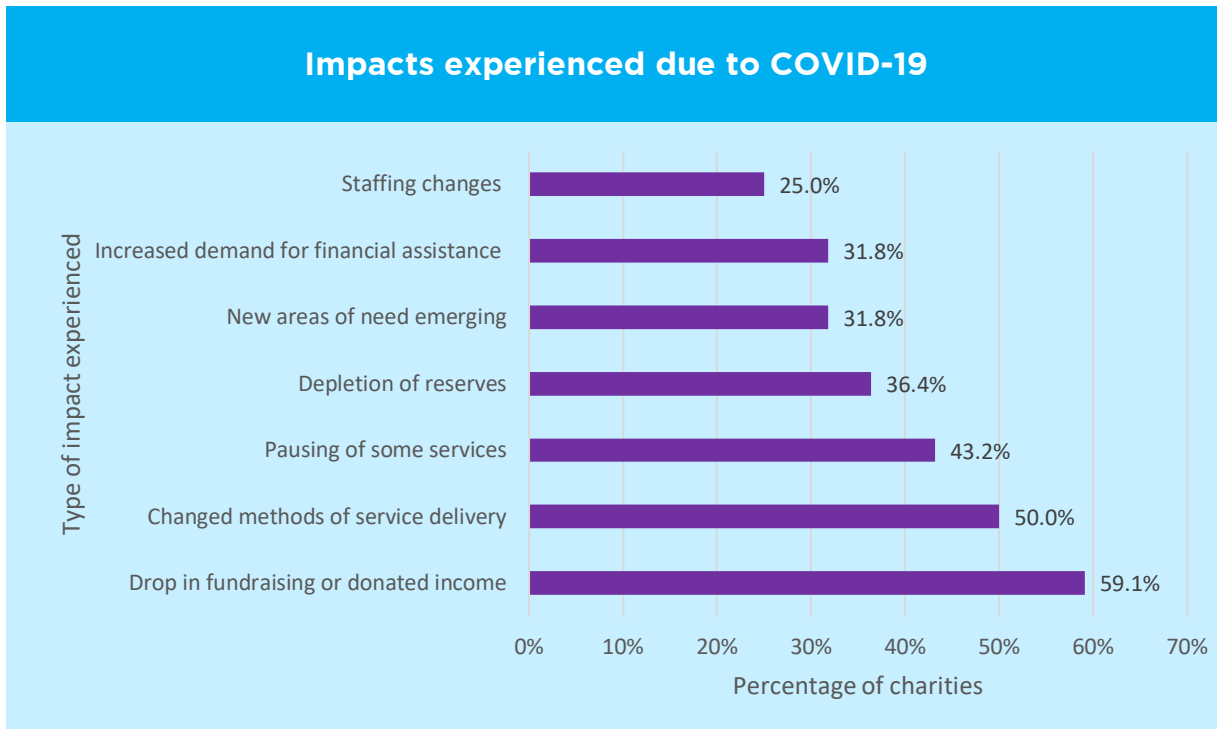
Note: Quotes are for illustrative purposes only and the views expressed by respondents are not endorsed by DSC.

DSC's survey also included a separate question specifically relating to the impacts of COVID-19. Charities indicated whether they had experienced one or more of the seven following potential impacts:

- Drop in fundraising or donated income
- Changed methods of service delivery
- Pausing of some services
- Depletion of reserves
- New areas of need emerging
- Increased demand for financial assistance from beneficiaries
- Staffing changes

The percentages of all survey respondents (N=44) which experienced each of these impacts are illustrated in figure 3.8. Overall, over three-quarters (77.3%, N=34) of the respondents reported experiencing at least one of the seven selected impacts due to COVID-19.

Figure 3.8



Note: Respondents could select more than one of the items in this question; therefore, the percentages do not sum to 100%. Each percentage is calculated using the total number of survey respondents (N=44).

