

Understanding the impact of the present cost-of-living crisis upon BAMER-led non-profits

By Money4YOU and The Good Trouble, April 2023

Context

The UK is currently facing a cost of living crisis that is affecting millions of people across the country. With rising prices for essential goods and services, many families are struggling to make ends meet. Charities, non-profits, and social impact organisations are not immune to the impacts of this crisis either - far from it. In fact, Black, Asian, multi-ethnic and refugee (BAMER*)-led non-profits are experiencing an even greater burden due to systemic inequalities that have been exacerbated by the pandemic and Brexit. The situation is critical, and urgent action is needed to support these organisations that provide vital services to our communities. Thus far, the lack of specific concern and consideration for BAMER-led organisations' experience and requirements in the face of the deepening cost-of-living crisis, has been disconcerting, to say the least. It is imperative that we now, as a sector, and society, acknowledge and address the unique challenges that BAMER-led non-profits are presently facing, and work towards developing innovative solutions that center the needs of these organisations and the communities they serve.

To better understand the impact of the cost-of-living crisis upon BAMER-led non-profits in particular, Money4YOU, with the support of The Good Trouble, undertook to take a temperature-check survey in order to gather insights of these organisations' experiences and challenges, and begin to imagine potential solutions to address them. By conducting this high level research, we aim to highlight the crucial role played by BAMER-led non-profits and community organisations in supporting the most marginalised communities in the UK, and we assert that these organisations require sufficient funding and support to sustain their efforts amid the deepening cost-of-living crisis. The outcomes of this brief study are intended to serve as a catalyst for UK financiers to increase their support for BAMER-led organisations, acknowledging the indispensable contribution they continue to make towards creating a more equitable and just society for all, and the increase burden this carries in times of (perma)crisis.

Our findings are eye-opening; revealing the devastating and deepening impact of the crisis on these organisations and the communities they serve.

Methodology

We elected to conduct a temperature-check survey released to members of Money4YOU's BAMER HUB, in order to gain a quick snapshot of the attitudes, opinions and experiences of BAMER-led non-profit organisations during the cost-of-living crisis. We deemed a temperature-check survey to be the most effective way to quickly assess the current situation, given its ease and simplicity in administration and completion. By sharing a short, online questionnaire to BAMER HUB members, we were able to gather insights from 54 self-identified BAMER-led non-profits in 72 hours. The results and snapshots highlighted here reflect those 54 respondents, but we note that our survey remains live and continues to gather further insights.

We intend for the results of the survey to provide valuable insights into the challenges and needs of BAMER-led non-profits during the present cost-of-living crisis, and to identify areas for further exploration, discussion, and importantly; action.

Results

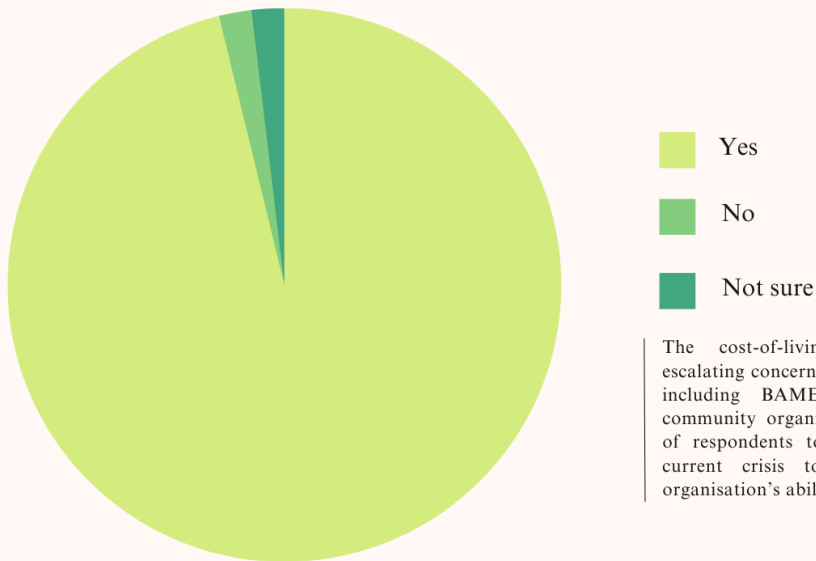
The results outlined below emphasise the urgent need for action and support to address this critical issue. What we are doing now; how we are operating, surviving, in our work now, is not sustainable in the longer-term. In this blog post, we will delve deeper into the findings of the survey, examining the challenges faced by BAMER-led non-profits and the implications for our wider communities. We will also explore potential short-term solutions and highlight the crucial role that collaborative efforts and innovative thinking can play in addressing the cost-of-living crisis and supporting BAMER-led non-profits through this difficult time, whilst looking to horizons beyond reactions to the present in order to create sustainable change for the future. It is clear that the insights revealed in this brief study require more than just short-term fixes, and that we must prioritise collaboration and innovation to find long-term solutions that can create lasting change and ensure the sustainability of our crucial BAMER-led non-profits.

