

Pro Bono Economics/Civil Society Media results: 12 & 13 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.

Overall results

Over the course of 12 & 13 May 2020, a total of 406 respondents filled in the survey.

- 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 (50 per cent) saying they expected it to be a “large” negative. 7 per cent said they thought it would have a positive impact.
- Half (50 per cent) said their level of concern was broadly unchanged over the past seven days, but 42 per cent said that their expectations had deteriorated – with 15 per cent saying their level of concern had increased “a lot”.
- Two-in-five (38 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. Just over one-in-five (22 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 60 per cent of respondents saying they’d done this. A slightly lower proportion (56 per cent) said they’d reduced their activity in a significant way. Half (49 per cent) said they’d sought funder flexibility on their spending plans, project delivery and reporting requirements and two-in-five (40 per cent) said they had drawn down on their financial reserves. Just over one-in-five (22 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. One-in-three (68 per cent) scored the response at five or below, with two-in-five (41 per cent) scoring it 1-3 and one-in-ten (10 per cent) scoring it 8-10.
- Encouragingly, 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 3 per cent saying it was very likely.

By size of charity

The 406 respondents were split between 125 ‘small’ charities (annual income of less than £500,000), 211 ‘medium’ sized charities (income between £500,000 and £10 million), 67 ‘large’ charities (income of £10 million or more), and three ‘others’.

- There was no meaningful difference by size in charities’ perception of the scale of the impact Covid-19 would have on their ability to meet their objectives over the coming six months.

- Small charities were most likely to cite the impact of social distancing on their ability to deliver services as being the single biggest challenge they are facing (42 per cent), followed by medium sized charities (37 per cent) and then large charities (34 per cent). But the ordering is reversed in relation to the effect of Covid-19 on fundraising, with 34 per cent of large charities citing it as the single biggest issue, followed by 29 per cent of medium sized charities and 28 per cent of small charities.
- 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 (61 per cent), followed by applying for non-government emergency funding (47 per cent) and seeking funder flexibility (42 per cent). Just 38 per cent said they had furloughed staff. In contrast, 75 per cent of large charities said they had furloughed staff, 54 per cent said they'd reduced activity in a significant way, and 52 per cent said they had launched a public appeal for support.
- There was little difference by size in charities' grading of the government's financial support for the sector.
- There was a marked difference in relation to expectations for sustaining operations over the coming months, with 15 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 sized organisations and just 3 per cent of large charities.

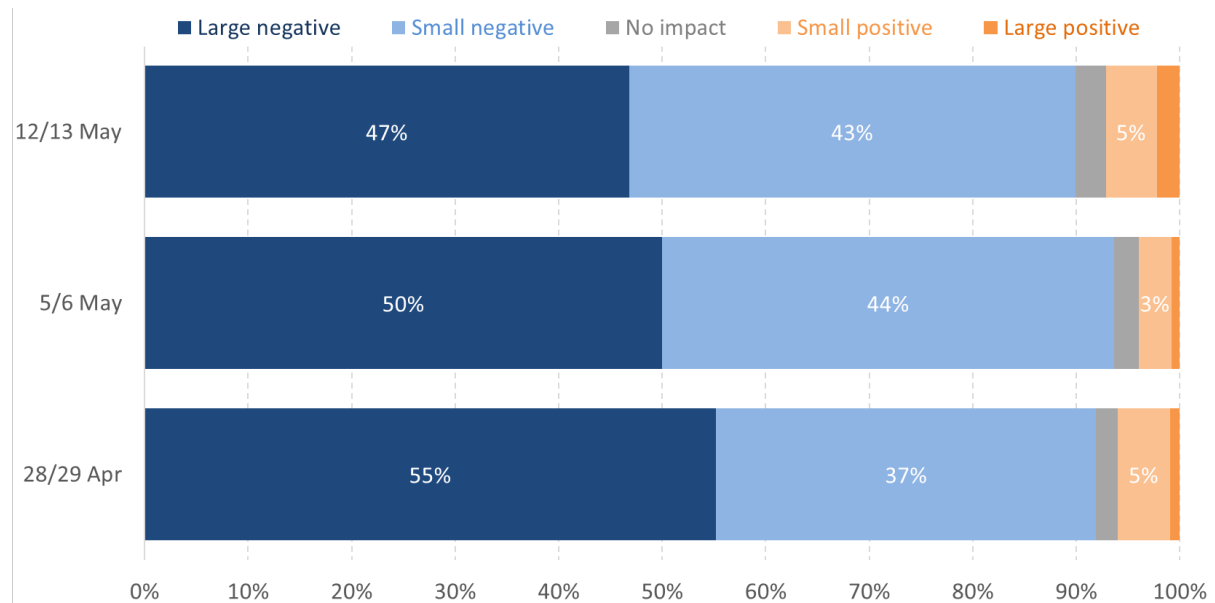
Commenting on the findings Matt Whittaker, Chief Executive of Pro Bono Economics, said:

