

Pro Bono Economics/Civil Society Media results: 9 & 10 June 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 9 & 10 June 2020, a total of 231 respondents filled in the survey. The respondents were split between 77 'small' charities (annual income of less than £500,000), 127 'medium' sized charities (income between £500,000 and £10 million) and 27 'large' charities (income of £10 million or more).

Overall results

- 86 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 38 per cent saying they expected it to be a "large" negative impact. One-in-ten (10 per cent) said they thought it would have a positive impact.
- Over half (56 per cent) said their level of concern about COVID-19's impact on their ability to deliver was broadly unchanged over the past seven days. However, one-in-three (35 per cent) said their concern had increased. One-in-ten (9 per cent) said their expectations had improved over the previous seven days, slightly lower than in previous weeks.
- Nine-in-ten charities (89 per cent) said they expected COVID-19 to reduce their income over the coming six months relative to pre-crisis plans. Two-in-five (40 per cent) expected a reduction of up to 25 per cent and a quarter (27 per cent) thought their income would be 25 per cent to 50 per cent lower. 13 per cent thought the drop would be 50 per cent to 75 per cent and nearly one-in-ten (8 per cent) said they expected income to be down on previous plans by more than 75 per cent.
- Three-in-four (73 per cent) said they expected to see an increase in demand for their services over the next six months, compared to pre-crisis expectations. Around a third (33 per cent) expected to see an increase of up to 25 per cent; a quarter expect an increase of 25 per cent to 50 per cent; and 15 per cent expect to see more than a 50 per cent increase in demand for their services. Meanwhile, one-in-five (19 per cent) said they expected to see a fall in demand for services.
- Two-in-five charities (43 per cent) said the single biggest issue they were facing was the impact of social distancing on their ability to deliver their services. This week for the first time, the impact of COVID-19 on making planning for the future uncertain was the second biggest negative impact, with 28 per cent of charities citing this. A further 23 per cent said the biggest impact was on their ability to fundraise was instead the biggest challenge, down from 28 per cent last week.
- 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 66 per cent saying they'd done this. Seeking funder flexibility on their spending plans, project delivery and reporting requirements was the second most common action, with 58 per cent of charities doing this. 55 per cent said they'd reduced their activity in a "significant" way.
- 42 per cent say they have applied for emergency funding from the government's support package, up from 37 per cent last week and just 28 per cent two weeks ago.

- 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 the same as last week, 4.4. Three-in-five (70 per cent) scored the response at five or below, with two-in-five (40 per cent) scoring it 1-3 and one-in-ten (10 per cent) scoring it 8-10.
- Four-in-five (79 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, nearly one-in-ten (8 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

- Charities of all sizes expect COVID-19 will have a negative impact on their ability to meet their objectives over the coming six months—88 per cent of small charities and 86 per cent those with incomes over £500k. However small charities were more likely to believe that impact will be large—44 per cent of small charities expect a large negative impact, compared to 35 per cent of larger charities.
- Small charities were more likely to struggle with the impact of COVID-19 on fundraising than larger ones—26 per cent of small charities reported this as their biggest challenge, compared to 21 per cent of larger charities. 31 per cent of medium and large charities said the biggest issue was uncertainty around planning for the future, compared with 22 per cent of small charities. The impact of social distancing on service delivery however remains the biggest issue for charities of all size.
- For small charities, the most frequently cited action in response to COVID-19 was having reduced activity in a "significant" way (57 per cent), followed by applying for non-government emergency funding (55 per cent). 47 per cent of small charities said they had furloughed staff and accessed the Job Retention Scheme funding. In contrast, 76 per cent of medium and large charities said they had furloughed staff. Similar to small charities, 54 per cent of medium and large charities had reduced activity in a significant way.
- Small charities were less likely to think that COVID-19 would lower their income in the next six months relative to previous expectations, with 84 per cent reporting this versus 91 per cent in medium and large charities. 8 per cent of small charities expected a positive impact on their income, compared to 4 per cent of medium and large charities. However small charities were much more likely to expect very large reductions in income. 35 per cent said they thought their income would be down on their pre-crisis plans by more than 50 per cent, compared with 14 per cent among larger organisations.
- Small charities were also more pessimistic about their expectations for sustaining operations over the coming months. 15 per cent of small charities thought it was "likely" that they would no longer be able to operate in six months' time, compared with 5 per cent of medium and large charities. And while 62 per cent of medium and large charities thought it was "very unlikely" they would close in six months' time, this was only true for 36 of small charities.

