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# NAVIGATING CHANGE

## A REVIEW OF THE UK MARITIME WELFARE CHARITY SECTOR

### SUMMARY REPORT

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Dr. Catherine Walker and Deborah Fairclough





This report summarises the key findings of a major new research project reviewing the needs and demographics of UK maritime beneficiaries and the support offered by the UK maritime welfare charity sector. The report covers the ups and downs of the last tumultuous decade (2005-2015<sup>1</sup>) and looks to future challenges over the next thirty-five years to 2050. The full report providing the detailed analysis and commentary is also available.

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<sup>1</sup> 2005 marked the start of the last maritime charity research programme (Maritime Charities Funding Group (2007)), while 2015 reflects the most recent Annual Reports and Accounts available at the commencement of the current data analysis.

# INTRODUCTION

The last ten years have seen large upheavals in UK society. Economic recession and austerity measures have impacted the level of provision of state-sponsored support for individuals in need, increasing the pressure on charities via reduced funding and increased demand. At the same time, Strategic Defence Reviews and changes in global trade and UK fishing have also impacted maritime workforces and their families.

In recent years, much research has been carried out into the needs of the Armed Forces community<sup>2</sup>, and while this body of research has covered the Royal Navy and Royal Marines these currently make up just 19.5% of the UK's Armed Forces<sup>3</sup>. Very few studies have attempted to bring together research on the needs of the maritime sector as a whole, covering the Royal Navy and Royal Marines, Merchant Navy and Fishing Fleets.

## THE COMMISSION

In 2005 the Maritime Charities Group<sup>4</sup> (MCG) members agreed that there was a need to examine the support provided by maritime welfare charities matched against potential future needs. To achieve this, members jointly funded and managed a major research project covering the Royal Navy, Merchant Navy and the fishing industry, published in 2007:

*'Supporting Seafarers and their families: Challenges for the Future'. The report of the Maritime Charities Funding Group research programme on the needs of the UK seafaring community. May 2007.*

The research concluded that existing charity practices were, in many respects, inadequate to meet the current and future needs of the seafaring community, and included a large number of recommendations which were intended to inform the development of new working methods and standards in the planning and provision of services for seafarers and their families.

Ten years on, the MCG wished to understand how the landscape and predictions for the future have changed in the light of those previous findings and recommendations. A further set of research projects was therefore commissioned. Three projects aimed at describing the changes in demographics and needs of the maritime beneficiary population, particularly for older seafarers, who the 2007 research identified as having the greatest needs of all beneficiaries; and dependants and families of seafarers, about whom less was known. These projects form the basis of the following reports:

1. *Institute of Public Care (2015) 'UK Seafarers' Demographic Profile'*. This study used official statistics, expert opinion and statistical modelling to describe and predict the maritime workforce and their dependants 2015-2050.
2. *Opinion Research Services (2016) 'Older Seafarers' Needs'*. This study used surveys of and telephone interviews with older seafarers and their dependants and carers to build a picture of the current and potential future needs of this group.
3. *Institute of Public Care (2016) 'The needs and aspirations of the dependants and families of seafarers under retirement age'*. This study involved face to-face and telephone interviews with key stakeholders and an electronic survey of families and dependants of seafarers under retirement age to describe the current and future needs of this group.

“ the last ten years have seen large upheavals in UK society ”

<sup>2</sup> See e.g. The Royal British Legion's work (<http://www.britishlegion.org.uk/get-involved/campaign/public-policy-and-research/research-and-reports/>); the work of the King's Centre for Military Health Research (<http://www.kcl.ac.uk/kcmhr/publications/Index.aspx>); the Anglia Ruskin University Veterans and Families Institute ([http://ww2.anglia.ac.uk/ruskin/en/home/microsites/veterans\\_and\\_families\\_institute.html](http://ww2.anglia.ac.uk/ruskin/en/home/microsites/veterans_and_families_institute.html)); and the growing body of work funded by the Forces in Mind Trust (<http://www.fim-trust.org/reports/>) including the review of Armed Forces charities by Pozo and Walker (2014).

<sup>3</sup> MOD (2016). *UK Armed Forces Monthly Service Personnel Statistics, 1 September 2016*. <https://www.gov.uk/government/statistics/uk-armed-forces-monthly-service-personnel-statistics-2016>

<sup>4</sup> Formerly the Maritime Charities Funding Group, the MCG is a working group comprised primarily of maritime charities that make grants to support organisations. The current members are: Greenwich Hospital, the Merchant Navy Welfare Board, Nautilus Welfare Fund, the Royal Navy and Royal Marines Charity, Seafarers UK, Seafarers Hospital Society, Trinity House and ITF Seafarers Trust.

A fourth, and larger, project was commissioned from *The Researchery*, an independent research consultancy for the voluntary sector, and aimed to understand the supply side of the maritime equation – the maritime welfare charities which support maritime beneficiaries – and how well this meets the demand. This programme of work was aimed at assessing whether the UK Maritime Welfare Charity sector is:

- a. Currently fit for purpose (i.e. answering the needs of its beneficiary population today);
- b. Flexible and adaptive to the changing needs of its beneficiary population (i.e. has it adapted to changing needs over the last ten years, and is it capable of adapting to changes in needs over the next twenty years);
- c. Operating at the forefront of innovation and good practice, in particular with regard to the delivery of benevolence and housing, and in measuring impact (in comparison to the rest of the third sector and particularly with reference to other occupational sub-sectors).

This programme involved:

- 30 in-depth telephone interviews with a quota sample of maritime welfare charities, selected to ensure broad representation by workforce (Naval Service / Merchant Navy / Fishing Fleet), organisation size and geographical location, and organisation focus: beneficiaries / services;
- 7 face-to-face interviews with representatives of charities which are currently members of the Maritime Charities Group (MCG);
- An online survey of maritime welfare charities and tri-Service (Armed Forces) charities which achieved responses from 46 maritime welfare charities and 20 tri-Service (Armed Forces) charities;
- Identification of the Maritime Welfare Charity (MWC) sector, whose primary focus is on providing welfare support to maritime beneficiaries (N=81); analysis of maritime welfare charity accounts over ten years (2005-2015, where available); in-depth quantitative analysis of the finances of the largest maritime welfare charities (with an income of over £500,000); comparison with both the wider third sector and other occupational benevolent sectors sharing similar characteristics.

