JK YOUTH



The impact of Covid-19 on England's youth organisations Executive Summary

Introduction

About UK Youth

UK Youth is a leading charity that exists to ensure all young people are equipped to thrive and empowered to contribute at every stage of their lives. We work with others to ensure that the youth sector is strengthened, supported, and that provision is youth-led, evidence-informed and delivers high-quality outcomes.

UK Youth plays a unique role in addressing; the lack of investment in the youth sector, the lack of cross-sector understanding in how youth work makes a difference and the limited opportunities to embed effective solutions. These factors lead to mass inequality of access to youth services for young people.

UK Youth's vision: All young people are equipped to thrive and empowered to contribute at every stage of their lives.

UK Youth's mission: As a nationwide movement, we work together to deliver innovative youth services, grow effective practice and campaign to increase support for youth work.



The UK Youth Fund

The UK Youth Fund was launched to address the devastating impact that the Covid-19 pandemic is having on young people and their youth services. We were hearing that many organisations were fighting for survival, whilst still trying to support the young people who need their help. The UK Youth Fund was launched with an initial commitment of funding from Pears Foundation and the Paul Hamlyn Foundation (thanks to match funding from DCMS through the Community Match Challenge).

In November 2020, we took the opportunity to launch the new UK Youth Fund with a questionnaire. The aim was to help us build a more comprehensive picture of the impact the Covid-19 crisis is having on youth organisations, and the support they need to continue their vital work. The eligibility for this funding was restricted to organisations in England, with a turnover of under £250,000. However, we encouraged any youth organisation in England to complete the questionnaire to support us to collect this evidence - even if they were not eligible for the funding.

1,759 youth organisations completed the questionnaire, of which 94% had an annual income of under £250,000, and almost half (49%) reported an income of below £50,000. Reflective of the youth sector more generally, the participating organisations are extremely varied. They include a wide range of organisations such as voluntary community groups, large youth clubs, uniformed groups, indoor and outdoor sports centres and services connected to housing, formal education providers and local government. Collectively these organisations reached a considerable 2,103,475 young people per year prior to the Covid-19 pandemic¹.

The purpose of the collection of this data was first and foremost to enable the grants process. As such, robust sampling measures have not been taken as, whilst the questionnaire was widely promoted, the participating organisations volunteered to submit their data. Furthermore, most met the eligibility criteria of the fund and will have completed the questionnaire in order to apply for funding. Consequently, this report represents these small to medium-sized youth organisations in England and provides a snapshot of the impact of Covid-19 on the youth sector. However, results from organisations engaging in the research that were not eligible for funding align with the findings, suggesting that other organisations in the sector are experiencing the same challenges.

This executive summary provides a brief overview of the research findings and recommendations. To view the full research report, go to <u>www.ukyouth.</u> <u>org/useful-resources</u>

¹Sample size = 1,576

The findings

How Covid-19 is impacting the youth sector

Youth organisations report that Covid-19 is having a significant, negative impact on young people. It is therefore not surprising that 66% of participating youth organisations are experiencing an increase in demand for their services, with 32% of them stating that the increase is significant. However, youth organisations have been forced to reduce their services due to Covid-19 restrictions and the financial implications of the pandemic. Additionally, young people are experiencing a variety of barriers to accessing available provision.

20% temporarily closed or preparing to permanently close.

This has created a huge gap between the needs of young people and the youth sector's capacity to meet them. Indeed, 65% of participating youth organisations report that they are working with fewer young people now than before the pandemic. Moreover, 58% of youth organisations are currently operating at a reduced level, with a further 20% temporarily closed or preparing to permanently close. As one youth worker explains:

Our building closed in March 2020 and is not opening until April 2021, so [we have] no income and we cannot operate in person or deliver group work. There is currently a reduction in young people receiving our services and support, staff have no wages and we will close after Christmas without funding.

This executive summary outlines the challenges youth organisations face in providing services to young people. It then explores the devastating longer-term impact that the pandemic will have on England's grassroots youth organisations, and the young people they serve, if action is not taken to provide the sector with the financial and non-financial support it needs.