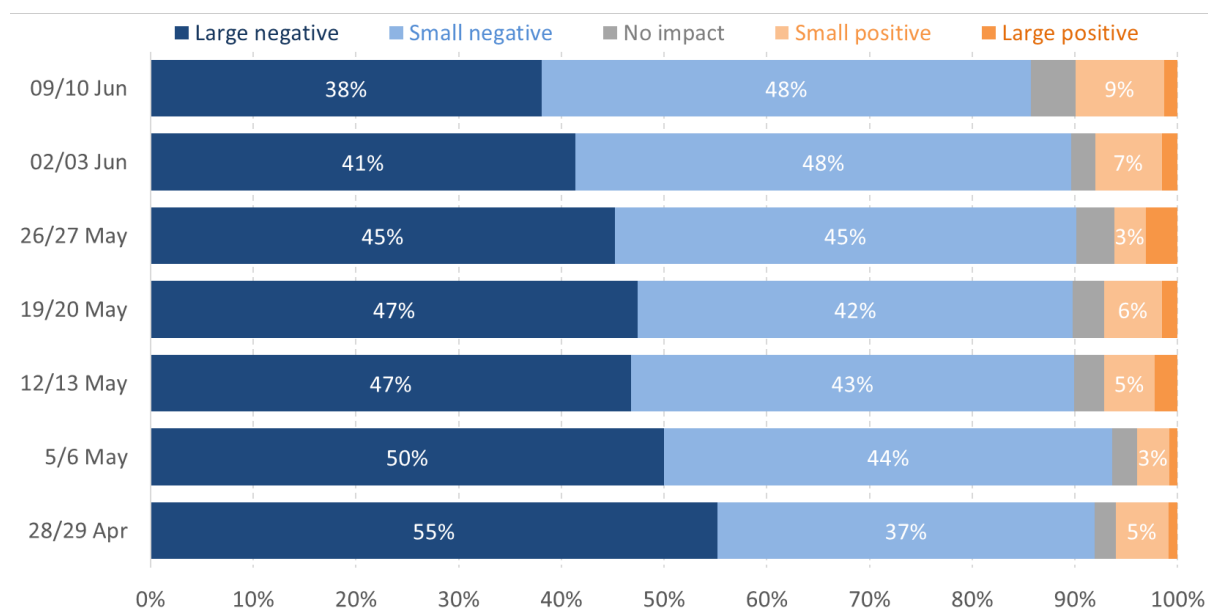
Commenting on the findings Anoushka Kenley, Research & Policy Director of Pro Bono Economics, said:

“With incomes being squeezed and demand for support being elevated, we already know that UK charities face a very significant funding gap – around £10 billion in the next six months according to our estimate. This week’s survey shows no let up in the challenges for the sector.

“There has been a marked increase in respondents saying they’ve applied for funding from the government’s rescue package, but this appears to have done little to change sentiment about either the scale of the problem being faced or the adequacy of the government response.

“It remains the case that nine-in-ten charities expect COVID-19 to damage their ability to meet their objectives in the coming six months, more than half have cut back on their activities and around one-in-ten expect to go out of business.”

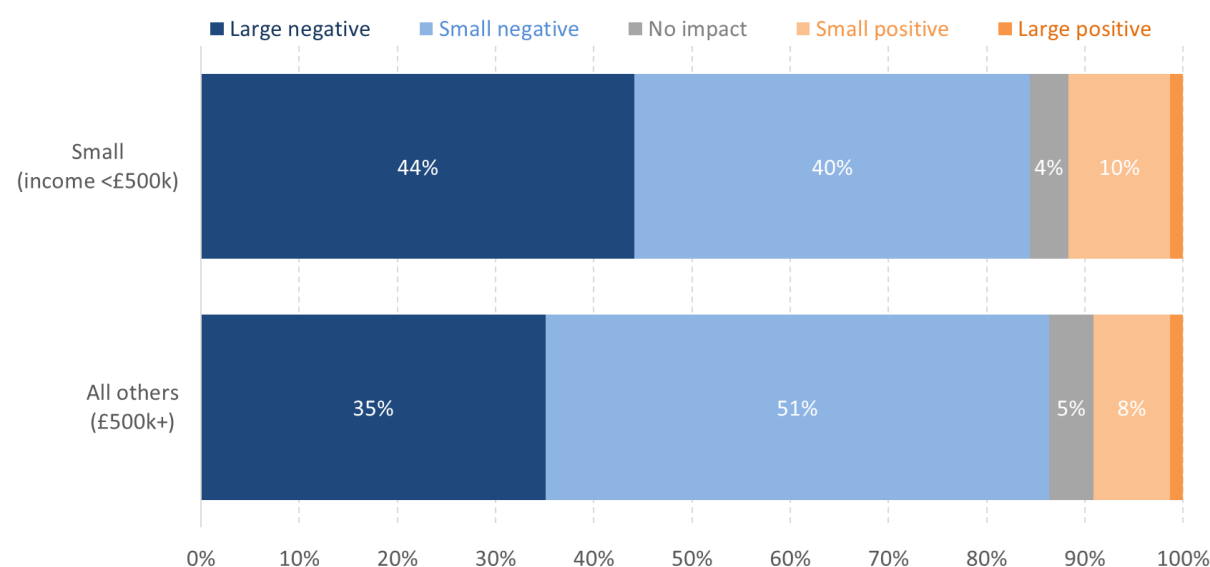
Figure 1: How do you expect COVID-19 to affect your charity's ability to deliver on its objectives in the next six months?



Notes: 09/10 June = 231 responses. Past weeks: 261, 323, 196, 406, 126, 433 responses respectively.

