

Pro Bono Economics/Civil Society Media results: 19 & 20 May 2020

Our weekly survey is designed to take the temperature of the civil society sector as the Covid-19 crisis continues to unfold, monitoring the pressures being faced by charities and voluntary organisations across the country and understanding how the picture is changing over time.

Over the course of 19 & 20 May 2020, a total of 196 respondents filled in the survey. The respondents were split between 65 'small' charities (annual income of less than £500,000), 113 'medium' sized charities (income between £500,000 and £10 million), 17 'large' charities (income of £10 million or more), and 1 'other'. Due to the small sample size among large charities this week, the medium and large responses have been grouped together.

Overall results

- 90 per cent said they expected Covid-19 to have a negative impact on their ability to meet their charity objectives over the next six months, with nearly half (47 per cent) saying they expected it to be a "large" negative. 7 per cent said they thought it would have a positive impact.
- Half (49 per cent) said their level of concern was broadly unchanged over the past seven days, but 41 per cent said that their expectations had deteriorated – with 13 per cent saying their level of concern had increased "a lot".
- 95 per cent said they expected Covid-19 to reduce their income over the coming six months relative to previous plans. 40 per cent said they expected a reduction of up to 25 per cent; 27 per cent thought their income would be 25 per cent to 50 per cent lower; 18 per cent thought the drop would be 50 per cent to 75 per cent; and 10 per cent said they expected income to be down on previous plans by more than 75 per cent.
- Approaching half (46 per cent) said the single biggest issue they were facing was the impact of social distancing on their ability to deliver their services. 28 per cent said that the way in which Covid-19 had affected their ability to fundraise was instead the biggest challenge. Just under one-in-five (18 per cent) pointed instead to its effect on their ability to plan ahead.
- Nearly all (96 per cent) of the respondents said they'd taken some form of action in response to the financial challenges raised by the crisis. The most cited response was the furloughing of staff and use of the government's Job Retention Scheme, with two-in-three (67 per cent) saying they'd done this. A similar proportion (64 per cent) said they'd reduced their activity in a "significant" way. Half (48 per cent) said they'd sought funder flexibility on their spending plans, project delivery and reporting requirements and two-in-five (42 per cent) said they had drawn down on their financial reserves. 23 per cent said they'd applied for support from the government's £750 million charity-specific package.
- When asked to rate the sufficiency of the government's financial support for civil society in the face of Covid-19 (where 1 = entirely insufficient and 10 = entirely sufficient), the average score across all respondents was 4.4. 71 per cent scored the response at five or below, with 43 per cent scoring it 1-3 and 8 per cent scoring it 8-10.
- Three-in-four (74 per cent) charities said they thought it was "unlikely" that the financial challenge associated with Covid-19 would cause their organisation to stop operating altogether in six months' time. However, a significant minority of one-in-ten (10 per cent) said they thought it was "likely" that they would cease operating – with 2 per cent saying it was "very" likely.

By size of charity

- There was a modest difference by size in charities' perception of the impact Covid-19 would have on their ability to meet their objectives over the coming six months, with small charities slightly less likely (at 86 per cent) to envisage a negative impact than larger organisations (92 per cent). Nevertheless, the overwhelming majority of responses were negative.
- Small charities were more likely than larger organisations to cite the impact of social distancing on their ability to deliver services as being the single biggest challenge they are facing (51 per cent compared with 43 per cent). Conversely, they were less likely than larger charities to point to fundraising as the single biggest issue facing them (23 per cent compared with 30 per cent).
- Small charities also detailed a different pattern of responses to the Covid-19 challenge relative to larger organisations. The most frequently mentioned response among the group was having reduced activity in a "significant" way (58 per cent), followed by furloughing staff and accessing the Job Retention Scheme funding (46 per cent). The ordering among larger organisations was flipped, and the proportions were significantly higher: 78 per cent reported furloughing staff and 67 per cent said they had reduced activity in a significant way.
- Small charities were a little less likely to think that covid-19 would lower their income in the next six months relative to previous expectations, with 92 per cent reporting this versus 97 per cent in larger organisations. Smaller charities were significantly more likely to report very large potential reductions however. Two-in-five (40 per cent) said they thought their income would be down on their plans by more than 50 per cent, and one-in-five (18 per cent) thought the drop would be greater than 75 per cent. Among larger organisations the corresponding figures stood at 22 per cent and 6 per cent.
- There was a modest difference in relation to expectations for sustaining operations over the coming months, with 12 per cent of small charities saying they thought it was "likely" that they would no longer be able to operate in six months' time, compared with 9 per cent of medium and large organisations. Perhaps more tellingly, there appeared to be less certainty in smaller charities, with 65 per cent saying that it was "unlikely" that they would be forced out of business over the next six months, compared with 78 per cent among larger organisations.