The charities surveyed most commonly experienced a drop in fundraising or donated income due to COVID-19, reported by 59.1% (N=26) of the respondents. This is in line with findings in the charity sector more broadly, with 74.0% of respondents to a survey by the Institute of Fundraising (2020) reporting a decrease or significant decrease in voluntary income. Research by Pro Bono Economics (2020, p. 11) found that 32% of respondents reported that public donations had fallen more than 25%. Relatedly, over one-third (36.4%, N=16) of the respondents to DSC's survey indicated that COVID-19 had resulted in the depletion of their reserves.

The second most common impact related to COVID-19, reported by half (50.0%, N=22) of the respondents, was changed methods of service delivery. Moreover, 43.2% (N=19) of the respondents reported having to pause some of their services. These findings are unsurprising given the pervasiveness of health and safety measures, such as social distancing, which have paused many face-to-face services or shifted services online.

Almost one-third of the respondents reported new areas of need emerging or an increased demand for financial assistance (31.8%, N=14 for each). For example, in their open-ended qualitative response, one survey respondent noted that they had experienced 'more people contacting us to request support following concern over redundancies and economic uncertainty'. This again reflects the sector more broadly, with 29% of respondents to Pro Bono Economics' (2020) survey reporting that they 'may not be able to meet demand for their services over winter' due to an increase in demand (p. 6).

Meanwhile, one-quarter (25.0%, N=11) of the charities surveyed identified that they had undergone staffing changes, such as redundancies or use of the furlough scheme. This is significantly lower than similar figures for the sector more broadly (Pro Bono Economics, 2020, p. 12) but similar to DSC's previous finding for armed forces charities which support families (Howarth et al., 2021, p. 39).

Charities were invited to specify any other ways in which COVID-19 had affected them. Among these responses (N=12), four charities noted that they had experienced a fall in the number of cases that they received, which one respondent attributed to how COVID-19 had affected the caseworker system which is used to co-ordinate financial support.

A further four charities which mentioned other impacts referenced income, with one noting a drop in income from their investments, one highlighting a fall in income from their usual method of raising funds (not fundraising or donations), one reporting stable income and one reporting an increase in income.

Finally, four charities noted in the open-ended part of this question that they had not experienced any impacts as a result of COVID-19.

Example responses: Impacts experienced due to COVID-19

'[One challenge is] people not feeling they are worthy of help - that many people need help before them. This is a recurring theme, but it has been particularly prominent during COVID-19.'

'Increased cases of anxiety and mental health issues. More people contacting us to request support following concern over redundancies and economic uncertainty.'

'Cautiousness of major charities to meet clients, within current government advice, to achieve good service. Many [beneficiaries] will not use phones or are unable to complete forms without assistance.'

Survey respondents

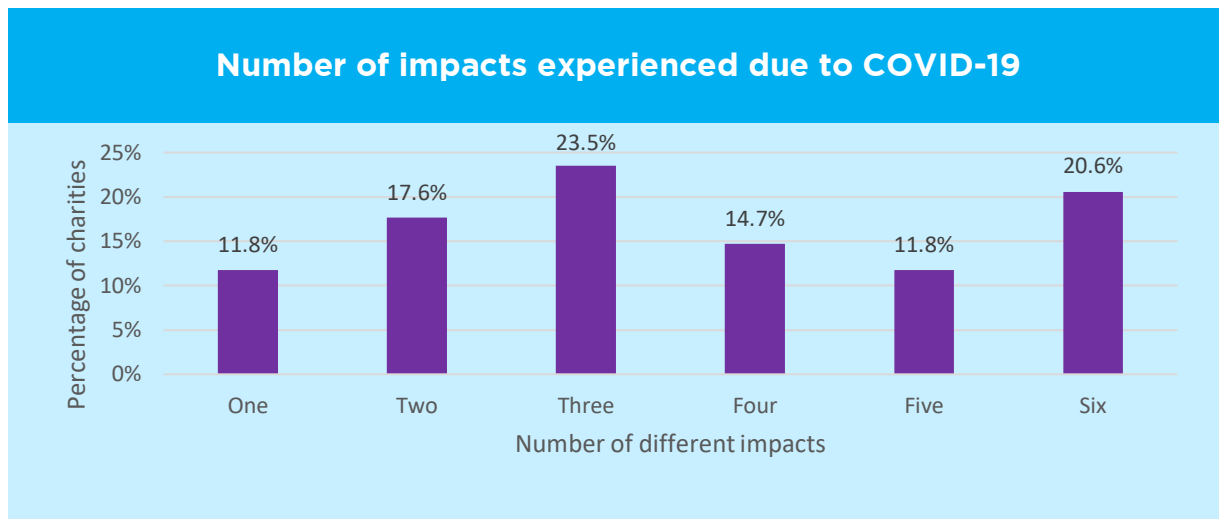
Note: Quotes are for illustrative purposes only and the views expressed by respondents are not endorsed by DSC.

