



Policy & Practice Annual Report 2020



Policy & Practice
St Chad's College, Durham University

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Policy&Practice is a multidisciplinary research group based at St Chad's College, Durham University. Our full-time academics, research associates and fellows are committed to the promotion of social justice in the United Kingdom and beyond.

Policy&Practice is the banner under which this work is communicated to a wider community of interest. The College is committed to undertaking research, policy analysis and evaluation that makes a difference to the way policy makers and practitioners carry out their work, aimed ultimately at increasing the benefit gained by the people for whom they work. We do this through applied research and evaluation for a wide range of private sector organisations, independent charitable foundations, national and local government, charities and other non-profit organisations.

Our work is heavily embedded in the North of England, but we do not confine our work to this area. Several national and international studies have been undertaken over the years in continental Europe, the United States, South Africa and Japan. What we hope to do is to use our learning to help increase our scope for understanding complex social, economic and political issues and our ability to help people tackle challenges in a positive, pragmatic and effective way in new contexts.

New Research Projects

Principles and pragmatism

How can Christian organisations obtain the money they need whilst holding on to their principles? How vigilant should churches and other Christian organisations be about the provenance of money which they receive through donations, grants or from investments?

Professor Fred Robinson of Policy&Practice has been awarded a Leech Fellowship to look at these issues, focusing on the North East. He'll be finding out how Christian organisations think about money, particularly money that comes from sources that appear to have values that conflict with a Christian ethos.

Should they accept money from the Lottery, for example, given its association with gambling? Or from charitable trusts linked to particular business activities such as fossil fuels? Thinking of historic benefactions, what should Christian organisations say or do about money they have received in the past that was earned through the business of slavery?

The problem of 'tainted money' has recently been generating a good deal of controversy in relation to the sponsorship of arts, culture and sport. There are also some lively debates about university endowments and the legacies of slavery. Christian organisations will get increasingly drawn into these issues — and they should have something credible to say about the positions they adopt and the actions they take.

Fred will certainly be exploring some difficult and controversial issues. He'll be asking what we mean by 'tainted money'. Isn't all money tainted? And he'll be wondering whether good works cleanse money — or even help redeem the sinner who donates. Shouldn't we be encouraging more philanthropy rather than discouraging it? Should Christian organisations refuse 'tainted money' — or even give it back?

Fred comments: *'I am very much looking forward to thinking about all this and talking to people from the churches and other Christian organisations across the North East about these issues. I want this research to have a practical purpose — I think it can help clarify what the dilemmas are and how best to respond to them'.*

Policy&Practice has been undertaking quantitative and qualitative research on the voluntary sector and this project builds on that work. This is a one-year project, starting in January 2021. It is funded from the William Leech Research Fund, a charitable trust that supports research in the area of Christian social ethics and practical theology in North East England.

For further information, please contact Fred Robinson at j.f.robinson@durham.ac.uk.

Business innovation in local context



Over several decades, North East England has borne the burden of a reputation of 'underperforming' economically. Certainly, in bald statistical terms, business density is more sparse, there are fewer business start-ups, and ambitions for business innovation, investment and growth are lower.

Laudable strategies and action plans have been produced over the years to tackle under-performance — but statistical indicators have proven to be difficult to shift. Consequently, accepted narratives of failure and disappointment dampen future potential in those areas which are performing less well economically.

The use of national and regional statistical metrics sometimes represents something of a 'blunt instrument' when applied to areas which have particular characteristics. And certainly, the North East of England is a varied region with great expanses of rural areas in Northumberland, a major metropolitan area centred on Tyneside and Wearside and the mixed fortunes of towns on the former Durham coalfield.

The study aims to help develop a deeper, stronger and sustainable culture of innovation in the 'context' of localities to ensure that achievement is fully recognised and built upon by:

- Assessing contextualised starting points for businesses success, identifying factors which helped or hindered achievements.
- Adopting open-minded definitions of 'innovation in context' (including invention, technical product/service innovation, complementary business interactions, repositioning business from client perspectives, etc.).
- Exploring aspects of place-based entrepreneurial inspiration, the opportunities and support structures which facilitate business.
- Recognising that area boundaries are permeable and that indigenous and endogenous growth drivers produce potential for serendipitous interactions if negative perceptions are challenged

- Understanding that places have different starting points and that success cannot be assessed with standard metrics and adopt an action-oriented outcome framework which learns from effective practice, locally, nationally and internationally.
- That policy and action frameworks are attuned to stages areas have reached in the regional business innovation ecology and how potential to level-up areas is framed by internal regional competition.

