

Pro Bono Economics/Civil Society Media results: 26 & 27 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 26 & 27 May 2020, a total of 323 respondents filled in the survey. The respondents were split between 114 'small' charities (annual income of less than £500,000), 166 'medium' sized charities (income between £500,000 and £10 million), 41 'large' charities (income of £10 million or more), and 2 'other'.

Overall results

- 90 per cent said they expected Covid-19 to have a negative impact on their ability to meet their objectives over the next six months, with just under half (45 per cent) saying they expected it to be a "large" negative. 6 per cent said they thought it would have a positive impact.
- More than half (55 per cent) said their level of concern was broadly unchanged over the past seven days. Having hovered around 40 per cent over the first four weeks of the survey, the proportion saying their expectations had deteriorated over the week fell markedly, standing at 34 per cent. Correspondingly, 11 per cent said their expectations had improved over the previous seven days.
- 91 per cent said they expected Covid-19 to reduce their income over the coming six months relative to previous plans. 42 per cent said they expected a reduction of up to 25 per cent; 26 per cent thought their income would be 25 per cent to 50 per cent lower; 16 per cent thought the drop would be 50 per cent to 75 per cent; and 7 per cent said they expected income to be down on previous plans by more than 75 per cent.
- Two-in-five (41 per cent) said the single biggest issue they were facing was the impact of social distancing on their ability to deliver their services. 30 per cent said that the way in which Covid-19 had affected their ability to fundraise was instead the biggest challenge. 23 per cent pointed instead to its effect on their ability to plan ahead.
- Nearly all (97 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 (61 per cent) saying they'd done this. A similar proportion (59 per cent) said they'd reduced their activity in a "significant" way. Half (50 per cent) said they'd sought funder flexibility on their spending plans, project delivery and reporting requirements and just under half (46 per cent) said they'd drawn down on their reserves. 28 per cent said they'd applied for support from the government's charity-specific rescue package, up from 23 per cent last week.
- 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 4.5. Nearly three-in-four (71 per cent) scored the response at five or below, with 38 per cent scoring it 1-3 and 11 per cent scoring it 8-10.
- Three-in-four (75 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 12 per cent said they thought it was "likely" that they would cease operating – though only 1 per cent said 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 87 per cent) to envisage a negative impact than larger organisations (92 per cent).
- Small charities were more likely than large ones to cite the impact of social distancing on their ability to deliver services as being the single biggest challenge they are facing (41 per cent compared with 29 per cent). Large charities instead pointed to fundraising as being the single largest challenge (with 34 per cent selecting this option).
- Small charities also detailed a different pattern of responses to the Covid-19 challenge relative to large organisations. The most frequently mentioned response among the group was having reduced activity in a "significant" way (62 per cent), followed by applying for non-government emergency funding (59 per cent). Just 37 per cent said they had furloughed staff and accessed the Job Retention Scheme funding. In contrast, 72 per cent of medium-sized charities and 83 per cent of large charities said they had furloughed staff. Two-thirds (66 per cent) of large organisations said they had drawn down on reserves, compared with 32 per cent of small charities and 51 per cent of medium-sized ones.
- 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 86 per cent reporting this versus 93 per cent in medium-sized organisations and 98 per cent in large charities. Small charities were significantly more likely to report very large potential reductions however. One-in-three (33 per cent) said they thought their income would be down on their plans by more than 50 per cent, compared with fewer than one-in-five (18 per cent) among larger organisations.
- There was a difference too in relation to expectations for sustaining operations over the coming months. 17 per cent of small charities thought it was "likely" that they would no longer be able to operate in six months' time, compared with 10 per cent of medium-sized organisations and 7 per cent of large charities.

