Respond, recover, reset: the voluntary sector and COVID-19

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Nottingham Trent University

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Knowledge Applied

NCVO

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The Centre of People, Work and Organisational Practice at Nottingham Trent University

The Centre of People, Work and Organisational Practice is based at Nottingham Trent University and works with organisations and policy-makers to understand and to seek to improve how people are managed within organisations. We are committed to producing theoretically rigorous work that is not only published in top academic journals but also transforms lives and society. Working with collaborators from different parts of the world, CPWOP has conducted research with and for organisations such as the CIPD, Department for Digital, Culture, Media and Sport, the Government Equality Office and the Lloyds Foundation. The centre focuses on the way in which people are managed in the face of critical challenges facing the economy and society, given growing concerns about work quality and a proliferation of insecure and precarious jobs within the UK economy.

The Voluntary Action Research Group at Sheffield Hallam University

The Voluntary Action Research Group (VARG) brings together researchers from across Sheffield Hallam University. VARG serves as a forum to showcase and build on internationally significant research and evaluation and shaping debates about the past, present and future of voluntary action.

National Council for Voluntary Organisations (NCVO)

With over 15,500 members, NCVO is the largest membership body for the voluntary sector in England. It supports voluntary organisations (as well as social enterprises and community interest companies), from large national bodies to community groups working at a local level. NCVO believes its members, and those with a stake in civil society, need the best quality evidence base to help them inform policy and practice, and plan for the future.

Introduction

Throughout the UK we are now experiencing new lockdowns and restrictions. Once again we are told to stay at home as much as possible, work from home if we can and try to cut down on as much physical contact as possible.

For many voluntary, community and social enterprise organisations these new lockdowns mean once again changing the way that services are delivered and continual challenges for fundraising. Change, it seems, is the only consent.

This month's barometer focused on what voluntary, community and social enterprise organisations have learnt from lockdown. The positive message is that many feel much better prepared than March 2020. Whilst the first lockdown for many came as a shock, and required dramatic transformation in working practices for virtually all organisations, most organisations now feel better prepared. 80% of organisations surveyed say they are better prepared for the more recent lockdowns.

In this report we continue to look at how organisations are faring and also what lessons have been learnt from the first lockdown. If you want to get involved, or just find out more please email us at CPWOP@ntu.ac.uk or visit the website bit.ly/3pwF44L

> “80% of organisations surveyed say they are better prepared for the more recent lockdowns.”

COVID-19 voluntary sector impact barometer

The monthly barometer survey

The purpose of the monthly barometer survey is to produce timely snapshots of the condition of the voluntary and community sector throughout the life of this project. We have tried to create a survey that is inclusive, quick and easy to complete. In each wave of the survey we include a small number of topical questions on a theme of importance to the sector. In Wave 3, we explored the impact of the second national lockdown in England. We plan to continue observing the changes in the way voluntary organisations respond to the crisis given the continuous extension of the lockdown restrictions. This information will also be available online via the data dashboard. Here is the link for the Wave 3 data dashboard. The dashboard now includes an analysis of trends across the three waves of the survey completed so far.

The third wave of the survey was completed between 30th November and 14th December. This generated responses from 384 organisations across UK. In this wave, we saw an improvement in the level of response from the nations, but we remain keen to extend coverage of the survey in Wales, Scotland and Northern Ireland as this will allow us to better understand any geographic differences in the impacts of the Pandemic on the VCSE sector.

The sample

As we saw in the first two waves of the survey, a wide range of organisation types and a hugely diverse range of activities are represented in this sample. 69% of the organisations identified themselves as registered charities, around a fifth indicated that they have limited company status, a total of 7% of participants reported being community interest companies or voluntary associations.