This report summarises the results of all of the above-mentioned research.  
The full report providing the detailed analysis and commentary is also available.



# Seafarers are still among the least visible of UK workforces and continue to face many needs unique to their occupation

## FROM THE OBSERVATION DECK

In a Foreword to the 2007 research, the then Charity Commissioner commented that: *'Your beneficiaries are among the least visible people in our society and this report shows how often this leads to patchy service provision for those in the greatest need... Working together, maritime charities now have the evidence to raise the profile of their beneficiaries' needs and place them higher in the public policy debate*<sup>5</sup>.

A lot can change in ten years, but some things remain the same. Seafarers are still among the least visible of UK workforces, and continue to face many needs unique to their occupation as well as many needs shared by other individuals in UK society. This report sets out to understand how these needs are being met by maritime welfare charities both now and in planning for the future.

It is important to understand that not all seafarers require support. The 2007 research estimated that around half of the UK seafaring community would have needs that maritime welfare charities could meet or alleviate, in addition to the foreign seafarers visiting UK ports. Of those seafarers that do require support, some groups will require more support than others.

On this point, it should also be noted that, due to the breadth of the study, this report focusses mainly on the greatest needs / unmet needs of seafaring beneficiaries and how to meet these. As previously mentioned, there already exists a body of work on the needs of the Armed Forces, veterans and their families, and despite Royal Navy and Royal Marines (RNRM) beneficiaries accounting for a majority of seafarers, this report follows the evidence to give greater weight to the less publicised needs of Merchant Navy (MN) and Fishing Fleet (FF) seafarers, ex-seafarers and their families. This is not to say that RNRM seafarers and their dependants do not have needs which require support, but that the focus of support which maritime welfare charities can offer may, where possible, need to shift in the light of the findings presented here, from RNRM to MN and FF.

The findings from the updated research programme provide a new picture of the current and future landscapes, against which maritime charities can assess their priorities, and plan their services and future financial commitments. The report concludes with some suggestions for future working in the context of the challenges facing the sector. Chief amongst these echoes the words of the Charity Commissioner ten years ago: *'I urge you to consider still greater collaborative endeavour with others in your sector and beyond. Your beneficiaries have everything to gain.'*

5 Maritime Charities Funding Group (2007). *Supporting Seafarers and their families: challenges for the future*. [https://secure.toolkitfiles.co.uk/clients/18838/sitedata/publications/SUPPORTING\\_SEAFARERS\\_2007.pdf](https://secure.toolkitfiles.co.uk/clients/18838/sitedata/publications/SUPPORTING_SEAFARERS_2007.pdf)



## DEFINITIONS, INCLUSIONS AND EXCLUSIONS

For the purposes of this research, and in line with the previous research<sup>6</sup>, the UK seafaring community is defined as comprising:

- current seafarers – people who normally work at sea in the maritime workforces and who are either normally resident in, or visiting, the UK as a serving seafarer;
- former seafarers – people who used to work in the maritime workforces and are normally resident in the UK;
- the dependants and families of working or former seafarers;
- young people involved with maritime youth groups.

Aside from the young people, the other groups share a 'seafaring lifestyle' which affects both working and retired seafarers and their families.

The maritime workforces are defined as comprising current and former seafarers and their dependants from:

- the Naval Service, including the Royal Marines, Queen Alexandra's Royal Naval Nursing Service (QARNNS) and associated Reserve Forces;
- the Merchant Navy, including the Royal Fleet Auxiliary, British seafarers working on UK and foreign-flagged vessels and large yachts;
- all sea fishing activities;
- directly-related industries which employ seafarers (including pilots, marine surveyors, marine managers and those employed on large yachts).

## GLOSSARY OF TERMS AND ABBREVIATIONS USED

For brevity we have used a number of abbreviations throughout this report:

**RNRM** – Royal Navy and/or Royal Marines

**MN** – Merchant Navy

**FF** – Fishing Fleet

**MWC** – Maritime Welfare Charity (a charity whose primary focus is on the welfare of maritime beneficiaries (those who work or have worked primarily at sea in any of the above categories of RNRM, MN or FF, and their families))

<sup>6</sup> Maritime Charities Funding Group (2007). *Supporting Seafarers and their families: challenges for the future*. [https://secure.toolkitfiles.co.uk/clients/18838/sitedata/publications/SUPPORTING\\_SEAFARERS\\_2007.pdf](https://secure.toolkitfiles.co.uk/clients/18838/sitedata/publications/SUPPORTING_SEAFARERS_2007.pdf)

# EXECUTIVE SUMMARY OF KEY RESEARCH FINDINGS

The full report is divided into ten sections, each dealing with a different area of the maritime welfare sector and the needs of its beneficiaries. The key insights in each section are summarised here.

## SECTION 1

THE POPULATION OF SEAFARERS AND THEIR FAMILIES IS CURRENTLY LARGER AND DECLINING MORE SLOWLY THAN PREVIOUSLY THOUGHT, PARTICULARLY IN SOME AREAS OF THE BENEFICIARY POPULATION. THE POPULATION OF POTENTIAL BENEFICIARIES IS PREDICTED TO FALL TO JUST OVER HALF (52%) BY 2050.

Section 1 of the report explores the changing demography of maritime beneficiaries and shows that **the population of seafarers and their families is currently larger and declining more slowly than previously thought, particularly in some areas of the beneficiary population. In fact, the population of potential beneficiaries is predicted to fall to just over half (52%) by 2050.**

In 2015 there were 1.35 million people in the UK seafaring community, comprising<sup>7</sup>:

- 74,800 working seafarers
- 258,000 former seafarers of working age
- 357,000 former seafarers over 65 (including 67,000 over 85)
- 662,000 dependants (including 191,000 children) of seafarers; 298,000 of which are older adults
- 13,710 Sea Cadets and 5,460 cadets in the Naval Service of the Combined Cadet Force<sup>8</sup>

Royal Navy and Royal Marines (RNRM) seafarers, former seafarers and their families continue to dominate the seafaring community in terms of numbers (58% in 2015), although this is a smaller proportion than previously estimated. Numbers of older RNRM dependent adults and children are higher than previously estimated and the fall in these groups will not be as steep as predicted.

There are significantly more serving and former Merchant Navy (MN) and (especially) Fishing Fleet (FF) seafarers and their families currently, and projected into the future, than previous estimates allowed (particularly older dependent adults and children).