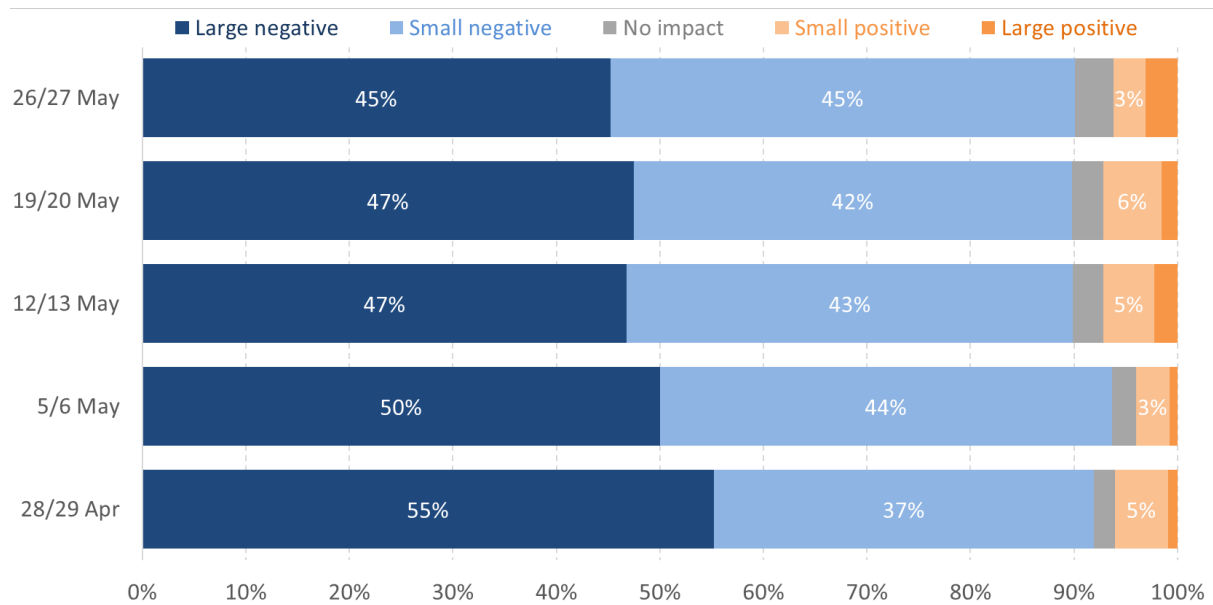
Commenting on the findings Matt Whittaker, Chief Executive of Pro Bono Economics, said:

"Relative to the trends described in previous weeks, our latest findings appear to point to a slight lightening of the mood in the sector. The proportion reporting that they have become more pessimistic in the seven days leading into the survey has been falling steadily over the past few weeks, and dropped to 34 per cent this time around."

"While this was the week in which small charities were able to start applying for support through the new Coronavirus Community Support Fund however, it was large charities that were most likely to report a steadying of the ship. Two-thirds of this group thought things were broadly unchanged week-on-week, compared with half of the small charity group."

"Nevertheless, the overall picture painted by the survey is still one of considerable difficulty. Nine-in-ten expect their income to fall relative to pre-crisis plans in the next six months, and more than one-in-ten say it is "likely" that they'll cease to operate altogether. It's possible that the mood in the sector is starting to bottom out, but we are long way from any sort of recovery. The near-term and longer-term futures of many thousands of vital organisations across the UK remain incredibly uncertain."

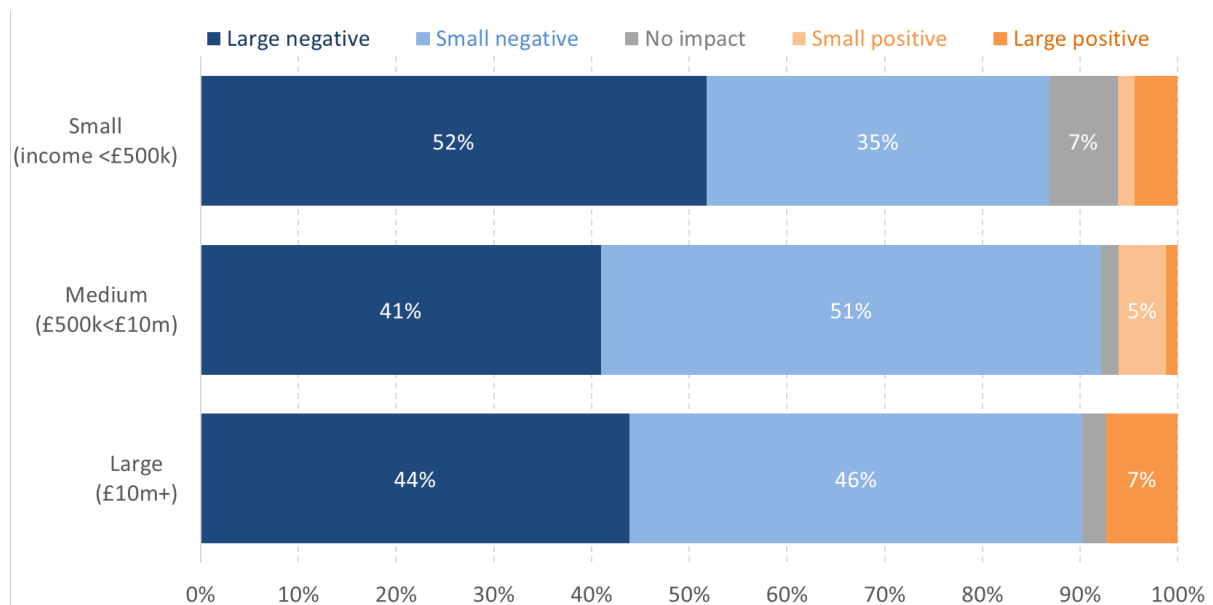
Figure 1: How do you expect Covid-19 to affect your charity's ability to deliver on its objectives in the next six months?



Notes: 26/27 May = 323 responses. Past weeks: 196, 406, 126, 433 responses respectively.

