



# Mission purposeful

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## Mission purposeful

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### Charities drive the nation's sense of purpose

The hundreds of thousands of charities, community organisations and faith groups that make up Britain's civil society play a unique role in supporting national wellbeing. They combine the agility and responsiveness of the private sector with the purpose and passion of the public sector. Freed from the short-term pressures of shareholder meetings and opinion polls, they can also provide a focus on long-term and often difficult structural change that is in short supply in much of the UK's political and business discourse.

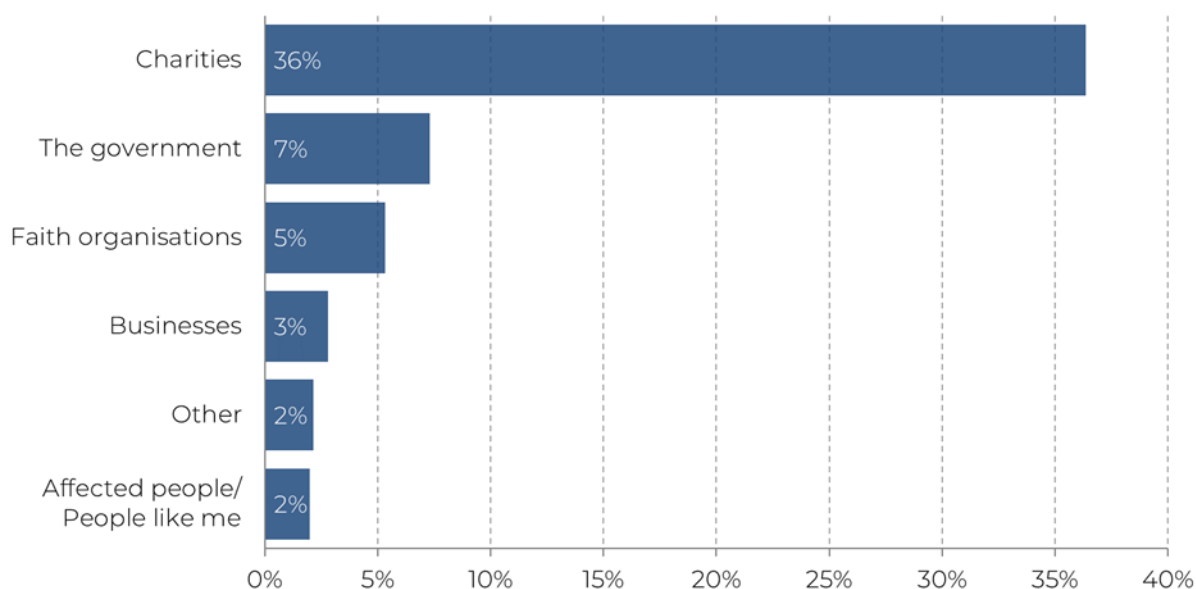
Moreover, charities hold a unique position of trust among those who feel isolated and marginalised. They provide a route back in for those who struggle to put their trust in the state or feel disconnected from public services, and they have the patience and persistence required to meet the toughest of challenges.

By drawing in staff and volunteers from the communities they work with, charitable organisations are also often uniquely able to respond to the needs of the groups they serve. They understand hyper-localised context but can make connections across geographies and across institutions. They are highly practised at joining the dots between services, helping to make multi-agency approaches work and finding alternatives when they don't.

As the world becomes more complex, so the importance of ensuring civil society is woven tightly into the nation's social and economic fabric grows. Figure 1 shows that more than a third (36%) of people think that charities are best-placed to understand the issues affecting people in the UK today, more than five times the number of people who think the government is best-placed.

**Figure 1:** Charities are five times more likely than government to be cited as best understanding the issues affecting people in the UK

Which of the following do you think best understands the issues affecting people like you?



Notes: n=1,088, UK. Responses not shown: 'Other' = 2%; 'None of these' = 24%; 'Don't know' = 20%.

Source: PBE analysis of YouGov polling undertaken on behalf of Charities Aid Foundation, December 2023.