Higher than predicted numbers of former MN and (particularly under-estimated) FF seafarers aged 65 and over will peak in 2020 and only start reducing noticeably after 2025. Crucially, older MN and FF aged 85 and over (those most likely to require care and support) are projected to increase by around 220% between now and their peak in the 2030s; while for RNRM the number of former seafarers aged 85 and above has already peaked and is now declining.

<sup>7</sup> Institute of Public Care (IPC) (2015), *UK Seafarers' Demographic Profile*. [https://ipc.brookes.ac.uk/publications/publication\\_806.html](https://ipc.brookes.ac.uk/publications/publication_806.html)  
Unless otherwise stated, all seafarer demographics (current and projected) are taken from this source

<sup>8</sup> MOD (2015a), TSP7 - *UK Reserve Forces and Cadets*. <https://www.gov.uk/government/statistics/uk-reserve-forces-and-cadets-strengths-2015>

New populations of maritime workers are coming on stream, including relatively large numbers of professional yacht and cruise ship crews, as well as smaller workboats servicing the offshore energy tapestry. These are a growing, younger workforce with different needs and aspirations, which the maritime charity sector needs to engage with. Under the relatively recent MLC 2006 definition of a 'seafarer' which includes, for instance, cruise ship on-board entertainers, numbers have risen quite sharply but there is insufficient evidence, as yet, for what this will mean in terms of eventual charitable need. In many cases these people will not accrue sufficient seafaring service to qualify for support.

Lastly, there are nearly 20,000 young people involved in Sea Cadets, Naval Cadets and Sea Scouts, and the numbers are growing in contrast to other cadets, meaning a fairly healthy population of younger people interested in seafaring.



The changing demographics point to a need for Maritime Welfare Charities (MWCs) to reassess their potential beneficiary population in light of the updated demographics and emerging new segments within the maritime sector, and then establish whether support reflects demand. Without doubt, relatively more support will need to be focused on older MN/FF seafarers in the next 10-20 years.



## SECTION 2

WHILE THE OVERALL PICTURE OF SEAFARERS' NEEDS REMAINS SIMILAR TO TEN YEARS AGO, SOME GROUPS OF BENEFICIARIES REQUIRE GREATER SUPPORT AND MAY HAVE MORE COMPLEX NEEDS – PARTICULARLY OLDER MERCHANT NAVY/FISHING FLEET SEAFARERS AND THEIR DEPENDANTS.

Section 2 summarises the needs profiles of different groups of maritime beneficiaries and how these have changed in the last ten years and how they are projected to change in future. This section shows that **while the overall picture of seafarers' needs remains similar to ten years ago, some groups of beneficiaries require greater support and may have more complex needs – particularly older Merchant Navy/ Fishing Fleet seafarers and their dependants.**

Over the last decade the needs of seafarers (both working age and older), their dependants and families, are likely to have been affected by a huge array of factors. These include occupational, demographic and societal changes, and the upheaval wrought by the economic downturn, public sector austerity measures, welfare reform, and other policy changes in health, housing, education and social care.

For example, since 2007 the proportion of respondents who find it difficult to make ends meet financially has remained at similar levels, but there has been a sharp fall in the level of savings, potentially leaving individuals in a more vulnerable position<sup>9</sup>.

Former, older seafarers and their dependants remain the group with the highest needs (particularly those from MN/FF who are set to increase in number). In wider UK society, those aged 65-74 are 1.7 times as likely to need support as someone aged 45-64, while those aged 75-84 require 2.5 times and those aged over 85 around three times as much primary care<sup>10</sup>, so the increasing numbers of older seafarers is a significant factor for care and support providers long into the future. Amongst maritime beneficiaries, the number of older former seafarers with longstanding illness, limitations with activities of daily living and dementia are all set to rise in older MN/FF and fall for RNRM. For these older individuals, loneliness and isolation remains a big problem, particularly amongst those from the Fishing Fleet.

In general, and particularly in later life, seafarers from the Fishing Fleet have more and greater needs, followed by MN seafarers and their families, with those from the RNRM reporting the fewest issues requiring support from MWCs. Support, advice and assistance relating to finances and housing remain the most important services requested by all seafarers and their families.



More support will be needed in the next 10-20 years around financial issues, loneliness and isolation, dementia, limitations with daily living and longstanding illness, with older MN/FF beneficiaries in particular having greater need than previously predicted.

9 Opinion Research Services (ORS) 2016). *Older Seafarers' Needs*. <http://www.seafarers.uk/wp-content/uploads/2017/08/Maritime-Charities-Group-Older-Seafarers-Needs-Report.pdf>

10 Department of Health (2011). *Resource Allocation: Weighted Capitation Formula Seventh Edition*. Statistics relate to ONS, National Population Projections 2010 Based Statistical Bulletin, Oct 2011. Tables 4 and 12. <https://www.gov.uk/government/publications/resource-allocation-weighted-capitation-formula>

# “ some beneficiary groups have more support than others ”

## SECTION 3

THE MARITIME CHARITY SECTOR IS DIVERSE, LOOSELY DEFINED AND UNEVENLY SPREAD ACROSS DIFFERENT SEAFARER GROUPS WITH THE RESULT THAT SOME BENEFICIARY GROUPS HAVE MORE SUPPORT THAN OTHERS.

Section 3 addresses the supply side – the maritime charities providing support to beneficiaries in need, and finds that **the maritime charity sector is diverse, loosely defined and unevenly spread across different seafarer groups with the result that some beneficiary groups have more support than others.**

While a large number of charities and other organisations offer some support to maritime beneficiaries, there are 81 registered maritime welfare charities focussed specifically on the maritime sector and providing relief-in-need to seafarers and their families (excluding tri-Service Armed Forces charities<sup>11</sup>). 36 MWCs primarily serve MN and FF, 19 primarily serve RNRM and 26 serve all three maritime sectors. These 81 form the focus of the analysis reported here.

Maritime welfare charities (excluding tri-Service Armed Forces charities) receive over £111 million and spend over £105 million per annum providing welfare support to the seafaring community. This makes the sector one-quarter the size of the Armed Forces charity sector (expenditure by tri-Service Armed Forces charities on the maritime community probably adds around £81 million to these totals). The maritime welfare charity sector is dominated by large grant-makers. Indeed, some £19 million is given by MWC grant-makers largely to other maritime welfare charities, which is translated into the various types of support given to individual beneficiaries, including £9.6 million which is given out in benevolent grants to individual beneficiaries.