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

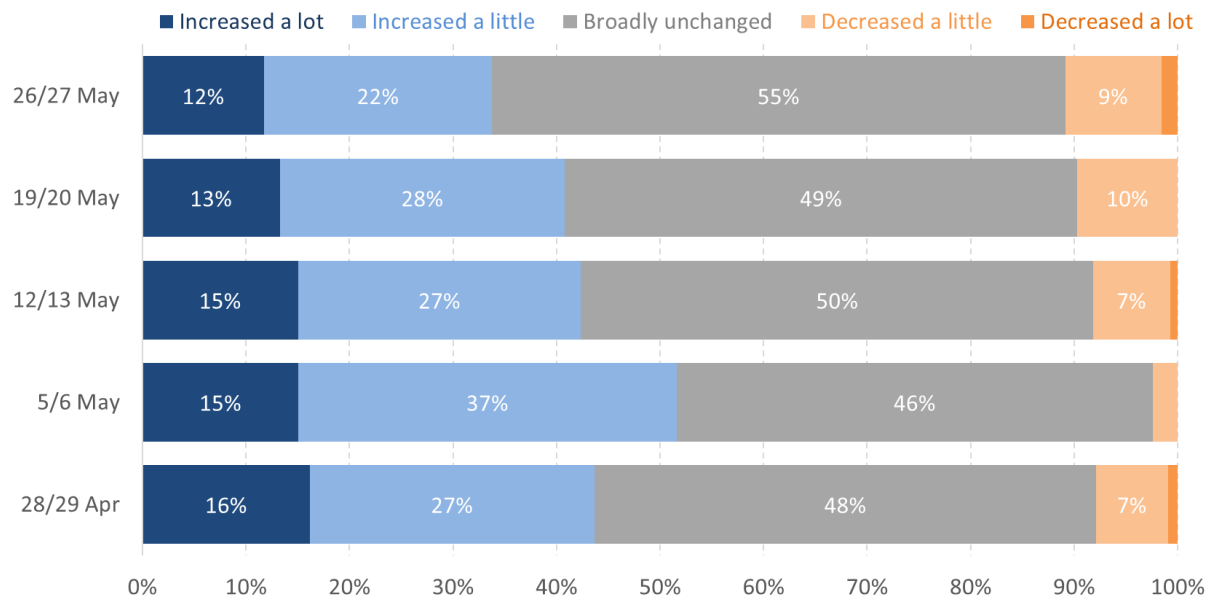
Figure 2: How do you expect Covid-19 to affect your charity's ability to deliver on its objectives in the next six months? 26-27 May, by charity size



Notes: 323 responses, comprising 114 'small', 166 'medium' and 41 'large'.

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

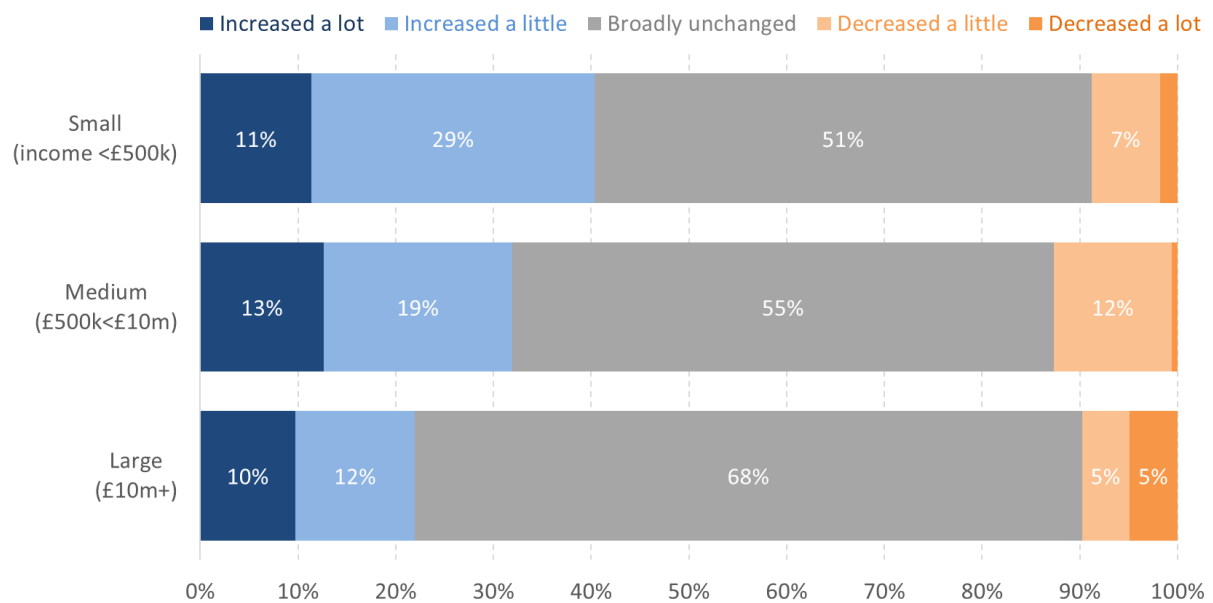
Figure 3: How has your level of concern about Covid-19's impact on your charity's ability to deliver on its objectives changed over the last seven days?