Overall, almost six in 10 (59%) adults in the UK think that government should listen more to charities when thinking about the long-term challenges facing the country (with just 5% saying it should listen less).<sup>1</sup> Yet political focus appears to have headed in the opposite direction in recent years. Sensible people will disagree about the specific merits or otherwise of the New Labour ‘Compact’ and David Cameron’s ‘Big Society’, but both at least represented serious attempts to provide a strategic and ambitious vision for the role of the charity sector in securing a better Britain. No such vision currently exists.

Against this backdrop, and as set out by the Law Family Commission on Civil Society, it is time for a reset of the relationship between government and the charity sector. Today’s summit provides an opportunity to explore what such a reset might look like under a future Labour government.

In particular, it offers a chance to consider how the charity sector can work alongside the public and private sectors to help to understand, shape and drive delivery of some of the Labour Party’s key ‘missions’ for reforming Britain. The targets set out by Labour across the domains of economic growth, health, crime, opportunity and climate are highly ambitious and will only be achievable if the different parts of society pull in the same direction. That has to include the charity sector and the thousands of organisations and individuals within it that undertake ambitious mission-led work every day of the year.

### Mission 1: Securing the highest sustained growth in the G7

While its contribution is often overlooked, civil society plays a critical triple role in getting Britain working. It serves as a source of direct employment, it generates productivity gains via its provision of volunteering opportunities, and it boosts labour supply and potential growth by delivering specialist support to people furthest from the jobs market.

Charities already employ over 950,000 people – accounting for 3% of all workers – and they are likely to be a significant source of further jobs growth in the years to come. The charity workforce expanded by 21% over the course of the 2010s, roughly double the pace recorded across the economy as a whole.<sup>2</sup> Importantly, that growth has presented opportunities to many whose potential is overlooked elsewhere in the economy. Women make up two-thirds of the voluntary sector workforce, for example, while nearly one in four identify as disabled.

Beyond the workforce, the nation’s charities draw on the support of more than 6 million volunteers. And more than one in four adults report volunteering in a formal capacity within wider civil society each year.<sup>3</sup> First and foremost, this is, of course, a huge resource for social good, but there are professional development benefits that flow to the volunteers too.

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<sup>1</sup> PBE analysis of YouGov polling undertaken on behalf of Charities Aid Foundation, December 2023.

<sup>2</sup> J Larkham, Inequality in civil society: the data, Pro Bono Economics.

<sup>3</sup> DCMS, Community Life Survey 2021/22, May 2023.

It may not be a primary motivation, but we know that some groups of workers become more productive as a result of volunteering, with some combination of experience, skills development, networking and even qualifications helping to raise their future earnings to an often significant degree.<sup>4</sup> Volunteering also has a positive impact on mental health,<sup>5</sup> and on the chances of some economically inactive and unemployed groups moving into work – with particular benefits in evidence for disabled people, older people and those with caring responsibilities.<sup>6</sup>

Crucially, the charity sector also delivers specialist employability services to groups that current state solutions do not work for. Over 4,000 charities across the UK work directly to reduce unemployment, while more than 4,500 provide employment training. Activities include pre-employment help, job coaching, job-seeking and in-work support for disabled people, refugees, care leavers and ex-offenders, among others. These are important and often nuanced services in their own right. But the sector's ability to support the whole person, in a way that the state can often struggle to do, makes its efforts even more effective.

Zooming out from the individual, the charity sector likewise plays a vital role in supporting regeneration and economic renewal of places too. Charities and community groups can serve as trusted and entrenched members of local governance networks charged with driving renewal in a given locality, for instance. And they can facilitate the local relationship-building that is known to be crucial to long-term regeneration.<sup>7</sup> Meanwhile, as shopping habits change, we know that people are spending more time and more money on high streets with stronger social infrastructure.<sup>8</sup>

There is a direct connection between the charity sector and economic resilience too, as highlighted by the fact that the strongest local responses to the pandemic were found in those areas with the most robust pre-existing charity infrastructure.<sup>9</sup> By equipping individuals with essential skills, resources, and opportunities, charities enable them to take charge of their circumstances. By working closely with these organisations, policymakers and local authorities can leverage their potential, tackling the intricate challenges associated with deprivation at a local level and driving sustainable growth from the grassroots.

