

Taking Stock and Facing the Future

The infrastructure and resources
of the UK migration and refugee sector

Executive Summary

April 2020

Foreword

This review was commissioned to mark a decade of shared focus on migration and public attitudes among a group of trusts and foundations in the UK. We planned to publish in July 2020. Our ambition was to inform conversations about how we work together across boundaries of geography, role and approach with the purpose of improving our collective capacity to achieve social change.

In March 2020, the Covid-19 pandemic impacted every aspect of our lives and society. It has accelerated the need for action to address exclusion and marginalisation, and to dismantle barriers to equality and justice. It has highlighted the need for collective responses to include everyone in strategies to stay safe and recover from this crisis, regardless of immigration status.

People around the UK have already responded with urgency, humanity and creativity. Charities are finding new ways to support people's daily needs and push for action on wider issues. But there are fundamental challenges ahead. We have decided to release this review now in order to provide a baseline for understanding the existing infrastructure and resources in this sector. We hope that it will provide a helpful context for action on the current crisis and future recovery, and a baseline for assessing the situation after this pandemic.

The data for this report is the most comprehensive assessment of this sector ever conducted. We are grateful to all those who contributed, and to the authors. The interviews and data were collected before the pandemic hit, so do not reflect the experience of how people have worked together during this period. We know that this field will be buffeted by the economic and social shocks. But many of the insights and reflections will remain relevant. They suggest that leaders of charities and funders within this small but resilient sector share an appetite to work together, to build on strengths and address gaps and weaknesses. By focusing on how we face the future together, we can build trust and collaborate, be agile in our responses, and connect to common values for the benefit of all.

Sarah Cutler and Dylan Fotoohi, Migration Exchange, April 2020

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Introduction

This is a summary of the findings of research commissioned by the funder network Migration Exchange to review the UK migration and refugee sector's infrastructure and resources, with a focus on contributing to social change.¹

The research was carried out by independent consultants between November 2019 and March 2020 and includes:

- A detailed analysis of registered charities in the UK working on migration and refugee issues.
- A survey of 130 NGOs working in the sector, with a combined annual income of at least £77million for UK migration and refugee-related work. In-depth interviews were also carried out with 26 CEOs.
- A survey of 16 key trusts and foundations supporting work on migration and refugee issues in the UK, capturing around £23million of related spend in the last financial year. In-depth interviews were also held with eleven grant managers.²

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An overview: the UK migration and refugee charitable sector

There is a wide ecosystem of civil society work in support of people who are subject to immigration control in the UK. This includes hundreds of registered charities, international organisations and community and voluntary groups whose work intersects with these issues.

Analysis of national data suggests that, within this wider support system, there is a 'core charitable sector' of around 570 registered charities, which work primarily or exclusively on migration and refugee issues in the UK and have a budget of at least £2 per annum. These charities have a combined income of around £117 million per annum.

The majority of this core charitable sector operate with a small or modest budget. Fewer than 3% have an income of over £1million per annum. Just over two thirds of charities (67%) have an income of under £100,000 per annum and 43% have an income between £2 and £25,000.

The great majority of charities (92%) within the core charitable sector are registered in England and Wales. Almost half (49%) of UK charities with an income of £100,000 or more are based in London and/or operate nationally.

¹ The term 'migration and refugee' is used as shorthand to include people seeking asylum and people who are subject to the wider immigration system.

² For the full research methodology and tables with further details of the data collected see the full report.

The remainder (51%) are based outside London and operate at a local, regional or country-specific (Northern Ireland, Scotland or Wales) level.

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Profiling the UK migration and refugee NGO sector

This research aimed to provide a broad profile of the UK migration and refugee sector in 2020, including both the core charitable sector and key allied organisations.

A detailed online survey was sent to the CEOs of 277 NGOs in January 2020, selected in order to provide a cross-section of the sector.³ The NGO sample was weighted towards larger organisations, with the aim of capturing the majority of resource in the sector, but also includes a sample of small, local and issue-specific organisations.

A total of 130 NGOs completed the survey, with a combined income of at least £77 million for UK migration and refugee-related work in the last financial year. There was a significantly higher response rate among larger organisations than among small and medium-sized NGOs, meaning that the survey findings offer solid indications of trends drawn from 'key players' rather than a comprehensive picture of the whole sector.⁴

Income, staff and location

Age The survey findings suggest that the UK migration and refugee sector comprises a large number of well-established organisations, with 90% of responding organisations established at least six years ago.