3.4.3 Number of impacts experienced due to COVID-19

As noted above, the overwhelming majority of the respondents (77.3%, N=34) experienced some form of impact due to COVID-19. This suggests that the impacts of the pandemic have been widespread. DSC undertook further analysis to understand whether these impacts have typically been experienced in isolation or whether they have overlapped.

Figure 3.9 shows the percentages of charities which reported experiencing impacts due to COVID-19 by number of impacts. Only 11.8% (N=4) of the respondents experienced one change. Just under one-quarter (23.5%, N=8) of the respondents reported experiencing three impacts, which was also the median number of impacts experienced. Finally, a substantial proportion (20.6%, N=7) experienced six different impacts of COVID-19.

Figure 3.9



Note: Calculated as percentages of respondents who indicated that they had experienced any impacts due to COVID-19 (N=34).

3.5 CHAPTER THREE SUMMARY

3.5.1 Partnership and collaboration

The armed forces charities that responded to DSC's survey demonstrate considerable dedication to partnership in delivering financial support to beneficiaries. Almost nine-tenths (88.6%, N=39) of the respondents indicated that they work in partnership with at least one other type of organisation.

Most commonly, the survey respondents indicated that they partner with other Service charities (72.7%, N=32). Nevertheless, almost two-fifths (38.6%, N=17) of the respondents collaborate with non-Service charities.

Over three-quarters (77.3%, N=34) of the respondents reported undertaking partnerships with organisations outside the charity sector. These were, in order of frequency, local authorities or councils, MOD welfare services, Armed Forces Covenant signatory organisations, community or welfare organisations, housing associations, Citizens Advice and credit unions.

On average, the surveyed charities partner with four different types of organisation. However, this varies by charity size, with micro charities partnering with an average of 2.75 types of organisation and large charities partnering with an average of 8.0 types of organisation. Further, only 57.1% (N=4) of micro charities partner with other charities, in comparison to either 90.9% or 100.0% among their small, lower medium, upper medium and large counterparts.

Benefits from collaboration were reported by almost nine-tenths (89.7%, N=35) of the respondents who reported working in partnership with one or more other organisation. Reported benefits included enabling charities to provide holistic support that covers areas of need or types of support that cannot be delivered by one charity alone, improved ability to identify beneficiaries, ability to undertake case-working, and ability to almonise financial support.

3.5.2 Evaluation and impact

Just under half of the charities surveyed (48.8%, N=21) reported measuring the impact of their financial support on beneficiaries. This varied noticeably by charity size, with smaller proportions of micro (28.6%, N=2) and small (27.3%, N=3) charities measuring impact than their larger counterparts. This suggests that there may be barriers to impact measurement for smaller charities.

To measure impact, charities commonly gather beneficiary feedback and testimonials (47.6%, N=10), measure beneficiaries' outcomes (33.3%, N=7), monitor the type and quantity of support provided (19.0%, N=4), and receive feedback from other organisations (14.3%, N=3).

3.5.3 Practical challenges

Common themes in the practical challenges that the respondents to DSC's survey reported facing were funding (25.0%, N=8); identifying beneficiaries (21.9%, N=7); case-working, such as a lack of awareness about charities' support (15.6%, N=5); challenges related to COVID-19 (15.6%, N=5); assessing or meeting beneficiaries' needs (12.5%, N=4); and having limited resources relative to demand (9.4%, N=3).