Notes: 26/27 May = 323 responses. Past weeks: 196, 406, 126, 433 responses respectively.

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

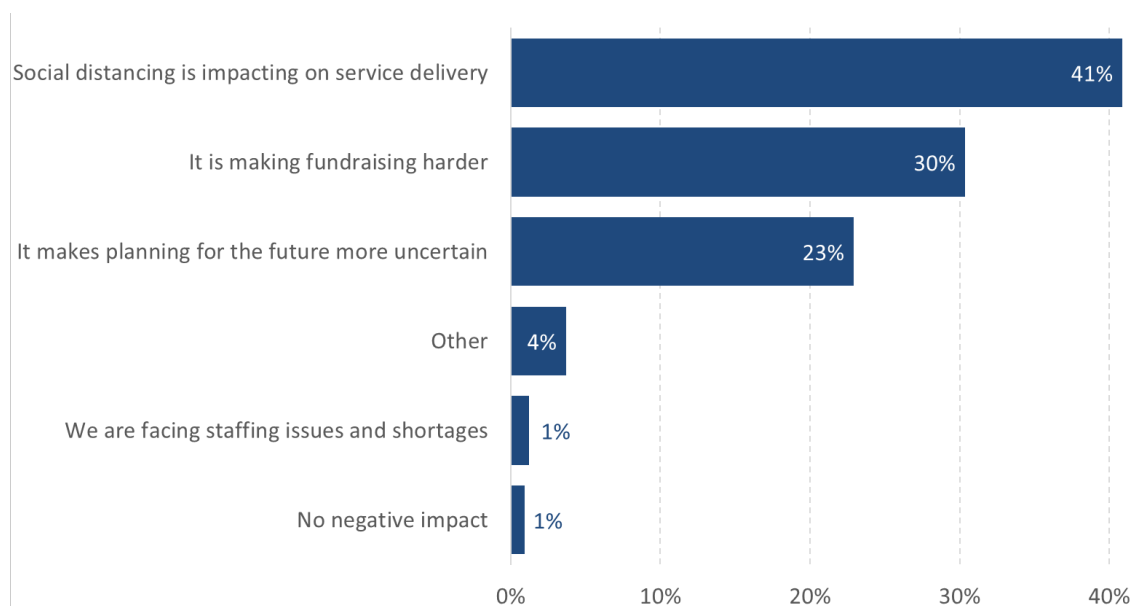
Figure 4: How has your level of concern about Covid-19's impact on your charity's ability to deliver on its objectives changed over the last seven days? 26-27 May, by charity size



Notes: 323 responses, comprising 114 'small', 166 'medium' and 41 'large'.

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

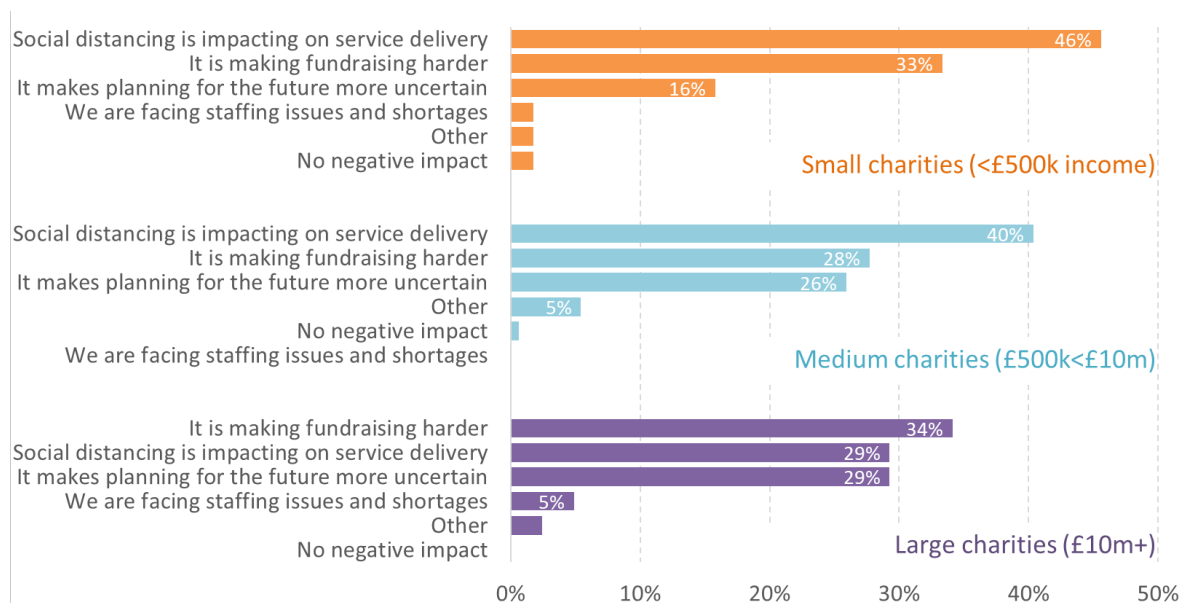
Figure 5: What is the current single biggest negative impact of Covid-19 on your charity's ability to deliver on its objectives? 26-27 May



Notes: 323 responses.