The insights into the challenges faced by BAMER-led non-profits presented here highlight the urgent need for support and care-full solutions that are tailored to the specific needs of these organisations. Below, we will delve into the findings of the survey, discussing the challenges faced by BAMER-led non-profits, the impact on our communities, and the innovative solutions that could help tackle the crisis.

“ HAS THE COST-OF-LIVING CRISIS IMPACTED YOUR ORGANISATION'S ABILITY TO ACHIEVE ITS MISSIONS

ITS MISSION?

Our study has revealed that over 96% of BAMER-led non-profits report that the present cost-of-living crisis has impacted their organisation's ability to achieve its mission. This is a startling statistic and highlights the gravity of the situation for these organisations. The cost-of-living crisis has impacted the ability of BAMER-led non-profits to deliver vital services and support to their communities, exacerbating existing inequalities and perpetuating systemic issues. Playing a critical role in addressing socioeconomic inequalities within our communities, BAMER-led non-profits often work within vulnerable and marginalised communities and individuals who are already disproportionately affected by poverty, discrimination, and other systemic issues, which in recent years have been exacerbated by back-to-back or permanent crises.



The cost-of-living crisis remains an escalating concern for many across the UK, including BAMER-led non-profits and community organisations. More than 96% of respondents to the survey report the current crisis to have impacted their organisation's ability to achieve its mission.

This situation is compounded by the fact almost 91% of BAMER-led organisations have had to reduce or cut their services and programmes due to ongoing and deepening financial pressures and constraints.





- Yes
- No
- Not sure

The historic lack of robust financial support for BAMER-led organisations and their subsequent inability and struggle to sustain services and programmes in times of crisis is a direct result of a long history of systemic oppression, marginalisation, and discrimination faced by our communities that has built, and maintained, barriers to resources. The cost-of-living crisis only serves to compound these issues, making it even harder for BAMER-led non-profits to achieve their missions and support our communities. This highlights the urgent need for structural change and a re-examination of the way resources are accessed, distributed and allocated.

“ *It affected our sustainability as an organisation. We lost staff members. Staff are looking for higher salaries elsewhere. Our ability to grow and expand is dented due to the rising inflation which makes everything more expensive etc.* ”

Our brief study also starkly highlights that a significant proportion of BAMER-led non-profits are struggling financially. 83.3% of these organisations have had to reduce staff hours or make redundancies due to financial pressures in the past year.

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83.3%

**OF BAMER-LED ORGANISATIONS HAVE HAD TO
REDUCE STAFF HOURS OR MAKE REDUNDANCIES
DUE TO FINANCIAL PRESSURES IN THE PAST YEAR**



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“ It has taken us to the brink of existence. We have to volunteer more hours as we can't afford to pay staff wages.