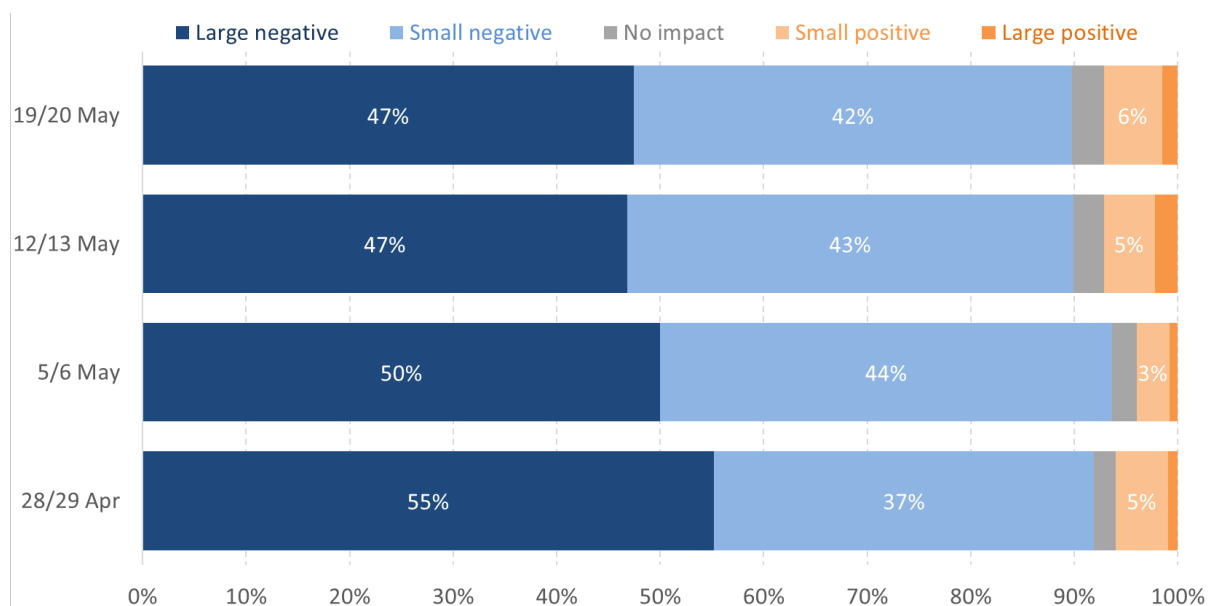
Commenting on the findings Matt Whittaker, Chief Executive of Pro Bono Economics, said:

"The Chancellor warned this week that the UK's post-Covid economic recovery was likely to lack any "bounce", and our survey findings point to a similar sentiment across charities. 95 per cent say they expect to suffer lower income over the next six months than they had planned for pre-crisis, and 10 per cent think it is "likely" that the crisis will bring their operations to a complete halt.

Overall, nine-in-ten say they expect the pandemic to negatively impact on their ability to meet their charitable objectives. And two-in-five have become more pessimistic over the past week.

Smaller charities appear to be especially vulnerable, with 40 per cent saying they expect their income to fall by more than half over the next six months relative to their pre-crisis expectations. Worryingly, 12 per cent say they think it likely that they will cease to operate. The opening of applications for support through the new Coronavirus Community Support Fund from Friday is therefore hugely welcome, though many charities tell us they fear being overlooked."

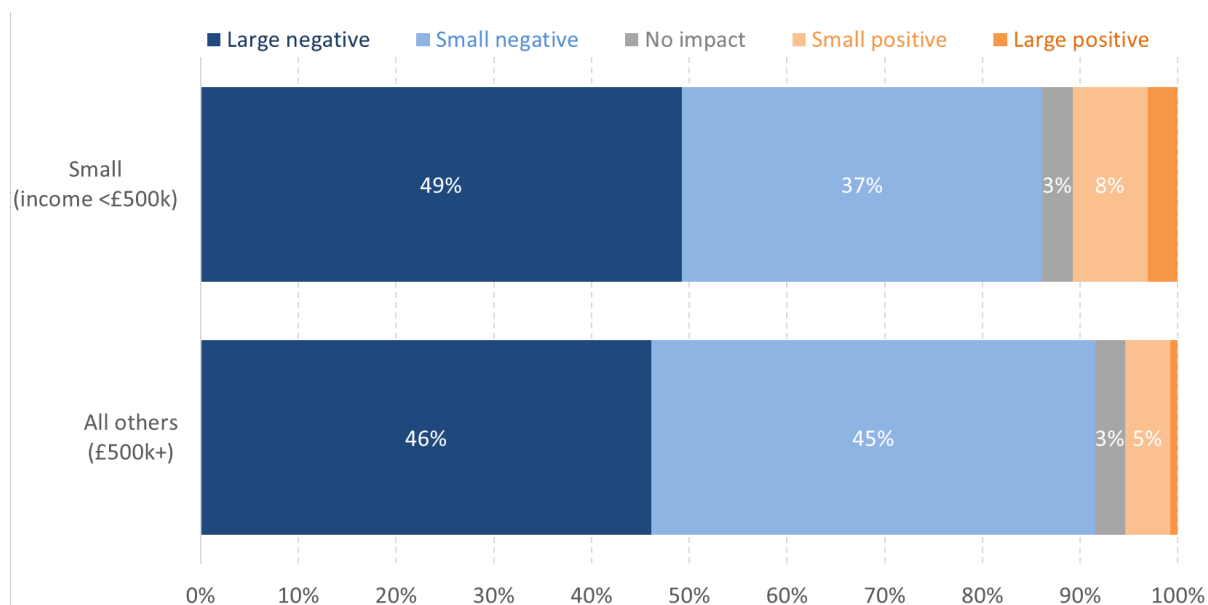
Figure 1: How do you expect Covid-19 to affect your charity's ability to deliver on its objectives in the next six months?