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4 J Wilson, N Mantovan and R M Sauer, *The Economic Benefits of Volunteering and Social Class*, Social Science Research, 2020.

5 S Wang, *Can Volunteering Buffer the Negative Impacts of Unemployment and Economic Inactivity on Mental Health? Longitudinal Evidence from the United Kingdom*, *Int J Environ Res Public Health*, June 2022.

6 A E Paine, S McKay and D Moro, *Does volunteering improve employability? Evidence from the British Household Panel Survey*, Third Sector Research Centre, Working Paper 100, July 2013.

7 W Tanner, F Krasniqi and J Blagden, *Turnaround: learning from 60 years of regeneration policy*, September 2021.

8 Local Government Association, *Creating resilient and revitalised high streets in the 'new normal'*, January 2022.

9 A McCabe, M Wilson and R Macmillan, *Community responses to Covid-19: early research findings*, Local Trust, July 2020.

## Mission 2: Building an NHS fit for the future

The charity sector is at the very heart of the nation's health, from prevention to cure and from driving behavioural change to providing dignity and humanity in end-of-life care.

The largest health charities focused on cancer, heart disease and suicide make an enormous contribution to Labour's mission to reduce the number of lives lost to the biggest killers. Consider, for example, that the UK's medical research charities are estimated to have raised and spent £9.4 billion on medical research over the past five years, accounting for around half of all public spend on medical research.<sup>10</sup> Consider too the estimated 2.1 million people affected by cancer who interacted with Macmillan Cancer Support in 2021, and the 155,000 calls and webchats related to mental health challenges serviced by the Campaign Against Living Miserably (CALM) in 2021/22.<sup>11</sup> Through awareness-raising, research, guidance, support, services, equipment provision and more, these organisations deliver vital public good which is predominantly funded independently of the government.

Around the UK, several integrated care systems (ICSs) and local authorities are seeing the benefits of partnering with small charities to deliver targeted, localised solutions to the biggest killers. For example, Liverpool's public health team has responded to a rise in suicides by trialling a community-based mental health strategy with 40 VCSE organisations. Over 2,000 people have benefitted to date, and 98% of them say they would recommend the service.<sup>12</sup> In Tower Hamlets, east London, the local authority and partnership organisations have likewise benefited from working with community organisations to raise awareness of cancer symptoms and to prompt earlier intervention on what is the leading cause of premature death in the area.<sup>13</sup>

The charity sector is equally fundamental to Labour's goal to shift care closer to the community. Charities, community groups and faith organisations play a critical role in building trust and facilitating connection and relationships in neighbourhoods, developing understanding, disseminating information, and bringing health/care systems and communities closer together.

As was strongly demonstrated during the pandemic, the sector is highly effective at bridging the gap between health services and those furthest from care. User-led charities and those created by the community for the community often have a special place of trust – including with people who are most likely to experience health inequalities. This was well-demonstrated through the Community Vaccine Champions scheme during the pandemic, which funded collaboration between councils and communities to tackle vaccine hesitancy, combining the breadth and leadership of the local authority with the trust and links of voluntary organisations.<sup>14</sup>

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<sup>10</sup> Association of Medical Research Charities.

<sup>11</sup> Campaign Against Living Miserably, Annual Report 2021/22, October 2022.

<sup>12</sup> The Life Rooms, VCSE Micro-Commission.

<sup>13</sup> Tower Hamlets, Living with Cancer.

<sup>14</sup> ADPH London, Transformations in community collaboration: Lessons from Covid-19 Champions Programme across London, February 2023.



Specialised charities provide voices, networks and support systems that the state cannot. From charities focused on rare diseases, for which NICE struggles to justify the cost of providing guidance, to disabled people's organisations, which support people to navigate the complexity of frontline services, numerous specialist health charities allow patients to have voices, connections, and to interact with the NHS effectively. Sitting outside the NHS, they are nevertheless an important part of its ecosystem - a source of support which clinicians can turn to for expertise and patients can turn to for advocacy.