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

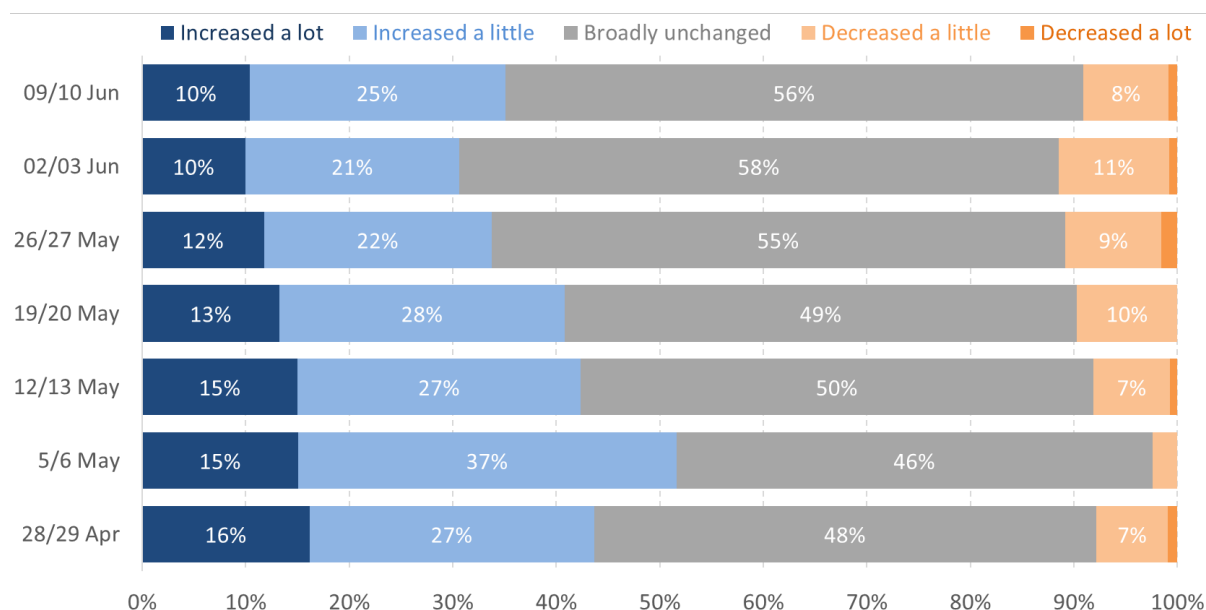
Figure 2: How do you expect COVID-19 to affect your charity's ability to deliver on its objectives in the next six months? 09-10 June, by charity size



Notes: 231 responses, comprising 77 'small' and 154 'all other'.

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

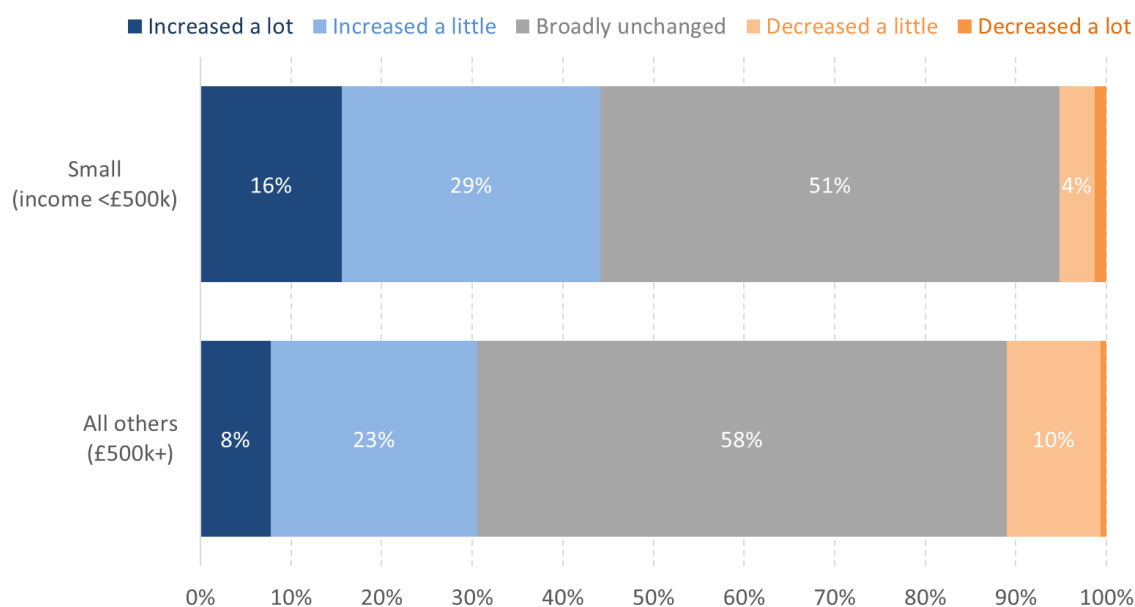
Figure 3: How has your level of concern about COVID-19's impact on your charity's ability to deliver on its objectives changed over the last seven days?



Notes: 09/10 June = 231 responses. Past weeks: 261, 323, 196, 406, 126, 433 responses respectively.

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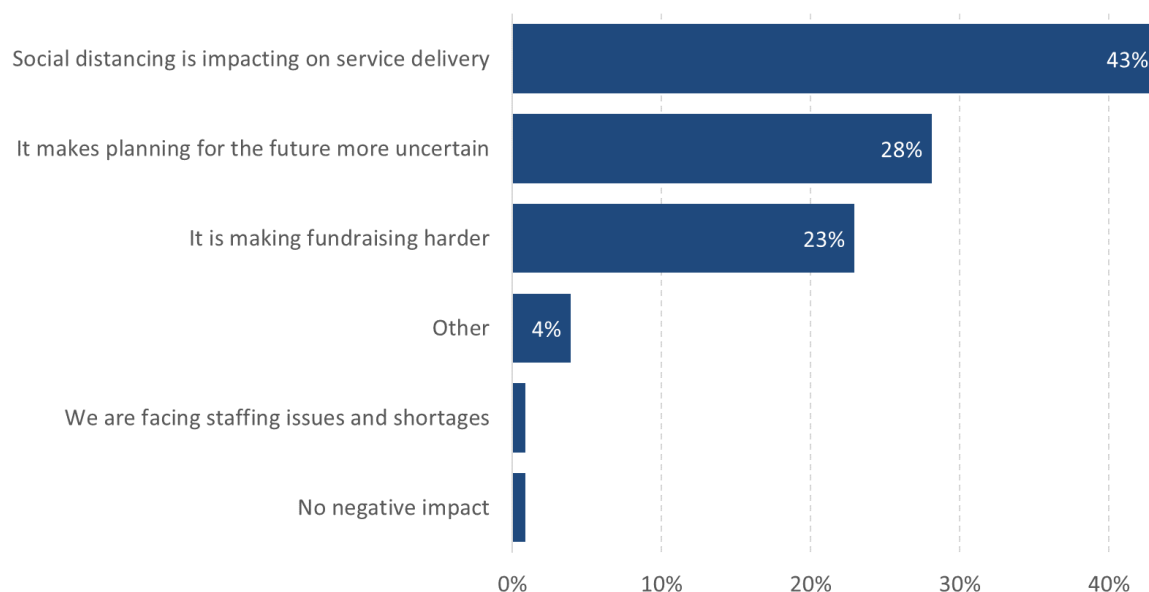
Figure 4: How has your level of concern about COVID-19's impact on your charity's ability to deliver on its objectives changed over the last seven days? 09-10 June, by charity size