"Seven weeks into the Covid-19 lockdown there is little sign of any easing of the pressures being faced in the social sector. Nine-in-ten organisations say they expect the pandemic to negatively affect their ability to fulfil their charitable objectives, and two-in-five say they've become more pessimistic over the last week.

The good news is that three-in-four say they think it is unlikely that the crisis will force them to stop operating within the next six months. Nevertheless, a sizeable minority of one-in-ten think they will cease to exist. That's significantly lower than figures reported in other sector surveys, but it would still represent a big loss to social and economic wellbeing in the UK – with our estimate suggesting that civil society activity is worth some £200 billion a year.

It is important too to note that the proportion thinking they will go out of business rises to 15 per cent among smaller charities. Organisations in this group appear less able than larger charities to access financial support from the government and others: just 38 per cent say they have furloughed staff, compared with 75 per cent of large charities. They also appear to have less financial wiggle room: 31 per cent have drawn down on their financial reserves, compared with 43 per cent of large charities. In the absence of such sources of resilience, the primary response of smaller organisations has instead been to cut back on their activity."

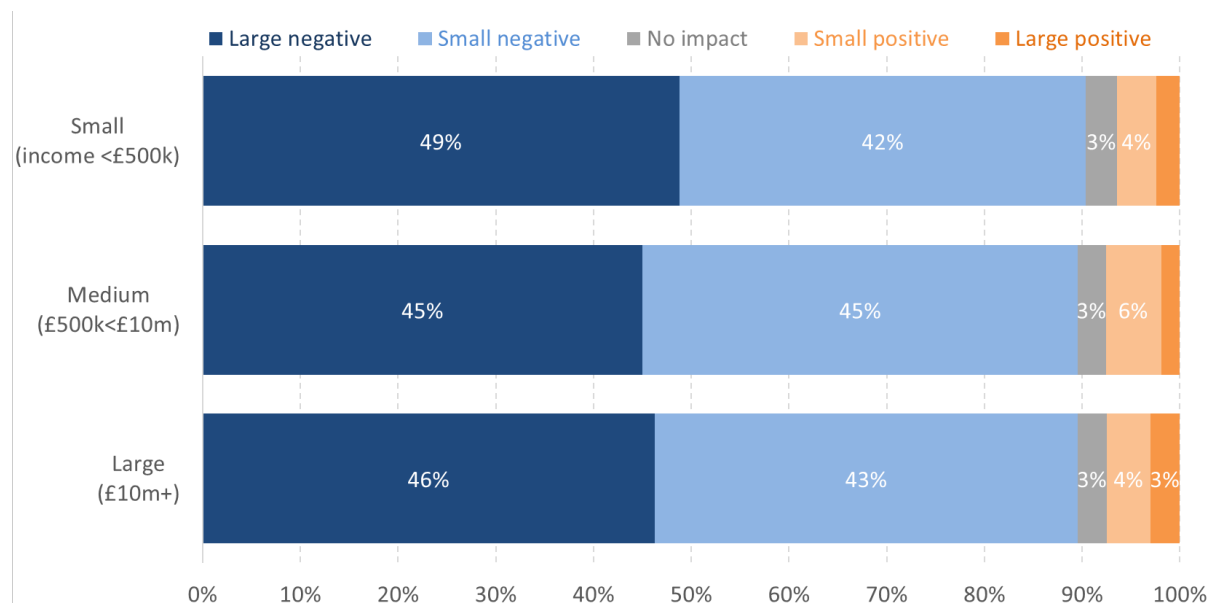
Figure 1: How do you expect Covid-19 to affect your charity's ability to deliver on its objectives in the next six months?