Notes: 19/20 May = 196 responses. Past weeks = 406, 126, 433 responses respectively.

Source: Charity responses to PBE & Civil Society Media survey.

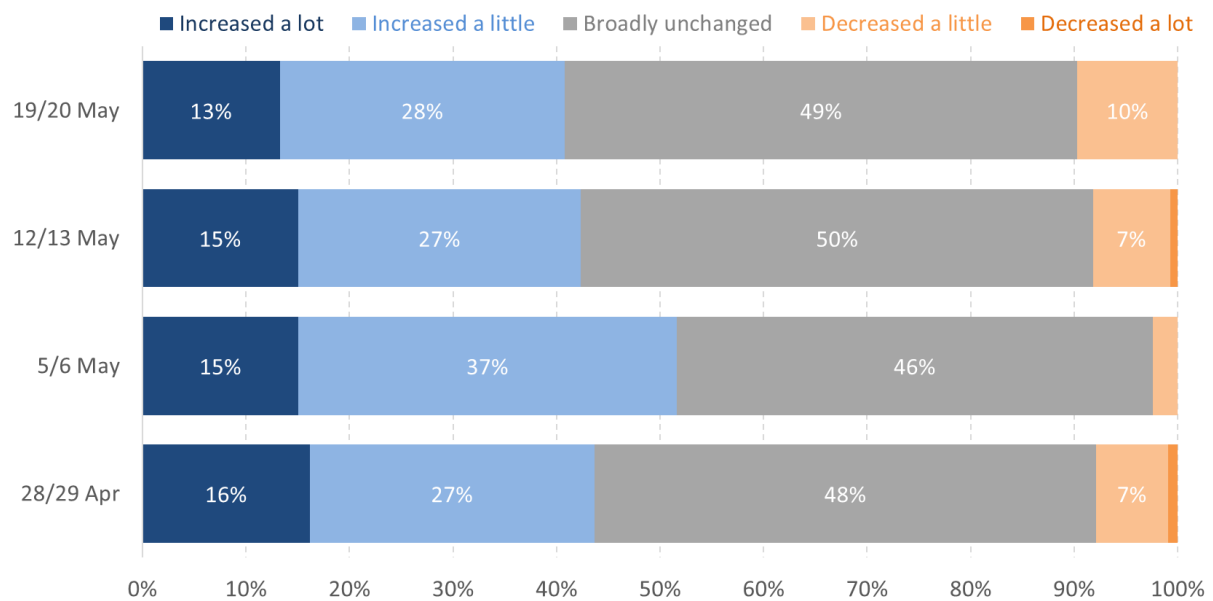
Figure 2: How do you expect Covid-19 to affect your charity's ability to deliver on its objectives in the next six months? 19-20 May, by charity size



Notes: 196 responses, comprising 65 'small'.

Source: Charity responses to PBE & Civil Society Media survey.

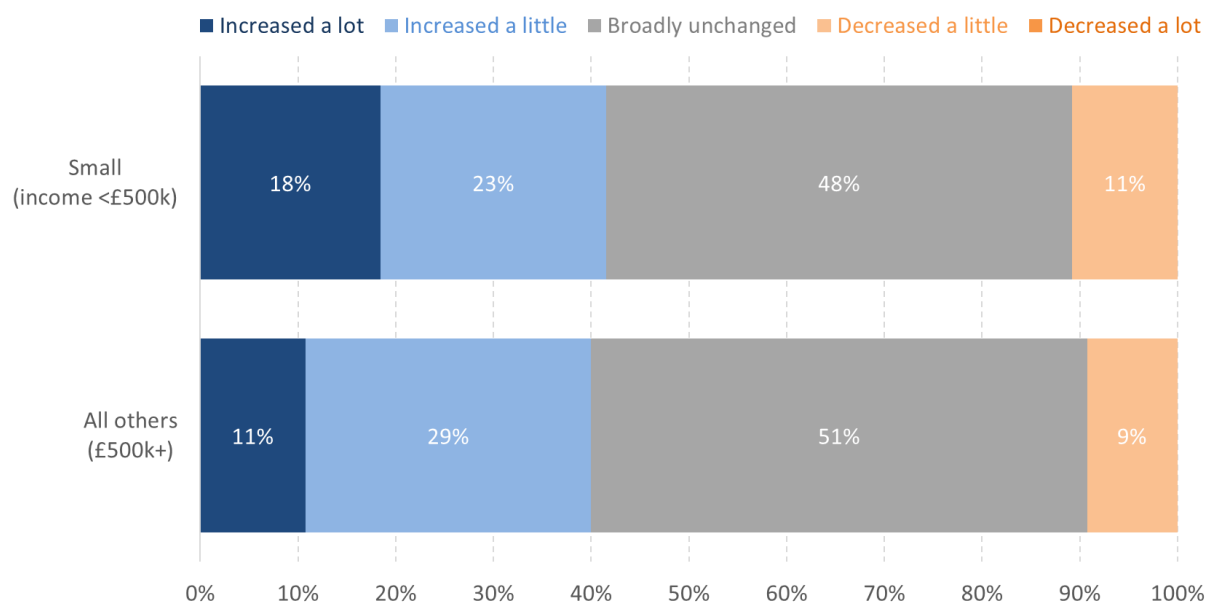
Figure 3: How has your level of concern about Covid-19's impact on your charity's ability to deliver on its objectives changed over the last seven days?