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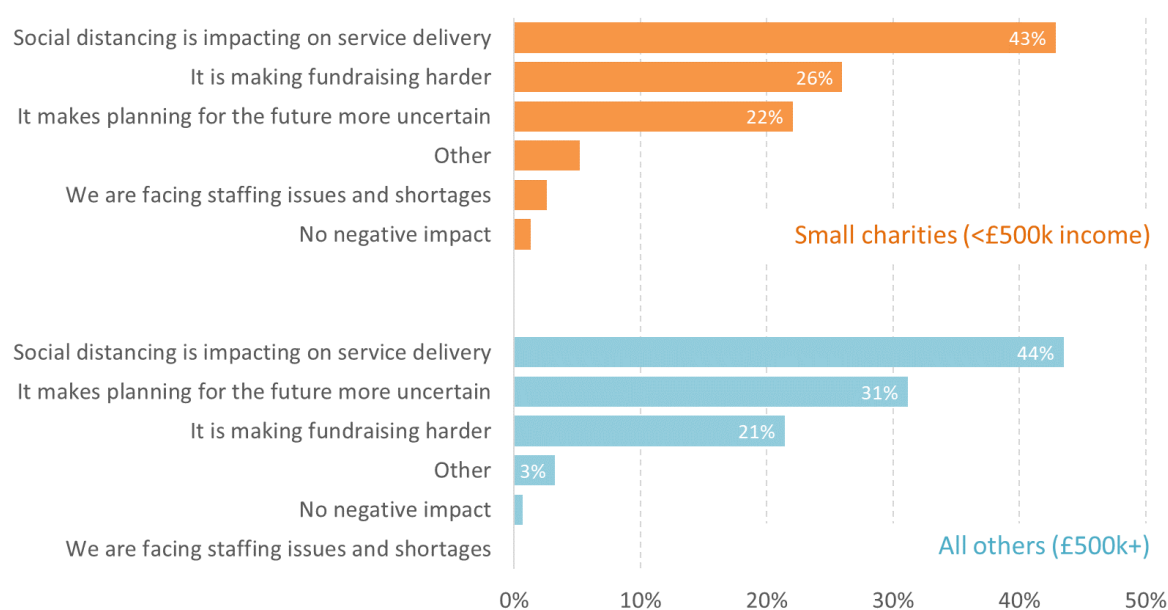
Figure 5: What is the current single biggest negative impact of COVID-19 on your charity's ability to deliver on its objectives? 09-10 June



Notes: 231 responses.

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

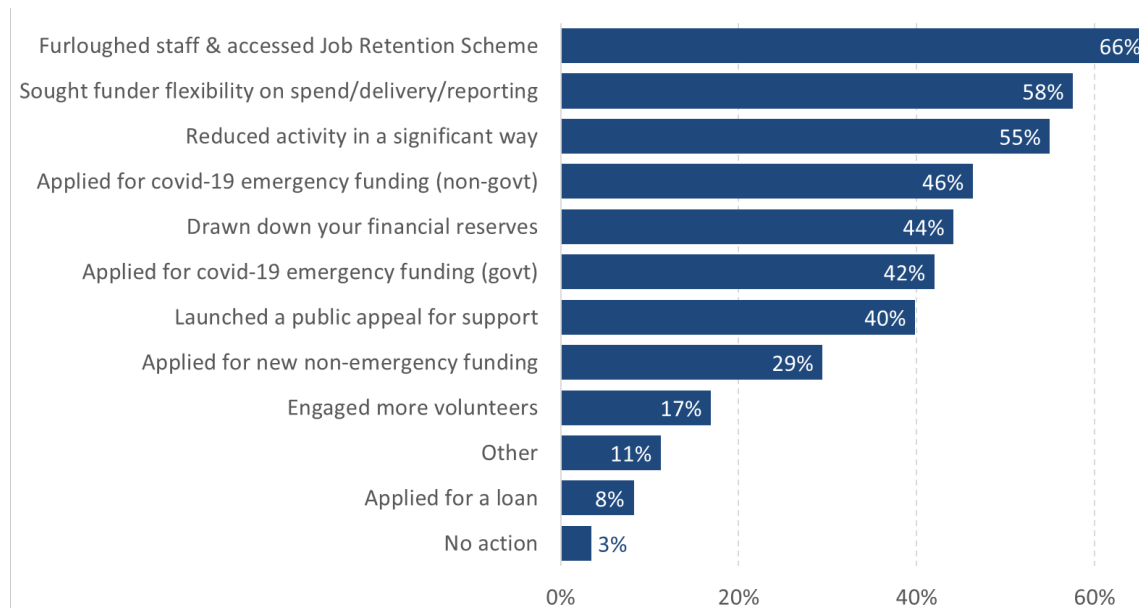
Figure 6: What is the current single biggest negative impact of COVID-19 on your charity's ability to deliver on its objectives? 09-10 June, by size of charity