Notes: 28/29 Apr = 433 responses. 5/6 May = 126 responses. 12/13 May = 406 responses.

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

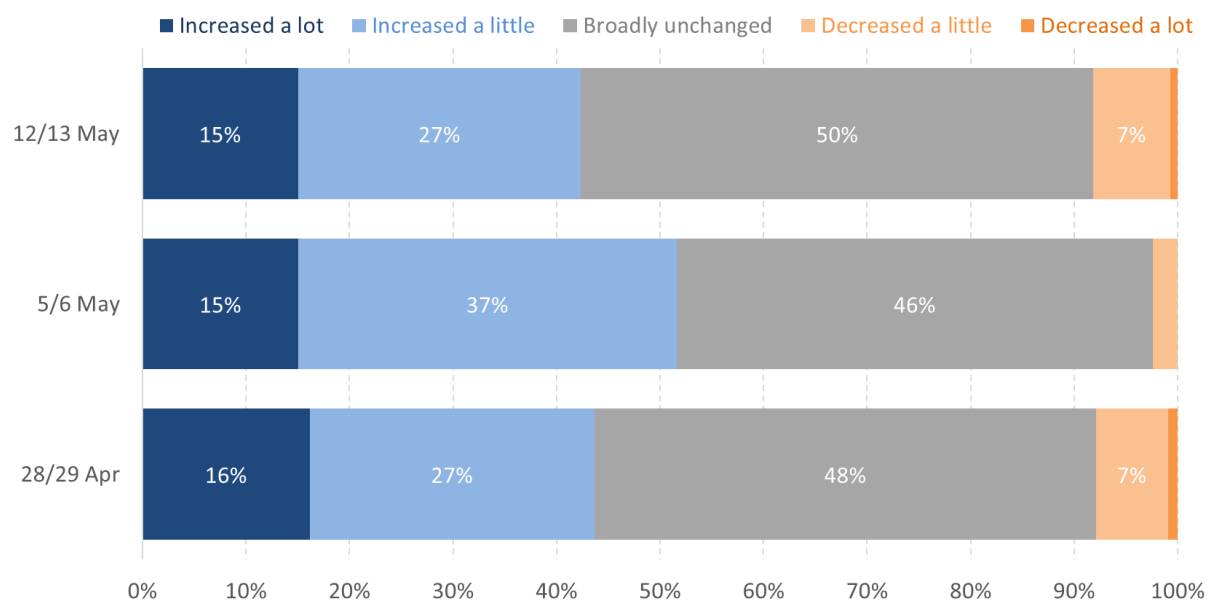
Figure 2: How do you expect Covid-19 to affect your charity's ability to deliver on its objectives in the next six months? 12-13 May, by charity size



Notes: 406 responses, comprising 125 'small', 211 'medium' and 67 'large'.