Professor Tony Chapman, Sarah Green and Dr Tanya Gray of Policy&Practice, have been commissioned to undertake new research on how best to promote business innovation in North East England in community context.

The first phase of the work will be funded by Research England and Durham University's Strategic Priorities Fund. From April North East Local Enterprise Partnership (NELEP) will continue support for the second phase of the project which will run to December 2021.

Continuing projects

Auckland Castle Trust Heritage Lottery Fund Project Evaluation

Regeneration in Bishop Auckland



Auckland Tower © House of Hues

Professor Fred Robinson and Ian Zass-Ogilvie have been undertaking an independent evaluation of The Auckland Project in Bishop Auckland, County Durham.

This remarkable heritage-based regeneration scheme has restored Auckland Castle, the historic home of the Bishops of Durham. It is led and financed by philanthropist Jonathan Ruffer and supported also by a £12.4m grant from the National Lottery Heritage Fund.

Fred and Ian have been working on this for the last three years and they expect to continue until mid-2022. Their approach has been to serve as 'critical friends' to The Auckland Project. They are evaluating not only the restoration of the Castle and the associated Faith Museum but also efforts to engage local communities and revive Bishop Auckland – the real aim of the whole scheme.

The Castle opened to the public in November 2019, but had to close in March 2020 because of the Covid-19 pandemic. It is hoped that it will reopen in mid-2021, together with a new Spanish Art Gallery and the Mining Art Gallery.

The evaluation will conclude in 2022.



Connections

Law Family Commission on Civil Society

The Law Family Commission on Civil Society, which was launched in December, is an ambitious programme of research into how the potential of civil society can be realised.

The Commission aims to offer tangible ideas for policy-makers, companies, philanthropists and social sector organisations to tackle challenges that limit the achievements of civil society organisations such as charities, social enterprises and community groups.

Professor Tony Chapman, of Policy&Practice, has joined the Commission's Technical Panel to advise on research priorities and research methodology.

The Law Family Commission on Civil Society is hosted by Pro Bono Economics and is financially supported by Andrew Law and the Law Family Charitable Foundation.

To accompany the launch, a set of essays has been published today which can be downloaded here: Essay collection: Civil Society, <https://civilsocietycommission.org/publication/essay-collection-civil-society-unleashed/>

Young People & Society Study Group

Academics at Durham University, from across a wide range of departments, institutes and colleges, have established a strong reputation for the study of young people and society.

St Chad's College hosts an interdisciplinary study group of academics and post-graduate students who have shared interests in this field of work.

- Equalities: deprivation, social exclusion & marginalisation, ethnic diversity, gender & sexualities, disabilities.
- Environment and spatiality: migration, urban & rural society, conflict and disasters.
- Health and wellbeing: physicality, resilience & mental health, happiness & pro-sociality.
- Everyday life: culture & identity, consumption, leisure & sport, arts and culture, social media.
- Civil society: voluntary social action, civic engagement, politics & social movements, third sector interventions
- Social mobility: education & employability, paid work, virtual mobilities.
- Relationships: families & households, friendship & loneliness, domestic violence, life transitions & critical incidents.
- Research methodologies: comparative methods, visual sociology, autobiography, narratives, observation, quantitative data and analysis.
- Social policy: youth work, crime & antisocial behaviour, penalty, unemployment, health, housing and homelessness, welfare benefits.

The group welcomes members of academic staff and post-graduate students who are interested in the study of young people from any disciplinary or thematic perspective.

Third Sector Trends Study 2020

Third Sector Trends is *Policy&Practice's* flagship project. Established in 2008, it is the longest running research programme of its kind in the UK. The work continued from 2018-2020 thanks to the support of the Community Foundation serving Tyne & Wear and Northumberland, Power to Change and Garfield Weston Foundation.