### Mission 3: Making Britain's streets safe

As organisations which stand outside the criminal justice system, but share the same goals of making streets safe and reducing serious violent crime, charities can be powerful partners with government when it comes to individual, community and national safety.

The sector provides services at every stage of the criminal justice system, from the moment someone enters police custody and the courts, through to probation and resettlement into the community after serving their sentence. It supports the prevention of crime too, from the provision of opportunities to young people at risk of gang involvement to awareness-raising around cybercrime and fraud. And charities are crucial in supporting victims of crime and survivors of abuse through the reporting and prosecution of crime, with the charity Victim Support alone providing help to 153,100 people in 2020-21.<sup>15</sup>

Charitable interventions have been shown to be effective at preventing crime and rehabilitating offenders, with value for money for taxpayers. For example, the Prisoners' Education Trust (PET) grants scheme, which enables adult prisoners to undertake distance learning courses, has been shown to lead to significantly lower reoffending rates and higher employment rates.<sup>16</sup> There is huge potential to learn from and scale interventions such as this.

The charity sector adds further value by drawing staff, volunteers and solutions from within communities affected by crime. While police forces continue to struggle to recruit and retain officers from diverse backgrounds, many criminal justice and prevention charities are led by staff and volunteers with lived experience of the justice system. St Giles Trust, for example, provided one-to-one interventions to 28,000 people dealing with exploitation, abuse, addiction and crime in 2022-23, drawing on employees with often similar backgrounds to the young people they support. Delivering flexible programmes which take account of cultural and local sensitivities has been shown to maximise the engagement of young people.<sup>17</sup>

Additionally, the charity sector's ability to provide whole-person, whole-problem support is key to Labour's mission to deliver whole-society responses to crime.

<sup>15</sup> Victim Support, Making our voices heard: 2020-21 Annual Report and Accounts, October 2021.

<sup>16</sup> Ministry of Justice, Employment and reoffending behaviour after support from Prisoners' Education Trust, Justice Data Lab Experimental Statistics, January 2021.

<sup>17</sup> JH Consulting, Evaluation of St Giles Trust's Community Fund (Home Office): Helping to prevent knife crime 2018-2019, May 2019.

Service users frequently face multi-dimensional challenges and disadvantages – from housing and education to employment and health. By rooting their work in local communities, charitable organisations can engage with people from marginalised groups through services that are locally appropriate and accessible – in a way that public services often struggle to do.

Charities can also play a leading role in meeting Labour's target of halving the level of violence against women and girls. A sizeable charitable sub-sector provides support from the moment a woman might feel able to speak about abuse through to the point at which they must enter emergency accommodation. A multitude of organisations at local and national level provide access to legal advice and counselling, while the sector also offers the full suite of longer-term support that can help a woman rebuild their lives. Charities and other organisations also advocate to prevent further abuse, help to create the environment and culture in which abuse is reduced, and provide public services with the skills and insights needed to identify abuse and support survivors.

Importantly, charities aiming to target violence against women and girls are very often led by survivors of abuse and take a collaborative and trauma-informed approach, putting their expertise to best use. Forums across the sector exist to put victims' and survivors' voices and experiences first, such as Women's Aid's Experts by Experience network and Hestia's Better Lives Forum (BLF).

#### **Mission 4: Breaking down the barriers to opportunity at every stage**

Charities offer support at every stage of an individual's development over the course of life, from charity-run nurseries to community adult literacy services. They are there throughout – and beyond – the school day, from breakfast clubs to after-school activities. And they equip the experts too, from teacher training to support for governors.

Children's and youth service charities go well beyond the academic, supporting wider development and personal wellbeing. They provide stability and structure outside the family and school, mentoring and confidence-building, and providing recreational opportunities and safe spaces for building networks.

The sector often serves as a bridge between need and provision, giving children and young people across the country a better chance of accessing opportunity. In doing so, charities often work in close collaboration with local authorities, schools, parents and other services. For example, charity SHINE works hand-in-hand with teachers to harness and fund their ideas for solving problems in schools; it brings parents closer to schools so that they are involved in interventions alongside practitioners; and it works with other foundations to scale interventions which have worked.

And the relationship between charities and young people is far from one-way: charities, community organisations and faith groups are also a conduit for children and young people to give back to society.

From Scouts and the National Citizen Service (NCS) to focused local initiatives, taking part in community action correlates with increased wellbeing and lower levels of anxiety for children.<sup>18</sup>

In doing all this, the value for money that charities provide is significant. The skills and experience of approximately 1.8 million people are brought to bear as volunteer tutors, governors and speakers, while a further 1.6 million people give up time to serve as youth club leaders, sports team coaches and mentors outside of school. And charities are often effective at harnessing the resources and good intentions of the private sector in this area. Magic Breakfast, for example, provides a highly cost-effective school breakfast club service through which every £1 spent on the programme can generate up to £50 in benefits.<sup>19</sup> One of the reasons it is so cost-effective is because corporations like Kellogg's and Heinz donate substantial volumes of goods to make it so.

Importantly, many charities provide a particular focus on those who are not given a fair chance. They offer the prevention and early intervention work that can break down the barriers to opportunity that face too many young people. From the Social Mobility Foundation (SMF) to Career Ready, andupReach to Urban MBA, there are hundreds of charities relentlessly focusing on breaking the barriers which hold young people back.

Early intervention gives children and young people the best chance of breaking cycles of intergenerational disadvantage. It can help to reduce the amount of support a person needs over their lifetime and has the further advantage of generating benefits that can ripple through the wider community. As PBE's recent evaluation of Place2Be's counselling service shows, rolling out one-to-one support across all primary schools in England that are currently without Mental Health Support Teams (MHSTs) could generate around £750 million in economic benefits every year.<sup>20</sup>

### Mission 5: Making Britain a clean energy superpower

Across the country, there are volunteers and charitable organisations working to restore and protect nature, to campaign for their towns to be plastic free, turning dilapidated areas into thriving community food spaces, and working together to generate clean energy. Indeed, there are over 6,000 UK charities working on the environment alone, while 11% of the British population volunteered with the environment or animals in 2023.<sup>21</sup>

As the salience of the climate crisis accelerates, individuals are also increasingly asking themselves how they can put their personal funds to use tackling this threat.

<sup>18</sup> National Youth Social Action Survey, Ipsos, February 2017.

<sup>19</sup> J Franklin et al, The economic cost-effectiveness of the Magic Breakfast model of school breakfast provision, Pro Bono Economics, February 2021.

<sup>20</sup> R Gomez, Place2Be's one-to-one counselling service in UK primary schools: an updated cost-benefit analysis, Pro Bono Economics, June 2022.

<sup>21</sup> N Tabassum & B Fern, UK Civil Society Almanac 2023, NCVO, October 2023.



While just 2% of global philanthropic giving currently goes to climate change mitigation, the amount dedicated to this cause by foundations tripled between 2017 and 2022,<sup>22</sup> and around 15% of people give money to conservation, environment or heritage causes each month.<sup>23</sup> These funds pour into a wide variety of strategies, including forest restoration, clean energy funding, carbon removal and public engagement.

These organisations and individuals would play a crucial role in Labour's mission to make the UK a clean energy superpower. To provide climate leadership in order to protect the planet for future generations, it will be essential to work with the leading environmental charities, many of which are headquartered in the UK - a useful advantage for building relationships. To build consensus locally for the substantial changes needed, and to encourage uptake of energy-saving measures by those people who often miss out, charitable and faith organisations embedded in their communities are key.

Cooperative and community organisations have a particular function in accelerating the green transition. There were estimated to be around 500 community energy organisations in the UK as of 2021,<sup>24</sup> and there is great potential for many more to grow and harness local enthusiasm for green energy production locally, energy efficiency measures, and charging point roll-outs. In addition to generating energy, these community organisations also generate jobs, with approximately 30% of community energy organisations employing paid staff.

## Conclusion

Charities sit at the centre of everything the nation aspires to – from the health of the economy to the quality of life we enjoy. It is important, therefore, that the government which comes to power following the next general election does what it can to help unleash its full potential. That means moving beyond the view of charities and community organisations as lowest-cost providers of public services and instead viewing the sector as a strategic partner that has full parity of esteem with UK business.

The public is on board, with nearly six in 10 (59%) believing that Britain's long-term challenges would be better met if government was to listen more to the nation's charities. And they are clear about the priorities government should set in this area, as [Figure 2](#) shows. Nearly a third (32%) think that government should encourage more wealthy people to support charities, while three in 10 (30%) say that charities should be more involved in decision-making.

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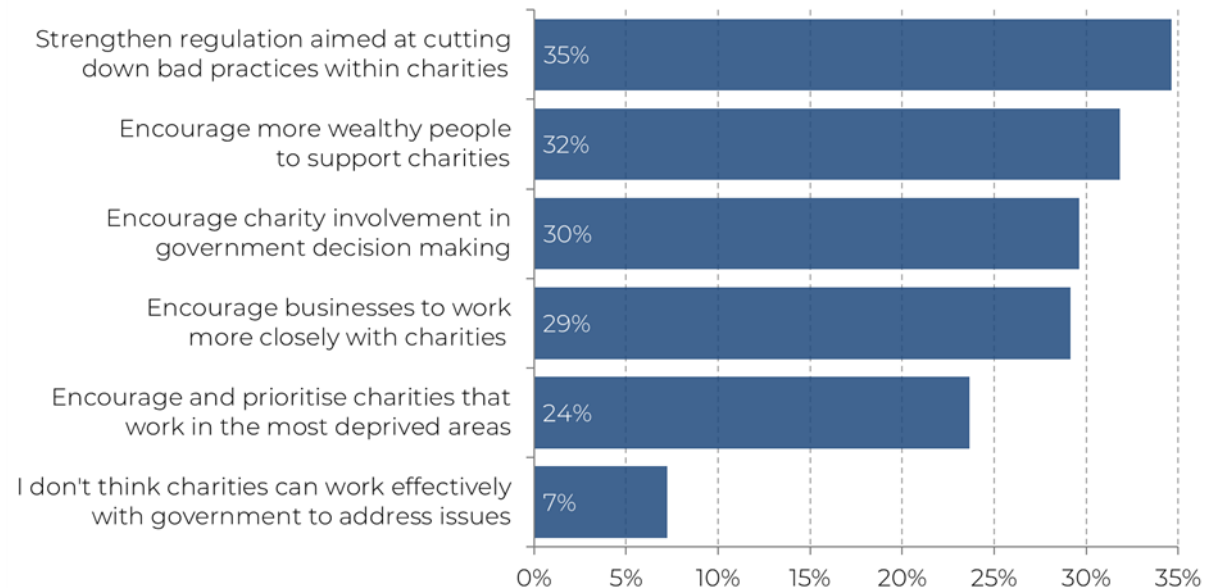
<sup>22</sup> H Desanlis et al, Funding trends 2023: Climate change mitigation philanthropy, climateworks, November 2023.

<sup>23</sup> UK Giving Report 2023, Charities Aid Foundation.

<sup>24</sup> Community Energy State of the Sector Report 2022, Community Energy England.

Figure 2. The government should prioritise strengthening regulation, encouraging philanthropy and involving charities in more decision-making

In what ways, if any, do you think the government can most effectively work with charities in the UK to address the big issues affecting the country?



Notes: n=1088, UK.

Source: PBE analysis of YouGov polling undertaken on behalf of Charities Aid Foundation, December 2023.

A charity sector which works hand-in-hand with policymakers across all parts of government would lift the voices of people who find it most difficult to be heard and ensure that a greater proportion of society's problems are stopped before they start. This is the essence of ending sticking plaster politics. And when crises do inevitably occur – whether for individual families or entire countries – an equal partnership of government, business and the charitable sector would mean people emerging more swiftly and less affected.

Ultimately, by supporting charities and other voluntary organisations to operate at their potential, the next government can invest in moving more people into good work, in improving the health of the nation, in making our communities safer and more welcoming, and in spreading hope throughout our younger people. In doing so, they will be investing in a better Britain.



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