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

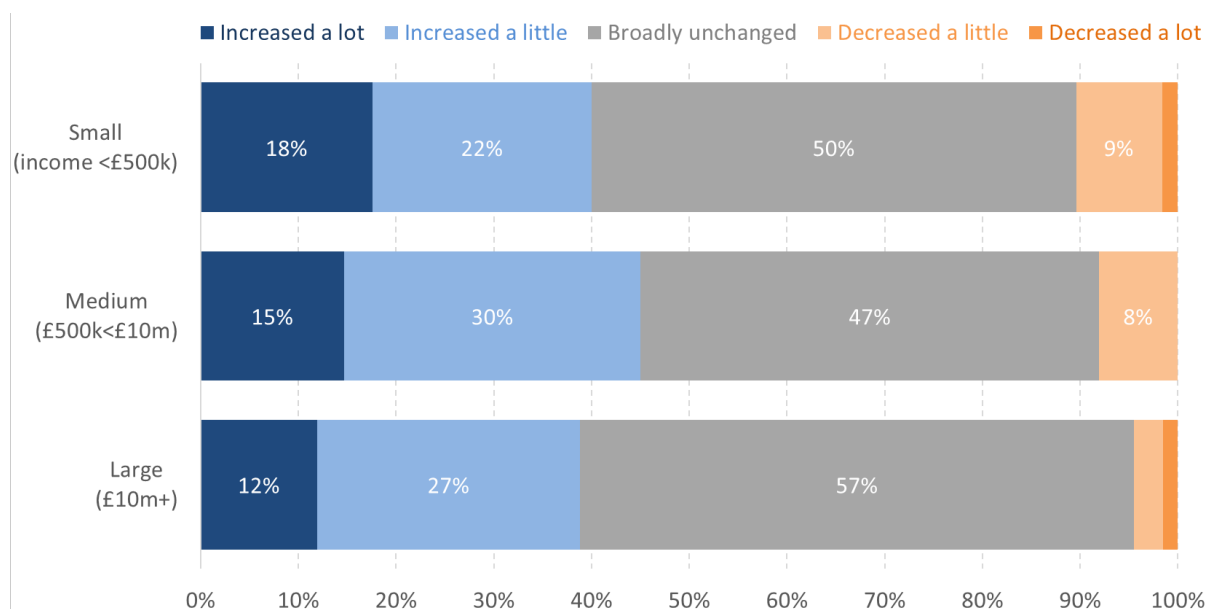
Figure 3: How has your level of concern about Covid-19's impact on your charity's ability to deliver on its objectives changed over the last seven days?



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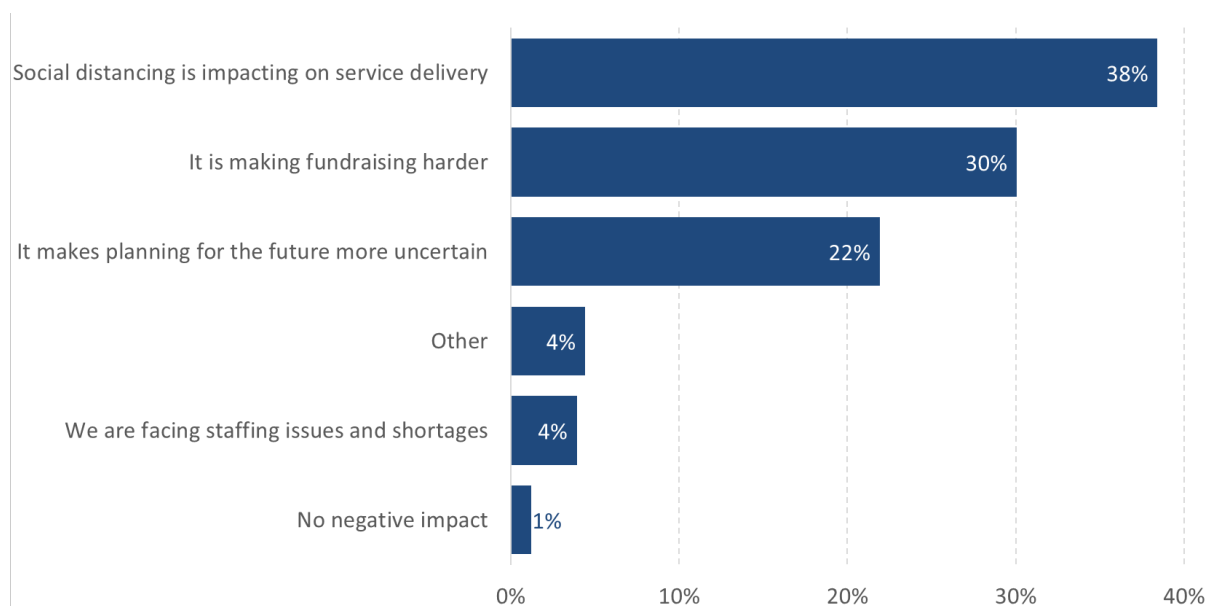
Figure 4: How has your level of concern about Covid-19's impact on your charity's ability to deliver on its objectives changed over the last seven days? 12-13 May, by charity size