The study informs voluntary and community organisations, cooperatives, community businesses and social enterprises about the wellbeing and direction of the sector. Its results are widely used by policy makers and funding bodies.

The original aim of the Third Sector Trends study, when commissioned by Northern Rock Foundation, was to examine the structure and dynamics of the third sector in North East England. In 2015, the Community Foundation assumed responsibility for the study and its legacy and took it forward working with JRF, Garfield Weston, Power to Change and IPPR North.



Over 4,000 charities and social enterprises responded to the call in 2019 making this the largest study of the Third Sector in the UK. The project resulted in the publication of three regional reports for North East England, Yorkshire and the Humber and North West England. These reports produce fine-tuned analysis on the situation of the sector in regional context. A number of other reports with broader objectives were published which are detailed below.

The strength of weak ties

How charitable trusts and foundations collectively contribute to civil society in North East England.

Civil society in North East England is in good shape. Around 7,000 voluntary and community organisation and social enterprises serve the interests of their beneficiaries. Much of their energy comes from people who give their time and

expertise as trustees and volunteers. More than 150,000 people deliver more than 10m hours of work at no financial cost to the region.

Charities need money for wages, rent and kit to get things done. Some of these costs can be met from fundraising, endowments, investments, subscriptions, charging for services or delivering contracts. Only rarely can charities earn enough on their own to keep going. Grants provide a bedrock of additional funding for civil society.

More than 50 charitable trusts and foundations inject financial resources into civil society in



North East England. Each year, well over 4,000 grants are awarded with a combined value of at least £50m.

Charities tend to be ambitious and competitive and demand for grants outstrips supply. They must make 'claims' on what they regard as important priorities and 'promises' on what they can do to tackle these issues. And because so many voluntary and community organisations work in the same areas, on similar or inter-related issues, clear sector-wide priorities are hard to discern. Foundations face a difficult task. In the face of high demand, they must make choices. So, they do not merely 'serve' civil society – they 'shape' it too.



Community Foundation serving Tyne & Wear and Northumberland commissioned this research in 2019. It involved in-depth work on 25 national and regional charitable trusts and foundations. Its purpose was to ask this question: 'Should foundations work together much more closely, with shared strategic objectives in mind, to maximise the benefit to North East England from their collective effort?'

This report argues against too much formal and shared strategies because trusts and foundations achieve more by retaining their autonomy but working together in complementary ways or as good neighbours to one another.

The strength of weak ties: how charitable trusts and foundations collectively contribute to civil society in North East England, by Tony Chapman was published on 5th February 2020

Diversity and inclusion in Third Sector Leadership

The extent to which leadership opportunities in the Third Sector are open to all members of the community who feel that they may have a contribution to make has finally become a serious topic of conversation in recent months.

Debates have been hampered by a lack of reliable evidence. This report from #ThirdSectorTrends makes a contribution to the debate by presenting evidence on the personal and biographical characteristics of Third Sector leaders across the North of England.

What did we find out?

Amongst chairs of boards of trustees or directors, which govern Third Sector Organisations (TSOs), we found that older people, men and graduates are over-represented compared with population averages. By contrast people with disabilities and members of Black, Asian and minority ethnic (BAME) groups, and to a lesser extent, women are less well represented.

Amongst chief officers there are proportionately more graduates and women in positions of leadership than in the

general population. People with disabilities and members of BAME groups and to a lesser extent, men, are shown to be less well represented.

| Third Sector Trends Study 2020 (n=3,158 responding Third Sector organisations across the North of England) | Chairs of TSO boards | Chief officers of TSOs |
|---|----------------------|------------------------|
| Percentage of TSOs with graduate chairs/CEOs (about 35% of the working population in the North have degrees) | 64.2% | 69.8% |
| Percent of TSOs with women chairs/CEOs (about 51% of the UK population are women) | 43.1% | 65.3% |
| Percent of TSOs with registered disabled chairs/CEOs (about 20% of the UK population have disabilities) | 8.6% | 7.1% |
| Percent of TSOs with BAME chairs/CEOs (about 14% of the UK population is BAME) | 5.7% | 7.7% |
| Percent of TSOs with retired chairs (about 18% of the UK Population are retired) | 54.4% | - |

