Charity/NGO

COVID-19 Resource Kit

ReShape Co. 2020

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Impact of COVID-19 on UK charities

https://www.theguardian.com/world/2020/jun/09/coronavirus-leaves-one-in-10-uk-charities-facingbankruptcy-this-year

- Pro Bono Economics estimates a £6.4bn loss of income for UK charities in the next half a year
- one in ten UK charities will most likely go bankrupt by the end of 2020
- Small local charities will be affected the most, …" reported they had to dramatically cut their services
- The National Trust has experienced a shortfall of £200m this year
- Age UK has experienced a £42m income loss
- Cancer Research UK worries it will lose £120m donated income in the coming year

Responses

Scenario planning: https://knowhow.ncvo.org.uk/organisation/strategy/externalanalysis/scenario-planning

What is it?

- Assess uncertain situations
- Make assumptions about what the future will look like
- Predict how environment will respond to future changes
- Explore alternatives to current practices
- New thinking
- Helpful when organisation is confronted with serious challenges

Why is it helpful?

- Future will become less scary
- organisation is better prepared for future challenges

Steps required in scenario planning

1. Mapping the environment

    - What is the goal? Objectives?
    - What uncertainties are we facing?
    - What information do we have already?

2. Identifying scenarios

- Based on mapping done before, identify set of scenarios and timeframes
- When thinking about scenarios take into consideration: income, staff and volunteers, beneficiaries etc

3. Develop plans and ensure review

- What will each scenario mean for the charity? What changes will we have to undergo?
- How can we achieve our goals in the predicted scenarios?
- How do we ensure there is a regular reviewing process?

Toolkit for strategic planning

https://knowhow.ncvo.org.uk/tools-resources/board-basics/tools-and-guidance/

ncvotoolsfortomorrowextract.pdf

Business Continuity Management for charities

https://charitiesfmgroup.org/business-continuity-management-charities

Financial management, advice and guidance

https://www.gov.uk/guidance/manage-financial-difficulties-in-your-charity-caused-by-coronavirus

Step 1: Examine financial situation

- Analyse current situation, think about ways to respond to financial struggles
- Cash flow management is highly important: What money is available at the moment? What money will be needed in the following weeks, months (different timescales)? What income can we anticipate in those timescales?
- This will make it easier to predict time of future shortfall

Step 2: Options to reduce costs

- Minimise costs
- Stop inessential expenditure
- Collaborate with other charities to share resources
- Find cheaper alternatives eg technology

- How can sources of income be improved?
- Communicate with funders and inform them about your current and future struggles
- Think about local businesses you could collaborate with
- Are there any reserves you could utilise?

Step 3: Ensure review happens regularly

- Ensure monitoring of the situation will take place on a regular basis
- Continue cash-flow forecast as advised in step 1
- Use the serious incident form (https://ccforms.charitycommission.gov.uk/report-a-seriousincident) if you cannot operate as a charity anymore due to financial situation

Good Finance : Resources and information to advice charities affected by COVID-19
https://www.goodfinance.org.uk/covid-19-resource-hub-charities-social-enterprises

Grant application

Things to consider when writing a grant application Monica Brown, Head of Charity Advisory at CAF
https://www.cafonline.org/charities/resilience/survive/how-to-write-a-great-grant-application

What makes a successful application?

- Explain the objectives of your organisation and how your organisation helps communities
- Try to explain the goals of your organisation in a clear and straight- forward way
- Ensure you have a good idea of the amount of funds needed
- The amount of funds you request need to correspond with what you are able to deliver

What is important when applying for a grant?

- Ensure you have conducted sufficient research on the funder
- Ensure your social media sites and websites are updated, funders will conduct research on your organisation

What are common missteps in applications?

- Ensure you understand what the funders are asking: If you do not understand what is asked by the funder, ask them for clarification
- Ensure you send them the correct information eg correct bank account information, correct governance documents
- Ensure all the information you have provided in your application is of relevance and do not exceed the word limit

Collaboration with other charities

Michael Mapstone, Director of International at CAF
https://www.cafonline.org/charities/resilience/adapt/how-to-collaborate

What are forms of collaboration in the charity sector?

- Formal collaboration: partnerships where funding is in the focus; can happen at local as well as national level
- Informal collaboration: sharing skills, knowledge; can happen at national, local as well as international level

How are charities collaborating?

- Collaboration and outreach; sharing of knowledge, information
- Learning how to sustain an organisation during lockdown eg working from home, using technology that is of no cost and easily accessible for everyone
- Funders have shown to be supportive of more collaboration

What is required before starting a collaboration?

- Analyse your organisation internally, be aware of your organisation€™s resources as well as strengths and shortcomings
- Be aware of your own goals and values as this is highly important when seeking a partner for collaboration

Online charity donations

https://www.cafonline.org/charities/caf-donate

Fundraising help

https://www.cafonline.org/charities/fundraising/fundraising-fundamentals

Support

Government initiatives:

Coronavirus (COVID-19) guidance for the charity sector
https://www.gov.uk/guidance/coronavirus-covid-19-guidance-for-the-charity-sector

Filing charity annual returns during the coronavirus pandemic
https://www.gov.uk/government/news/filing-charity-annual-returns-during-the-coronavirus-pandemic

Financial support for voluntary, community and social enterprise (VCSE) organisations to respond to coronavirus (COVID-19)
https://www.gov.uk/guidance/financial-support-for-voluntary-community-and-social-enterprise-vcseorganisations-to-respond-to-coronavirus-covid-19

Apply for a coronavirus Bounce Back Loan
https://www.gov.uk/guidance/apply-for-a-coronavirus-bounce-back-loan Which charities are eligible for a Business Interruption

Loan?
https://www.lawworks.org.uk/sites/default/files/files/LW-NFPP-C19-CORP-Business-BB-Loan.pdf

Other Support

The CAF fund
https://www.cafonline.org/charities/grantmaking/caf-coronavirus-emergency-fund

The Community Fund
https://www.tnlcommunityfund.org.uk/about/coronavirus-updates

The National Emergencies Trust
https://www.ukcommunityfoundations.org/our-network

Grants Online
https://www.grantsonline.org.uk/coronavirus.html
Organisations and Community Foundations are offering funding to support local organisations during the COVID-19. The link gives an overview of organisations involved and what they offer

Charity Bank
https://charitybank.org/news/covid-19-emergency-funding-for-charities-and-social-sector-organisations List of emergency funds made offered to charities following COVID-19.