Notes: 19/20 May = 196 responses. Past weeks = 406, 126, 433 responses respectively.

Source: Charity responses to PBE & Civil Society Media survey.

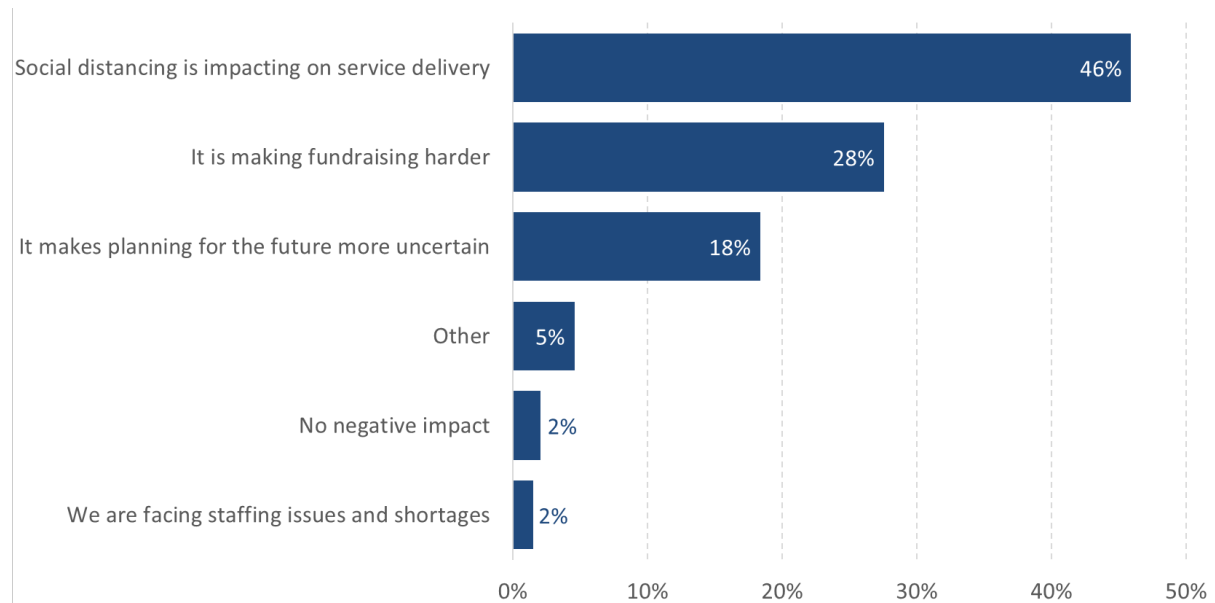
Figure 4: How has your level of concern about Covid-19's impact on your charity's ability to deliver on its objectives changed over the last seven days? 19-20 May, by charity size



Notes: 196 responses, comprising 65 'small'.

Source: Charity responses to PBE & Civil Society Media survey.