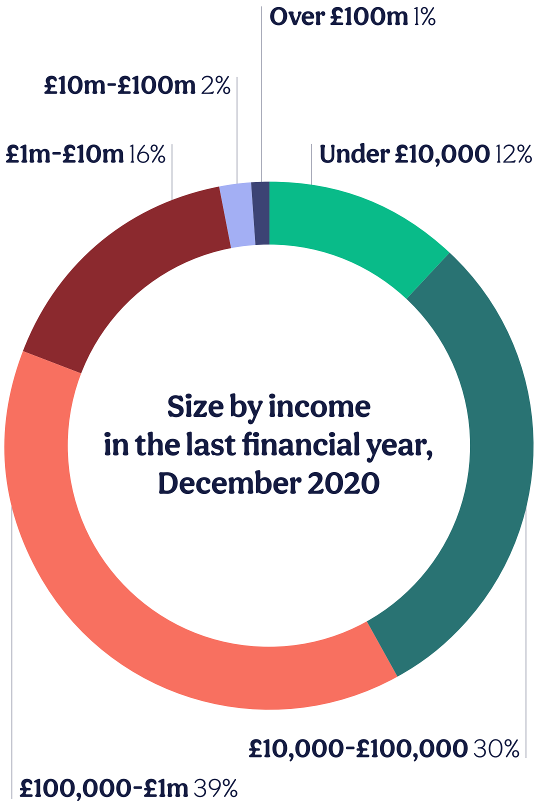
24% **of organisations (90) identified themselves as a social enterprise**

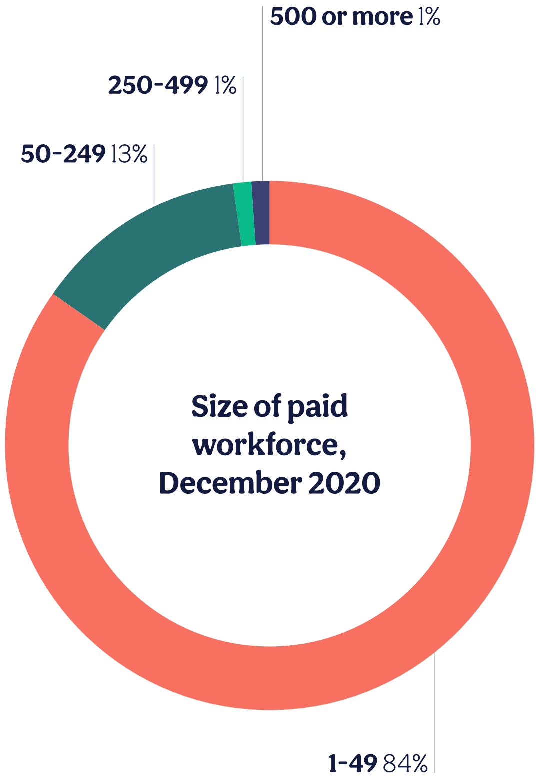
12% **(44) described themselves as a deaf and disabled peoples' organisation**

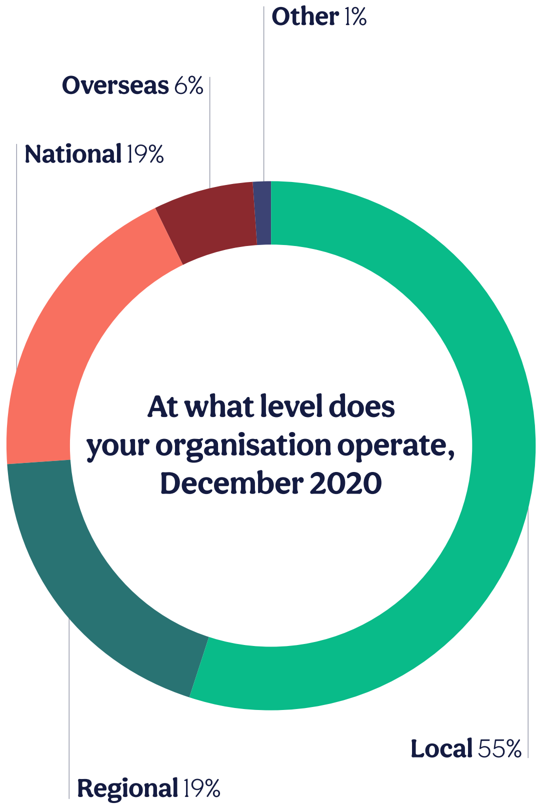
13% **(48) described themselves as a BAME organisation**

11% **(41) described themselves as a women's organisation**

3% **(10) described themselves as LGBTIQ+ organisations**







The most common activity types reported by survey respondents were in health, hospitals and nursing homes (including mental health) (17%), community and economic development (7%), individual and family social services (6%), Umbrella bodies, philanthropic intermediaries and voluntarism promotion (6%) and education (6%).