Furthermore, 98.3% of BAMER-led non-profits have had to seek additional funds, explore other revenue streams, or borrow money to cover operational and organisational expenses in the past year. This

highlights the deepening, burgeoning financial pressure that these organisations are under, and calls for the urgent need for increased investment and funding to be made equitably accessible to these organisations.

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OF BAMER-LED NON-PROFITS HAVE SOUGHT ADDITIONAL FUNDS, EXPLORED OTHER REVENUE STREAMS OR HAD TO BORROW MONEY FOR ORGANISATIONAL EXPENSES DUE TO THE COST-OF-LIVING CRISIS IN THE PAST YEAR



To address these challenges, financiers and policymakers need to adopt care-full and participatory models of funding that prioritise the needs and interests of BAMER-led non-profits. This could involve providing flexible funding that allows for long-term planning and investment, as well as supporting the development of alternative models of funding that are better suited to the needs of our crucial BAMER-led non-profits.

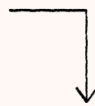
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“ We can not afford to open the centre as frequently as we would like as we can not meet the bills, having cut programmes at a time where more are needed... ”

One respondent to our survey puts it simply: this is a time where more programmes, and community support, is needed. Yet, this is a time where those very organisations who are best positioned to provide those services and support within our communities, are having to reduce or cut their services and programmes due to ongoing financial pressures and constraints caused by the cost-of-living crisis. This is a significant challenge, particularly for BAMER-led non-profits that are deeply rooted within our communities and understand the unique needs and challenges faced by those that they support. The consequences of this reduction in services is devastating, with many community members left without access to critical resources and support. It is essential that we recognise the importance of these organisations and the vital role they play in supporting our communities, and that we, as a sector, provide them with the necessary resources and support to continue to carry out their important work.

Recommendations

RECOMMENDATION:



Drive innovation and collaboration: With 98.3% of BAMER-led organisations having sought additional funds, explored other revenue streams or had to borrow money due to the cost-of-living crisis, there is a need for greater partnerships, innovation and collaboration among organisations. Emergent investment and funding should be accompanied by support for these organisations to develop new revenue streams, explore collaboration opportunities, and increase their capacity to respond to emerging needs.

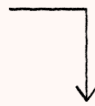
Our temperature-survey has revealed the urgent need for collaborative and innovative approaches to address the challenges faced by BAMER-led non-profits. One key recommendation is to foster more partnerships and networks between organisations, including those from different sectors and communities. This can facilitate the sharing of resources, skills and knowledge, as well as the development of joint projects and initiatives that, we know, can have a greater impact than individual efforts. In the face of permacrisis, the needs of our communities rapidly evolving and deepening, and the work of creating a better future requires a shift in strategies, skills, and conversations.

To address the challenges faced by BAMER-led non-profits, we recommend fostering innovation and collaboration through a care-full, multipronged approach. This approach involves developing flexible funding models that allow for long-term planning and investment, as well as building networks of support and mentorship to promote the sharing of ideas and best practices. In addition, we advocate for the

cultivation of diverse and inclusive leadership that reflects the communities these non-profits serve, and for the adoption of innovative technologies and digital tools to enhance efficiency and reach. These changes will require a paradigm shift in how we think about and approach social change and positive impact, including a move towards more collaborative and inclusive approaches that prioritise the voices and needs of historically marginalised communities.

We must also prioritise innovation and creativity in developing new solutions to address the challenges faced by BAMER-led organisations working towards social change. This means embracing new technologies and approaches, and fostering a culture of experimentation and risk-taking.

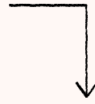
RECOMMENDATION:



Increase funding and investment: Our research highlights the urgent need for increased funding and investment for BAMER-led non-profits and community organisations to sustain them through this current cost-of-living crisis. With 90.7% of organisations having to reduce or cut services due to financial constraints, the impact of the cost-of-living crisis on these organisations and their ability to serve their communities is clear. Emergent funds should be allocated to support the specific needs of BAMER-led organisations as a priority, on an unrestricted basis.