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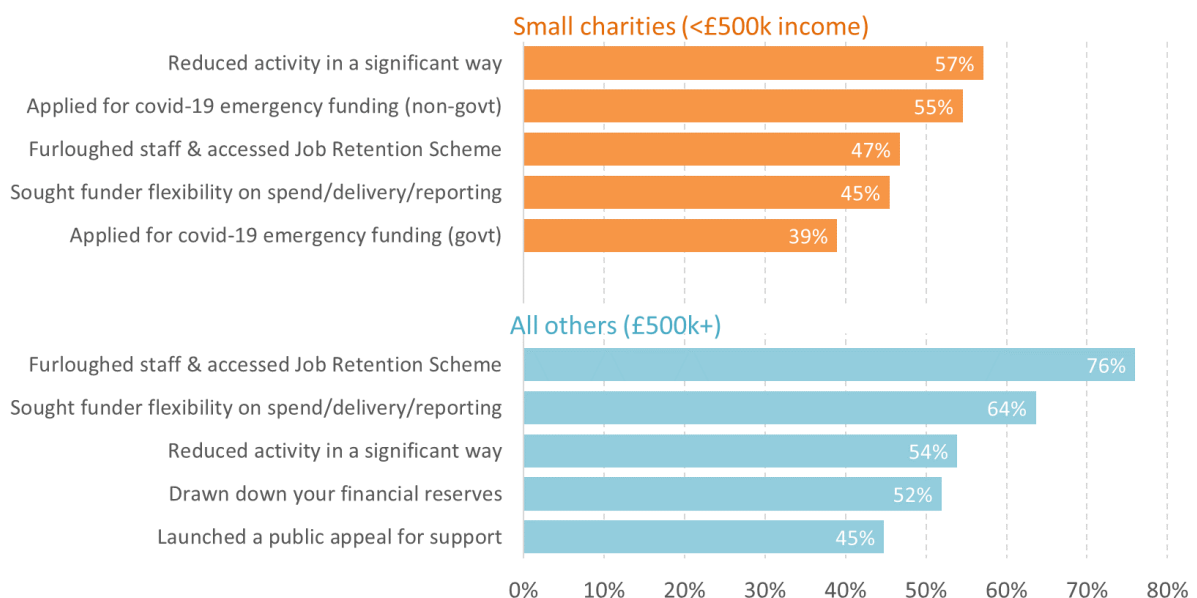
Figure 7: What actions have you taken in response to any financial challenges that COVID-19 have presented to your organisation? 09-10 June



Notes: 231 responses. Respondents were asked to tick all options that applied.

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

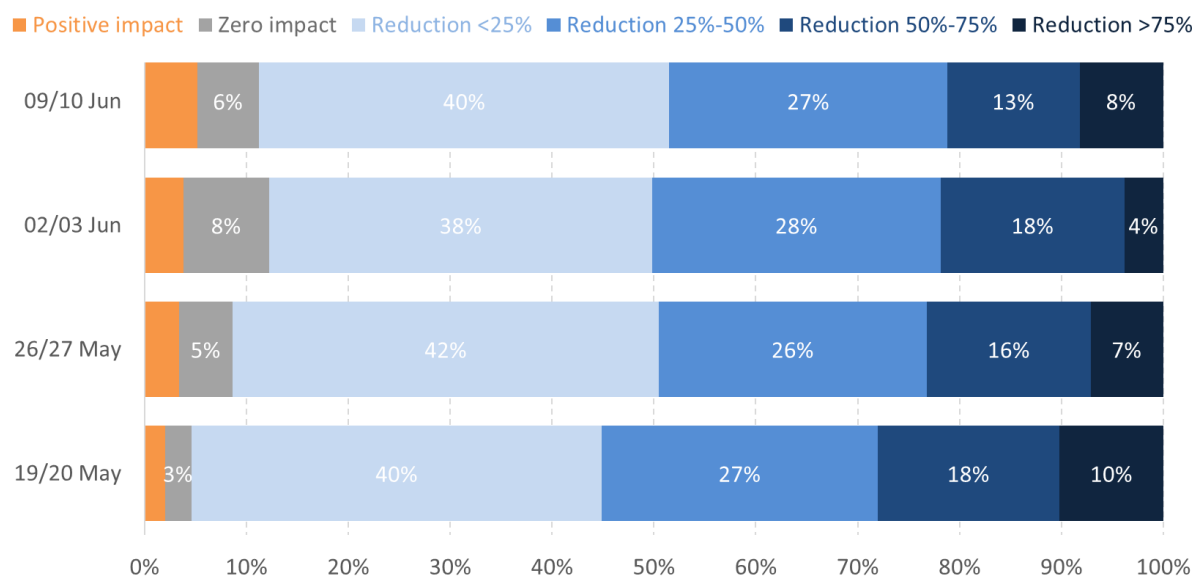
Figure 8: What actions have you taken in response to any financial challenges that COVID-19 have presented to your organisation? 09-10 June, by size of charity, top five shown



Notes: 231 responses, comprising 77 'small' and 154 'all other'. Respondents were asked to tick all options that apply.