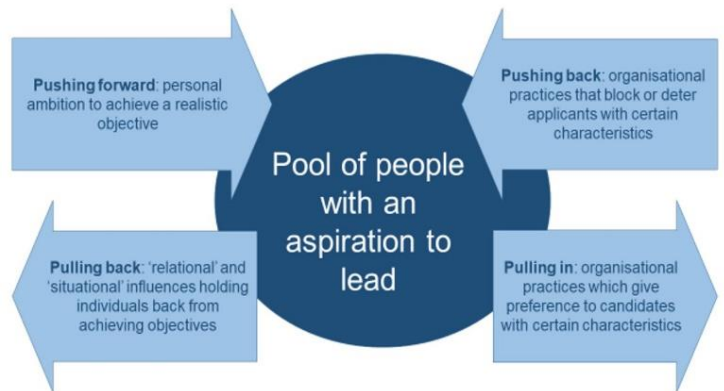
There is a great deal that we still don't know

This report provides only a partial picture of the current situation in the North of England. It shows that something is going wrong when it comes to the appointment of people with some biographical or personal characteristics to leadership positions. Specifically, there are proportionately too few Black, Asian and other minority ethnic people in leadership roles.

Interpreting headline statistics is not simple. It is unlikely that organisational cultures, policies and practices provide the sole explanation for unequal representation in leadership roles. It is more likely that there is a range of push and pull factors that *attract* or *dissuade* people from putting themselves forward for senior posts in TSOs (see diagram). We need to know more about these underlying social processes.

As report author, Professor Tony Chapman said:

'The well-known process of mentoring, nudging or arm-twisting people into leadership roles (especially chairs) is probably done within very limited 'civic core' social circles instead of broadening the search to a much wider constituency of potential. It is also likely that many charities, perhaps inadvertently, communicate the wrong messages to potential candidates and repel as many potential candidates as they attract.'



Defining what needs to be done is simple – get more people from diverse backgrounds into the talent pool and stop discriminating against them once they arrive there.

This is easy to say, but achieving such objectives is a lot more difficult. Everyone has to play their part by recognising and facing up to the problem, changing their attitudes and then getting on with doing something about it.

Diversity and Inclusion in Organisational Leadership: evidence from Third Sector Trends 2020, was published by Community Foundation serving Tyne & Wear and Northumberland.

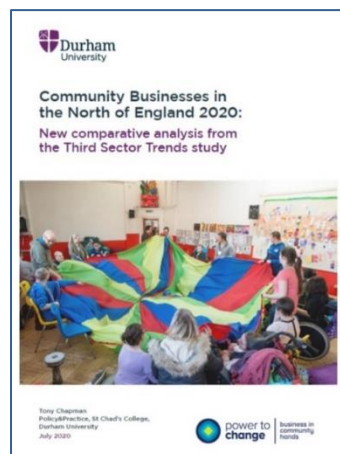
How will community businesses fare in the future?

When community business leaders completed their Third Sector Trends survey in 2019, there was a good deal of optimism in the air. That optimism must surely have been dented with the onset of the Covid-19 crisis and, undoubtedly, there will be casualties as the economy falls into severe recession.

We don't yet know how quickly the economy will recover or whether the economy will remain in the doldrums in the longer term. Ultimately, nobody will know for at least two years – at

which point – Third Sector Trends will return to find out.

Ailbhe McNabola, Head of Research and Policy at Power to Change, said: *“This report shows that community businesses perform a unique balancing act, marrying enterprise and entrepreneurialism with a goal of making a real difference to places where they are based. These attributes will be important as places begin to recover from the social and economic impacts of the*



Covid pandemic. Community businesses can play an important role in the places where they work in the months and years ahead.”

It should not be taken as read that the future for all community businesses will be bleak. The pandemic may help to produce changes in the way communities think and act in future. Maybe local people will feel a stronger sense of commitment to community and to the organisations which champion and service it, such as community businesses?