When tri-Service Armed Forces charities are included, RNRM seafarers and their families seeking support have four times as many charities supporting them than either MN or FF; and over £40 million is primarily spent on RNRM by MWCs (plus an estimated £81 million by tri-Service charities) compared to £27 million primarily spent on MN and FF<sup>12</sup>.

While there is relatively widespread coverage throughout the UK in terms of where maritime welfare charities are headquartered, there is more of a Southern bias than the demographics of the neediest beneficiaries might warrant. While many charities have regional branches, some seafarers feel isolated from sources of support.

<sup>11</sup> Tri-Service Armed Forces charities provide support to serving and ex-RNRM, Army and RAF beneficiaries and their dependants.

<sup>12</sup> These figures represent total income and expenditure. The largest MWCs spent 76% of their total expenditure on charitable activities.

The array of support offered by MWCs is fairly comprehensive, however maritime welfare charities surveyed feel that the sector needs better health rehabilitation services, emotional support for seafarers and their families, services with an emphasis on social isolation, information about minority ethnic seafarers, and suitable accommodation for retired seafarers.

Very few organisations see the support network for seafarers and their families as a defined 'maritime charity sector' - many consider there to be a division particularly between those charities serving RNRM and those serving MN/FF, based on beneficiary need, a 'military vs. commercial' outlook, and the differing levels of support/funding available. While half of MWCs surveyed feel that maritime charities collaborate effectively with one another, having improved markedly over the last ten years, some barriers to a more cohesive sector still exist, including cross-sector information sharing and sign-posting. If there is a desire to propagate a more joined-up and holistic maritime charity sector, with greater co-ordination of beneficiary support, then further efforts will need to be made.



The maritime welfare charity sector provides a huge amount of support to maritime beneficiaries, but could still improve in some areas, particularly with regard to more poorly served groups. Having an acknowledged maritime welfare charity 'sector' and tighter bonds between organisations could be beneficial for both charities and beneficiaries in managing and delivering such changes in emphasis.



## SECTION 4

OVERALL THE MARITIME WELFARE CHARITY SECTOR STREAMLINED IN NUMBERS AND STALLED FINANCIALLY DURING THE RECESSION; WHILE LARGER MARITIME WELFARE CHARITIES AND THOSE SERVING RNRM BENEFICIARIES SURVIVED AND THRIVED BEST. LOOKING AT THE SECTOR AS A WHOLE, FUNDS HELD IN RESERVE WERE NOT UTILISED TO AUGMENT SPENDING TO ANY SIGNIFICANT DEGREE.

Section 4 describes the changing landscape of maritime welfare charities over the last ten years, and how the maritime welfare charity sector fared during the economic recession and other tumultuous events of the last decade. The research shows that **overall the maritime welfare charity sector streamlined in numbers and stalled financially during the recession; while larger maritime welfare charities and those serving RNRM beneficiaries survived and thrived best.** Looking at the sector as a whole, funds held in reserve were not utilised to augment spending to any significant degree.

The maritime welfare charity sector has streamlined over the last decade, shrinking in numbers, largely reflecting amalgamations and efficiencies in the RNRM section. Additionally, a number of major tri-Service welfare charities (mainly serving RNRM) seafarers have also emerged during the last ten years, for example Help for Heroes and Haig Housing.



## “ funds held in reserve were not utilised to augment spending to any significant degree ”

During the global recession, the sector's overall income flattened out, only picking up from 2013 onwards. And while overall spending increased in the first couple of years of the recession keeping pace with demand, it fell in 2010, only picking up again from 2014 onwards. The level of total funds also dipped during the recession due to the high reliance on investments which fell prey to stock market oscillations, and this may have scared some charities into holding on to their money. Indeed, the level of funds held in reserve by the largest maritime welfare charities increased slightly during the global recession, suggesting that at least some maritime welfare charities decided on a path of caution during these years – curbing spending and maintaining/building up funds for the next rainy day.

However, this aggregated view hides a more complex picture, with a number of individual maritime welfare charities drawing down on their investments at some point in the last 5 years to maintain higher levels of spending despite lower income. The experience of the last decade has been different for different charities, such that larger charities, those providing accommodation and grants to other charities and those serving the RNRM fared best over the last decade; and smaller charities, those providing benevolent grants to individuals, and those serving MN/FF fared less well over the last decade.

Two-thirds of MWCs surveyed reported increased demand over the last five years, while others struggled to find beneficiaries as the maritime population declines. The greatest increase in demand was reported by maritime welfare charities with FF beneficiaries.

On the whole, maritime welfare charities performed similarly to the wider third sector and other benevolent charities through the turbulence of the last decade, employing many similar strategies – but more lessons could still be learned.



The imbalance in the sector towards relatively greater support for RNRM beneficiaries has been exacerbated over the last decade, making it even more important to address now. With hindsight, the sector could have spent more of its reserves during this difficult period, and not doing so may have stored up greater problems for the future as far as beneficiary needs are concerned.

## SECTION 5

OVERALL, THE MARITIME WELFARE CHARITY SECTOR HAS A HEALTHY BANK BALANCE WITH PLENTY IN RESERVE, ALTHOUGH SOME MWCS ARE STILL FACING CHALLENGES AROUND FUTURE SUSTAINABILITY.

Section 5 looks at the financial health and sustainability of the maritime welfare charity sector, finding that **overall, the maritime welfare charity sector has a healthy bank balance with plenty in reserve, although some MWCs are still facing challenges around future sustainability.**

Since the global recession times are still hard across the maritime welfare charity sector, with income barely exceeding pre-recession levels, and while funds are enjoying stronger growth again, spending is only slowly increasing. Recent income growth has been propped up largely by LIBOR money and 'new' charities (primarily in the RNRM sector) as well as some exceptional grants to single charities, meaning that income is still an issue for some MWCs (especially those primarily supporting MN/FF beneficiaries).

The sector faces a number of ongoing challenges in raising income, including 'sea-blindness' (low awareness of seafarer need); increased competition between RNRM, MN and FF charities, particularly following efficiencies and growth in the RNRM sector; a declining legacy base; adverse charity publicity; fluctuating investment markets and difficulties in securing timely, and core cost or revenue grants.