Young people are experiencing barriers to accessing youth organisations' services

The pandemic has had a severe impact on the mental health and wellbeing of young people. In turn, this reduces young people's ability to access youth services. Young people are losing self-confidence, feeling disconnected and experiencing anxiety. This includes Covid-related health anxieties and more generalized anxiety, exacerbated by the pandemic and associated issues such as social isolation. As expected, Covid restrictions and regulations such as requirements to self-isolate are affecting young people's ability to access youth services. However, some young people also lack understanding of the Covid-19 guidance and what they are allowed to do. This, along with the subsequent fear of the police and fines for not adhering to restrictions, has created a barrier to accessing youth services. Critically, many youth organisations report that young people cannot access their services as they do not have digital equipment, or a suitable environment in which to engage in online provision. As one youth worker explains:

"A large proportion of estate residents live in crowded conditions and young people often share rooms with younger siblings. They have struggled with online learning due to lack of space and internet/computer access."

Finally, young people are unable to, or express concern about accessing transport to attend face-to-face services.

Covid-19 restrictions have led to the need to adapt or reduce and discontinue

As expected, government restrictions put in place to manage the pandemic, such as lockdowns, social distancing, and limitations to the number of people that can meet, have significantly impacted youth services. 97% of youth organisations report that their services required adaptation if they were to continue. Whilst youth workers acknowledge that some provision cannot be substituted, the need to offer support whilst normal services are unavailable has sparked innovation within the sector. The most significant modifications that youth organisations have made include moving to digital delivery, outdoor activity, and detached youth work, as well as ensuring their services are Covid-secure. Additionally, youth organisations have introduced further training to enable youth workers to deal with new and exacerbated issues experienced by young people during the pandemic. They also report greater partnership-working with charities, local community, parents, and other youth services. Together, they have been better equipped to provide, signpost, and refer young people to appropriate provision. However, many youth organisations report that their efforts to adapt have been stunted by limited access to funding and staff time. Consequently, many services with the potential to be adapted have been suspended, or offer far fewer places, eliminating vital support for many young people. As one youth worker explained:



The young people we work with lost these services overnight.



The pandemic has had significant financial implications for the youth sector

Youth organisations have worked hard to adapt to this new way of life. However, these adaptations are costly. As one youth worker explains: **"The face to face programmes have adapted to incorporate social distancing, which splits the group in two.... Because of this, the cost of delivery has increased as it's doubling the time we need the educators and coaches on site. This is not sustainable."** Despite a reduction in the number of young people youth organisations can reach, 57% stated that the cost of delivering their services has increased.

83% of youth organisations report that their income has decreased since Covid-19 hit.

Furthermore, 83% of youth organisations report that their income has decreased since Covid-19 hit. Many have relied on emergency Covid funding as they have lost traditional sources of income, including trading income, community fundraising and grant funding. One youth worker explains: **"The loss of the lottery grant for this year means the loss of half our income. With Covid, funders have put some applications on hold".**

This reduction in income has led to a need to reduce expenditure. Most notably, youth organisations report that they have been forced to reduce the number of paid staff members they employ, the hours they work and the salary of those that remain. As one youth organisation explains:

"

We had to change the staff composition by reducing the number of staff from 12 to 5. The staff left are the Director, Administrator and 3 Youth Workers. The Director took 60% salary reduction and the Administrator took 50% salary reduction with the 3 Youth Workers taking 50% reduction in hours worked.

Indeed, despite relying on a large voluntary workforce, 54% of participating youth organisations state that they have had to, or it is likely that they will have to, reduce their number of paid staff. Furthermore, the staff that remain have had to prioritise fundraising activity to address significant gaps in income, rather than directly supporting young people through frontline youth work. One staff member explains: **"Increased staff time has been diverted to emergency fundraising rather than frontline youth work with young people".**

This has left youth organisations without enough youth workers to deliver their services to young people that are desperately in need of support. One staff member explains:

"We have had to let staff go, [and] scale back our services dramatically despite increased demand. Staff who stayed had deferred salary payments as we couldn't make payroll. It became difficult to deliver on contracts we had."

Additionally, many youth organisations have had no other option but to spend their free reserves. 62% of participating youth organisations state that they have had to spend some, or all their reserves due to the Covid crisis. Critically, 31% of organisations report that they will have no, or even negative, reserves by the end of the current financial year. Whilst they may have survived 2020, their financial resilience has significantly diminished, and they face another extremely challenging year.