Interestingly, case-working featured as both a common benefit of collaboration and a common practical challenge reported by the charities in DSC's survey.

3.5.4 Impact of COVID-19

The impacts experienced by charities as a result of COVID-19 were widespread, reported by over three-quarters (77.3%, N=34) of the respondents. They also overlapped: only 11.8% (N=4) of the respondents experienced only one impact, while the median number of impacts experienced was three.

The four most common impacts were each experienced by over one-third of the respondents: a drop in fundraising or donated income, changed methods of service delivery, pausing of some services and depletion of reserves.

CHAPTER FOUR

The last word: conclusions and recommendations

4.1 INTRODUCTION

The objective of this research was to provide an independent analysis of the subsector of armed forces charities which provide financial support. The report itself is designed to be a resource for policymakers, the media, researchers, and both established and emerging charities.

To address this remit, the following research questions were posed:

- How many armed forces charities deliver financial support and how many beneficiaries do they support?
- What types of financial support are delivered to beneficiaries?
- What examples of collaboration and evaluation exist?
- What challenges do charities face?

This chapter provides conclusions and recommendations based on the findings relating to these research questions.

4.2 KEY CHARACTERISTICS OF ARMED FORCES CHARITIES WHICH PROVIDE FINANCIAL SUPPORT

As of July 2020, DSC's data indicated that the total number of armed forces charities operating in the UK was approximately 1,800. Yet, as has been shown in DSC's *Focus On* reports, when the sector is analysed by specific topics of support, such as education or housing, it emerges that highly directed programmes of support serve large numbers of beneficiaries, despite being provided by small groups of charities (see Cole et al., 2017; Doherty et al., 2017, 2018a, 2018b; Robson et al., 2019).

In line with these previous findings, this report identified 178 armed forces charities that deliver financial support, comprising around 9.9% of the armed forces charity sector. For the year to July/August 2020, the subset of these charities that participated in DSC's survey (N=44) supported approximately 49,765 beneficiaries and spent approximately £39 million on the provision of financial support.

The charities in DSC's survey typically provide financial support to their beneficiaries alongside other types of non-financial support. The charities which provided an estimate in DSC's survey (N=38) dedicated an average of 61.8% of their expenditure to financial support during the year prior to the survey. Furthermore, as noted in chapter two, more than half (56.8%, N=25) of the charities surveyed provide non-financial support to their beneficiaries.

Over nine-tenths (93.2%, N=41) of the survey respondents support ex-Service personnel, while just under two-thirds (63.6%, N=28) provide support for serving personnel. Further, only one charity that responded to DSC's survey provides financial support exclusively to

serving personnel. Meanwhile, over three-quarters (77.3%, N=34) of the survey respondents reported that they provide support to family members within the armed forces community.

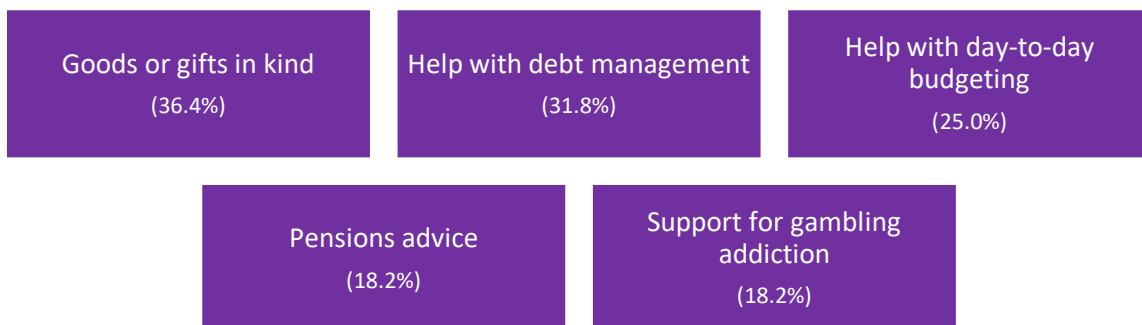
That this report overall found greater provision for the ex-Service community than for the serving community likely reflects a combination of two factors. Firstly, the literature suggests that while serving personnel enjoy relative financial security and report benefitting from a range of Service-related support (Ashcroft, 2014; MOD, 2020a), ex-Service personnel more commonly experience financial challenges in civilian life (Heaver et al., 2018; Scullion et al., 2019; RBL, 2020a). Secondly, the ex-Service population is also significantly larger (approximately 2,148,000 versus 190,000, excluding family members; MOD, 2019c, 2020f).