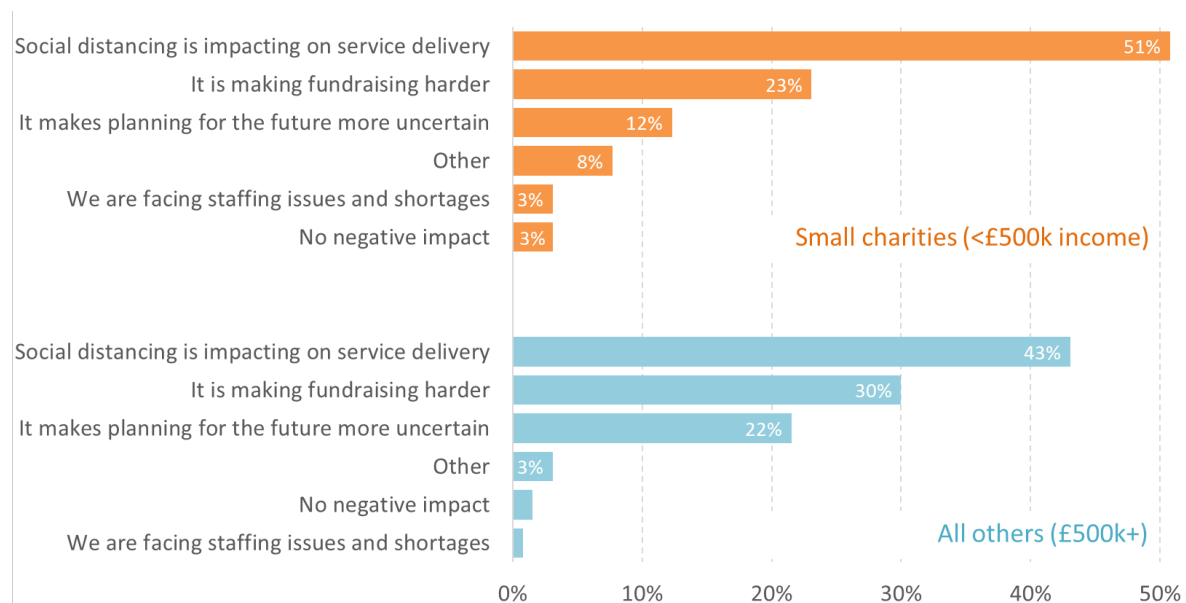
Figure 5: What is the current single biggest negative impact of Covid-19 on your charity's ability to deliver on its objectives? 19-20 May



Notes: 196 responses.

Source: Charity responses to PBE & Civil Society Media survey.

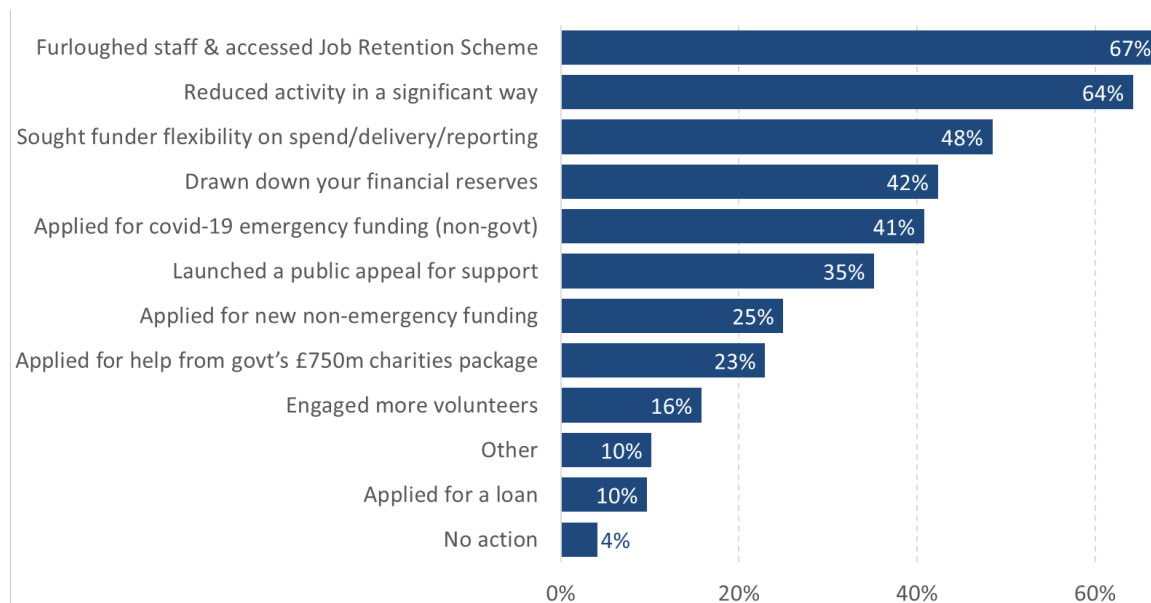
Figure 6: What is the current single biggest negative impact of Covid-19 on your charity's ability to deliver on its objectives? 19-20 May, by size of charity



Notes: 196 responses, comprising 65 'small'.