This report for Power to Change shows that community businesses are resilient entities which are financed at least in part through self-generated trading activity. And while community businesses cannot be said to be *more* committed to their communities than general charities, this report shows that community businesses usually have more capacity to deliver support because they are larger organisations.

When compared with other charities, community businesses also tend to be more ambitious to grow, are keener to engage with local policy makers and invest more energy in attending events and meetings to debate or decide upon policy and action to improve community life.

Resilience is underpinned by the agility and flexibility of community businesses to spread financial risks. Usually, as this research shows, they do this by engaging in more than one form of self-generated trading activity at a time. For example, amongst organisations which are involved with retailing and hospitality activities, 67% also manage a community building and 43% offer other types of paid-for services.

Trading is crucially important to the financial wellbeing of community businesses, but few can keep going on the surpluses they produce from self-generated trading alone. Even in the best of times, most also rely on a variety of other sources of income such as contracts, grants, fundraising, subscriptions, investments, gifts and so on. Few community businesses choose to keep all their eggs in one basket.

Those community businesses that face an immediate cash-flow crisis due to Covid-19 will be feeling pretty vulnerable just now. And for those who are almost wholly reliant on trading to

sustain themselves it may be hard for them to see a viable future.

There is so much uncertainty ahead. Temporary measures such as emergency loans, grants, rent holidays and furloughing are welcome – but these are only stop-gap measures for community businesses. One thing is abundantly clear from this report – funding bodies must not assume that community businesses can be left to their own devices in the longer term just because they trade.

Community businesses in the North of England 2020: new comparative analysis from the Third Sector Trends Study, by Tony Chapman, Bristol: Power to Change.

The impact of Covid-19 on charity leaders' confidence

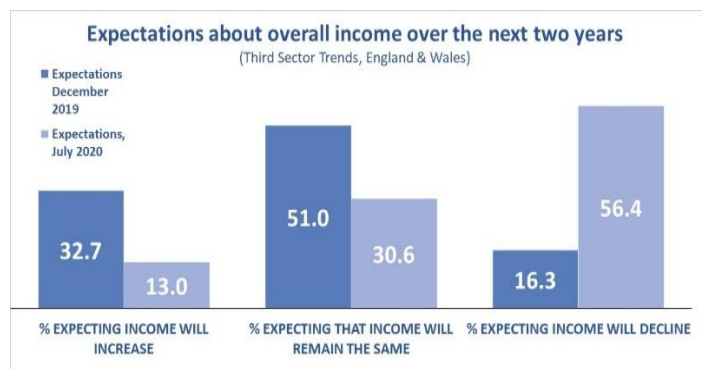
In June 2020, the long-established **Third Sector Trends Study** carried out a 'one question survey' with former participants of its major study across England and Wales which took place in 2019. Its purpose was to find out the extent to which charity leaders' attitudes had changed about their prospects for the future after the shock of the Coronavirus pandemic.

Now that we have these data, it will be possible to see if opinions change in future, together with in-depth analysis of the shifting structure and dynamics of the sector when the main survey returns in 2022.

Inevitably, following the onset of Covid-19 and in light of its social and economic consequences, confidence has taken a serious knock. From a 10 per cent sample of the original study of 4,000, the results show that:

- In June 2020, 56% of TSO leaders believed that their income would fall in the next two years compared with just 16% in 2019.
- Only 11% of TSO leaders expected that income from private sector sources would fall when asked in 2019, now 62% expect that this will be the case.
- Half of TSO leaders believed in June 2020 that grant income would decrease over the next two years, compared with just 19% in 2019.
- In June 2020, 61% of TSO leaders thought that statutory funding would decrease, compared with 38% in 2019.

Expectations about support from volunteers has changed: in 2019 only 8% of TSOs thought that support would fall, by June 2020, 18% of TSOs leaders thought this would be the case.