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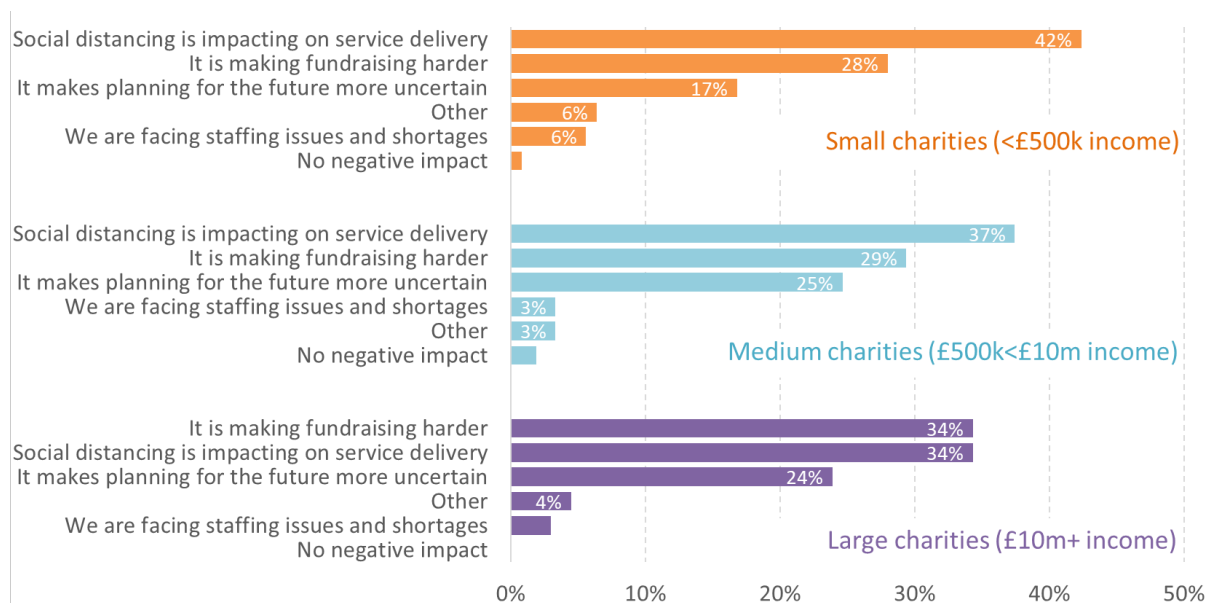
Figure 5: What is the current single biggest negative impact of Covid-19 on your charity's ability to deliver on its objectives? 12-13 May



Notes: 406 responses.

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

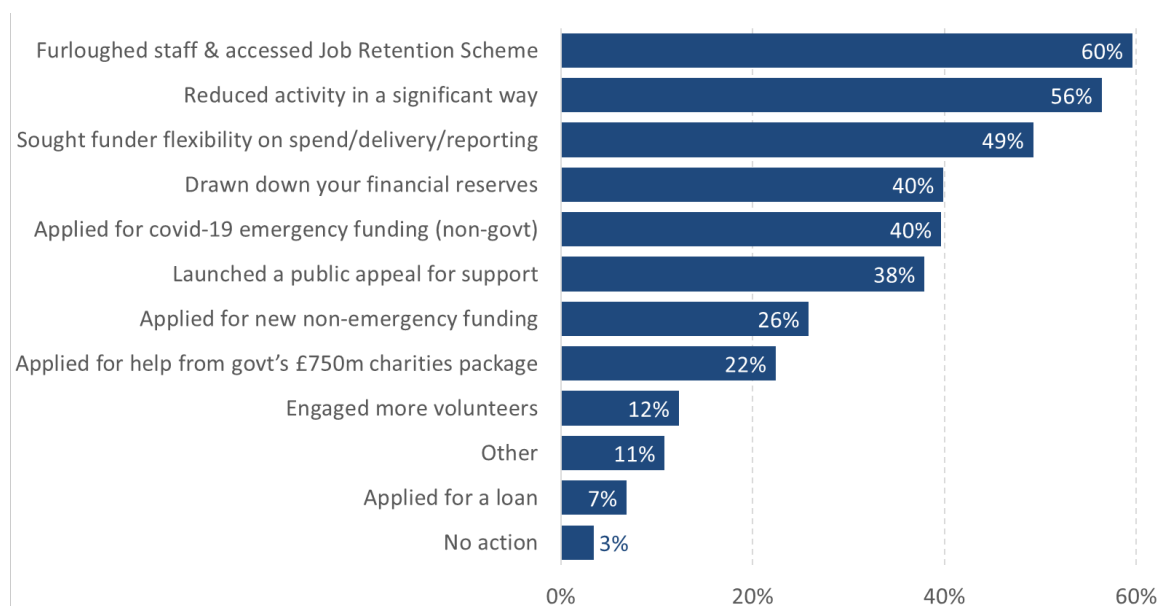
Figure 6: What is the current single biggest negative impact of Covid-19 on your charity's ability to deliver on its objectives? 12-13 May, by size of charity