The maritime welfare charity sector runs a fairly tight ship with good returns on money spent on raising funds through fundraising and trading, and low cost ratios on spending (although investment ratios could be better). Overall, the maritime welfare charity sector has a healthy bank balance, thanks mainly to its large, and currently expanding, investment portfolio (over £1 billion), but this varies dramatically amongst different charities, and without the top three (Greenwich Hospital, Trinity House Maritime Charity, and the RNRMC) the sector holds £388.5 million of assets.

Nearly half of the total funds of the sector lie in charities which primarily serve the RNRM community, with a further third lying in tri-maritime charities which serve all maritime workforces. Less than one fifth of the sector's reserves lie in charities primarily serving the MN or FF community. Overall, the sector has enough funds held in reserve to cover 3.3 years (39.6 months), although this varies for individual charities from 0 to 13.7 years. This compares with 5.7 months for charities in the wider third sector. If Greenwich Hospital's outlying funds held in reserve of £63.8M are removed, the sector's overall level of reserves decreases to 2.8 years or 33.6 months<sup>13</sup>. It should be noted that a large proportion of these funds are invested to provide long-term independent and sustainable income for the MWC sector.



A re-evaluation of the sector's financial position may now be in order, assessing what level of funds held in reserve, income and spending are required to provide the necessary support for beneficiaries in the short and long term. A big question remains over whether reserves should be invested to provide a degree of self-sufficiency in long-term funding or spent to provide more services for beneficiaries now?

<sup>13</sup> Stated outliers are removed to prevent skewing the data when talking about averages.

## SECTION 6

MUCH SEAFARER ACCOMMODATION AND SOCIAL CARE PROVISION IS OUTDATED AND, WHILST PROVIDING 'THE ESSENTIALS', MEETING FUTURE BENEFICIARY NEEDS AND ASPIRATIONS WILL PROVE CHALLENGING.

Section 6 investigates housing and accommodation provision for seafarers and their families, finding that **much seafarer accommodation and social care provision is outdated and, whilst providing 'the essentials', meeting future beneficiary needs and aspirations will prove challenging.**

There is a reticence amongst older seafarers and their dependants to live in specialist 'senior' residential accommodation, preferring to remain in their own homes as long as possible. Despite this reticence, an anticipated increase in older, frailer individuals with more complex health needs will demand more specialist 'senior' accommodation – the existing provision of care beds looks too low to cope with this.

Given that the maritime beneficiary population is ultimately reducing, accommodation charities need to 'future proof' their offer either by flexing the type of support provided (e.g. in-home care/financial support packages; step-down beds; extra-care) or by reviewing their beneficiary criteria (e.g. non-traditional seafaring roles and/or non-seafarers).

In addition, societal changes and evolving needs mean that housing requirements are continually changing. New initiatives such as co-housing, communal living, multi-generational living and collaborative caring may provide maritime accommodation charities with transformative future options.

Any new 'bricks and mortar' would need to demonstrate real return on investment (ROI); such capital investment may be better spent in partnership with non-maritime organisations to avoid the risk of empty 'seafarer-specific' facilities. Similarly, an increasing need for dementia and Alzheimer's care may be best met through partnerships/funding agreements with specialist mainstream providers.



Accommodation and social care provision needs to reflect a 'life-cycle' of care, looking beyond the essentials to ensure that evolving needs are met. A crucial part of meeting future housing and social care needs will be collaboration and co-operation across the maritime sector and beyond, as well as adapting existing provision.





## SECTION 7

WHILST A RELATIVELY HIGH PROPORTION OF MARITIME WELFARE CHARITIES PROVIDE DIRECT FINANCIAL ASSISTANCE TO INDIVIDUALS, IN MANY CASES THIS NOW FORMS JUST ONE PART OF A WIDER 'BENEVOLENT' SUPPORT SOLUTION.

Section 7 describes the role and relevance of benevolent grant-making, finding that **whilst a relatively high proportion of maritime welfare charities provide direct financial assistance to individuals, in many cases this now forms just one part of a wider 'benevolent' support solution.**

Just under half of maritime welfare charities which deal directly with individual beneficiaries provide financial assistance, and their ongoing support will prove vital as austerity measures continue to bite. One third agree that monetary grants given directly to individuals are *'the most effective benevolence channel'*, with many believing that such monies need to form part of a wider support solution. Many MWCs are now looking at preventative or 'upstream' solutions to address issues before they become a problem, and believe that increased lobbying of government and other industry bodies to improve seafarers' working conditions would be beneficial in this respect.

Case-working is widely used, although its implementation – from purely financial to wide-ranging, professional assessments – is inconsistent across the sector. In addition, the development of information and advice services such as SAIL<sup>14</sup>, has resulted in beneficiaries being advised on statutory entitlements, rather than defaulting to charity 'hand-outs', whilst improved sector networks have led to more collaboration and sign-posting to provide beneficiaries with a rounded solution. Inconsistent beneficiary eligibility criteria can still present challenges for sign-posting and collaboration.



Much can, and should, be done to initiate preventative measures to try to reduce future beneficiary need. However, direct monetary assistance, particularly for emergency relief, will always be needed, and maritime welfare charities should make suitable provision for this. An increased use of professional case-workers and multiple-charity support packages is likely to encourage longer-term financial independence for beneficiaries.

<sup>14</sup> Seafarers' Advice and Information Line <http://sailine.org.uk/>

# “ many maritime welfare charities would welcome guidance on how to measure impact ”

Section 8 explores impact assessment amongst maritime welfare charities, discovering that while **most MWCs receive feedback from beneficiaries, structured impact assessment is limited.**

Few maritime welfare charities feel that the sector is good at measuring and demonstrating their impact, with many capturing outputs rather than outcomes or impact. Masses of performance related information is captured – informal ‘thank-you’ communications, ‘foot-fall’ metrics, beneficiary surveys, case-working reports, CQC/Ofsted/DfE assessments – which could potentially be re-purposed to assist with impact measurement.

Many maritime welfare charities would welcome guidance on how to measure impact, particularly given the transient lives of seafaring beneficiaries, the less tangible nature of some of the pastoral support given, and the limited resources available. Fundraising challenges and heightened ‘evidence’ requirements from sector funders mean that an ability to prove impact will become ever more important in future.

## SECTION 8

WHILE MOST MARITIME WELFARE CHARITIES RECEIVE FEEDBACK FROM BENEFICIARIES, STRUCTURED IMPACT ASSESSMENT IS LIMITED.