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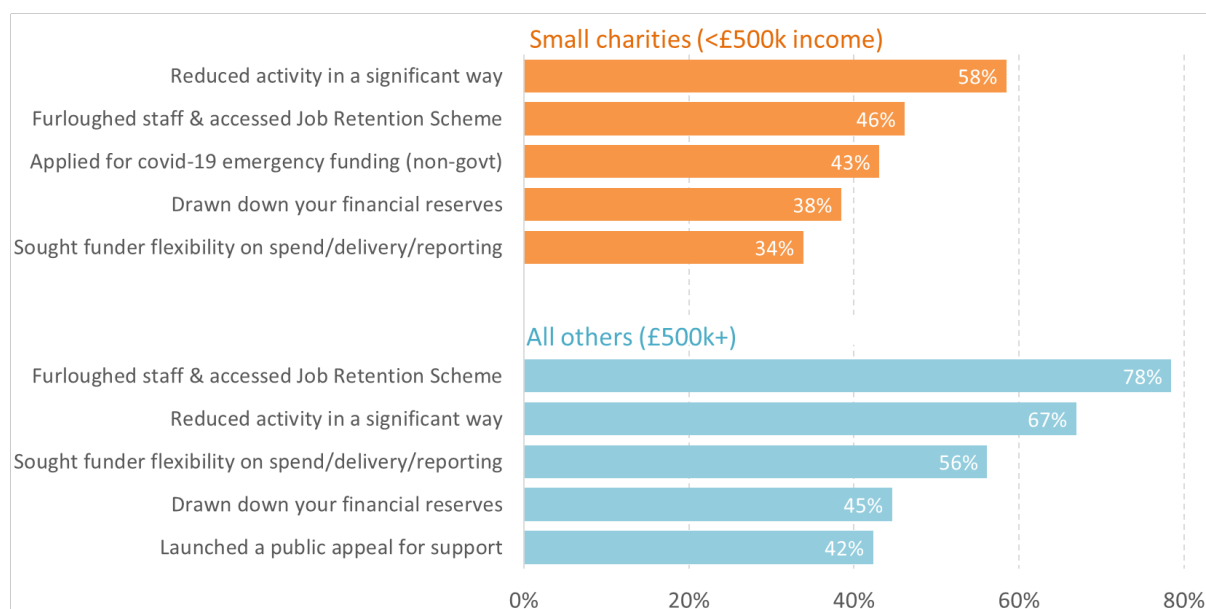
Figure 7: What actions have you taken in response to any financial challenges that Covid-19 have presented to your organisation? 19-20 May



Notes: 196 responses. Respondents were asked to tick all options that applied.

Source: Charity responses to PBE & Civil Society Media survey.

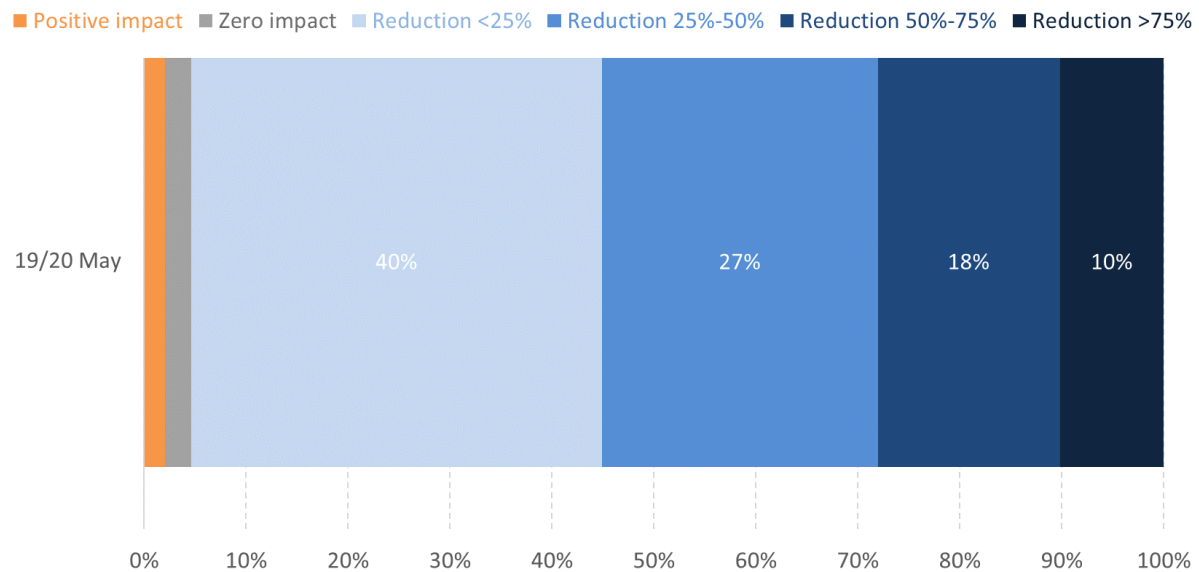
Figure 8: What actions have you taken in response to any financial challenges that Covid-19 have presented to your organisation? 19-20 May, by size of charity, top five shown



Notes: 196 responses, comprising 65 'small'.

Source: Charity responses to PBE & Civil Society Media survey.