Additionally, we must work towards creating a more supportive environment for social innovators, including providing resources and funding that allow for long-term planning and investment, and promoting a culture of care and empathy in our work towards a more just and equitable society. Given the urgent need for support and solutions to address the challenges faced by BAMER-led non-profits, it is crucial that we recognise the value of investing long-term in the groups and networks who are driving meaningful social change. The results of our temperature-check go some way towards demonstrate that investing in such groups means going beyond simply redesigning current systems and services. Instead, we must invest in, and nurture collaborations between, those who are committed to dismantling systemic inequalities and creating a new vision for what a just and equitable society could look like. We especially call upon those funders and investors who purport to challenge the status quo and push for innovative solutions that address the root causes of social and economic disparities to prioritise facilitating and building those collaborations. By increasing accessible funding and investment in BAMER-led non-profits, we will empower these organisations to develop and execute strategies that are specific to their needs, and which can deliver long-term positive impact for the communities they serve.

RECOMMENDATION:



Address systemic inequalities: The cost-of-living crisis has disproportionately affected BAMER communities, as evidenced by our survey where 92% of respondents' service users or beneficiaries have reported being affected by the crisis. It is imperative that any funding or support provided to BAMER-led organisations is designed with flexibility in mind and accompanied by a commitment to addressing the systemic inequalities that underlie the current crisis.

Capacity building and training programmes for BAMER-led non-profits, which seek to enhance their skills, knowledge and confidence to innovate and adapt to changing circumstances, is a priority area for investment in order to address systemic inequalities. It is imperative, however, that investors and funders seeking to truly address these systemic issues, design funding models and investment routes with care and flexibility, in order to ensure these solutions are equitably accessible for BAMER-led organisations.

Conclusion

In conclusion, the findings of our temperature-check have highlighted the urgent need for increased support and investment in BAMER-led non-profits in the UK. The data shows that financial pressures and constraints, coupled with the cost-of-living crisis, have resulted in the reduction or cutting of services and programs that are crucial to the well-being of many communities. Therefore, we must shift the paradigm in how financiers and policymakers approach funding toward care-full, flexible, and participatory models that prioritise the interests of organisations which are most deeply affected and impacted by historic, and continued, marginalisation. By investing in our vital BAMER-led non-profits and organisations, we can work towards creating equitable and sustainable futures for all.

If we look towards nature, our roots, "integrative" can refer to the concept of ecological integration, which is the process by which diverse elements within an ecosystem are interconnected and interdependent. This integration allows the ecosystem to function as a cohesive whole, with each element playing an integral, valued role in maintaining its overall health and stability. In this way, investing in capacity building and training programs can empower BAMER-led non-profits to develop the skills and knowledge necessary to innovate and adapt to changing circumstances. Additionally, a robust response to calls for greater transparency and accountability within institutions and bodies that continue to uphold and maintain traditional systems of power can start to shift paradigms in a wider context.

Ultimately, our collective efforts must strive towards building inclusive and just futures in which the contributions of all, particularly those who have been historically marginalised and underrepresented, are recognised, valued, and equitably resourced. In the depths of this present cost-of-living crisis, there is an opportunity for funders, investors, and policymakers alike to act, not just simply react, responsibly and

intentionally by seeking to design and invest in mechanisms that seed sustainable routes to equitable futures and propagate deep, intentional work from the intersectional grassroots that cultivate an integrative landscape that is care-full and more just. Through these efforts, we can begin to create a new vision of what our futures, both within and emerging from a burdening and deepening state of permacrisis, could look like.

You can read our [overview report here](#).

*The term 'BAMER-led' incorporates Black, Asian, multi-ethnic and refugee led organisations. It is important to note that we recognise that the term 'BAMER' is not without its limitations and requires constant review and refinement as we continue to strive towards more inclusive and accurate language. The respondents to this survey have self-identified as 'BAMER-led'.