

# ComVoices

Advancing the community sector



2020 STATE OF THE SECTOR SURVEY

## Overview

While still fragile, the community and voluntary sector is generally more stable and viable than it was two years ago. The survey of 129 community and voluntary organisations shows that the sector continues to deal with increased demands, increasing costs and has been significantly impacted by COVID-19.

This *2020 State of the Sector Survey* is the fourth biennial snapshot of the community and voluntary sector undertaken by ComVoices. Its findings reinforce those of previous surveys and other recent reports on the community and voluntary sector.

The pressures and stresses on community and voluntary organisations continue. The overwhelming majority of surveyed organisations (over 80%) are dealing with ongoing, increased demands and workloads (in many cases at least since 2011), often without a corresponding increase in funding. They also continue to experience increasing complexity in the issues they need to deal with. The failure of funding to keep up with increased demands and increased costs is by far the most commonly cited, unprompted concern.

Surveyed organisations are attempting to bridge the gap between community demand and the shortfall in funding in a variety of ways. This includes:

- almost 80% of those with government contracts are 'over delivering' on the services and programmes they are funded to provide,
- 45% have increased the number of paid staff.
- a strong reliance on volunteers, who make up 76% of the workforce,
- generating income from a wide variety of income streams.

COVID-19 has had a significant impact on survey respondents. 54% reported reduced income and 46% reported that their costs increased. It has necessitated a rapid increase in the take up of technology (88%). Survey respondents also reported positive impacts, including:

- Innovations in the way programmes were delivered (75%),
- The trialing of new ways for board, staff and volunteers to work (68%),
- Increased collaboration (64%).

While much remains the same over the four biennial surveys, we are also beginning to see some welcome changes, particularly in two priority areas that were identified by ComVoices as a result of previous surveys.

## 1. *Fair Funding that reflects community organisations' increased costs and reduces the compliance costs imposed on them.*

- There has been a small increase in the percentage of survey respondents able to pay a wage increase over the previous two years (up from 60% to 67%).
- 38% of the organisations surveyed reported an increase in the number of government contracts received and 40% said that the value of their contracts had increased. There has been a steady decrease in the number of organisations saying that the value of their contracts had reduced, from 23% in 2016 to 8% this year.
- More of the organisations surveyed see themselves as financially viable than in previous surveys, fewer are needing to survive off reserves, and the proportion seeing themselves as financially better off than two years ago has increased.

## 2. *Making It Easier to Work with Government, including streamlined contracting, recognition of the sector's role in advocacy and harnessing community expertise in design and delivery of programmes.*

- There appears to be less direct and indirect gagging of community organisations, with fewer surveyed organisations (22%) not prepared to speak out publicly on issues of concern, compared to 60% in 2014.
- There were significant improvements in relationships with government and other funders as a result of the COVID-19 response. This included greater flexibility in contract requirements, faster and more responsive decision-making, and a sense of real partnership and being treated with respect.

## Conclusion

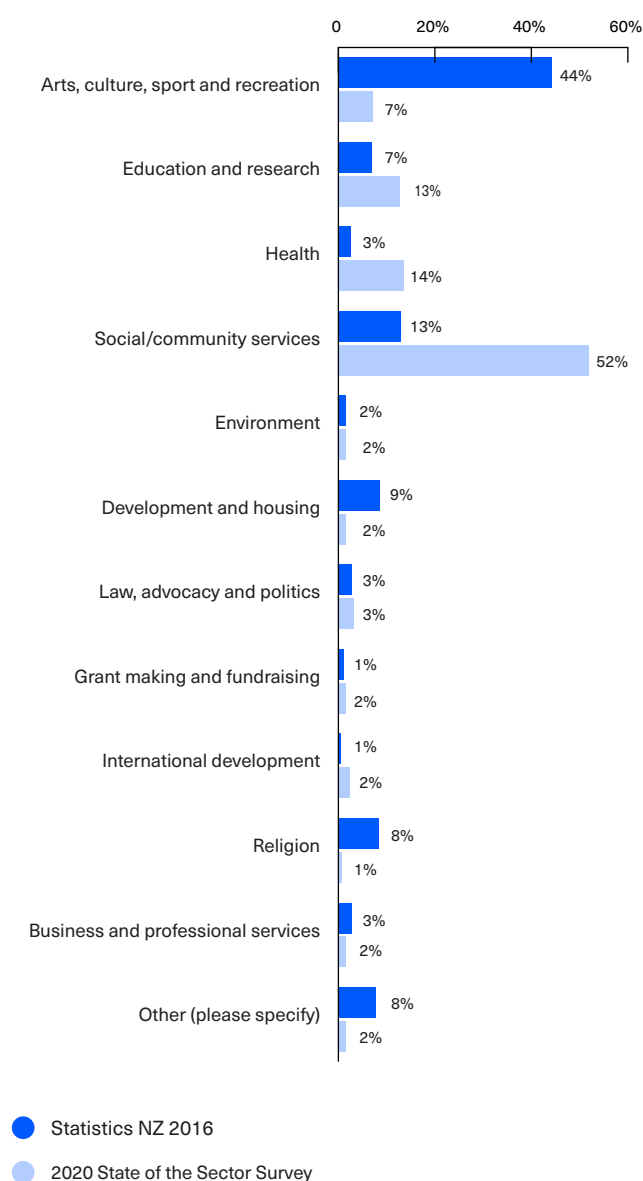
The public and the government are reliant on the goodwill of the community and voluntary sector to continue to deliver services and programmes despite the ongoing funding gap. While there has been progress made, overall, the sector is still fragile. This situation may worsen over the coming year as we continue to cope with the impact of the global pandemic. Continuing to build on the more flexible, partnership relationship with government funders that emerged during the COVID-19 response will be an important factor in ensuring that social and community sector organisations, and the sector overall, can continue to meet the needs of the communities they serve. ■