4.3 AREAS OF FINANCIAL SUPPORT AND METHODS OF SERVICE DELIVERY

The introduction to this report shows that financial support for the armed forces community can be needed - and provided - at several different stages. DSC's survey found that the overwhelming majority (86.4%, N=38) of the respondents provide support during times of crisis, such as those related to debt, homelessness or bereavement. While the majority of ex-Service personnel transition to civilian life smoothly, having effective support during these times is important for those who need it.

Meanwhile, over half (56.8%, N=25) of the respondents support their beneficiaries on an ongoing basis; over one-third (36.4%, N=16) support beneficiaries before problems arise, to assist with good financial management and avoid crisis situations; and just under one-quarter (22.7%, N=10) provide support with planning for the future, such as transition from the Services or planning for retirement. Most of the survey respondents (59.5%, N=25) provide support at two or more of these stages.

DSC's survey found that armed forces charities provide a wide range of specific types of financial support. Most commonly (65.9%, N=29), respondents reported providing grants or loans for essential goods, such as a washing machine, refrigerator or microwave, to help beneficiaries at a time of financial need. A further 54.5% (N=24) of the charities surveyed reported supporting beneficiaries through benefits or welfare advice. Meanwhile, 43.2% (N=19) of the respondents provide cash gifts or vouchers to relieve need. While other areas are less common, substantial percentages of the respondents also provide the following types of support:



With respect to variation in types of support by beneficiary group, the five most common types of support provided by respondents which support only ex-Service personnel are benefits or welfare advice, grants or loans for essential goods, help with debt management, help with day-to-day budgeting and pensions advice. Meanwhile, respondents which support both ex-Service and serving personnel most commonly provide grants or loans for essential goods, cash gifts or vouchers to relieve need, benefits or welfare advice, or goods or gifts in kind. While there is some overlap, this suggests there are different priorities in terms of areas of support depending on the beneficiary group.

Moreover, the charities surveyed typically provide more than one type of financial support - this is the case for just under four-fifths (79.5%, N=35) of the survey respondents. It is

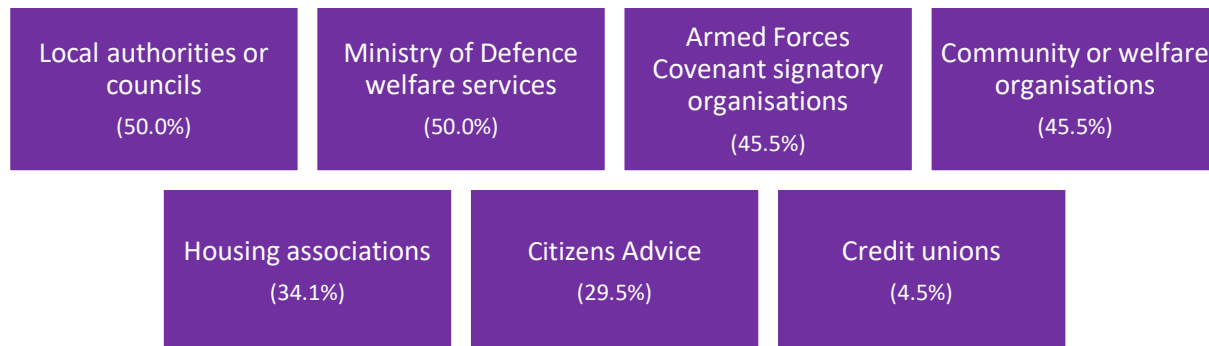
relatively uncommon for charities to provide more than five types of support. Nevertheless, the median number of types of financial support provided is three, indicating that the survey respondents characteristically provide a 'bundle' of distinct types of financial support.