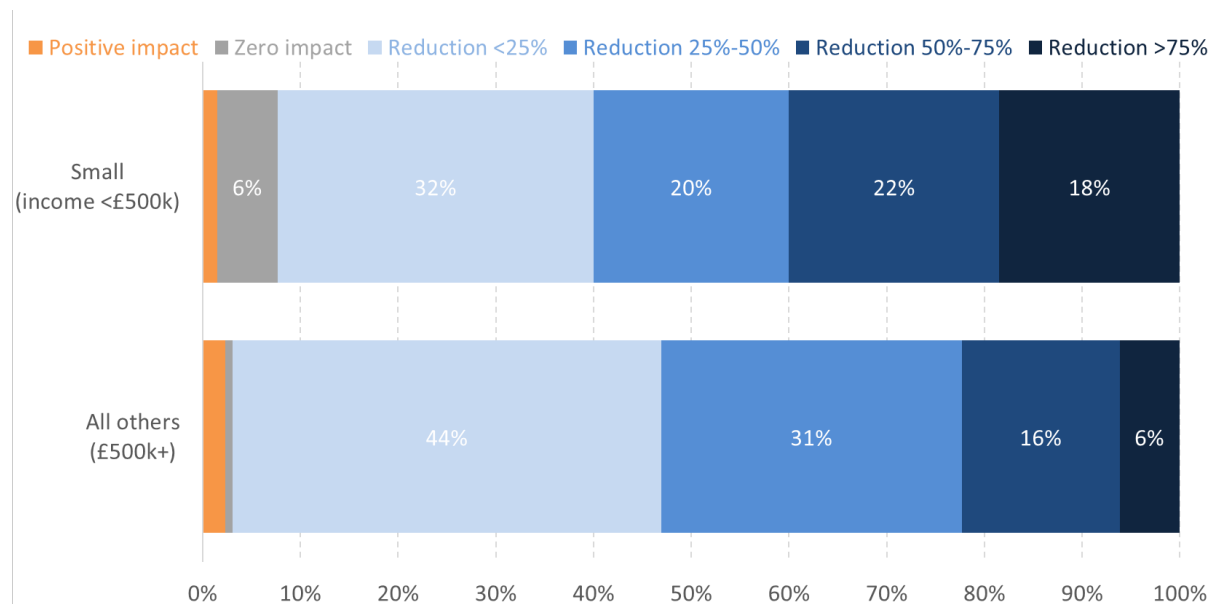
Figure 9: What impact do you expect Covid-19 to have on your organisation's income over the next six months relative to your pre-crisis expectations?



Notes: 19/20 May = 196 responses.

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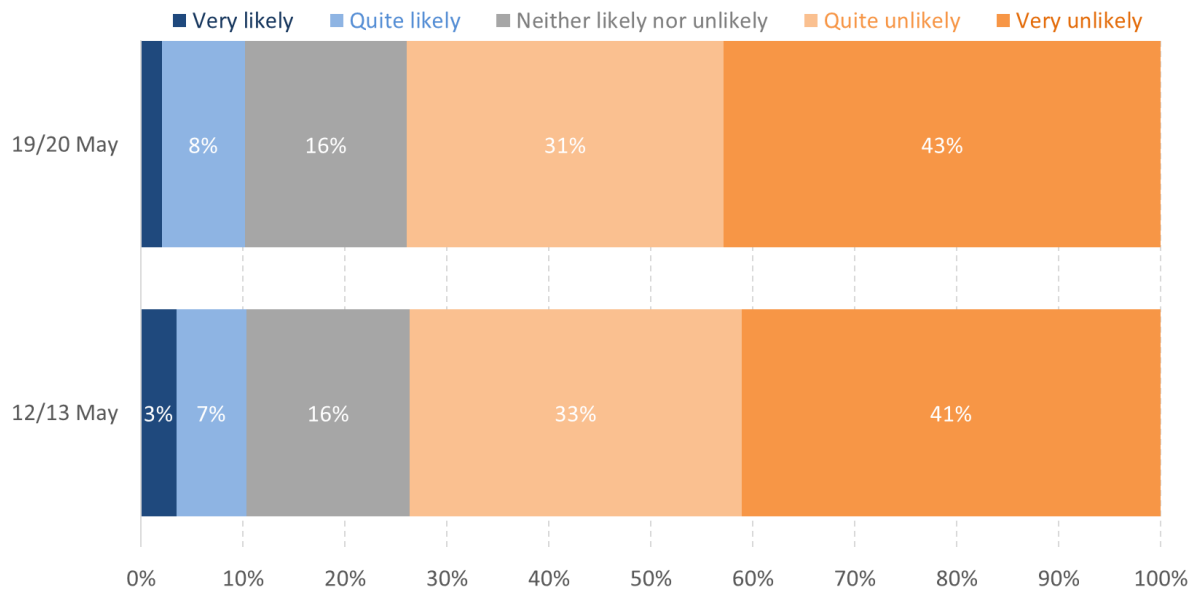
Figure 10: What impact do you expect Covid-19 to have on your organisation's income over the next six months relative to your pre-crisis expectations? 19-20 May, by charity size



Notes: 196 responses, comprising 65 'small'.

Source: Charity responses to PBE & Civil Society Media survey.