Headlines

People

384 organisations responded to the survey

75% employ paid staff

88% have volunteers

Finances

26% reported a deteriorating financial position in the last month

27% saw their financial position in the last month improve

46% reported a stable financial position in the last month

64% expect their financial position to remain the same over the next month

24% expect their financial position to deteriorate over the next month

Services

38% indicated that their range of services has decreased over the last 6 months

43% reported an increase in their range of services over the last 6 months

50% expect an increase in demand for their services over the next month

Outlook

75% of respondents expect Covid-19 to have a moderate or significant negative impact on delivering their objectives next year

7% reported that it was quite likely or very likely that their organisation would no longer be operating next year (down from 14% last month)

Trends

A comparative analysis of all three waves of the survey show a consistent picture of negative balances on the expected future financial position question (i.e. more organisations expected their financial position to deteriorate compared to a smaller number who expected an improvement). However, there were slight differences in their level of expectations in the different waves. In wave 2 (October 2020), 38% expected their financial position to deteriorate compared with 34% in wave 1 (September 2020) and 24% in wave 3 (November 2020).

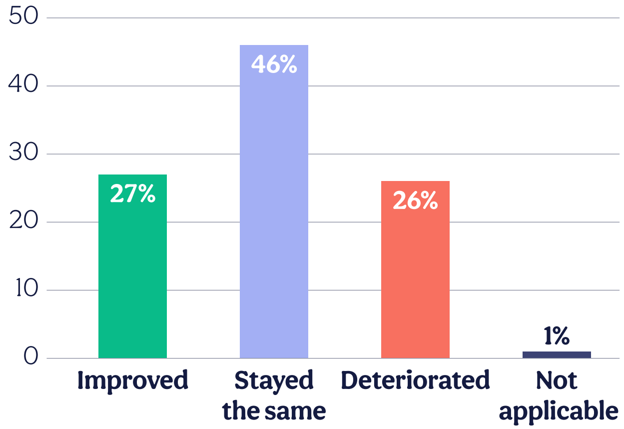
A consistent finding across all three waves of the survey has been the large proportion of organisations reporting increases in demand for their services (this peaked at 58% in wave 2). The ability of organisations to meet these demands in the face of continuing downward pressures on their finances remains open to question. This is an issue that we will explore further in future waves of the survey.

More positively, the employment position in organisations seems to have stabilised somewhat. This could reflect the extension of the Job Retention Scheme (Furlough) in November. Wave 3 reveals the lowest percentage of organisations expecting their employees to decrease at 4%, a decline from 10% in the previous wave.

Finances and Operations

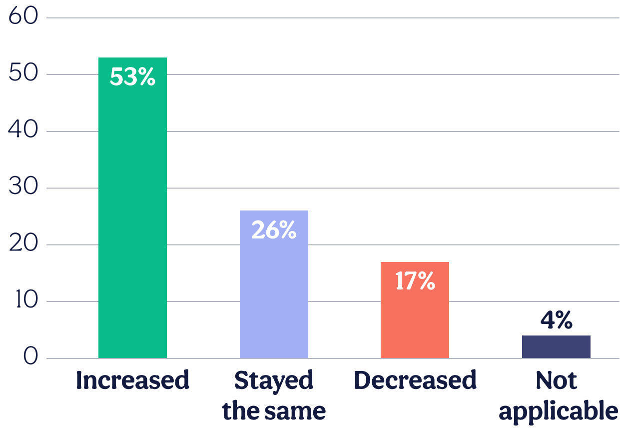
In Wave 3, 26% of the organisations reported that their financial position has deteriorated in the last month compared to 27% who reported an improvement in organisation's financial position over the last month – a balance of 1 percentage point. The wave 2 survey reported a negative balance of 17 percentage points.

Change of the financial position over the last month, November 2020



Over the last month demand for services provided by the voluntary and community sector maintained the strong upward trajectory revealed in the wave 1 & 2 surveys – with 53% of organisations reporting an increase in the demands for their services.