Source: Charity responses to PBE & Civil Society Media survey

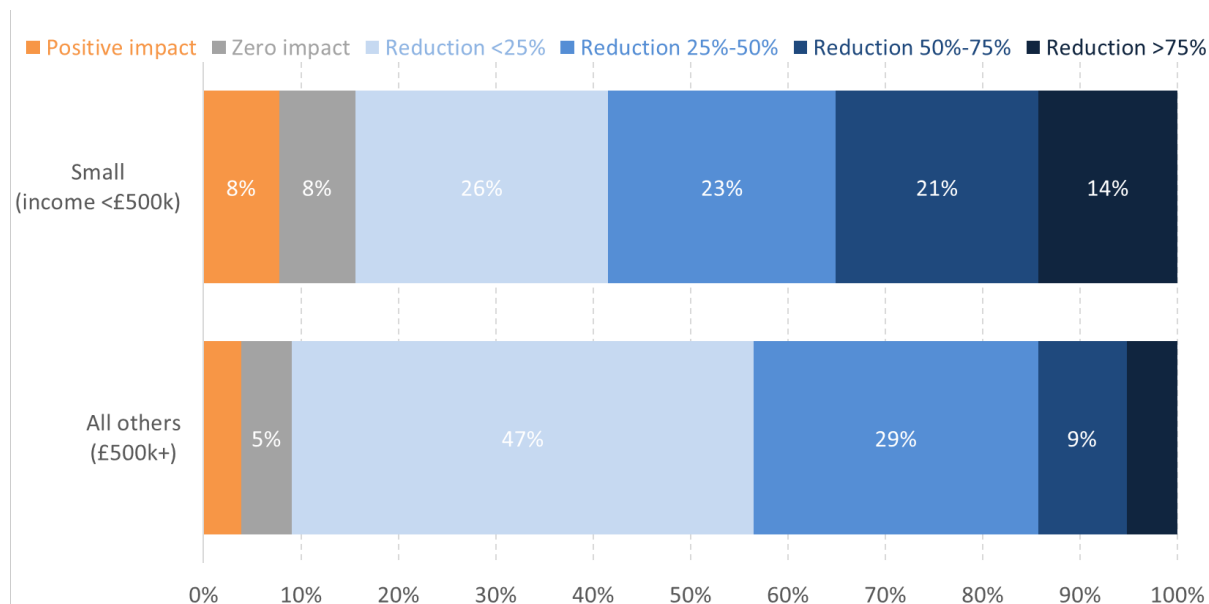
Figure 9: What impact do you expect COVID-19 to have on your organisation's income over the next six months relative to your pre-crisis expectations?



Notes: 09/10 June = 231 responses. Past weeks: 261, 323, 196 responses respectively.

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

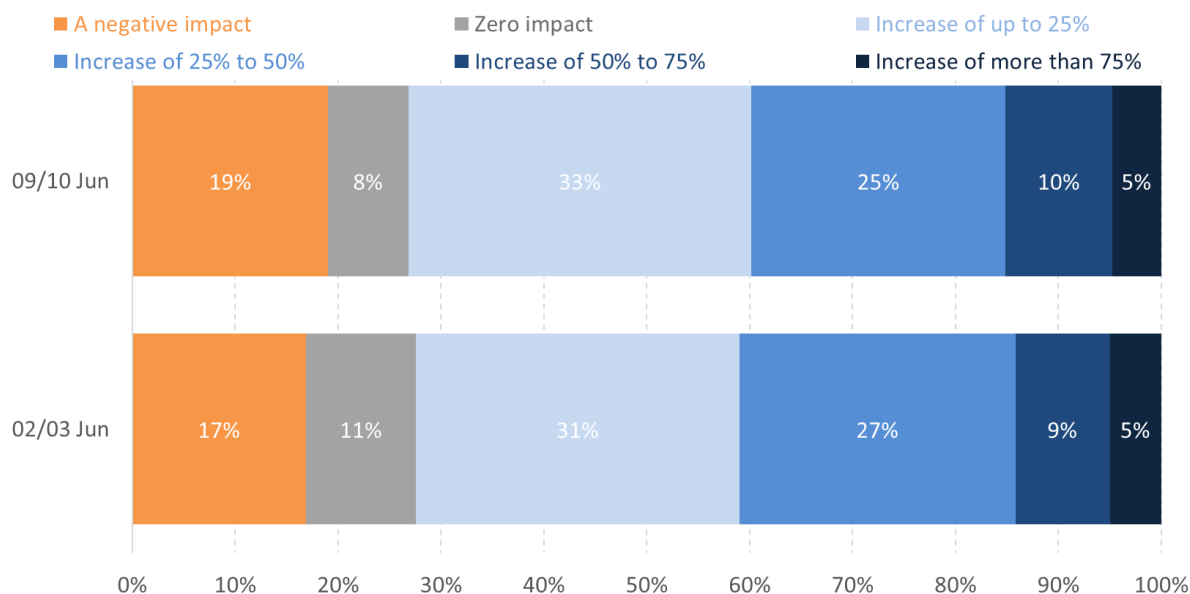
Figure 10: What impact do you expect COVID-19 to have on your organisation's income over the next six months relative to your pre-crisis expectations? 09-10 June, by charity size



Notes: 231 responses, comprising 77 'small' and 154 'all other'.