Income Our sample included many of the 'key players' in the sector, but even so their annual incomes were still relatively modest. Just 9% of the research sample have an income of over £1 million per annum. A further 40% of NGO respondents have an income of between £250,000 and £1million per annum and the remainder (51%) have under £250,000.

Location The sample findings show a high concentration of organisations in London and the South East. Around half of the NGOs responding to the survey work in or around London, and the geographic distribution of resources in the sector is heavily weighted towards the South East.

Key stakeholders Some NGOs that do not work exclusively on migration and refugee issues are key stakeholders in the sector (for example, British Red Cross,

³ The NGOs that were asked to complete the survey were: 135 registered charities in the UK with a primary/exclusive focus on migration/refugee issues, and an income of over £100,000 per annum; 87 small and medium-sized UK charities and voluntary/community organisations; 24 NGOs that work exclusively on UK migration/refugee issues, but are not charities; 31 organisations which do not work exclusively on migration/refugee issues but are key allies for the sector.

⁴ Overall, the survey received a 47% response rate. However, the response rate for small/medium sized NGOs was only 22%.

Doctors of the World, Liberty, Amnesty International). However, half of this group of stakeholders sampled for this research dedicate less than a third of their resources to this area of work. If their priorities changed, reducing the amount of work they focus on this set of issues, there would be significant implications for the sector both in terms of service provision and advocacy capacity.

Staffing and volunteers More than half of the NGOs surveyed have five or fewer full-time staff members working on UK migration/refugee issues. 18% of our sample operate with just one or two full time employees. Staff turnover, illness, or changes in the external environment will have a disproportionate impact on the capacity and workloads of these organisations.

Over two thirds of respondents have more than ten regular volunteers and 38% have more than 40. This indicates an average ratio of volunteers to staff of about three to one and suggests that many organisations rely on volunteers to deliver key aspects of their day to day work.

Activities and resource allocation

Focus of work There is a significantly higher number of organisations working with, or on behalf of people seeking asylum and refugees in the UK than with people in the wider immigration system. A third of NGO respondents exclusively work with people seeking asylum and people with refugee status, while just 7% only work with people in the wider UK immigration system. Nearly half of respondents (46%) work with, or on behalf of all groups in the immigration system.

Service provision 85% of the organisations surveyed provide direct services to people who are migrants and refugees. This is the core component of most NGOs' work, with nearly half (46%) allocating more than 80% of their resources to service delivery and two thirds dedicating more than 60% of their resources to this area of work.

Most NGOs typically deliver multiple types of services. More than two thirds of respondents provide integration support and 50% or more organise social/welcoming events, offer welfare advice, provide emergency support and give immigration/asylum advice.

Advocacy work Similarly, 80% of organisations engage in activities which aim to influence policy, practice or public opinion. However, this area of work is poorly resourced in comparison to service delivery, with half of respondents spending 10% or less of their resources on these activities. 47% have less than one full-time equivalent staff member to deliver their influencing work.

Furthermore, the limited resources that are available are thinly spread over many different forms of influencing work, with more than half involved in media and communications work, advocating with civil servants, lobbying parliamentarians and research work.

Wider sectoral support Nearly two thirds of organisations (62%) spent 10% or less of their time on providing resources or wider support to other NGOs in the sector and only six respondents (5%) spent more than 50% of their time on these activities.

Financial resilience

More than two thirds of NGOs stated that their funding had either increased significantly or slightly in the last three years and only 18% reported a decrease in funding. The two main reasons NGOs gave for the rise in incomes were a successful diversification of their funding base of trusts/foundations and an increase in individual giving. Grant managers thought that funding had increased in this period due to a spike in public donations following the humanitarian crisis in 2015–16, and an increase in Government funding for work associated with integration and the Syrian Resettlement Programme.

While this suggests that the core sector has a reasonably high degree of financial stability, other data from this research indicates significant underlying vulnerabilities:

- **Financial reserves** Two thirds of the NGOs surveyed only have reserves to sustain their organisation's activities for four months or less.
- **Dependency on trusts and foundations** Nearly half of the NGOs (46%) depend on grants from trusts and foundations for more than 70% of their income. More than half (58%) receive 10% or less of their income from individuals (memberships, donations, legacies or sales).
- **Restricted vs unrestricted funding** Unrestricted funding made up just 10% or less of the total income of nearly a third (29%) of the NGOs surveyed, and 20% or less for nearly half (44%). This is likely to limit the ability of the sector to respond to changing needs of beneficiaries, or to cope with shock events or crises.
- **Budget deficits** Nearly a quarter of NGO respondents (23%) ran a deficit in the last financial year.