Notes: 406 responses, comprising 125 'small', 211 'medium' and 67 'large'. Modest sample sizes mean these breakdowns should be treated with caution.

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

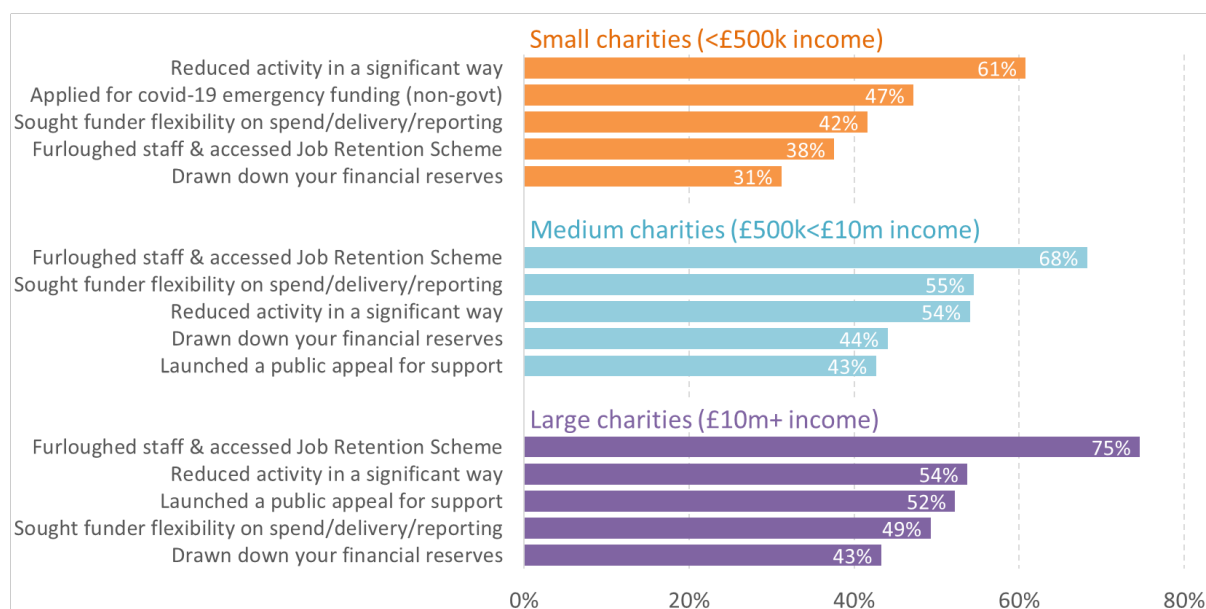
Figure 7: What actions have you taken in response to any financial challenges that Covid-19 have presented to your organisation? 12-13 May



Notes: 406 responses. Respondents were asked to tick all options that applied.