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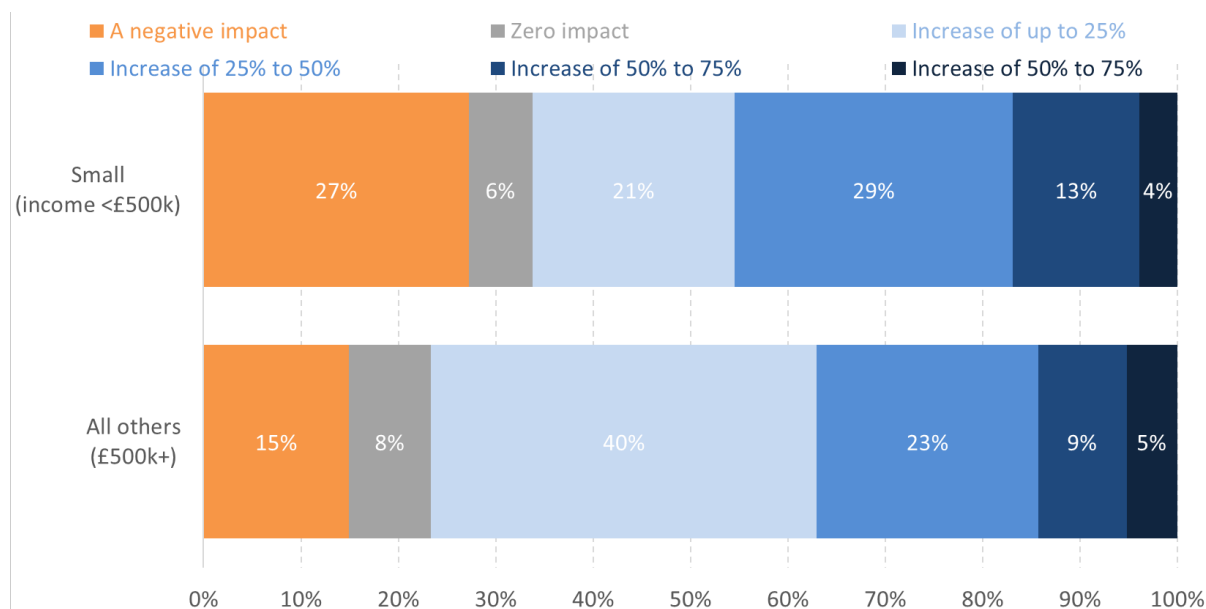
Figure 11: Roughly what impact do you expect COVID-19 to have on demand for your organisation's services in the next six months relative to your pre-crisis expectations?



Notes: 231 responses.

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

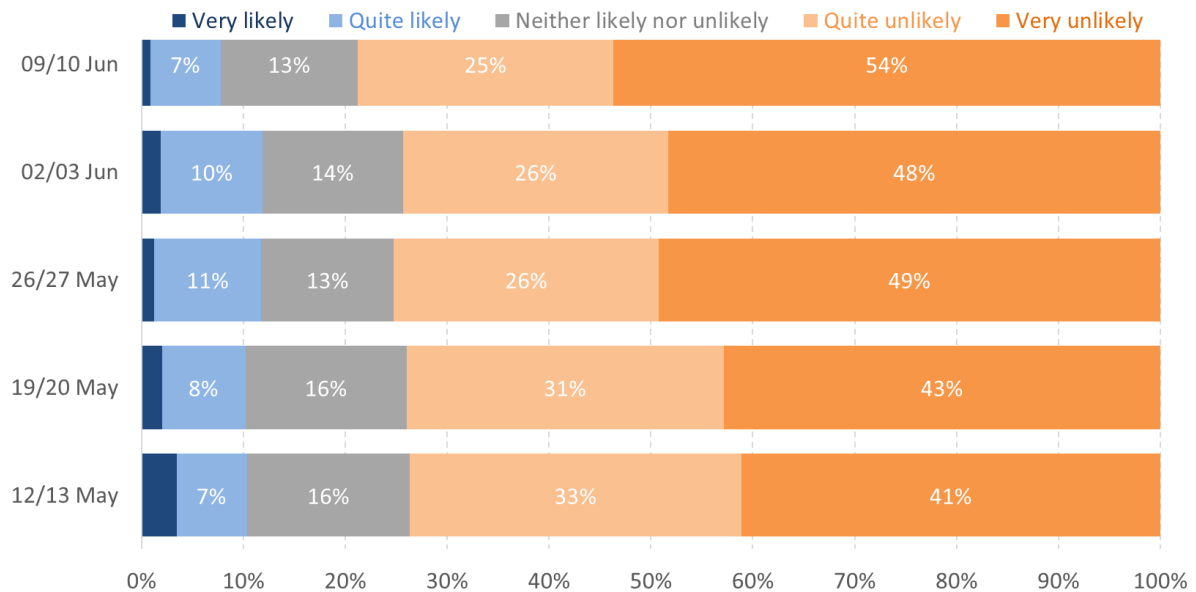
Figure 12: Roughly what impact do you expect COVID-19 to have on demand for your organisation's services in the next six months relative to your pre-crisis expectations? 09-10 June, by charity size



Notes: 231 responses, comprising 77 'small' and 154 'all other'.

