

# The Capital's Grassroots Response to COVID-19

The London  
Community  
Foundation

## LCF Briefing Paper

London's grassroots organisations are vital for our communities' most vulnerable people, now more than ever in the face of COVID19. But they are struggling with unprecedented challenges to maintain services.

The London Community Foundation (LCF) has a long history of funding grassroots organisations in the Capital. Critically we are already hearing from grantees about the challenges they are facing supporting London's isolated and vulnerable communities and those people who, by having to self-isolate, are potentially at further risk of harm. It's vital that we listen to their needs. That's why LCF is a signatory to the London [Covid19 Funders Commitment](#). This includes listening to grantees' changing and unpredictable needs, providing financial flexibility, and discussing alternative delivery and reporting arrangements to alleviate the pressure they are facing.

### 1. This is what we're hearing

- **Cashflow** – organisations are seeing threats to their income from individuals (due to the cancellation of fundraising activities such as the London marathon); from charged-for services (such as venue hire and ticketed events being cancelled); and, for larger charities, from contracts (payment-by-results services have been financed from other sources, but the "results" - like job outcomes – won't be achieved in the expected timeframe).
- **Reserves** – the average big-name charity has three or four-months' reserves. Many smaller charities have less. But this does not actually mean they can carry on for four months if the bulk of their income is about to disappear, because they must allow for redundancy and winding-up costs. Added to this, the value of many of the assets where charities had invested reserves has dropped significantly. In just a few weeks some charitable organisations will be forced to wind up to avoid trading while insolvent.
- **Maintaining services** – organisations are struggling to deliver core services (20% had already experienced staff or volunteer absence, for example through self-isolation), and are anticipating increased costs due to covering sickness or others self-isolating or providing additional expenses for volunteers.
- **Adapting services:** organisations are experiencing or anticipating a significant ramp up in demand for services (from telephone helplines linked to mental health, through to those providing emergency food), but need to rethink how to deliver. This means new ways (sometimes more expensive) to reach their beneficiaries e.g. moving from group outreach to one-to-one activities, or buying-in support or resources that were previously donated (particularly in the case of food bank projects). For other charities, their services may suddenly not be required or deliverable, threatening their ability to restart delivery once present storms have passed.
- **Developing new services** : organisations are needing to deliver new versions of services, or work in partnership in new ways (e.g. combining a befriending service that reaches isolated older people with a foodbank to ensure food can reach them during self-isolation),

as well as deliver entirely new offers (e.g. demand in children and youth sectors now schools have closed, and especially for the 200k London children on free school meals).

## 2. What LCF is doing

Our response is adapting quickly as needs change and as the government makes announcements. To this end we're working with partners from across London to gather intelligence and share learning.

- **Gathering intelligence** – we are encouraging open conversations with our grantees and being supportive of their needs. Many are under severe financial stress and their staff face huge personal stress. Where necessary we are accepting changes to previously agreed activities, grant periods and delivery dates. And importantly changes to budget lines, allowing grantees to repurpose funds for urgent coronavirus-related needs.
- **Securing funds** – we are asking our fundholders to top up their Donor Advised Funds to continue to support the core costs of their existing grantees. We have also launched the [London Communities Coronavirus Appeal](#), to raise new money for emergency needs now, support adaptations to services in the medium-term, and ensure the longer-term sustainability of London's grassroots charities. We know that from previous emergencies and disasters, there is a significant desire from people and companies to help locally.
- **Distributing funds** – community foundations across the UK are part of the [National Emergencies Trust Coronavirus Appeal](#). We will make grants from the funds raised through the national emergency appeal to support the health and wellbeing of vulnerable Londoners.
- **Sharing learning** – We are partnering with London Funders members to distribute funds at speed to where they are needed the most, coordinating with local resilience forums and specialist umbrella bodies. By working together, we can share vital live intelligence and respond to changing needs. Collaborating also means that charities and grassroots organisations can apply for vital funds through one single portal.

## 3. How you can help

### What can I do?

- **Donate** to our London Communities Coronavirus Appeal to support London's vital frontline grassroots organisations to reach the people and communities who need them. [Click here](#) or email [CoronavirusAppeal@londoncf.org.uk](mailto:CoronavirusAppeal@londoncf.org.uk)
- **Stand by the Sector** : If you are already giving to a charity, consider removing restrictions on your funding. The [Covid-19 Funder Statement](#) has simple recommendations for responsible funders during this crisis.
- **Gift shares**: LCF can accept gifts of shares to the Appeal. We always recommend taking independent financial advice beforehand. If you would like a conversation about how we can facilitate this, please email [CoronavirusAppeal@londoncf.org.uk](mailto:CoronavirusAppeal@londoncf.org.uk)

### What can my company do?

- **Support LCF's resilience**: additional support at this time will help LCF weather this storm and respond quickly to need on the ground. Please email [philanthropy@londoncf.org.uk](mailto:philanthropy@londoncf.org.uk)
- LCF can offer branded employee fundraising pages connected to the London Communities Coronavirus Appeal. This allows employers to **match-fund employee donations** . If you would like to discuss this please contact [CoronavirusAppeal@londoncf.org.uk](mailto:CoronavirusAppeal@londoncf.org.uk)

Thank you, The London Community Foundation