## METHODOLOGY

There are more than 114,000 non-profit organisations in Aotearoa New Zealand, and they contribute around \$6 billion to the country's Gross Domestic product (GDP), which increases to almost \$9.5 billion if even a modest estimate of the financial value of voluntary work is included (Statistics New Zealand, 2016). At 4.4 per cent of GDP, even in financial terms this is a sector, the health of which is too significant to ignore – let alone the massive social and other contributions it makes to our personal quality of life and overall societal well-being.

### CHART 1.1

Main NZCNPO activity group (compared with statistics NZ) (N=125)



The 2020 State of the Sector Survey is the fourth snapshot of the community sector undertaken by ComVoices. It originally comprised 37 questions distributed in March 2020. Many of the questions were comparable with previous State of the Sector Surveys (undertaken in 2014, 2016 and 2018). As in previous surveys a snowball method was used to distribute electronic questionnaires (built on the Survey Monkey platform), via ComVoices national umbrella organisations<sup>1</sup>, their mailing lists and social media.

Seventy-two (72) organisations responded before the collection was disrupted by the COVID-19 lockdown. In June a supplementary survey of just six questions on the impact of COVID-19 was distributed, along with encouragement to undertake the original 2020 survey, if not previously completed. Fifteen (15) respondents who had already completed the original survey completed the additional COVID-19 questions, and 57 new respondents completed both the original survey and the COVID-19 questions. Thus, in total, 129 respondents (72 + 57) completed the original survey questions and 72 of these (15 + 57) also answered the supplementary COVID-19 questions. The survey questions are included as Attachment 1.

Analysis of responses was undertaken for ComVoices by Tangata Whenua, Community and Voluntary Sector Research Centre and LEAD Centre for Not for Profit Governance and Leadership.

## 1. Who does the survey cover?

This response rate maintains a similar number of respondents from the 2018 State of the Sector Survey (133), but is significantly down on the number of respondents in the first two surveys (286 in 2016, and over 300 in 2014). It compares with an estimated total of 114,110 non-profit organisations in Aotearoa New Zealand in 2013 (Statistics New Zealand, 2016). However, 90 per cent of these non-profit organisations are micro-organisations, employing no paid staff, whereas most of the survey respondents are large enough to employ some paid staff (only 8% indicating no paid staff or contractors). Furthermore, while almost 90% of the survey respondents are Registered Charities, there are less than 28,000 Registered Charities (or less than 20% of total non-profit organisations in Aotearoa New Zealand) (Retrieved [www.charities.govt.nz/view-data](http://www.charities.govt.nz/view-data)).