Demand for services over the last month, November 2020



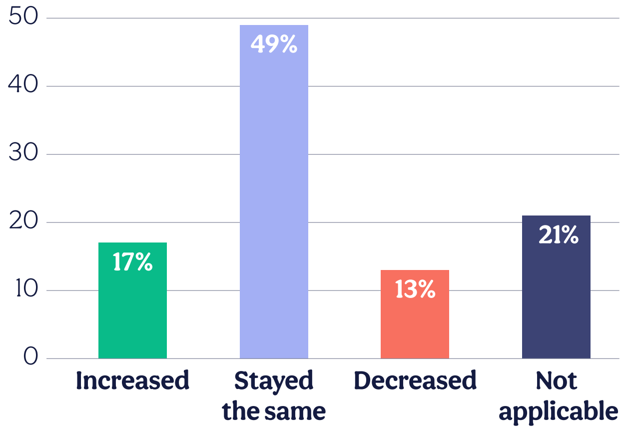
Respondents to this survey continue to use a wide range of adaptations to maintain Covid-safe environments for employees, volunteers and service users. The proportion of organisations using specific measures are broadly in line with those reported in the first two waves of the survey. The most widely used measures are social distancing (81%), hygiene measures (70%) and PPE (65%). 45% (166) report that these measures have increased operating costs a little. 16% (60) report that these measures have substantially increased operating costs.

As the prevalence of local lockdowns increased through the autumn, so too has the proportion of organisations reporting that they had been affected in some way by a local lockdown. 64% of all respondents to the survey now report that they have been affected by local lockdowns.

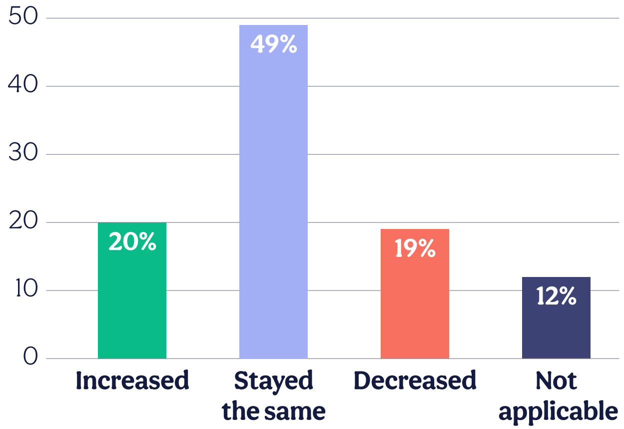
Workforce and volunteers

Over the last month, the employment position in the sector is reported as relatively stable, with 49% reporting the same number of paid employees compared to previous months.

Paid workforce over the last month, November 2020



Volunteers over the last month, November 2020

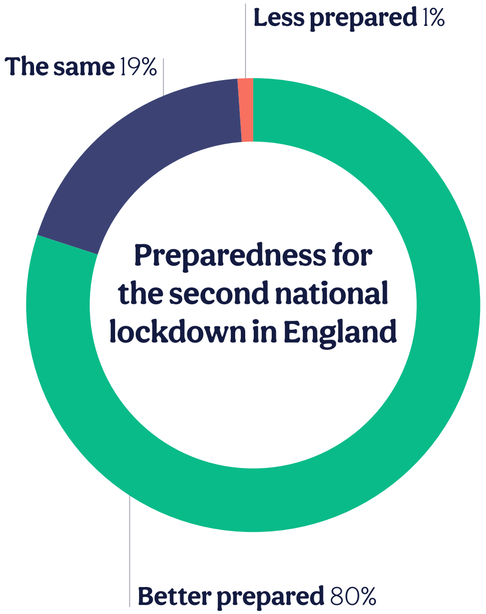


The changing patterns of volunteering within the sector is a major theme that this research project will be exploring in some depth over the next year – both through this barometer survey, the panel survey and in-depth interviews that are being conducted as part of this project.