The long-term impact of Covid-19

Without action, grassroots youth organisations will be lost from our communities

Youth organisations are entering the next financial year hoping to tackle increased levels of need amongst young people. However, they face this challenge with depleted reserves, a skeleton workforce, and increased costs due to the ongoing requirement to adapt their services. Additionally, many report that they have been unable to secure income for the upcoming year. Overall, youth organisations predict that income in the next financial year will only increase by 3% versus the current year, which is a drop of over £14m versus their income in the year prior to the crisis².

64% of youth organisations report that they are at risk of closure in the next 12 months

Meanwhile, they anticipate a near return to previous expenditure levels.

They also express concerns that the mechanisms that have allowed them to survive in the current year, such as emergency funding and opportunities to reduce expenditure, are unlikely to endure. Consequently, 44% of participating youth organisations forecast a shortfall between income and expenditure in the next financial year. It is therefore no surprise that survival of these grassroots organisations is on the brink - 64% report that they are at risk of closure in the next 12 months.

²Sample size = 1,268

Young people will lose vital support to overcome the effects of the pandemic

Youth organisations report that the pandemic, and the subsequent limitations of the youth sector, is having a substantial negative impact on young people. They report that young people are more vulnerable to issues such as poverty, child sexual exploitation and domestic violence. Young people are also more likely to be exposed to negative and risky activities, with youth organisations seeing an increase in engagement in gang activity, anti-social behaviour, negative online activity, substance misuse, criminal activity and risk-taking behaviours. Moreover, young people are experiencing challenges in accessing safe and reliable employment and are suffering from the financial consequences of this. They have also lost access to positive activities where they can develop personal skills and increase their employability. Furthermore, opportunities to engage in physical activity have also been limited, with the consequent negative impact on the physical health of young people. Crucially, youth organisations link all these issues to the most cited problem facing young people during the pandemic – poor wellbeing and mental health. As one youth worker explains:

Young people are suffering with increased mental health issues and feeling even more socially isolated since COVID-19.

Youth organisations play a key role in addressing these issues and they are wellplaced to support young people through and beyond the pandemic. The youth sector offers safe spaces and positive activities, qualified and trusted adults and bespoke programmes targeting the challenges faced by the young people they work with. So, it is no surprise that youth organisations report that limited access to their services is exacerbating the problems young people are experiencing. As one youth worker explains:

"Many young people we work with were living in dysfunctional families, exposed to violence and neglect, or tempted by gang recruitment while schools were shut. Their mental health is suffering because they cannot access the support they need."

Action must be taken to avoid the disappearance of these organisations from our communities and remove the risk of the problems young people face worsening even further.

What does the sector need to survive?

The youth sector is struggling to support our vulnerable young people, and many organisations face imminent closure. To remedy this, this report recommends key areas in which these organisations require both financial and non-financial support to survive and thrive during and beyond the pandemic.

Sustainable financial support

This report makes a significant recommendation focused on the financial health of the youth sector. It is clear that the need for funding is urgent and considerable. This sample of youth organisations reported a combined funding need for January 2021 to April 2022 of £52,262,170³. As this report presents a snapshot of the sector, it can be assumed that the total need across the sector is much greater. It is recommended that unrestricted funding is made available to the youth sector in order to address three main areas:

- Covering operational costs and responding to local need
- Rebuilding the workforce
- Facilitating adaptation of services, including investment in digital infrastructure.



³Sample size = 1,314

Covering operational costs and responding to local need

Firstly, long-term funding should be made available to cover the ongoing core and operational costs of the youth sector. This will plug gaps in income and depleted reserves, allowing youth organisations to pay bills, avoid closure and rebuild their financial resilience. It would ensure that youth organisations continue to support young people through and beyond the Covid-19 crisis. As one youth organisation explains: *"Funding would mean that the organisation is able to plan ahead beyond Covid-19 knowing that we are not using up reserves and vital resources. It would enable us to keep the lights on for the most vulnerable young people in the community"*. Moreover, long-term core funding would allow youth organisations to address the potentially long-term impact of Covid-19 on young people. Whilst it is likely that this will respond to increasing needs in mental health, employment, physical health, and vulnerability to negative activities, unrestricted funding would allow youth workers to tailor provision to the needs of the young people they work with. This would also break the constant cycle of fundraising to survive instead of focusing on frontline youthwork and would provide security for these services that are even more crucial during challenging times.