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Funders of UK migration and refugee work

A total of 16 trusts and foundations contributed to the research. These funders had collectively invested around £23 million in work on migration and refugee issues in the last financial year.

More than two thirds of survey respondents have been supporting this area of work for more than ten years, indicating a high level of experience and commitment. Only two funders have started funding work in the sector in the last four years.

Most of the funders in our sample support a range of issues in addition to UK migration and refugee work (just three funders exclusively fund this work). Moreover, UK migration and refugee issues are not the primary focus of most funders' activity. Of those that support other issues, just under half dedicated 10% or less of their total spend to these issues in the last financial year and 84% allocated less than a third.

We asked our funder sample about their portfolio of grants for UK migration and refugee work for the most recent, complete financial year, and identified the following key trends:

- **Total grant portfolio** Of the total value of grants made by survey respondents in the last financial year, 25% were between £50,000 and £250,000, 19% were between £250,000 and £750,000, and 26% were between £750,000 and £2million. The remaining 32% of funders made a total of over £2million in grants.⁵
- **Size and number of grants** Six respondents (38%) gave grants averaging less than £25,000, and the same percentage made ten or fewer grants in the last financial year. All but two funders made fewer than 31 grants in a year.
- **Grant length** The average grant length for ten funders (63%) was between two and three years. Only one funder reported giving grants which had an average length of over three years.
- **Focus of grants** Six funders (38%) did not provide any unrestricted grants to NGOs working on migration and refugee issues in the last financial year and five (31%) did not provide grants for service delivery or advice work. These are the two areas of work that NGO survey respondents most consistently identified as being difficult to fund: accessing unrestricted grants (22 responses) and obtaining funding for the provision of advice/casework (20 responses).

⁵ Percentages have been rounded up and therefore do not add up to 100%.

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Strengths of the UK migration and refugee sector in 2020

Service delivery

Nearly half of the NGO survey respondents (48%) identified the provision of quality frontline services and support to people who are migrants and refugees as a key strength of the sector. They underlined that these services met vital needs and were delivered in an efficient and flexible way. At the same time, it was acknowledged that capacity to provide some services (for example, legal advice and mental health) and/or reach some areas of the UK was quite limited.

Staff knowledge and skills

Numerous NGOs highlighted the knowledge, skills and commitment of their staff. However, some concerns were raised about the stress that staff are under due to under-resourcing and the need to do more to retain staff, protect their welfare and avoid burnout.

Influencing work and organisations that inspire

The sector can be self-critical about its level of impact, but there have been considerable wins from influencing work. Campaigning on the Windrush scandal, the right to work for people seeking asylum, and immigration detention were most frequently identified by the NGOs surveyed as having recently had a positive influence on policy, practice or public opinion.

However, these campaigns are not isolated examples of successful influencing work. Over the last decade, the sector has collectively secured a range of significant policy changes, including on issues like: access to healthcare; the legacy backlog of asylum decisions; statelessness; eligibility for student loans/home fees; resettlement; refugee move-on issues; the relocation of Afghan interpreters to the UK; the EU Settlement Scheme; data sharing issues; the right to rent scheme; asylum seekers suffering domestic violence; legal aid for separated children; children's citizenship application fees; and the quality of decision-making on asylum applications.

The 37 CEOs and funders who were interviewed for this research also identified a total of 59 different organisations or initiatives from within the sector that had recently inspired them through the success they had, the new approaches they used or by what they accomplished with limited resources. The fact that there are so many different NGOs that are considered either effective, efficient or innovative by their peers is undoubtedly a strength for the sector.

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Weaknesses and gaps in the UK migration and refugee sector in 2020

Coordination and collaboration

Over 90% of funder and CEO interviewees either agreed or agreed strongly with the proposition that “the sector must pool its collective resources more if it is going to achieve significant policy changes.” Insufficient pro-active collaboration, cross-sector communications and information sharing were all highlighted as issues that impacted on the efficiency and effectiveness of the sector.

Capacity, a lack of trust and/or competition for resources all inhibit collaboration and lead to organisations focussing on organisational rather than sectoral goals. This in turn can result in duplication of services and advocacy work being fragmented or even contradictory.

We are too often motivated by organisational priorities, brand and profile, which can preclude us from pooling our time, resources and skills to go after bigger change.