Maritime welfare charities would do well to embrace impact measurement more fully. It can lead to increased operational efficiency, provide a more informed understanding of beneficiary need, and help to raise the profile of a charity or cause through the telling of engaging success stories – all outcomes that the maritime welfare charity sector would benefit from.

## SECTION 9

SIGNIFICANT CHANGES TO SEAFARING AND THE 'SEA-FAMILY' MAY REQUIRE MANY MARITIME WELFARE CHARITIES TO RECONSIDER THEIR OFFER, BOTH TO ADDRESS CHALLENGES AND CAPITALISE ON OPPORTUNITIES.

Section 9 looks into the future and predicts that **significant changes to seafaring and the 'sea-family' may require many maritime welfare charities to reconsider their offer, both to address challenges and capitalise on opportunities.**

An overall reduction in beneficiary numbers and profile changes will mean that some maritime welfare charities may want to amend their qualifying criteria, supporting those from different ranks, other segments of the sector or those with less time at sea if they are to meet the greatest need. While changes in the

maritime industry, such as the reduction in British flagged Merchant Navy ships and an increase in international crews, may mean that the maritime welfare charity sector needs to start looking beyond UK beneficiaries.

General societal changes are impacting on beneficiaries, for example, an ageing population, and an increase in those with financial problems due to government austerity measures/funding cuts. As a result, beneficiary issues are increasingly complex and may necessitate case-working, as well as specialist financial advisors (in debt and pensions) and emotional counsellors. In addition, technological advances both on-board and ashore have the potential to be a game-changer, with both positive and negative impacts that maritime welfare charities will need to address.

If left unchecked, 'sea-blindness' – the perceived invisibility of the maritime (charity) sector – combined with the reducing 'sea-family' will impact negatively on future fundraising, volunteering and beneficiary contact levels.

In terms of reaching beneficiaries, whilst the internet has become an important source of information and social contact for working age seafarers and their families, for many in the older seafaring community this is still a niche activity, and so any communication needs to reflect age and abilities. Having a visible presence in areas where seafarers in need might be located, whether through case-working, outreach services or Seafarers Centres remains important. Ultimately, existing beneficiaries may be one of the best conduits through which to 'cascade locate' other seafarers who may be in need.

Inconsistent interpretation and implementation of regulatory and governance requirements in areas such as fundraising, data protection and safe-guarding, could hinder sector collaboration. In light of a shrinking maritime sector and greater regulation, maritime welfare charities are increasingly concerned about their ability to recruit Trustees.

Whilst the majority of maritime welfare charities surveyed anticipate an increase in demand over the next 5 years, only a quarter believe that the sector is in 'a good position' to respond.



It can no longer be 'business as usual' – the seismic shifts in the maritime world and society at large cannot fail to impact on maritime welfare charities and the support they provide. Maritime welfare charities will need to review the fundamentals of 'who, what, where, when and how' they serve, if they are to maximise their future impact.

## SECTION 10

FOR A MAJORITY OF MARITIME WELFARE CHARITIES, THE MOST PRESSING CHALLENGE FACING THEM IS *RAISING AWARENESS OF THE CHARITABLE CAUSE AND/OR THE SPECIFIC CHARITY*, WHICH 65% IDENTIFY AS A KEY ISSUE.

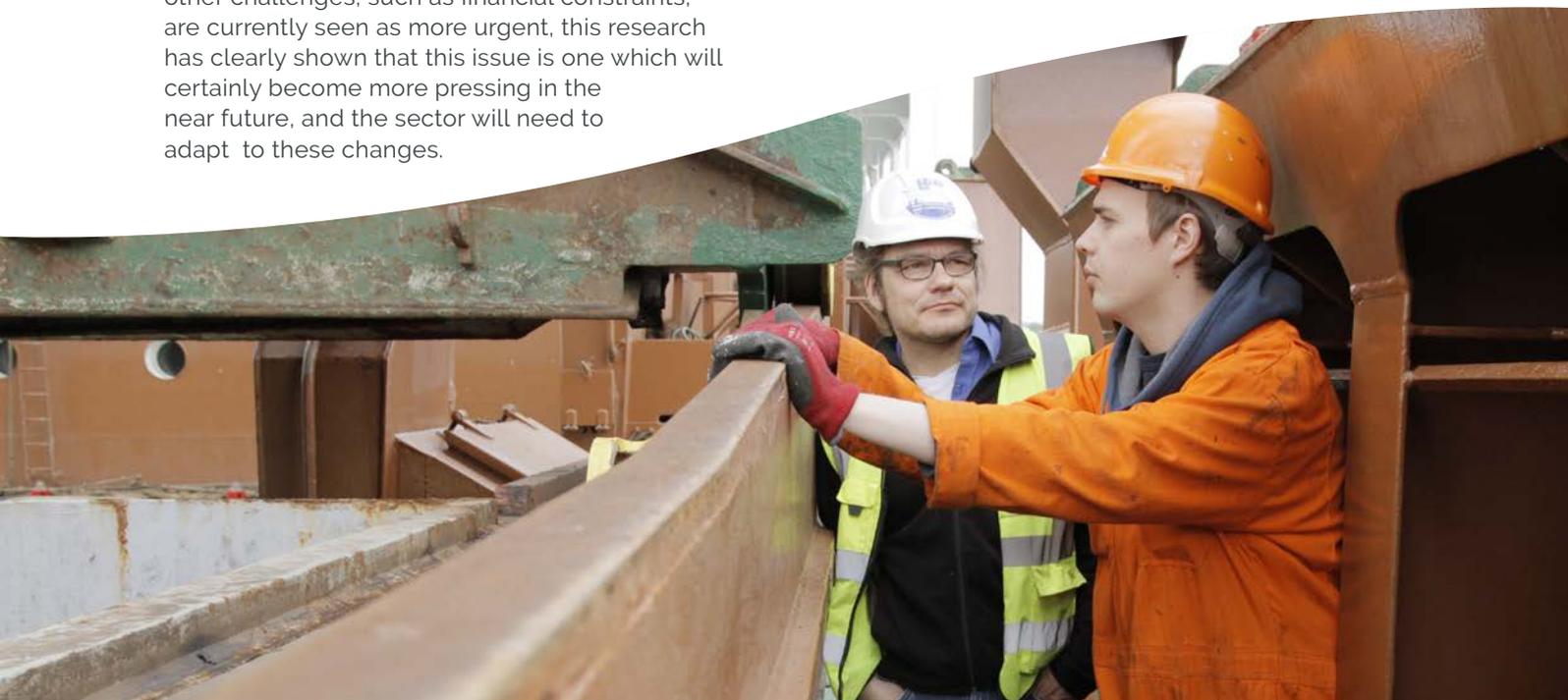
Section 10 concludes the report with a look at the top ten issues currently facing maritime welfare charities (and their beneficiaries), the top ten issues which they might face in the future, and suggests how the maritime welfare charity sector might rise to the challenge.