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

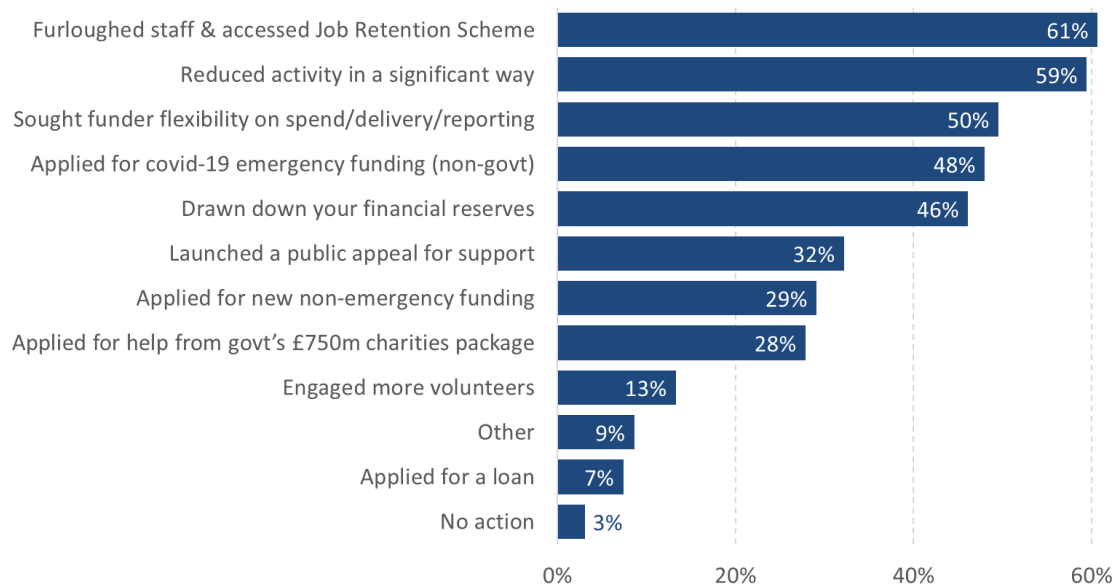
Figure 6: What is the current single biggest negative impact of Covid-19 on your charity's ability to deliver on its objectives? 26-27 May, by size of charity



Notes: 323 responses, comprising 114 'small', 166 'medium' and 41 'large'.

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

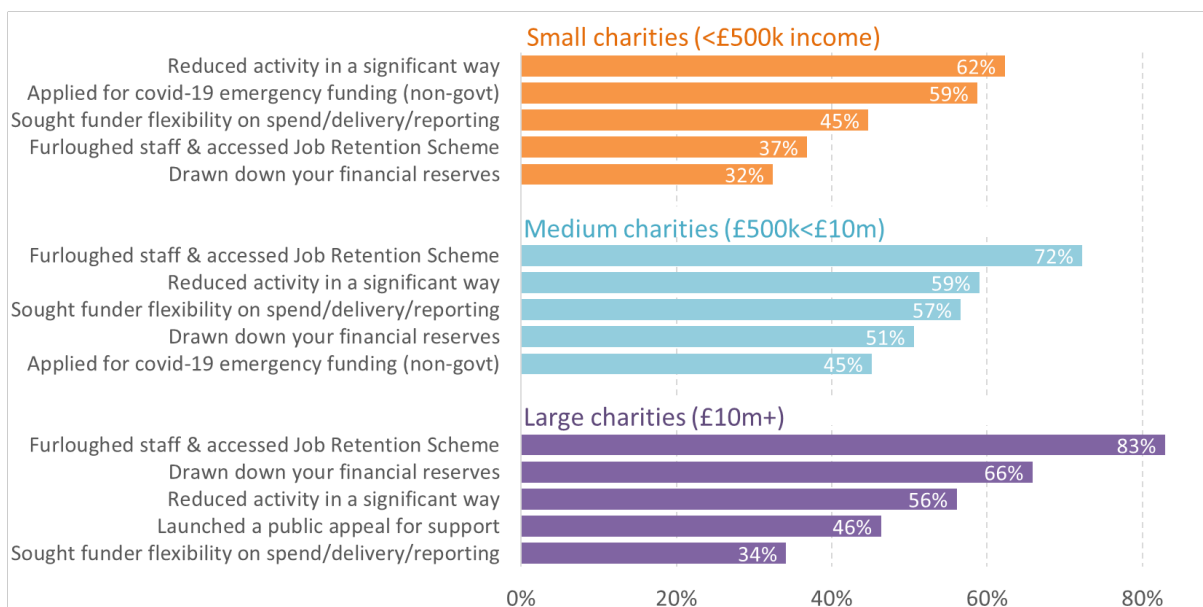
Figure 7: What actions have you taken in response to any financial challenges that Covid-19 have presented to your organisation? 26-27 May



Notes: 323 responses. Respondents were asked to tick all options that applied.