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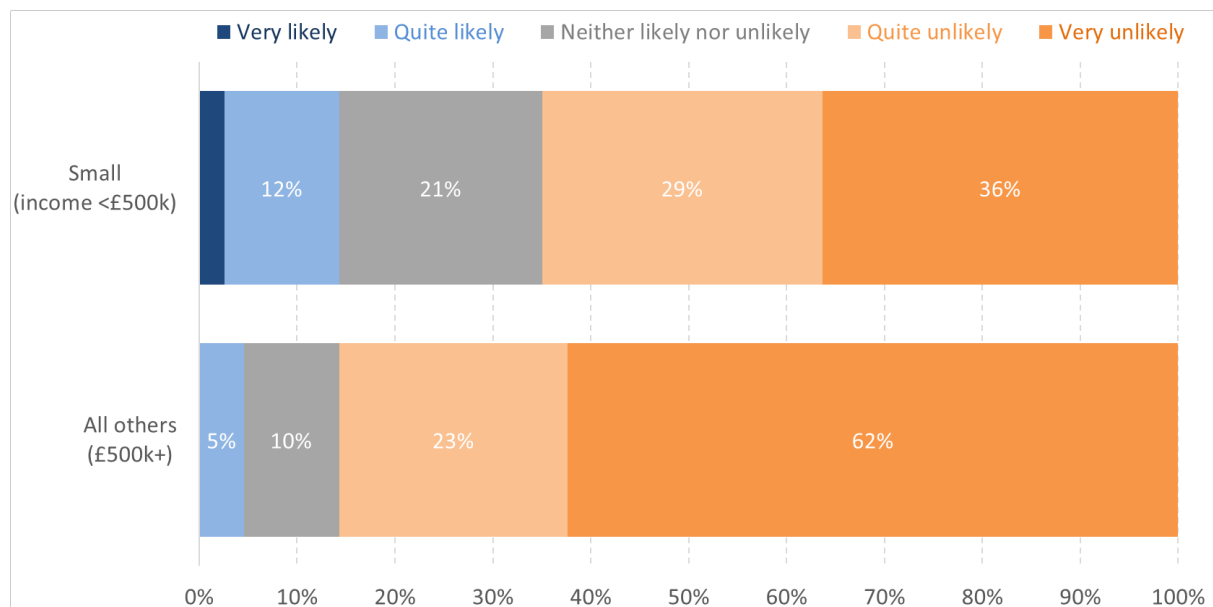
Figure 13: How likely is it that the financial challenges raised by COVID-19 will mean your organisation will no longer be operating in six months' time? 09-10 June



Notes: 09/10 June = 231 responses. Past weeks: 261, 323, 196, 406 responses respectively.

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

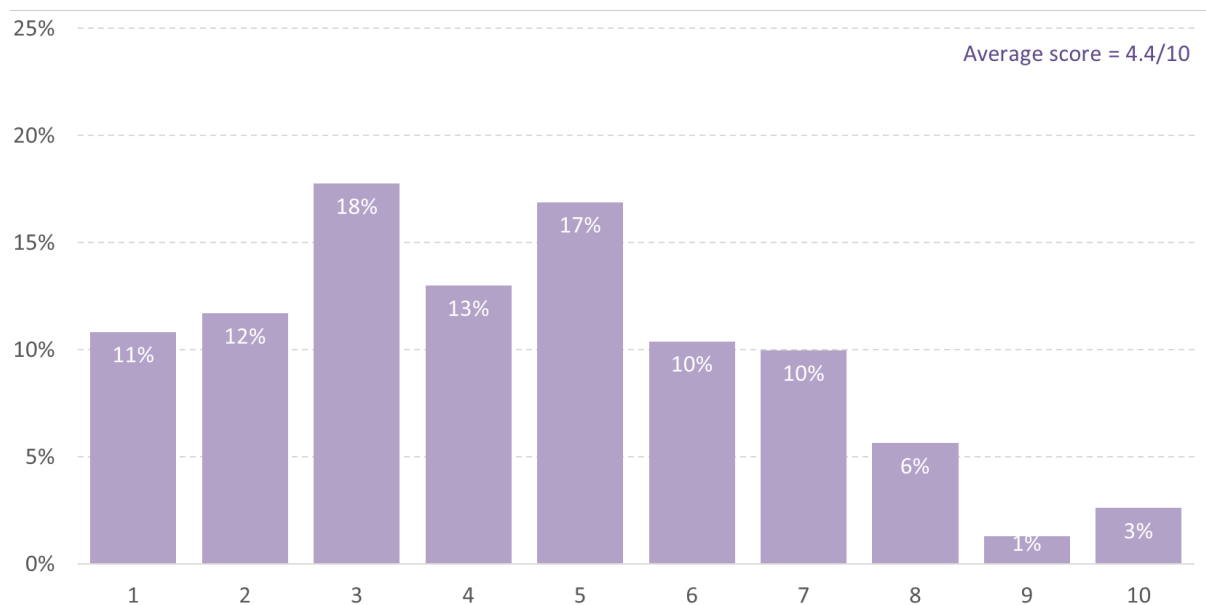
Figure 14: How likely is it that the financial challenges raised by COVID-19 will mean your organisation will no longer be operating in six months' time? 09-10 June, by size of charity



Notes: 231 responses, comprising 77 'small' and 154 'all other'.

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

Figure 15: 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? 09-10 June



Notes: 231 responses.

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

Figure 16: 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: 09-10 June (selection)

Major loss of income leading to potentially significant changes within the organisation	As a 'big' charity, there seems to be an assumption that we can keep drawing on our reserves to top up our budget, but that is not sustainable. We are looking at a £50m black hole by year end	We were financially viable with a mix of trading and other earned income, enabling us to offer low cost and free support to those least able to afford and access it. Reserves were low beforehand after years of austerity, and the substantial loss of income from trading means we are facing closure in August unless finances improve very soon...	With Covid and Brexit there is major funding uncertainty. Support is needed to help organisations transition to the future funding structures	Many funders focusing only on the Covid response funding when we are delivering our usual services to clients in a new ways
I understand the impact of Covid, but many mainstream funders are stopping their main grants and doing emergency grants	Support BAME-led organisations... Put more BAME people on decision making boards. Look at who is going to be most affected by this crisis and work with them	Government has done some good things, but its response to the crisis has gone from good to bad	Too many emergency funds expect new projects - we need core funding to maintain critical support to a vastly growing number of clients needing our mental health support	More support for youth and children's services
				Welfare centres closed but even once open will have limited capacity and beneficiaries may be deterred

Notes: 231 responses.

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