For a majority of maritime welfare charities, the most pressing challenge facing them is *raising awareness of the charitable cause and/or the specific charity*, which 65% identify as a key issue. From the depth interviews carried out as part of this research, we know that low awareness of the maritime welfare charity sector is felt to be an issue for both the seafaring beneficiary population, and the general public. This should therefore be a focus for the whole sector moving forward.

It is also worth pointing out that while *identifying/finding beneficiaries* is rated as one of the joint third most pressing challenges for maritime welfare charities, *changing beneficiary profile/needs* is rated lowest (ranking 15/15), with only 11% placing it in their top five. While this may indicate that other challenges, such as financial constraints, are currently seen as more urgent, this research has clearly shown that this issue is one which will certainly become more pressing in the near future, and the sector will need to adapt to these changes.

The top 10 challenges currently facing maritime welfare charities (as voted for by the charities themselves):

- 1 Raising awareness of our charity / cause
- 2 Generating income / achieving financial sustainability
- =3 Identifying / finding beneficiaries
- =3 Securing new Trustees / Chairman
- 5 Measuring and demonstrating impact
- 6 Increasing costs
- 7 New technology – online / mobile solutions for giving, communicating or service delivery
- 8 Remaining true to our original mission / avoiding mission drift
- =10 Meeting demand for services
- =10 Insufficient resources
- =10 Securing volunteer engagement



## The top 10 challenges facing the maritime welfare charity sector in the next ten to twenty years

Based on this research, knowledge of the wider third sector, the Armed Forces charity sector and other research, the researchers suggest that the top 10 challenges facing the maritime welfare charity sector in the next ten to twenty years (in no particular order) are likely to be the following.

- 1 Resource issues** – income scarcity caused by an unpredictable economy and decreasing awareness of the maritime (charity) sector (sea-blindness) amongst the general public, and 'donation stagnation' in the wider charitable sector; combined with increasing operating costs; and increased competition between charities. This is likely to hit small charities hardest. Whether the MWC sector continues to shore up its reserves for the longer-term or spend more now will become a key issue. With income growth being propped up by new charities and LIBOR funding, the rest of the MWC sector will need to work harder to even stand still.
- 2 Changing beneficiary demographics / needs profile** – the MWC sector needs to be more adaptable and flexible to cater to the changing shape of its beneficiary population. Some groups (e.g. older MN and FF) are going to need a much greater proportion of resources devoted to them in order to fulfil the sector's promises to its beneficiaries. These demographic changes have time-specific crunch points (between 2020 and 2035) which need to be planned for in advance. At the same time, the MWC sector needs to be ready for unplanned increases in beneficiary need as a continued consequence of the global recession and instability in the economy as Brexit unfolds. The seafaring beneficiary population is projected to fall by around half by 2050 – is the sector prepared for both the short-term and the long-term?
- 3 Increasing demand** - it will be up to individual charities to understand their own beneficiary group better and to try to anticipate demand levels and match them with the correct supply of support and services. Continued government austerity measures and welfare reform means cutbacks for many local and national welfare services, putting increased demand on charities to pick up the pieces. Some beneficiaries are likely to face worsening outcomes as a result of these processes, particularly the most vulnerable and those facing multiple disadvantages.
- 4 An ageing population** - pressure on health service budgets is likely to continue in the foreseeable future due to the ageing population and the growing number of people with long-term conditions, along with developments in medical treatments and technologies. Again, charities will probably have to take up some of the slack here, and/or will see worse issues in the long-term as people receive less support in the short-term. An ageing population will further compound challenges 1 to 3, particularly for those maritime welfare charities dealing with the 220% increase in elderly MN and FF. An increase in incidences of dementia will necessitate a more focussed approach to elderly care services.
- 5 Awareness raising (sea-blindness) and finding beneficiaries** – unmet need in potential beneficiaries is very hard to quantify but low awareness of maritime welfare charities amongst the seafaring population suggests that further efforts to alert potential beneficiaries to the support available may need to be made if the sector is to wholly fulfil its remit. The maritime welfare charity sector will need to be in a position to cater for any increased need generated through heightened beneficiary awareness.
- 6 Decreased public trust and confidence in charities** - charity scandals and bad publicity have led to a decline in public trust in charities generally, and this is likely to have long-lasting consequences. In the wake of these charity scandals there have been changes to fundraising regulations. In order to stay on the right side of these new powers, charities need to be on the ball even more. Research suggests that this is not currently the case, with one fifth feeling 'significantly unprepared' for changes such as General Data Protection Regulation (GDPR)<sup>15</sup>.

<sup>15</sup> Weakley, K., Civil Society (3 July 2017), *Charities 'significantly unprepared' for GDPR, say one-fifth of respondents*. <https://www.civilsociety.co.uk/news/charity-sector-significantly-unprepared-for-gdpr-say-one-fifth-of-survey-respondents.html>



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**7 Good governance** – is fundamental to regaining trust in charities following the last few years of scandals. Maritime welfare charities identified attracting good Trustees and Chairpersons as a pressing challenge and this is central to this issue. In order to steer the sector through the turbulence of the next few years, strong leadership from a strong Board will be essential. **Impact measurement** should be part of good governance and will become increasingly important with the possibility that charities may in future be required by law to report their impact to the Charity Commission. Good governance will also be key to securing future volunteer engagement.

**8 New technology and the digital divide** – Maritime Autonomous Systems (MAS), and advances in digital and mobile technology are a double-edged sword for the maritime sector as elsewhere. Increased online connectivity can also lead to increased personal isolation. The digital divide is likely to increase as new technologies come into play, especially amongst older people and those with less formal education. Charities too can be left behind, and need to create a bridge between useful new technologies and less able beneficiaries. And while all charities are encouraged to have an online presence and to use social media, there need to be clear aims and objectives for these potentially resource-intensive activities.