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

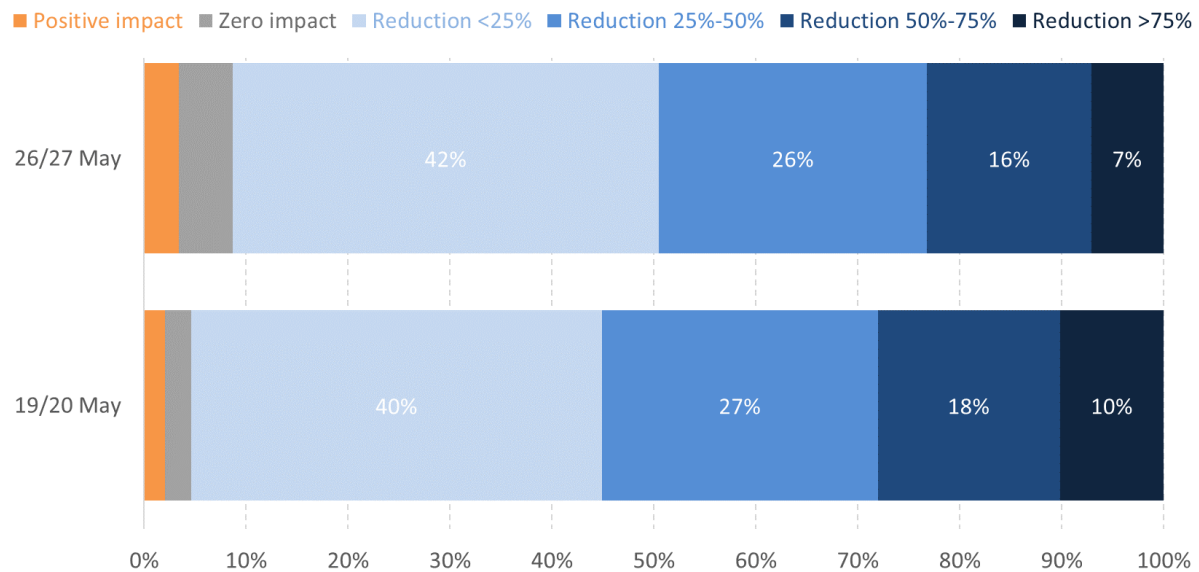
Figure 8: What actions have you taken in response to any financial challenges that Covid-19 have presented to your organisation? 26-27 May, by size of charity, top five shown



Notes: 323 responses, comprising 114 'small', 166 'medium' and 41 'large'.

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

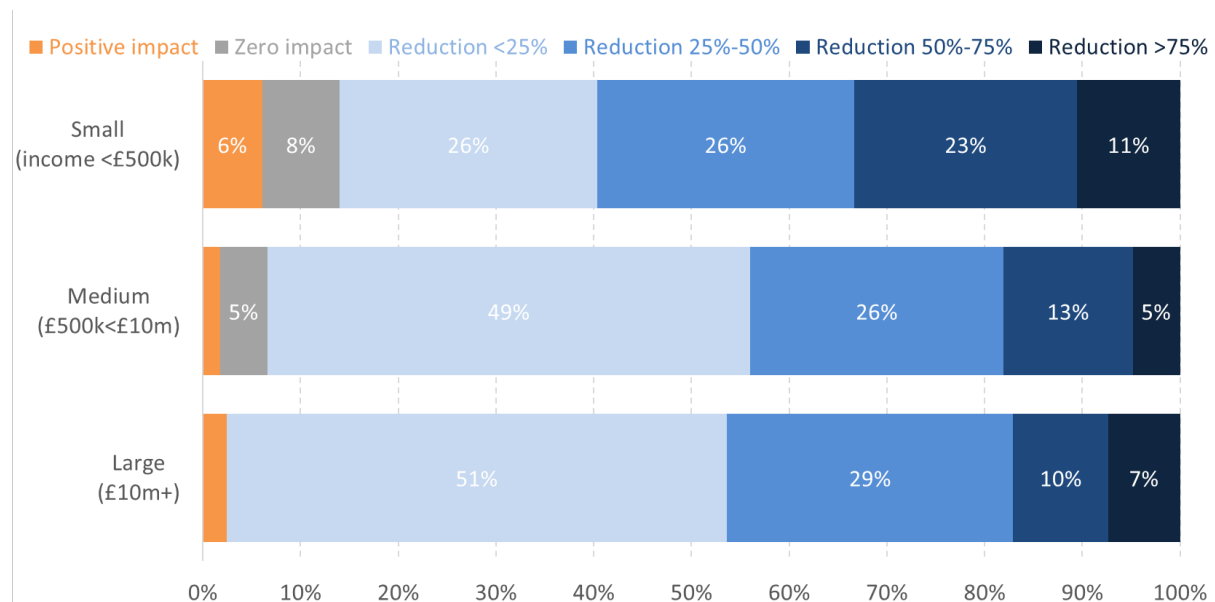
Figure 9: What impact do you expect Covid-19 to have on your organisation's income over the next six months relative to your pre-crisis expectations?