Rebuilding the workforce

Secondly, the youth sector needs financial support to rebuild their workforce. Youth organisations have been forced to reduce the number of paid staff members they employ and the hours they work. They have also lost frontline workers to the urgent need to fundraise and the sector risks losing remaining staff due to burnout and pay cuts. This has left youth organisations without enough youth workers to deliver their vital services. As one staff member reports: *"If the rate we're operating at continues, we will soon lose more of our workforce and slowly come to an end. An input of funding will reignite our delivery and save us from losing our workforce and closing".* Financial support would allow youth organisations to pay staff wages and re-recruit a workforce capable of responding to young people's needs. It will support them to prevent further loss of staff and reductions in working hours or pay and relieve concerns about job security.

Facilitating adaptation of services, including investment in digital infrastructure

Finally, this report has demonstrated that there is definitive need for funding to support youth organisations to continue to innovate and adapt to a new way of living. Most notably, youth organisations require funding to build their digital infrastructure so that they can continue to serve young people when face-to-face provision is not possible. Investing in digital infrastructure is about more than buying laptops for young people. Staff need upskilling to deal with the challenges they are facing from a new style of delivery and youth organisations need to invest time in adapting their offer and delivering the services online that are so desperately needed. Furthermore, both staff and young people also require access to the internet and a suitable environment to engage in online activities. Funding to facilitate adaptation should also support youth organisations to ensure that the spaces used by young people and staff are Covid-secure and utilize youth work methods better-suited to government regulations such as detached and mobile youth work.

Non-financial support

Non-financial support such as in-kind, pro-bono and capacity-building opportunities would also benefit the youth sector. This could include partnershipworking to offer development opportunities to young people and youth workers. Equipment and resources would also be extremely beneficial, as well as volunteered time across a range of skills to account for a reduced workforce within these organisations.

It is consequently recommended that fund distributors offer a funder plus model. This non-financial support should address the challenges that youth organisations are facing, specifically:

Delivering digital services (e.g. digital equipment*, training opportunities)

Accessing funding (e.g. training and pro-bono work in fundraising and bid development, advice, and communications regarding funding opportunities)

Developing an updated organisational strategy and future planning (e.g. advice, training, and pro-bono work)

Overcoming a reduced workforce (e.g. volunteers, training to replace lost skills)

Responding to the increased needs of young people during the pandemic (e.g. staff and volunteer training in key issues such as vulnerability to negative experiences, partnerships to facilitate referral to specialised support and employment partnerships providing mentoring and work experience opportunities.)

Conclusion

In conclusion, the youth sector is well-placed to support young people to overcome the increased challenges they face due to the Covid-19 crisis. However, Covid-19 restrictions, the financial implications of the pandemic and a variety of barriers to accessing youth services have limited the youth sector's capacity to meet them.

Youth organisations have strived to adapt to a new way of supporting young people, but efforts have been stunted by a lack of funding. Furthermore, a reduction in income and increases in costs have depleted the financial resilience of many youth organisations. This has left them in a precarious position, with almost two-thirds at risk of closure in the next year. A loss of youth services on this scale could have a devastating impact on young people. The sector consequently requires urgent support to continue their vital services.

Unrestricted, long-term financial aid should focus on supporting youth organisations to rebuild their workforce, adapt their services, and cover core and operational costs to enable them to stay open and respond to local need. Meanwhile, non-financial support should help the youth sector to adapt and overcome the challenges created by the pandemic. Support to address challenges in delivering services digitally and accessing funding would be particularly beneficial.

This report is representative of youth organisations with an income under £250,000. However, as results from larger organisations engaging in the research tell a similar story, it is proposed that this snapshot reflects the impact of Covid-19 on the wider youth sector.

This executive summary provides a brief overview of the research findings and recommendations. To view the full research report, go to <u>www.ukyouth.org/useful-resources.</u>

Acknowledgements

Thank you to all those that have made this report possible, including:

- Pears Foundation
- Paul Hamlyn Foundation
- DCMS
- Small Charities Coalition
- Every youth organisation who completed the questionnaire
- Young people and experts who sat on decision making panels for the fund.

UK YOUTH

UK Youth London Office, Kings Building, 16 Smith Square, London, SW1P 3HQ

Charity number: 1110590 www.ukyouth.org

Find us on:

