



FINAL SUMMARY

JUNE 2019

Resources
FOR CHANGE

EMPOWERING COMMUNITIES IN THE CONTEXT OF BREXIT: SUPPORT TO THIRD SECTOR ORGANISATIONS IN WALES

Summary of a research project commissioned by WCVA, carried out by Resources for Change between March and June 2019

This research aimed to provide information about what needs to be done to support the community sector in Wales in relation to the impact of the Brexit process. The findings and analysis are based on evidence from third sector organisations across Wales which are providing a wide variety of services to people and communities, as well as reviews of quantitative data and relevant literature.

The research evidence base is not perfect: available statistics about EU funding, for example, are not fully comprehensive; responses from organisations did not always differentiate clearly between the effects of the Brexit process and austerity. However, there are clear messages about the existing and future anticipated impacts of the Brexit process, together with the steps that could make a positive difference to the third sector.

There are a number of different potential routes for providing support to third sector organisations and the sector as a whole, that individually and together could help with preparation for Brexit, resilience to cope with the negative impacts that are anticipated as a result of Brexit, and inclination to take advantage of opportunities. Some of the suggestions relate to support that is required as a direct result of the impacts of the Brexit process (shown in bold type, with grey shade); others are required because Brexit has exacerbated existing challenges (shown in plain type).

VOICE

- **Get third sector organisations a 'voice at the table' with Welsh Government and others who are making plans for Brexit-related support; ensure that that voice articulates the needs of the whole sector; "amplify" the voices of the small organisations.**
- **Raise awareness at a policy level of the unique needs of rural communities and the consequences for local third sector organisations, and service delivery.**
- **Consider identifying two-way regional 'link organisations' to hear from and inform local organisations; find out what improvements/support may be needed for these link organisations to fulfil this role as effectively as possible.**
- **Think about how to ensure all levels of organisations have meaningful representation in discussions related to Brexit-related future planning and preparations.**
- **Facilitate dialogue between public and third sector organisations about the realities of their inter-dependence, and opportunities for future working.**

SUPPORTING COMMUNITIES THROUGH THE IMPACTS OF THE BREXIT PROCESS

- **Enable effective local infrastructure organisations which:**
 - Provide the information community groups need around Brexit, and
 - Pro-actively identify gaps in community support needs which result from Brexit and work to enable those gaps to be filled.
- **Recognise and mitigate the impact of the diversion of Welsh Government officials on Brexit and away from community-focussed work.**
- **Enable a funding environment that supports the retention of facilities and services at a grassroots level that bring the community together (seen as particularly important in a situation where the Brexit process is perceived to have exacerbated cohesion issues) and enables them to take a lead in developing the most appropriate services for their needs.**

INFORMATION ABOUT BREXIT

- Agree a protocol between WCVA and Welsh Government about the timely provision and subsequent dissemination of information relating to Brexit.
- Get information about Brexit out to organisations in as timely a fashion as possible, presented in a way which is clear and succinct, and without jargon.
- Explain which of the circulating 'information' about Brexit is fact, and which is really important.

PLANNING AND PREPARATION FOR BREXIT

- Enable organisations to create the capacity to be able to think about what they need to do to prepare for the impact of the Brexit process.
- Ensure that local level organisations are aware if they have funding that originates from EU funds.
- For the sector as a whole, consider what data is really necessary to evidence the impact of the Brexit process, and how this could be collected.
- Ensure that WG and Local Authorities are fully aware about the ability and capacity of the third sector to prepare for the impact of the Brexit process, and that third sector organisations understand the issues facing Welsh Government and local authorities as a result of the Brexit process.
- Help organisations to understand the many different facets of operation they need to think about, in order to best cope with the impacts of the Brexit process.

ORGANISATIONAL RESILIENCE TO DEAL WITH THE IMPACTS OF BREXIT

- Build the skills and capacity of staff and trustees to recognise how best to build their organisation's resilience to deal with the impacts of Brexit, including:
 - Enable and encourage organisations to have the staff and trustee time to focus on growing their organisations' resilience relating to Brexit
- Build the capacity of organisations currently in receipt of EU funds to create an exit strategy from EU funding.
- Help organisations to consider alternative funding models and collaborations to improve their resilience following Brexit.
- Look at the evidence about what sort of funding is most effective in enabling organisational resilience and take these findings into future conversations.

THE EVIDENCE BASE

- Identify the information that is likely to help significantly in identifying and illustrating the impact of the Brexit process on the third sector, including:
 - a) The scale and nature of reliance on EU funding
 - b) The Brexit views and experiences of the micro- and hyper-local third sector organisations.
 - c) Continuing the growth of the evidence base about the impact of the Brexit process begun by this research.

CONCLUSIONS

Despite its limitations, the research team believes that this research has real value. For the first time, it paints a picture of the current and potential future impact of the Brexit process on organisations in the third sector in Wales which are delivering non-statutory services, with the aim of making a positive difference in terms of community empowerment, cohesion, resilience and prosperity.

It identifies what respondents describe as a “perfect storm”, whereby the areas which are most in need in Wales, (and which have received the highest levels of funding) are the ones most likely to be affected by a post-Brexit downturn, and its resultant challenges; leaving disadvantaged communities worse off and without the opportunities that EU funding, and the matched funding it attracts, has offered.

The report and its appendices clarify where the evidence gaps lie, making it possible for the sector to decide which of these gaps are sufficiently important to merit seeking and allocating resources to filling them.

Looking to the future, the work enables WCVA, its partners and its supporters to prioritise their actions, in terms of how best to support the third sector to cope with the anticipated negative impacts of the Brexit process.

There is an immediate need for resources to enable the sector to continue engagement with European institutions and networks. WCVA has started the initial stages of exploring engagement with the European Economic and Social Committee and some work explore the nature of the structures that would need to be put in place to ensure continued third sector engagement as a third country post Brexit.

Equally based on the findings of this report, further support should also focus on deepening the understanding of the impact of Brexit on the sector in Wales, through activities which will enhance sector capacity to build resilience to Brexit.

NEXT STEPS

This could be achieved by commissioning sector specific, organisation led work around the impact of Brexit within their sector. This would:

- Create capacity for the organisations leading work in their sectors to think about what they, and their sectors need to do to prepare for Brexit.
- Consider the data they can gather to evidence the impact of Brexit and use this to develop a more robust evidence base.
- Help to increase skills and understanding of how to build resilience specifically to Brexit.
- Potentially allow organisations who are in receipt of EU funding to think about long-term financial planning where this is highlighted as a risk and necessary for resilience planning.

The need for this activity has also resonates with the work of the Wales Civil Society Forum on Brexit which has shown that organisations in Wales generally lack the capacity and understanding of how Brexit is and may impact them to enable them to act and plan.

This will enable and encourage organisations to see opportunity and to move forwards in a positive way; thinking, planning and working in new ways for the ultimate benefit of the people and communities around Wales.