In line with the finding that grants or loans for essential goods are the type of financial support most commonly provided to the armed forces community, the most common way that the survey respondents deliver support is through grants to individuals (65.9%, N=29). This is followed closely by delivery of support directly to beneficiaries (59.1%, N=26), signposting to other organisations (59.1%, N=26) and grants to other organisations (43.2%, N=19). Further analysis shows that 80.9% (N=34) of the respondents use two or more different ways of delivering support.

4.4 COLLABORATION, IMPACT MEASUREMENT AND CHALLENGES

Consistent with DSC's previous findings, this report found a considerable degree of collaboration between charities in providing financial support to the armed forces community (Cole et al., 2017, p. 8; Doherty et al., 2017, p. 13; Doherty et al., 2018a, p. 30; Doherty et al., 2018b, p. 21; Howarth et al., 2021, p. 27; Robson et al., 2019, p. 21). Within the charity sector, the respondents most commonly reported partnering with other Service charities (72.7%, N=32), while just under two-fifths (38.6%, N=17) noted that they partner with non-Service charities.

There is also substantial collaboration outside the charity sector, with over three-quarters (77.3%, N=34) of the respondents reporting such a partnership. Non-charity partners are wide-ranging; the most common types are local authorities or councils, Ministry of Defence welfare services and Armed Forces Covenant signatory organisations. The full list of potential non-charity partners and the percentages of the respondents that partner with them are as follows:



Furthermore, in addition to engaging in widespread collaboration, charities commonly collaborate with more than one type of organisation: 72.7% (N=32) of the survey respondents partner with more than one type of organisation, with a median of four.

Additional analysis reveals that the percentage of charities which collaborate and the number of different types of partner vary with charity size. More specifically, large, upper medium, lower medium and small charities each have collaboration rates over 90%, while only 57.1% of micro charities (annual incomes below £10,000) reported collaborating with other organisations in delivering financial support. Further, the overall trend shows that the number of different types of partner broadly increases as charity size increases.

Over three-quarters (89.7%, N=35) of the survey respondents reported benefits from collaboration. These included enabling charities to provide a holistic support package through working together on different areas of support (48.6%, N=17); improved ability to identify beneficiaries, for example from signposting and referrals (25.7%, N=9); and improved case-working and almonisation within the grant-making process (17.1%, N=6 and 14.3%, N=5 respectively).

Impact measurement is an important means through which charities can improve their current offering of financial support to beneficiaries. The charities in DSC's survey reported

gathering beneficiary feedback and testimonials, measuring beneficiaries' outcomes, monitoring the support they had provided and receiving feedback from other organisations as ways of measuring impact.

Just under half (48.8%, N=21) of the survey respondents reported measuring impact. While this is similar to DSC's previous findings within other subsections of the armed forces charity sector (Doherty et al., 2017, 2018a, 2018b; Howarth et al., 2021; Robson et al., 2019), it is less than the 75% that has been found for the charity sector more broadly (Ógáin et al., 2012). Further analysis revealed that the rate of impact measurement was significantly lower for micro and small charities than for their larger counterparts, corroborating previous findings that these smaller charities may experience more barriers to measuring their impact (Ógáin et al., 2012).

Charities face challenges that are particular to a range of factors in relation to the types of support they offer, beneficiaries and context. Nevertheless, shared challenges that emerged in this report included funding (25.0%, N=8), identifying beneficiaries (21.9%, N=7), case-working (15.6%, N=5) and COVID-19 (15.6%, N=5). The salience of case-working is likely due to the centrality of grant-making as a means of providing financial support to the armed forces community; this is explored in further detail in the recommendations below.

A separate survey question specifically explored the impacts of COVID-19 on the respondents. The answers revealed that over three-quarters (77.3%, N=34) of the survey respondents had been affected by COVID-19. The three most common impacts were a drop in fundraising or donated income (59.1%, N=26), changed methods of service delivery (50.0%, N=22) and having to pause some services (43.2%, N=19). Of those charities which reported impacts, these were largely experienced in combination with each other: the median number of impacts reported by each charity was three, and just over one-fifth (20.6%, N=7) had experienced six different impacts due to COVID-19.