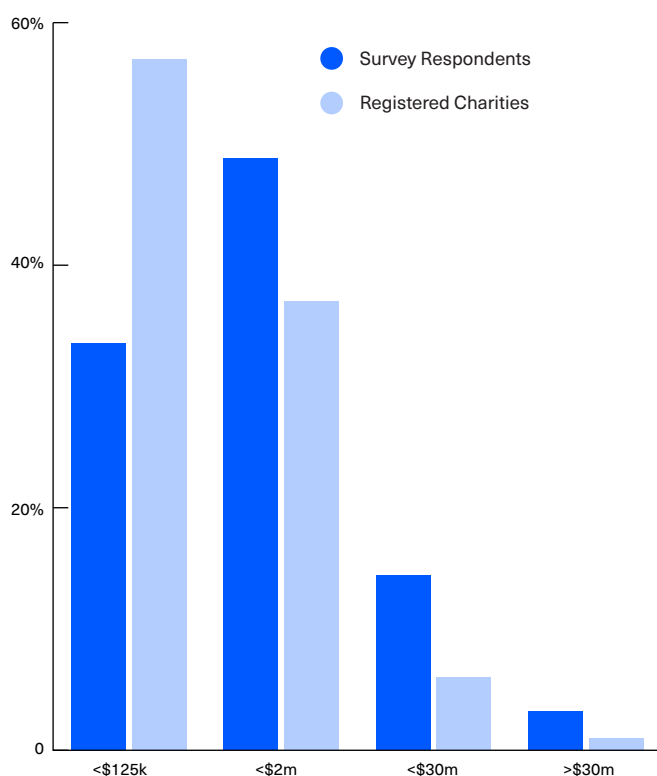
Thus the survey under-represents micro-organisations and those that are not Registered Charities. As Chart 1.1 indicates, compared to all non-profits in Aotearoa New Zealand (Statistics New Zealand 2016), survey respondents particularly under-represent *Arts, Culture, Sport and Recreation* (7% compared to 44%), and also under-represents *Development and Housing*

<sup>1</sup>Age Concern, Ara Taiohi, Arthritis New Zealand, Birthright New Zealand, Cancer Society of New Zealand, Careerforce, Community Housing Aotearoa, Community Networks Aotearoa, Community Research, Council for International Development, The Duke of Edinburgh's Hillary Award, English Language Partners, Hui E!, Jigsaw Whanganui, FinCap, National Council of Women of New Zealand, Neighbourhood Support, NZ Council of Christian Social Services, NZ Federation of Multicultural Councils, Platform Charitable Trust, Presbyterian Support New Zealand, Public Health Association, Social Service Providers Aotearoa, Te Wana Trust, Vitae, Volunteering New Zealand, and YMCA New Zealand.

(1.6% compared to 8.5%) and *Religion* (under 1% compared to 8%). On the other hand, *Social and Community Services* are significantly over-represented (52% compared to 13%), as is *Health* over-represented (14% compared to 3%), and to a lesser extent so is *Education and Research* (13% compared to 7%). This classification uses the New Zealand Standard Classification of Non Profit Institutions (NZCNPO) Activity Groups developed by Statistics New Zealand (2007). This is a similar spread of organisation types to that in previous State of the Sector Surveys (ComVoices, 2014, 2016, and 2019).

Survey respondents are also highly likely (just under 70%) to receive government contract funding – which does not count grants from Lottery Grants Board or Community Organisations Grants Scheme (COGS). Reflecting the human service focus of respondents, government funding most commonly comes from Ministry of Social Development (35%), District Health Boards (28%), Territorial Authorities (28%), Oranga Tamariki (20%), Ministry of Education (15%), and Tertiary Education Commission (15%), as well as a further 15 other government agencies.

**CHART 1.2**  
Annual income of respondents compared to registered charities (N= 125)



Although Registered Charities are only a minority of overall non-profits (less than 20%), as most of the survey respondents are Registered Charities it is pertinent to compare respondent organisations' annual incomes with the annual expenses of Registered Charities - using the Financial Reporting Tiers required of Registered Charities (Charity Services, 2019). Again while the smallest organisations are under-represented, Chart

1.2 otherwise indicates a reasonable correlation with the spread of organisations of different financial size. This also represents a similar spread of income sizes of respondents in previous State of the Sector Surveys.

In conclusion, while it is not possible to claim that the respondents are statistically representative of *all* non-profits in Aotearoa New Zealand, and while under-representing micro-nonprofits, they do cover the experiences and perspectives of a wide range of community and voluntary organisations, well representing human services, those employing staff, Registered Charities and those receiving government funding.

## Results and findings

### 2. Service delivery

#### Key points

- Service delivery and demand have continued to increase over the last 6 years but aren't necessarily matched by an increase in funding.

The types of programmes delivered by the organisations surveyed are most commonly Community Services (60%), Education (43%), Family Support (39%) and Mental Health (30%) – but also range across the wide scope of 23 different service and programme types (Chart 2.1).