While this suggests that the sector can be disjointed, 94% of the NGOs surveyed had recently collaborated with another organisation to try and influence policy, practice or public opinion. Many interviewees also stressed the effective coordinating work being done by organisations and coalitions in the sector.

However, most examples of positive joint-working are at a local level or limited to specific thematic campaigns. There is much scope for improving both cross-sectoral strategic collaboration and joint-working with NGOs in other sectors (for example, homelessness, health, equalities, human rights).

Strategic planning

Several interviewees highlighted a lack of detailed, pro-active strategic planning as a significant weakness for the sector. They noted that most organisations were primarily reactive in the way they engage with issues, as illustrated by the fact that the sector had not collectively planned for either a majority Conservative Government or a Labour victory.

While efforts at sector-wide strategic planning have not been very successful to date, it is encouraging that organisations are seeking to progress this area of work, as reflected in the recent establishment of the Asylum Reform Initiative.⁶

Both CEOs and funders were also concerned that there is insufficient appreciation of how different organisations can complement each other, particularly in relation to advocacy work.

Lots of organisations have different strengths – media skills, digital skills, policy understanding, engagement with young people, etc. We need to get to a point of thinking about how all these different skills and approaches can be deployed and aligned in a broad strategy.

Several CEOs stressed the need for some organisations to develop a more constructive relationship with the Home Office. They noted that pointing out the problems in the system was a necessary, but insufficient precondition of change and that the sector had to be more engaged in coming up with detailed policy proposals and ensuring they are properly implemented.

Inclusion of those with lived experience

More than 90% of funder and CEO interviewees agreed or agreed strongly with the proposition that “the sector should work more ‘with’ and less ‘on behalf’ of people who are migrants and refugees”.

There was a strong consensus that the sector is a long way behind other parts of civil society (HIV, mental health, disability, etc.) and that it needs to do more to systematically and meaningfully engage people with lived experience in its work. This should include recognising the expertise, knowledge and insight acquired through lived experience, and proactively utilising it in paid roles including in governance, leadership, service design and delivery, influencing and policy work.

There are indications that things are moving in the right direction. For example, more than 80% of NGO survey respondents stated that people with lived experience are directly involved in the design/delivery of their services and lead or significantly contribute to their influencing work.⁷

6 The Asylum Reform Initiative brings together six key civil society organisations that will work together, and with the wider sector, to develop a shared approach to trying to influence policy and practice relating to people seeking asylum and refugees in the UK.

7 Reflecting the importance of this issue, the 2020 Migration Exchange Leadership Development for Social Change programme will support 100 people with leadership development, at least half of whom will have lived experience of immigration controls.

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Funder engagement

CEOs in the sector generally consider funders to be flexible, proactive and strategic in the way they work. They particularly praised the use of strategic funding to support infrastructure organisations like IMiX, British Future, Asylum Matters and the Migration Observatory, which address gaps in the sector and facilitate joint-working.

NGOs also valued the convening role that some funders play in the sector, as it provides opportunities for organisations to connect with each other and share proposals, concerns and plans which otherwise may not take place.

There was a strong consensus amongst funders and CEOs that “funders need to do more to enable NGOs to focus less on short-term goals and more on innovation and long-term strategies”, with 89% of interviewees either agreeing or agreeing strongly with this proposition.

Several grant managers believed that trusts and foundations were too London focused in terms of their physical location, their grantees and their network of contacts. They also noted that grant managers' capacity to take on additional tasks was extremely limited.

The constant need to search for something innovative can make the sector feel that what we're doing is not good enough, despite the need for it.

Some CEOs thought that funders did not properly appreciate the constraints on NGOs' ability to deliver positive social change and over-emphasised the ability of the sector to reframe migration issues. Others were frustrated by what they considered to be frequent changes in funding priorities which left them unsure as to whether their core work was still valued.

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How could the sector strengthen its impact?

The sector faces considerable challenges in the coming years including the introduction of a new immigration system in light of Brexit, which is likely to lead to a significant increase in the undocumented population, as well as planned constitutional reforms to the Human Rights Act and the judicial review system. The size of the Government's majority means that it will be difficult to challenge changes that negatively impact on people who are migrants and refugees.

Although data collection for this research preceded the Covid-19 pandemic, the current crisis has clearly presented acute new challenges for the sector. Within migrant and refugee communities, many people will be experiencing

mental and physical health problems, job losses, increased financial insecurity and immigration status issues.