4.5 RECOMMENDATIONS AND FURTHER RESEARCH

4.5.1 Investigate and address challenges with case-working

A recurring theme in this report has been case-working within the armed forces charity sector. The importance of this practice within the topic of this *Focus On* report is unsurprising given that financial support involves a large amount of grant-making and is therefore an important aspect of how charities deliver support.

Interestingly, while case-working featured as a benefit of collaboration for 17.1% (N=6) of the respondents, it also featured as a challenge for 15.6% (N=5) of the respondents. This suggests that the case-working system is functioning well for armed forces charities in some respects but that further steps could be taken to make improvements in other respects.

In particular, out of the small number of charities which mentioned case-working as a challenge they face in delivering financial support to their beneficiaries, two charities drew attention to there being cases of limited awareness of the range of support they provide among caseworkers. Case-working charities could promote the use of resources that would aid awareness-building to ensure beneficiaries are able to reach the support that is available.

Nevertheless, it must be noted that this recommendation is based on responses from a very small number of charities within the armed forces charity sector. Notwithstanding, it may indicate an area in which more research is needed to better understand armed forces charities' engagement with the case-working system.

4.5.2 Supporting collaboration and evaluation

Research conducted by CCEW (2010) to investigate charities' 'views, perceptions and experiences of collaborative working' found that most (84%) of the surveyed charities that

undertook collaborative working reported experiencing benefits, which commonly included 'maintaining or improving services', 'enhancing reputation' and 'cost reductions' (p. 7).

Meanwhile, previous research suggests that charities benefit from measuring impact through being able to improve the support they offer, being better able to demonstrate the results of the support they provide to their beneficiaries, and improving the targeting of their services (Ógáin et al., 2012, p. 23).

Hence, both collaboration and impact evaluation can be mechanisms through which charities and their beneficiaries can benefit.

This report found evidence of considerable collaboration among the survey respondents; 88.6% (N=39) partner with at least one other type of organisation. However, impact measurement is notably less common, with slightly more survey respondents reporting that they do not measure impact (51.2%, N=22) than those that do (48.8%, N=21). This suggests that, overall, collaboration is high but there is scope to increase the extent of impact measurement across the sector in order to reap the benefits that this can produce.

Yet, in this study, both collaboration and impact evaluation were found to be associated with charity size. The percentages of micro charities (annual incomes below £10,000) and small charities (annual incomes between £10,000 and £100,000) which measure their impact are almost half those of their larger counterparts, and the percentage of micro charities that work in collaboration is only 57.1%, compared to above 90.0% for these charities' larger counterparts.

It was beyond the scope of this research to explore the reasons why survey respondents do not measure impact or work collaboratively. However, previous research suggests that charities that do not collaborate see this as unnecessary or unbeneficial, are unaware of appropriate charity partners or have not been approached by interested partners (CCEW, 2010, p. 7). Therefore, to promote collaborative working among smaller charities, larger charities with experience of collaborating could more actively approach micro charities to foster links and highlight the benefits of collaboration. As explored in chapter 3, these include providing more well-rounded support, identifying beneficiaries, and case-working and almonisation. It must also be noted that more 'information, advice and guidance' may be required (CCEW, 2010, p. 10) and could be actively disseminated by charities with experience and by the charity regulators.

Barriers to measuring impact can include a lack of funding or resources, not having staff with training in data collection and analysis, and not having staff with expertise in indicator or outcome selection (Ógáin et al., 2012, p. 46). Following Ógáin et al. (2012, p. 51), this report recommends that charities aim to use the data they do collect to provide as much insight as possible and, where more data is needed, engage in discussions with funders to leverage more funding. Greater collaboration between larger and smaller charities could also advance the sharing of best practice and resources in order to close the gap in impact measurement between smaller and larger charities.