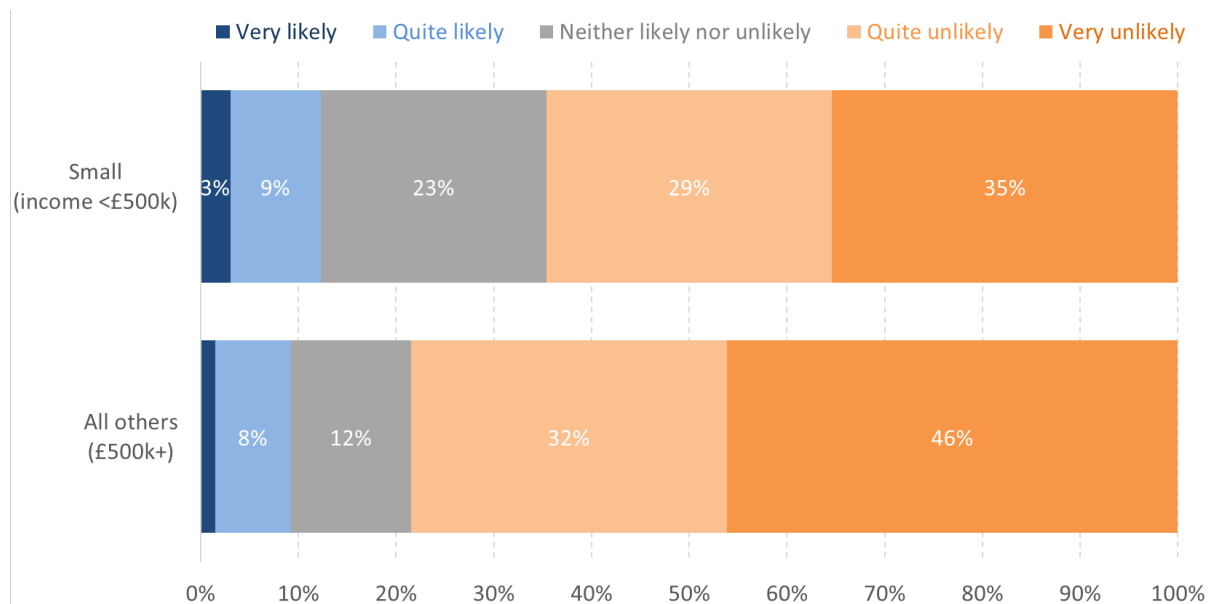
Figure 11: How likely is it that the financial challenges raised by Covid-19 will mean your organisation will no longer be operating in six months' time? 19-20 May



Notes: 19/20 May = 196 responses. Previous weeks = 406 responses.

Source: Charity responses to PBE & Civil Society Media survey.

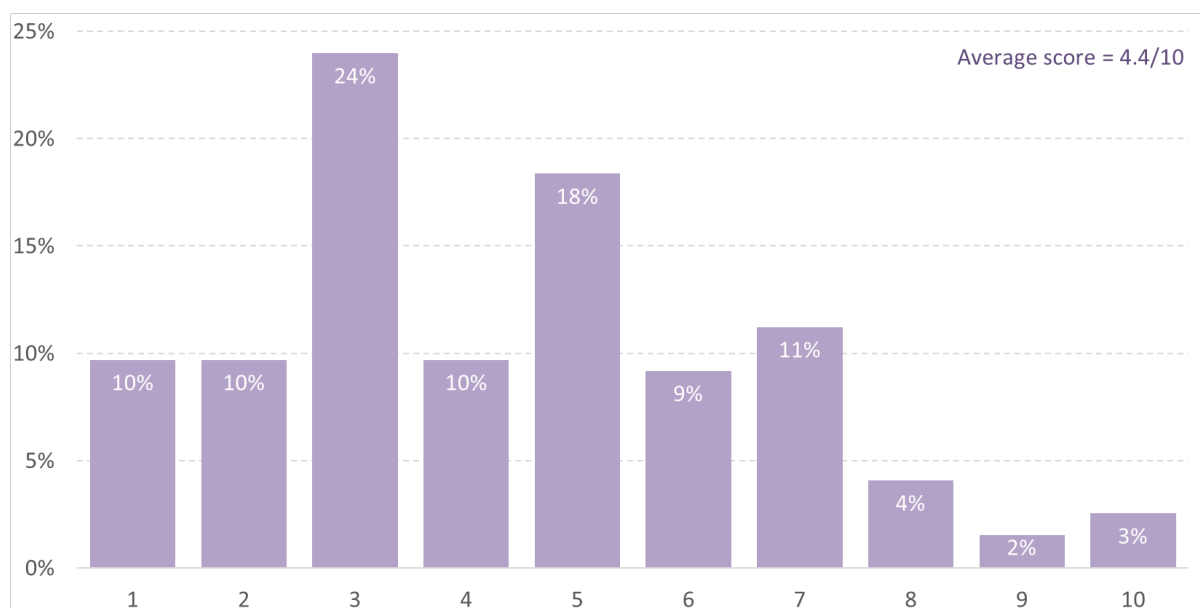
Figure 12: How likely is it that the financial challenges raised by Covid-19 will mean your organisation will no longer be operating in six months' time? 19-20 May, by size of charity



Notes: 196 responses, comprising 65 'small'.

Source: Charity responses to PBE & Civil Society Media survey.

Figure 13: On a scale of 1-10 (1="entirely insufficient"; 10="entirely sufficient") how would you score the Covid-19 financial help being provided to civil society by govt? 19-20 May



Notes: 196 responses.

Source: Charity responses to PBE & Civil Society Media survey.

Figure 14: Add your comment on what Covid-19 means to your organisation and what more the government, funders or others could be doing to support you: 19-20 May (selection)



Notes: 196 responses.

Source: Charity responses to PBE & Civil Society Media survey.