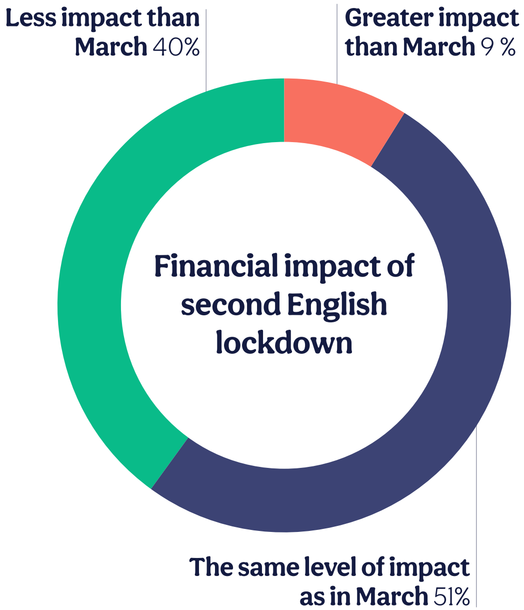
Second Lockdown in England

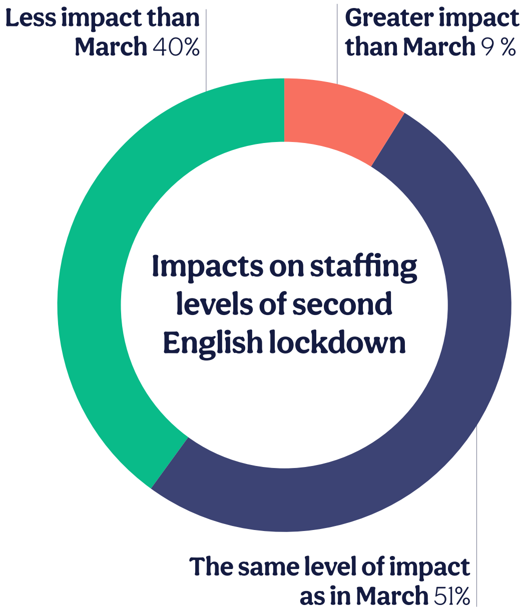
In October 2020, rising infection rates in England led to localised, tiered restrictions (so-called alert levels) and, subsequently, a second national lockdown. In this wave of survey, we explored the organisational preparedness of voluntary sector and how the impact on their operations compared with that of the first national lockdown in March.

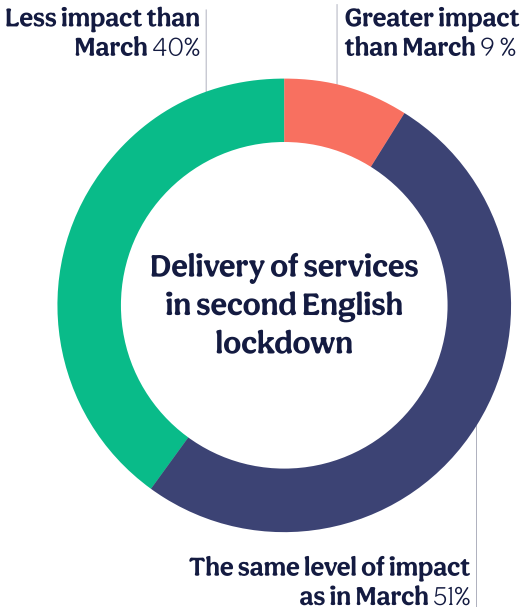
Compared to the first national lockdown in March, 80% of the respondents reported better preparedness of their organisation in response to the second English lockdown.



To be more specific, three categories of financial position, delivery of services and staffing levels were investigated to observe the adaptability of VCSE organisations in response to the new national restrictions (introduced on 5th November) compared to the 1st national lockdown in March.



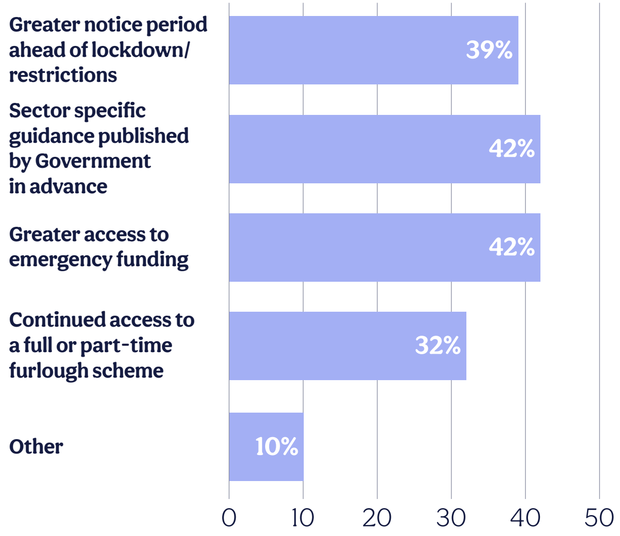




Preparing for future lockdowns

Organisations were also asked what would improve their ability to cope with future national lockdowns.