**9 Political and economic uncertainty** – in the last ten years there have been two hung parliaments, and a divisive EU Referendum (or Brexit vote) which have opened up increased social divides, community incohesion and feelings of isolation in British society. Local government spending on services is likely to face further cuts at least in the short-term, leading to increased likelihood of charities being expected to step into the void. Adding to the uncertainty in British society is the actual process of Brexit – the UK is currently on track to leave the EU in 2019. This is likely to lead to upheaval in many areas. The economy might be subject to significant turbulence dependent on the new trade deals secured with the EU and beyond. This could have very wide-ranging effects on the maritime sector – especially the Merchant Navy. Fishing quotas and other arrangements are already being affected as Britain has withdrawn from an agreement (the London Fisheries Convention) which allowed some foreign vessels to fish in British waters. The impact of potentially rising inflation also needs to be factored in to future financial planning.

**10 Increasing imbalance in the sector** – resources are unevenly spread across the maritime charity sector such that large charities and those primarily serving RNRM are richer, while smaller charities and those primarily serving MN and FF are poorer. Additionally, smaller charities everywhere (in the wider sector) are facing 'a hurricane of change' and are less able to deal with it. Small charities often deliver vital services at a community level and this crucial piece of the jigsaw could be lost if smaller charities are not better supported.



“ greater  
co-operation...  
could be key  
to unlocking a  
better shared  
future ”

## RISING TO THE CHALLENGE

While many maritime welfare charities are anticipating an increase in demand over the next 5 years, only a quarter believe that the sector is in 'a good position' to respond. Maritime charities are not alone in this, with almost one fifth of third sector charity chief executives claiming that their organisations are struggling to survive<sup>16</sup>. Now the MWC sector needs to overcome a number of challenges to put itself in a better position going forward. In coming to grips with possible solutions, it is important to understand that the challenges faced will be different for different maritime welfare charities depending on their size, the workforce they serve and the support they offer, and therefore solutions will also not be 'one size fits all'.

The full research report provides some potential solutions that the wider third sector has adopted and that may be appropriate for maritime welfare charities to consider as well as the suggestions outlined here.

<sup>16</sup> Charities Aid Foundation/ACEVO (2017). *Social Landscape*. <https://www.cafonline.org/about-us/publications/2017-publications/social-landscape-2017>

# A WHOLE SECTOR APPROACH

It is ten years since the then Maritime Charities Funding Group (now the Maritime Charities Group) undertook the ground-breaking review into the needs and aspirations of the UK seafaring community, *'Supporting Seafarers and Their Families: challenges for the future'*. The 2007 review made over forty individual recommendations for the development of services and policies within the UK Maritime Charity Sector. Many of these recommendations have been tackled in part or in whole by individual charities and/or by working groups. Some of these recommendations pertained specifically to youth services and were taken forward by appropriate organisations such as the Marine Society and Sea Cadets. Over the last ten years, thirty-two recommendations have been reviewed by the MNWB Working Groups on 'Older Seafarers and their Families' and 'Serving Seafarers', with progress against each outlined in their recent reports<sup>17</sup>. Much has already been achieved, but much remains to be done.

In assessing whether the maritime welfare charity sector is currently fit for purpose, and also whether the sector is flexible and adaptive to changing needs, this research finds that while many maritime beneficiaries are adequately supported, and many innovations have been implemented, it has been difficult for the sector to deal with all of the changes thrown at it by the demographic, economic and societal upheaval of the last decade. This means that some groups of beneficiaries require further support from the MWC sector, particularly MN and FF beneficiaries and their dependants. In some areas, the MWC sector appears to be operating at the forefront of innovation and good practice, while in other areas it lags behind the wider third sector and other occupational benevolent sub-sectors.

In order for the maritime welfare charity sector to future-proof itself, charities will need to respond to the challenges outlined as appropriate to their individual focus and situation. However, there are a number of areas where the sector acting as a whole might be stronger.

One such area is **greater co-operation and collaboration** - both across the maritime sector and beyond - which could be key to unlocking a better shared future for maritime welfare charities. This includes sharing information and best-practice, and co-ordinating responses (e.g. via partnership working). In this way, better support for beneficiaries might be achieved and the MWC sector might become more future-proofed. Examples of collaboration between other occupational benevolent charities (as provided in Section 4 of the full report) show how effective this approach can be in creating synergies, making scarce resources go further and even finding innovative solutions to issues. On the basis of the research it seems likely that the sector could be 'stronger together'.

Collaboration can take many forms, including sharing facilities such as office space and functions, training, IT support, case-work and sharing of best practice, learning and fundraising. The Association of Charitable Organisations (ACO) notes that: *'real synergies are garnered through the pooling together of expertise and key resources that complement each other as opposed to mirroring each other'*<sup>18</sup>.

The maritime welfare charity sector is not alone in this. A recent review of how the wider third sector is responding to the global recession and austerity measures found that *'one of the biggest gaps in how the sector has responded to funding cuts is in the sharing of knowledge, ideas and best practice on how to respond'*<sup>19</sup>. The review suggested that the sector should *'create bodies to represent specific sectors'*, pointing out that, among the interviewees, those organisations which had a sector body representing their specific needs appeared to be better able to campaign on shared causes and improve their impact<sup>20</sup>.

Time is moving on, and maritime welfare charities now need to face some of the fundamental questions raised by this report (and indeed, the 2007 *Supporting Seafarers* report) - addressing them with a cohesive and co-ordinated strategy - before changes in the maritime world and beneficiary population force the sector's hand. Such things cannot wait another ten years.

17 Merchant Navy Welfare Board (MNWB) (2017). *Older Seafarers and Families Working Group Report / Serving Seafarers Working Group Report*. <http://www.mnwb.org/Publications>

18 Belai, J., Association of Charitable Organisations (ACO) (2013). *Changing for Good: Trusts and Foundations that give grants and other support to individuals in need*. <https://www.aco.uk.net/page/Survey-Report-2013>

19 nfpSynergy (2016). *Challenging cuts: Investigating the response of charities to frontline service cuts*. <https://nfp synergy.net/free-report/challenging-cuts-investigating-response-charities-frontline-service-cuts>

20 Ibid



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 8 Hatherley St, Westminster, London SW1P 2QT  
 tel: 020 7932 0000  
 web: www.seafarers.uk

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