The economic and social consequences of the coronavirus are still unfolding, but are forecast to be more severe than the fallout from the 2008 financial crash, which resulted in nine years of austerity measures. This is likely to put considerable pressure on many organisations' front-line services, on their staff and on the financial sustainability of many NGOs.

At the same time, opportunities for a less polarised discussion of immigration issues are presenting themselves. These include a shift in public attitudes in which concerns around immigration have lessened; the Home Office's moves to distance itself from discredited immigration, asylum and removal targets; and the continued need for people to migrate to the UK for work, to address labour shortages at all pay levels.

There was a high degree of agreement amongst both CEOs and funders regarding the skills and activities that would benefit from further resourcing in order to help the sector meet these challenges and take advantage of opportunities as they arise. Although the Covid-19 pandemic has already changed much about the immediate landscape in which the sector is operating, the following proposals made by NGOs and funders are likely to remain relevant in the months and years ahead.

Leadership

Organisations cannot thrive by simply trying to do more with less as demand increases or by following the same theories of change irrespective of shifts in the social and political landscape.

Nurturing and developing leadership skills amongst CEOs, senior management and trustees will help organisations to maximise their impact. Mechanisms proposed for doing this included:

- Establishing a leadership network to share information, plans and look at how to solve problems together.
- Building a culture within NGOs which focuses less on protecting and promoting the interests of individual organisations and more on securing cross-sectoral goals which will be of the greatest benefit to migrants and refugees.
- Increasing the meaningful involvement of people with lived experience at all levels including governance, leadership, service provision, policy and advocacy work.
- Fostering a learning culture across organisations and sectors, so that models of good practice can be shared and existing procedures improved.

Coordination and collaboration

Around two thirds of the CEOs and funders agreed that more dedicated resourcing of mechanisms for information-sharing and collaboration would help to increase the sector's impact. Other actions which were suggested included:

- Working with other organisations to coordinate, streamline and/or merge services they run as a mechanism for both filling gaps in provision and as a way of meeting increased need with existing/reduced resources.
- Collaborating more with other NGOs, locally and nationally, to align advocacy work and undertake joint projects so that they can better achieve their strategic goals.
- Considering whether additional infrastructure to improve communication and joint-working is needed (for example, forums, sub-groups, sector wide list-serves, workshops/training events) and whether existing organisations or projects could take on these roles.
- Allocating a small increase in the resources dedicated to information sharing and joint work in both their annual and strategic plans.
- Making common cause with other sectors and professions around shared concerns, for example, racism, intolerance, exclusion, public trust in charities, judicial review reforms. This could shift values as well as deliver specific policy changes.

Influencing work

NGOs and funders identified various mechanisms for addressing gaps and weaknesses in the sector's advocacy work. These include:

- Shifting the emphasis of its advocacy work to proactive rather than reactive work and engaging policy issues upstream where the impact is usually greater.
- Working more with others to utilise the different influencing skills that each organisation has, as part of a cross-sectoral advocacy strategy.
- Being more solutions focused and finding ways to work effectively with the Government to identify and implement changes to policy and practice.
- Broadening its contacts with Conservative decision makers, influencers and supporters.
- Engaging the public better through greater use of strategic communications which lead with human stories and shared values, and give greater emphasis to stories of shared experiences and contribution, as opposed to negative, victimising narratives.
- Building more grass-roots support and utilising opportunities to achieve changes in attitudes and policy at the local level, especially where decision-making powers have been devolved.

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How could grant making be strengthened?

There was a consensus between grant managers and CEOs around the principal measures that trusts and foundations could take, in order to strengthen grant making and increase the sector's effectiveness. These included:

- Providing more unrestricted and long-term grants.
- Increasing funder collaboration via networks, strategic funding and pooled resources.
- Increasing support for infrastructure projects that address structural weaknesses in the sector and facilitate joint-working.
- Developing their convening role, including by facilitating more cross-sectoral collaboration and links with other sectors, business and Government.
- Working more closely with NGOs in the sector to develop a shared vision and strategy.
- Increasing funder plus initiatives which support capacity building but are also tailored to recipient's specific needs and priorities.
- Investing in diversifying their network of contacts, so as to benefit from different perspectives and be able to reach new grantees around the UK.
- Simplifying grant application and reporting procedures.
- Considering how to unlock more of the potential of community and grass roots organisations, by providing dedicated funding streams; encouraging larger NGOs to partner with them in joint applications; and looking at more asset-based community development models.
- Continuing to support service delivery projects that are effective and needed, especially where they provide evidence that underpins advocacy work to achieve systemic change.

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**The full report of this research is available
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