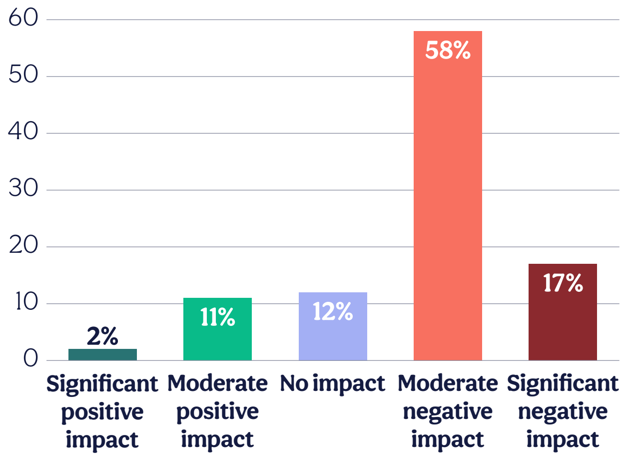
What would improve your ability to cope with future national lockdowns, November 2020



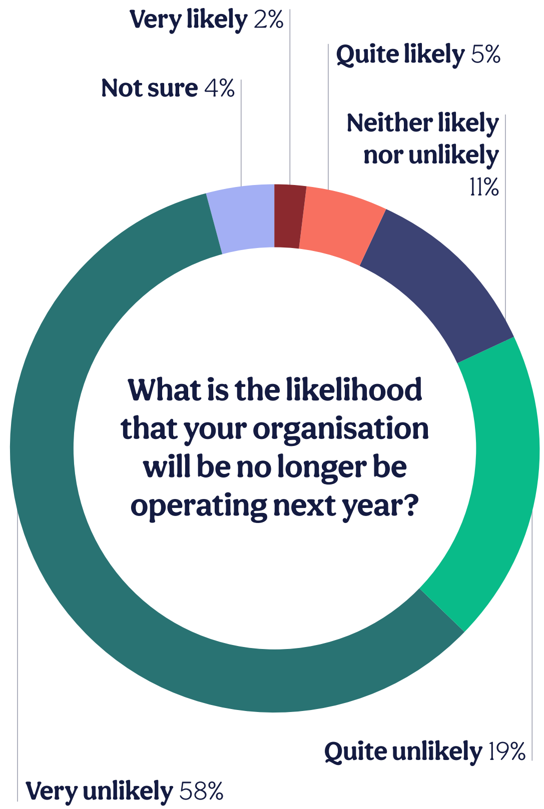
Long term outlook

In broad terms, the long-term outlook reported by respondents to wave 3 is similar to the first two waves of barometer. 65% of respondents report that they expect Covid-19 to have a moderate or significant negative impact on their ability to deliver on their objectives this time next year. It will be interesting to see whether this perspective will change over the next month as a consequence of the re-imposition of national restrictions in January (a downside risk). Or indeed the progress with vaccination program in coming months (an up-side risk).

Impact on long-term ability to deliver objectives, November 2020



When asked about the likelihood of closure, only 7% reported that it was quite likely or very likely that their organisation would no longer be operating next year (compared to 14% last month).



Behind the headlines: Learning the lessons from the first lockdown

This project is about drawing out insights on what life has been like in the sector working through the Pandemic. The barometer survey found that 80% of organisations felt that they were better prepared for the November lockdowns and firebreaks than they were for the same event in March. This month we are focusing on what organisations have learnt from the first lockdown and how they might take these lessons forward for future lockdowns.

Responding to rapid change

The first few months of lockdown for many were quite chaotic and challenging, with high levels of uncertainty and doubt about the future. For many projects had to suddenly stop, leading to fears about the future.

> “Covid suddenly creates that panic and that fear of oh actually, whilst I might have seen that as a conduit for getting multi-year funding suddenly that’s been stopped”

The first lockdown therefore was unchartered territory with many organisations changing policies, practices, ways of working, making radical shifts in processes and practices. Most organisations we have interviewed have therefore made dramatic shifts in working practices that make them better able to cope with working remotely.

Some organisations were offered emergency funding and support in the initial stages of lockdown, but did not take it as they saw COVID-19 as a short-term issue that would blow-over in a few weeks.

> “obviously the Prime Minister said we’d have a two week lockdown running up to Easter so we thought okay, bite the bullet, we can manage ‘til then.”

Rapid response

Interviewees reported different ways in which their organisations had approached a range of issues with speed and agility. Some of this was down to previous strategic planning. A number of organisations said they were in a good position at the start of the pandemic because they had invested time and money into infrastructure, such as IT systems had developed in the year before the pandemic and that meant that they were immediately in the position to work remotely.