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

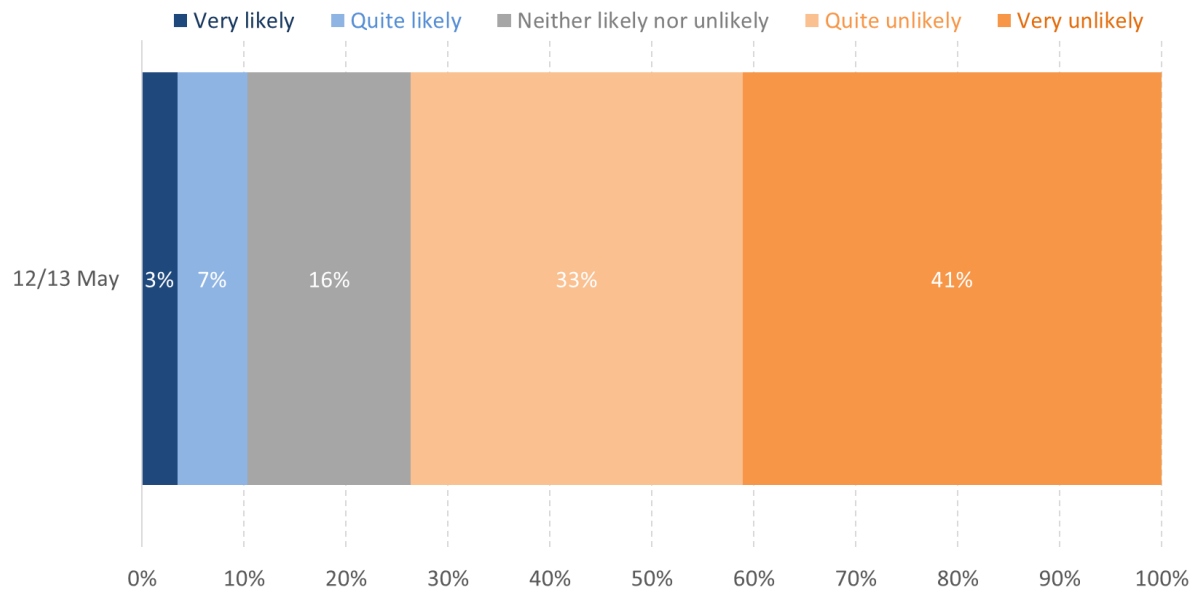
Figure 8: What actions have you taken in response to any financial challenges that Covid-19 have presented to your organisation? 12-13 May, by size of charity, top five shown



Notes: 406 responses, comprising 125 'small', 211 'medium' and 67 'large'. Respondents were asked to tick all options that applied.

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

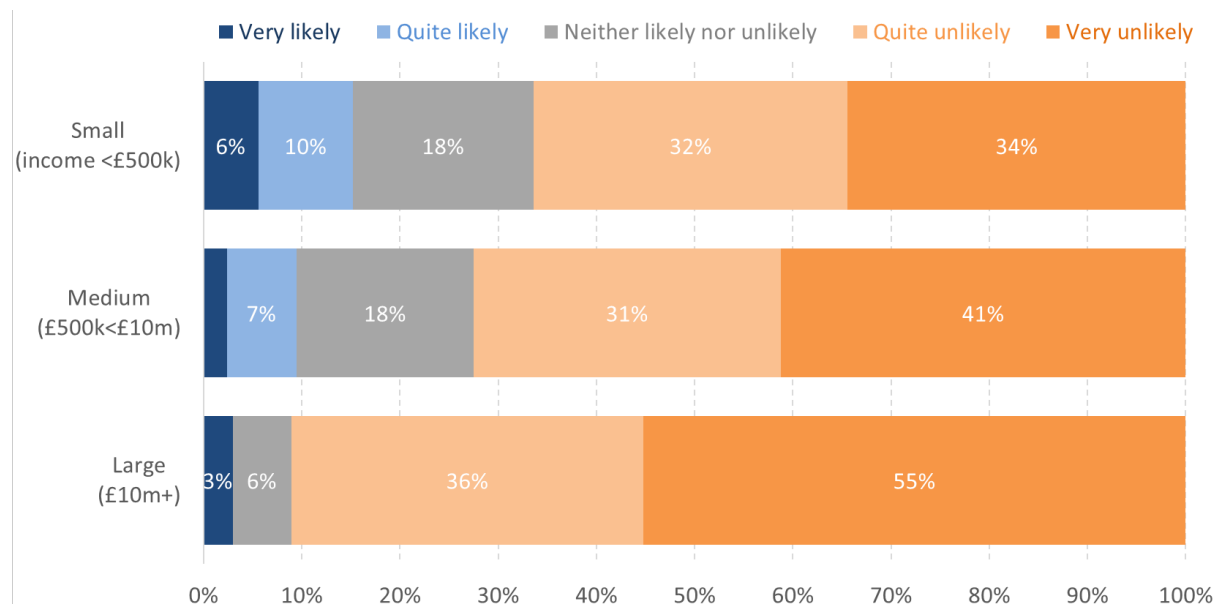
Figure 9: How likely is it that the financial challenges raised by Covid-19 will mean your organisation will no longer be operating in six months' time? 12-13 May



Notes: 12/13 May = 406 responses.