Notes: 26/27 May = 323 responses. 19/20 May = 196 responses.

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

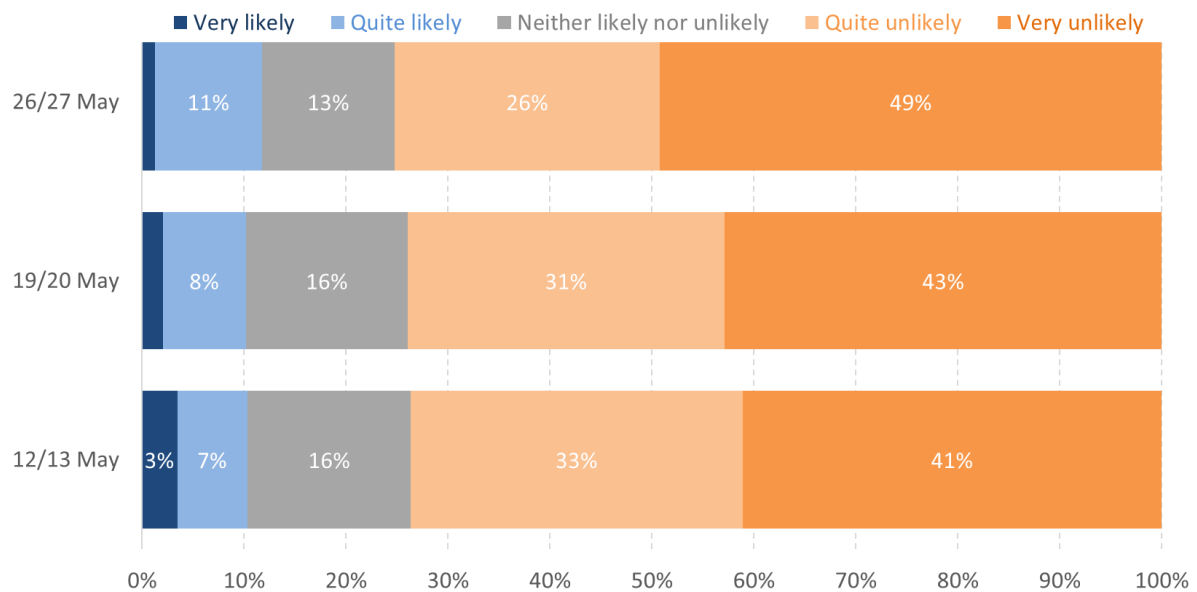
Figure 10: What impact do you expect Covid-19 to have on your organisation's income over the next six months relative to your pre-crisis expectations? 26-27 May, by charity size



Notes: 323 responses, comprising 114 'small', 166 'medium' and 41 'large'.

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

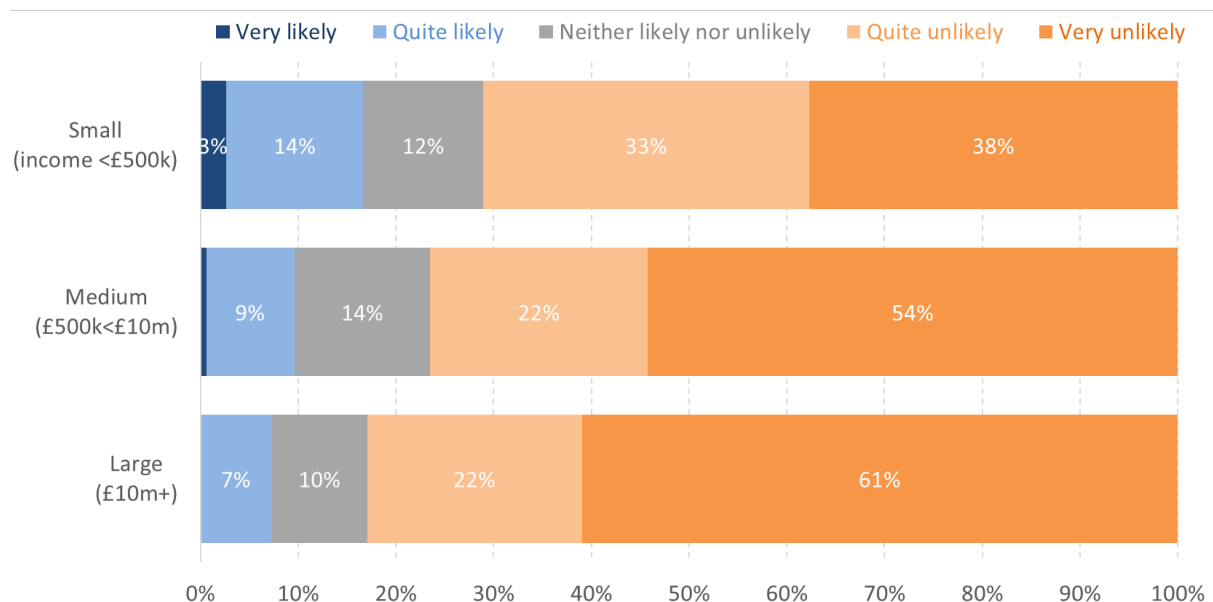
Figure 11: How likely is it that the financial challenges raised by Covid-19 will mean your organisation will no longer be operating in six months' time? 26-27 May