> “there's a sense of agility and pro-activity rather than just responding to situations that we're able to sort of utilise”

For some organisations the first lockdown provided an opportunity to focus on strategic planning. Some had little choice in this. With their face-to-face work suspended, they were doing unable to continue, sometimes for a long period of time. Some organisations made the decision to make strategic goals a priority as a way of dealing with the uncertainty surrounding the pandemic. Alongside this, there were also organisations who had focused on their strategy before the pandemic hit. Those organisations reported that they were better able to cope with the initial lockdown than they would have been without this focus on strategy. Some organisations did well at responding to these new situations.

> “throughout the summer I spent most of my time writing funding applications. I kept getting notification of this grant, that grant so I was writing left, right and centre and I actually drew in about £120,000 worth of funding.”

Supportive funders

The first lockdown saw many funders rapidly changing the way that they gave out grants. Many created portals for single applications, shifted the monitoring requirements and also made available emergency grants. While not a factor for all organisations, those who had funders with which they were able to have honest conversations about their position and about what is/was realistic for them to achieve over the both the lockdown period and the last 10 months more broadly felt that their organisation was in a better position as a result.

> “Most of our funders have been fantastic. I cannot speak higher of them, have kept in contact, have accepted that things have changed for us, have been so, so supportive.”

Many reported that their funding bodies had been supportive of their organisational needs and that they had been able to work with them in order to deliver their projects, even if that meant changing the way they had originally planned to deliver these projects.

> “we're not going to hold you to the specification in terms of the delivery because they could see we were working with them from before day one in terms of saying this is what we can do in this situation”

Communication

Communication, internally and external through networks and with beneficiaries and volunteers has been vital. Internal communications were particularly important where staff were working remotely, these communications ensured they were kept in the loop about what was happening, their concerns and issues were addressed, and that they knew their health, safety, and wellbeing at work were being taken seriously. External communications and networks that developed from these were important in helping organisations to resolve issues at an organisational level and to ensure that organisations knew that others were facing the same issues. Communicating regularly with others, learning the lessons of what others were doing helped too.

> “I had this really regular instant communication with, you know, I don’t know what it was, 50 to 100 women across the country who are all facing exactly the same thing and we were”

Accessing COVID support schemes

One interviewee, while recognising that they started 2020 in a strong position, also talked about ‘taking advantage’ of what was offered to organisations in the first lockdown including furlough and VAT breaks. This meant that they were better prepared for the length of lockdown and didn’t have to make redundancies. This, for many organisations, also meant that when either restrictions began to be lifted or when they found ways to work in the ‘new normal’ they were able to bring back staff from furlough and continue running the organisation swiftly.

> “We’ve been very fortunate. We did take advantage of the furlough scheme. We did do as all organisations did back in March and immediately buttoned down the hatches, taking advantage of every tool offered to us.”

However many organisations have found they have struggled to have access to these support packages. Some said that they were not appropriate, or did not fit the model for charitable organisations.

Lessons learned

The first lockdown in March 2020 saw a dramatic shift for many organisations in ways that are not likely to be repeated. The first lockdown for many was challenging, but also energising as organisations were innovative and adapted. Whilst the current lockdowns might produce different challenges and experiences there are some key lessons for this lockdown that can be applied to the current situation.

Talking to others

Some organisations that struggled to adapt to the first wave of lockdown did not appreciate how significant the impact would be on their organisation. Talking to other organisations, finding out how they are adapting really helps to be prepared for changes.

Creating space for thinking ahead

Some of the organisations that were able to respond better were able to create some time to take advantage of the schemes and support that were on offer.

Rapid change is possible

Many organisations changed in ways that they would have thought, prior to the pandemic. This spirit of innovation and creativity is something that many want to retain.

Support from the whole sector

Many organisations have found the wider eco-system of support critical in their response. Local and national infrastructure organisations, flexible and responsive funders, strong relations with their communities, have all helped organisations to adapt and respond.

The next report

Our next report is looking at the changing nature of volunteering in the pandemic. We are very interested in hearing stories about how COVID-19 has changed the nature of volunteering, the relationship that organisations have with volunteers and some of the lessons learned. If you have something to say on this please contact us on CPWOP@ntu.ac.uk

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