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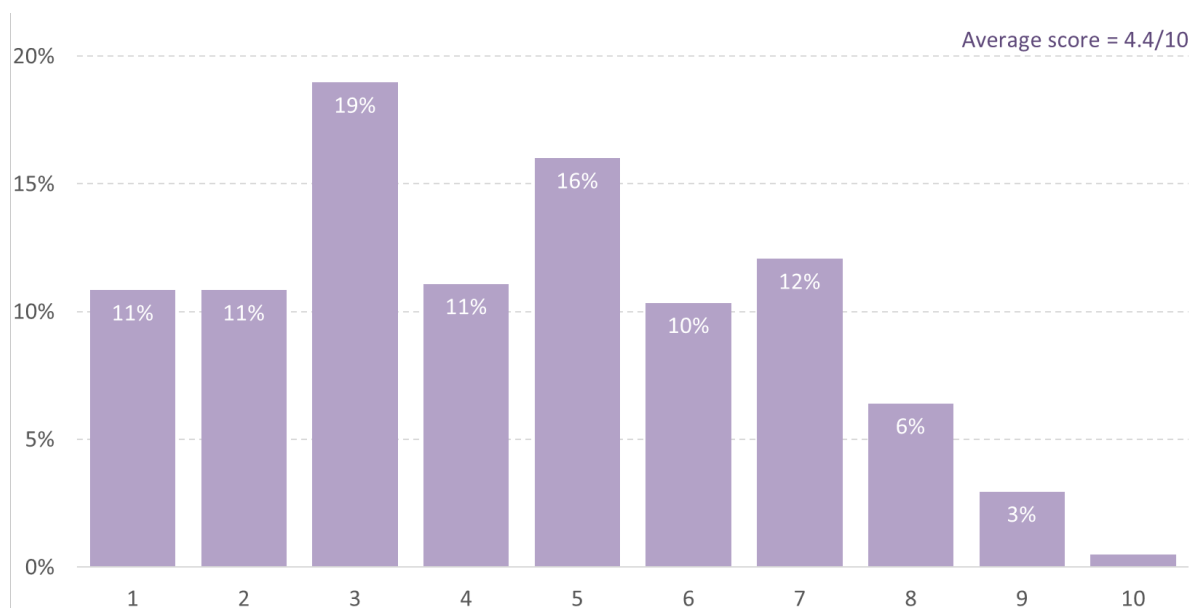
Figure 10: How likely is it that the financial challenges raised by Covid-19 will mean your organisation will no longer be operating in six months' time? 12-13 May, by size of charity



Notes: 406 responses, comprising 125 'small', 211 'medium' and 67 'large'.

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

Figure 11: 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? 12-13 May



Notes: 406 responses.

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

Figure 12: 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: 12-13 May (selection)

Retain furlough for relevant entities until income not compromised by social distancing	Youth work is a Cinderella. We are being forgotten, but when this is over, the toll on our young people and their mental health will be huge. We need funding and we need it now	They just need to realise that we are as important as businesses and make their grants easier to apply to our circumstances	We're needed more. We've had to work really hard, but in the last couple of weeks have come closer to securing additional funding to help us deliver more. This includes some government money, but the amount available is tiny compared to the problem, and we are worried that we will be expected to publicly praise the department concerned when they are actually investing far too little to have any major impact	The need for our services has increased during the coronavirus outbreak, but we have a reduced workforce as volunteers are no longer able to commit, and many staff have been furloughed
We cannot interact physically with our members. Little Government or anyone else can do about it	We, along with other local charities, are campaigning and trying to gain access to the grant for businesses through the rate relief - it would be a simple quick solution to cash flow for many	We are needed more than ever, but are facing significant challenges to our funding		Government appears to be unaware that NGOs do anything other than social welfare type activities. The sport, heritage, culture sector has been overlooked by all govt UK and devolved
Financial support from grant funders for long term		We need more money, more certainty, less hoops to jump through. The reduction of the furloughing scheme is a nightmare		

Notes: 406 responses.

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