Notes: 26/27 May = 323 responses. Past weeks = 196, 406 responses respectively.

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

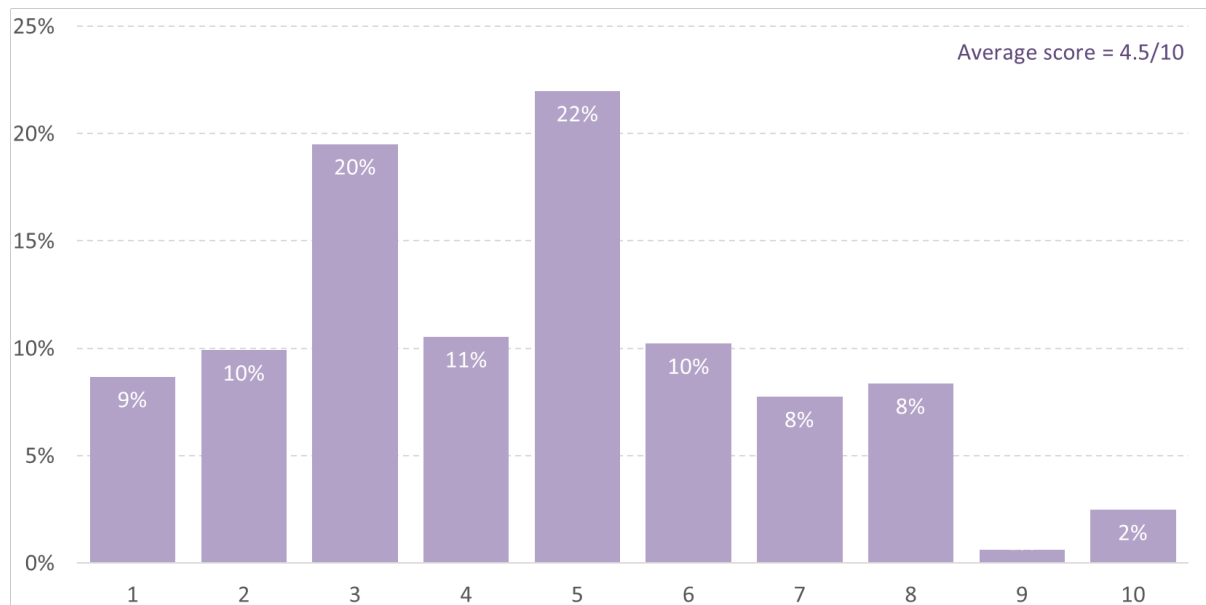
Figure 12: How likely is it that the financial challenges raised by Covid-19 will mean your organisation will no longer be operating in six months' time? 26-27 May, by size of charity



Notes: 323 responses, comprising 114 'small', 166 'medium' and 41 'large'.

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? 26-27 May



Notes: 323 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: 26-27 May (selection)

Sustainability funding please. We can get through this year using our reserves, but we will have to think about closing as we only have six months' for next year

As usual funding is focused on big and national charities, household names

Need is growing by the day so in addition to the emergency response, we have to focus on how to build capacity for the rebuilding/recovery and supporting many more people as a result of this crisis

We'd like straight messages and transparency from the govt

Great that the National Lottery Community Fund programme is finally open but shocked and disappointed that funding has not been ringfenced for BAME-led groups

The social distancing is the most difficult to deal with in re-starting our services which are all around social interaction

Waiting and hoping for our first furlough payment to arrive. Preparing the offices for returning staff and clients is a challenge and beyond the remit of us multitaskers who have premises management thrown at us as an adjunct

We are dependent on dividend income to fund the grants we make. We may need to stop making new grants to enable us to continue renewals

Sole funder of the project has been faultless, providing understanding about the delay in project delivery, supporting new ways of working, suspending reporting requirements for now and more. No-one could do more to support us but we can't operate effectively under the current circumstances

We are only able to support our service users via Zoom rather than face to face... currently we do not have funding in place for next year

Notes: 323 responses.

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