Of course, these are only predictions, because nobody really knows what will happen next. Indeed, written commentaries from survey participants, often reflect ambivalent feelings. As one charity leader told us:

“On the one hand we’re exhausted by all that we’ve had to do at pace in the last four months. But at the same time we have to find the energy to grasp some really important new opportunities (and effectively manage them) before they slip away again. Wish we could just hit the pause button and have a bit of time to take stock, but we have to reset our strategy, plan for a different future, build some new relationships and partnerships, all whilst continuing (for a long time to come) to deliver our crisis response work (which is itself exponentially different to our usual day job.). Oh, and dealing with our own personal experiences of the crisis to boot, and support our staff in their own personal experiences too. Just drained!”

Rob Williamson, Chief Executive of the Community Foundation which commissions Third Sector Trends said:

“When we launched the 2020 edition of Third Sector Trends in May we knew that the data would need to be updated because of the pandemic. We also knew we had a large and willing community of respondents who we hoped



wouldn't mind filling in another survey. As Professor Chapman notes we can't say whether the fears of organisations surveyed the organisations will come to pass but the data gives us a benchmark for when we come back in 2022 and find out whether this lack of confidence was misplaced.”

The report is available now from the Community Foundation serving Tyne & Wear and Northumberland.

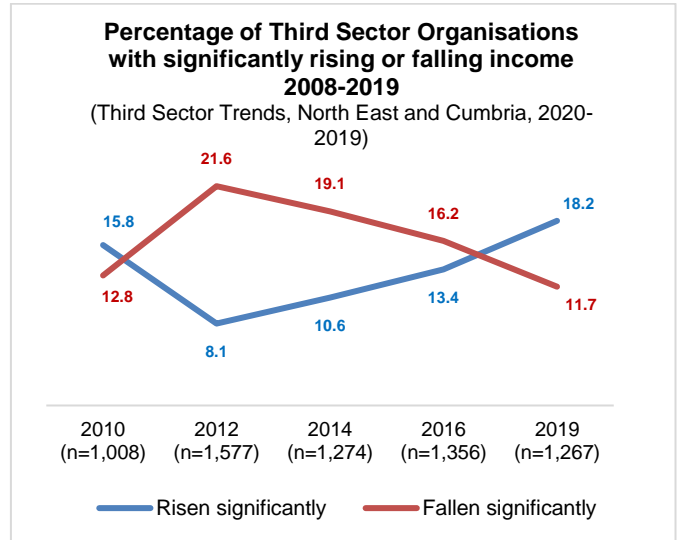
Coping with Covid-19, the situation of charities working in poorer areas

A report published in September 2020 warned that charities and social enterprises in deprived parts of the North of England are most at risk from the economic effects of Covid-19. The report, by Tony Chapman, Sarah Longlands and Jack Hunter (published by IPPR North) analyses the experiences of third sector organisations in the region over the last decade.

The new analysis shows that although the third sector is more resilient than generally thought, one in four charities in the North are based in deprived areas, and it was these organisations which were hit hardest following the 2008 recession and subsequent period of government austerity policies.

Covid-19 has had a disproportionate impact on people already on the sharp end of inequalities. This means that local charities will face difficulties in the coming years due to rising demand for their services but falling income.

Despite the significant challenges posed by the economic effects of Covid-19, today's report shows that Northern third sector organisations, have a 'make-do attitude' are resilient and able to adapt well to change.



The report calls for a new deal for the voluntary and community sector in the North by building support into plans to 'build back better' such as the creation of a Northern 'growth body' or 'prosperity board' which is widely expected to be announced as part of the Devolution and Recovery White Paper.

Sarah Longlands, Director of IPPR North argued:

“Third sector organisations provide the foundations for a strong and resilient Northern economy and continue to play a vital role in supporting communities during the current Covid-19 Crisis. “So we simply cannot ‘level up’ from the Covid-19 pandemic unless we ensure these organisations receive the support and the respect that they deserve to help weather this storm.”

And as Professor Tony Chapman observed:

“Charities and social enterprises are more resilient than generally thought. They tend to be financially prudent and can adapt to circumstance. After the 2008 crash and years of austerity, many showed this flexibility by generating more income from self-generated trading. But now, cashflow is seriously under threat because Covid-19 has limited their scope to run shops and cafes or charge for services.”

The report can be downloaded from IPPR's website at this address: <https://www.ippr.org/research/publications/third-sector-trends-survey-2020>



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