

MEDIA RELEASE – FOR IMMEDIATE USE

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Survey highlights impact of COVID-19 on community and voluntary sector

New figures have been released today showing the impact of COVID-19 on the community and voluntary sector. The results are from a nationwide survey of over 1,400 organisations carried out across May and June.

The survey found that a sizable number of tangata whenua, community and voluntary organisations took a hit throughout lockdown and beyond. Despite this, they rallied, moved rapidly, and in some cases did, and are still doing more with less.

Post-lockdown, the sector is in a precarious, finely balanced position. In May-June 74% of survey participants had taken some form of financial hit. Almost half had sufficient funds to maintain staff and activity for six months or more, the rest did not without more revenue coming in.

The four umbrella organisations who carried out the research (the Centre for Social Impact, Hui E! Community Aotearoa, Philanthropy New Zealand and Volunteering New Zealand) are concerned about what might be coming down the line.

Main concerns mentioned in the survey were lost income streams, financial uncertainty, immense pressure on operating costs (staffing, IT infrastructure, rent), and balancing and maintaining a level of service on reduced revenue.

Reserves being used now will be harder to replenish and the impact of losing the wage subsidy in September will impact the 35% of organisations who accessed this funding during lockdown.

“We know community organisations have been working hard on reforecasting, restructuring, seeking alternative income streams and changing their business models,” says Rochelle Stewart-Allen, Pou Kaiārahi for Hui E! Community Aotearoa.

Community organisations say the way central and local government, philanthropy and communities worked together throughout lockdown was phenomenal. “So many organisations stepped up to the mark and did everything humanly possible to care for their local community,” says Ms Stewart-Allen. They applaud the wage subsidy, high trust funding and flexibility during lockdown.

Philanthropy, small council grants, and funding for the arts, film and sports sectors, have since topped up some parts of the sector.

“There remains an urgent need to fill the remaining gaps, give community organisations some certainty, help them replenish their funds. We need tangata whenua, community and voluntary organisations to be there for what is needed next, particularly if there is a second outbreak of COVID in Aotearoa,” says Ms Stewart-Allen.

Despite taking a hit, the agencies say the sector largely remain upbeat. They say there is a huge appetite (and obligation) to take advantage of what was activated during lockdown. This includes central, local government and philanthropic funders and the community sector working more alongside each other to make collective decisions.

“We have a new reference point for the stunning outcomes that can be achieved when we work together,” says Ms Stewart-Allen. “We will now be encouraging discussion and debate around next steps. We will now be discussing the report findings within our networks, making recommendations for action and working with key influencers to achieve positive change.”

The full report, summary report and infographics are available at <https://www.huie.org.nz/survey-2020/>

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