The impacts of COVID-19 on Aotearoa New Zealand's community sector

KEY FINDINGS AT A GLANCE

SHINING A LIGHT

The sector harnessed its collective generosity and ngākau nui, big heartedness to help its communities stay connected, get well, stay well and answer the call to unite and be kind.

They rallied, moved with agility, and in some cases did, and are still doing more with less.

"We have never worked so hard with so little."

Survey participants stepped up and unlocked:

> an unknown capacity for flexibility, innovation, resourcefulness

> the strengths and capabilities of their teams and organisations

> the power of technology to offer new ways to connect and communicate

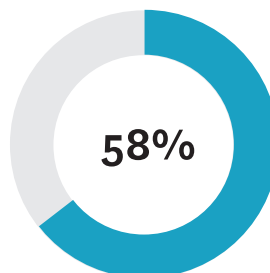> the immense value and stunning outcomes of working together.

TAKING STOCK

FUNDING IMPACTS

A sizeable majority experienced reduced funding or revenue

74%
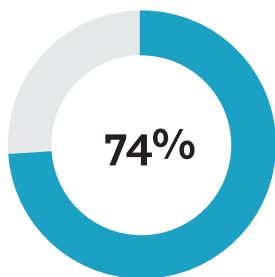
Of this group, 62% experienced or expected a moderate to large reduction compared to the previous 12 months.

Maintaining financial viability is a top challenge at this time

58%

Almost three in five said ensuring sufficient financial resources to maintain viability was their top challenge.

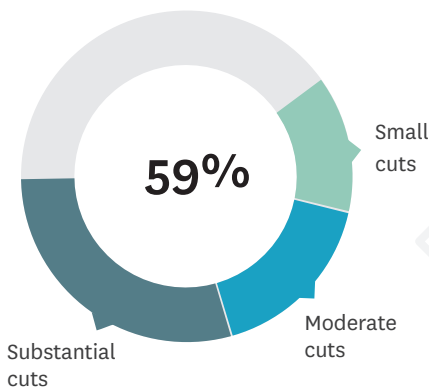### Funding reserves to sustain service provision

15% 4-5 months

20% 2-3 months

46% 6 months or more

SERVICE DELIVERY IMPACTS

Many services had to make cuts to delivery

59%
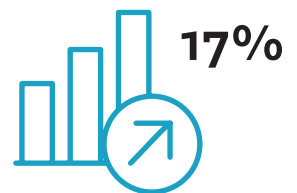
Small cuts

Moderate cuts

Substantial cuts

A majority of participants had to cut back on service delivery, with 13% indicating small cuts, 17% indicating moderate cuts and 29% indicating substantial cuts.

Factors influencing service delivery reductions

- Social distancing restrictions.
- Restricted events or gatherings.
- Closure or halt to operations.
- Reduced income.

Some made increases to service delivery

17%

Increased community need was the key factor influencing service delivery increases.

CENTRE for SOCIAL IMPACT
A Foundation North Initiative

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Hui E!
Community Aotearoa

Volunteering NEW ZEALAND

CHALLENGES AND OPPORTUNITIES

Organisations faced numerous, intersecting challenges

Survey participants were asked to list the main challenges. The most commonly noted were:

- Meeting the needs of the people we support ➜ **66%**
- Ensuring sufficient revenue to maintain viability ➜ **58%**
- Ensuring staff and volunteers are well supported ➜ **51%**
- Developing new service offerings ➜ **41%**
- Changing our service provision to meet public health criteria ➜ **40%**
- Meeting the levels of work required. ➜ **39%**
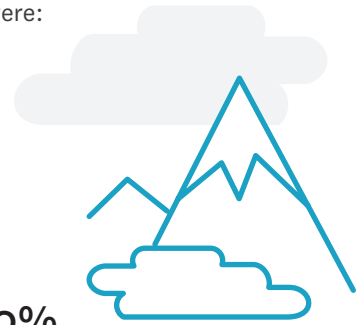
However COVID-19 also created opportunities for many organisations

Survey participants were asked to list the top five opportunities. The most commonly noted were:

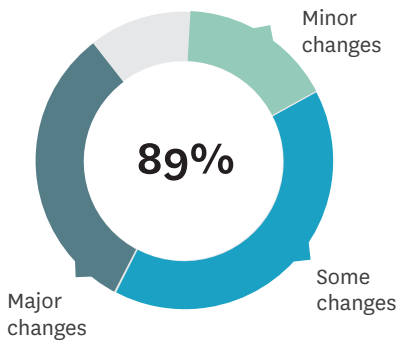|		
Stronger sense of community or common values	**47%**	*"People People People, Going back to our core services and connecting with people. Remembering why the trust started and the values we hold."*
New ways of connecting with service users	**46%**	*"Looking forward to taking the best of what we have learnt and the best of what we traditionally have done and making a better future for clients and staff."*
Greater collaboration with other organisations	**40%**	*"A silver lining of COVID-19 has been the immense increase in networking and collaboration and we need to continue this momentum."*
Greater appreciation for and recognition of our work	**34%**	*"What we do matters to the community and it has given us determination to keep going, despite the anxiety and uncertainty."*
Options around where and how we work	**30%**	*"We can operate online and the sector values this."*
Ability to move quickly	**27%**	*"Our team is more agile and innovative than they ever thought they could be-has grown their confidence in themselves."*

KEY PRIORITIES AND CONCERNS

Managing financial uncertainty, meeting increased demand for services and adapting delivery were widespread concerns

Participants indicated the following issues. Circle size represents the prevalence of each theme in participant responses.

- Managing financial uncertainty
- Capitalising on the opportunities presented by COVID-19
- ICT capacity development for services and clients
- Wellbeing, retention and recruitment of staff and volunteers
- Concern the sector is underestimated and overlooked
- Resuming BAU and operating within 'the new normal'
- Supporting communities and meeting an increasing demand for services

TAKING ACTION

Almost all respondents made changes to how they deliver services

Minor changes

Major changes

Some changes

89%

Notable areas of innovation and adaptation were:

Remote online or phone services **54%**

Seeking new funding sources **35%**

Reducing some services **31%**
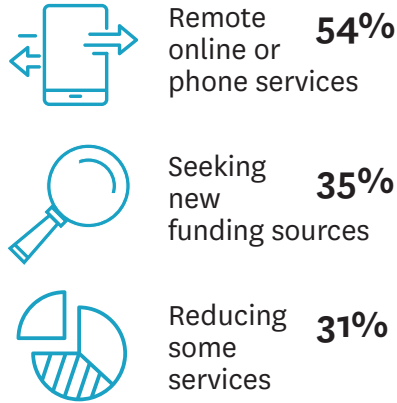
Key changes in staffing and volunteer input

14% Reductions in volunteer support

12% Reductions in salary and wages

9% Reduction in staff numbers

SHORT-TERM OUTLOOKS

Despite the many challenges of COVID-19, survey participants were generally optimistic about the continuity of their organisations

65%

Two-thirds (65%) of respondents were very confident their organisation would still be operating in six months' time.

"We can do this! What seemed scary way back at the start has been addressed and we have found ways to carry on."

"Keep being positive and explore new ways to keep our organisation strong."

SUPPORTS NEEDED

However, significant gaps remain in the available (and funded) resourcing for organisations to deliver core services

Participating organisations identified the following key areas of support needed at the moment as a result of COVID-19:

Fundraising **57%**

Marketing and communications **45%**

Digital technology **40%**

Innovation and strategic advice **36%**

Grant writing **27%**

More volunteers **26%**

STRENGTHENING THE SECTOR

Participants identified a range of changes that would strengthen the sector into the future

"Collaboration is key to the sustainability of the not-for-profit sector"

"[There is] a need for strong and experienced governance and leadership"

"[We need] recognition that administration costs are an essential part of delivery of services"

Collaboration between organisations **65%**

Funding for salaries and operational costs **62%**

Sector-wide leadership for voice and influence **40%**

Access to information and data in one place **35%**

Strengthening governance knowledge and skills **34%**