4.5.3 Further research

The aim of this report was to provide a comprehensive snapshot of armed forces charities' provision of financial support as of July/August 2020. The data for this report was collected during the early stages of the outbreak of and response to COVID-19 in the UK. This was therefore a time of widespread and extensive economic and social upheaval.

In line with findings for the charity sector more broadly (Institute of Fundraising, 2020; Pro Bono Economics, 2020), the armed forces charities surveyed for this report experienced widespread and overlapping impacts due to COVID-19, both to their supply side (for example, the ability to fundraise and changes to how or whether support is delivered) and to their demand side (for example, through economic impacts on beneficiaries leading to increased need and demand for support).

Given that these substantial changes are still unfolding, further research that investigates key themes in this report from a longitudinal – rather than a cross-sectional – perspective would

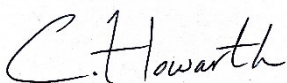
be insightful. Such research could provide an understanding of the ways in which the financial support provided by armed forces charities changes or remains stable over time, adapting to the changing context.

This report has highlighted the considerable collaboration that takes place between armed forces charities and other organisations within and outside the charity sector in providing financial support. While the focus of this report was on charities which meet DSC's definition of an armed forces charity, it would be instructive for further research to explore the connections between the armed forces charity sector and other types of organisation. This would illuminate in more detail how these collaborations are established and maintained, the operational and financial structures which underpin them, the types of financial support which are (and are not) delivered through them, and how beneficiaries could further benefit from them.

Moreover, further research could illuminate the types of financial support delivered to the armed forces community within the charity sector more broadly – that is, including charities which are outside DSC's definition of an armed forces charity. While this would be methodologically very challenging, it would provide a wider perspective and enable the findings from within the armed forces charity sector to be further contextualised. Such findings could also help to refine the current offering, foster collaboration, encourage the sharing of expertise, and reduce the duplication of effort by charities inside and outside the armed forces charity sector. Such research would function as a complement to the recently developed Map of Need, which provides information pertaining to veterans' locations and needs based upon 'support they have asked for or accessed' (Armed Forces Covenant Fund Trust, 2020).

A note from the authors

DSC hopes that this report will help to illuminate this small subsection of the armed forces charity sector which delivers financial support to the armed forces community. It is hoped that the report will prove a valuable resource for policymakers, the media, the forces charities themselves and, in turn, their many beneficiaries.



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Armed Forces Charities’ Financial Support 2021

This report follows on from the Directory of Social Change’s (DSC) *Sector Insight* reports on UK armed forces charities, a series which DSC has been publishing since 2014. Building on these broader studies, the *Focus On* series provides a more specific analysis of the work of armed forces charities across the UK — in this case charities which provide financial support to the armed forces community.

This study contributes to DSC’s growing body of research on the armed forces charity sector, which also includes the www.armedforcescharities.org.uk website. It provides an overview of the financial support delivered by armed forces charities registered across the UK, focusing on:

- An exploration of the financial support provided
- Insights into the characteristics of the beneficiary population
- An examination of charities’ expenditure on financial support provision
- Case studies on charities which provide financial support
- Collaboration, impact measurement and practical challenges
- Conclusions and recommendations

This is a unique resource for charities, government, policymakers and researchers to understand what armed forces charities deliver in terms of their financial support for the armed forces community. This subject area is thoroughly explored to provide a body of evidence and insightful analysis which informs of policy, practice and research.

‘Financial advice and support are two of the most frequent reasons members of the armed forces community have for reaching out to charities. This report reflects the breadth of such charities and the extent to which they collaborate. Understanding the environment in which charities operate is key to making the case for funding, and for ensuring that support reaches beneficiaries in the most effective and efficient manner.’

Ray Lock, CBE, Chief Executive, Forces in Mind Trust

‘Providing financial support is regularly the foundation on which veterans and their families can be helped to regain their independence and dignity. ... I commend another excellent and relevant report by DSC; it shines a spotlight on a strategically important subject.’

Lieutenant-General Sir Andrew Gregory, KBE, CB, DL, Chief Executive, SSAFA, the Armed Forces charity [from the foreword]