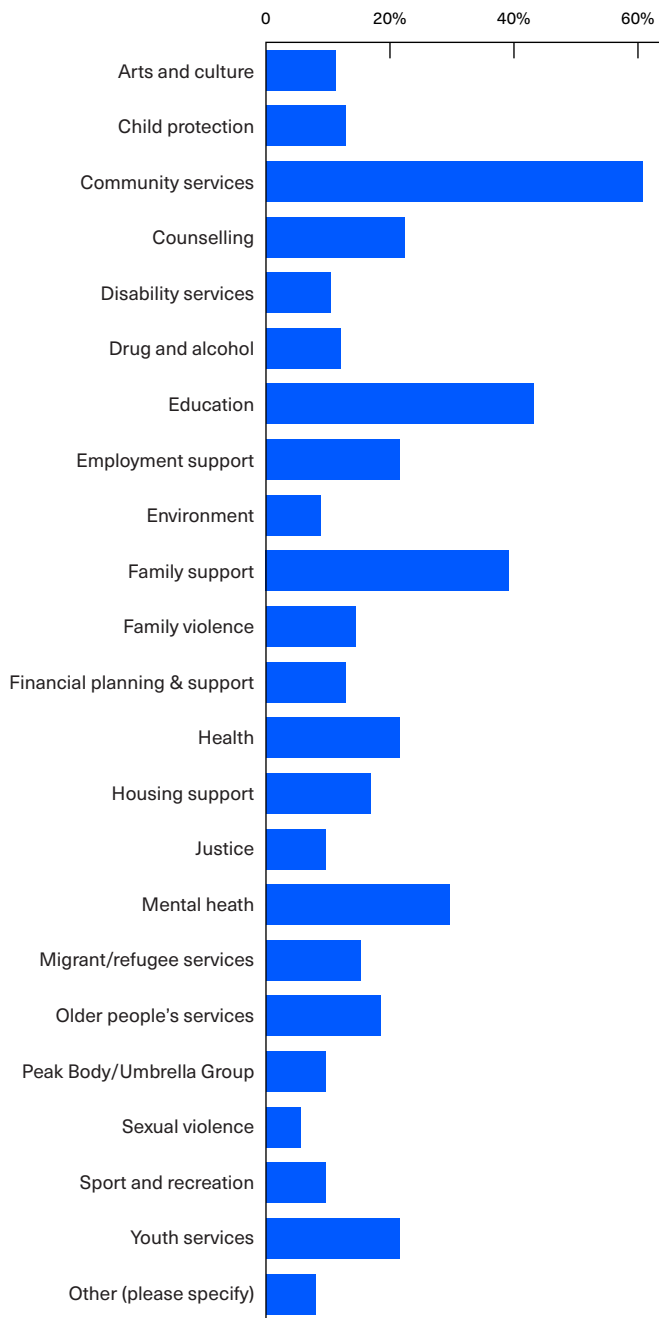
Both demand and usage for these services and programmes continue to grow. Most (72%) of the surveyed organisations report that more people are using their service compared to two years ago (several commenting unsolicited that the increases in demand were 'huge' or 'massive'), with a further 17% reporting usage was 'about the same'. This continuing increase in usage has been consistently high since the Sector surveys began in 2014. Just over 80% also report increased demand, with a further 16% reporting demand was 'about the same' – also consistent with previous years. Thus, while most organisations are able to continue to stretch further as they experience increased demand, there still remains a gap, as not all are able to actually accommodate the increased demand.

*“Until poverty, mental health and lack of affordable long term housing are addressed, all community support groups will be under major pressure.”*

*“We are constantly having to prioritise activities to match our capacity.”*

Fifty-six of the 78 respondents answering these questions about demand and service usage, elected to also make an optional comment about their organisation's ability to deliver services or programmes. The range of issues covered in these comments include: inadequacy of funding (mentioned by 20), complexity of needs and the environment they're operating in (mentioned by 10), issues with obtaining and retaining sufficient volunteers, staff and remuneration (mentioned by 8); coping

**CHART 2.1**  
Services or activities provided by organisations  
(multiple responses allowed) (N=125)



with rapid change and technology (mentioned by 6); and regulatory issues (mentioned by 2).

For 78% of the organisations with government contracts (N=60), a common strategy to deal with the dilemma of (unfunded) increasing demand is 'over-delivery' of services – that is, providing more outputs or outcomes than they are contracted to provide, often to quite a significant degree. For example, of those that 'over-deliver':

- 28% are over-delivering by up to 10%
- 40% are over-delivering by 11-25%
- 21% are over-delivering by 26-50%,
- 11% are over-delivering by 51% or more.

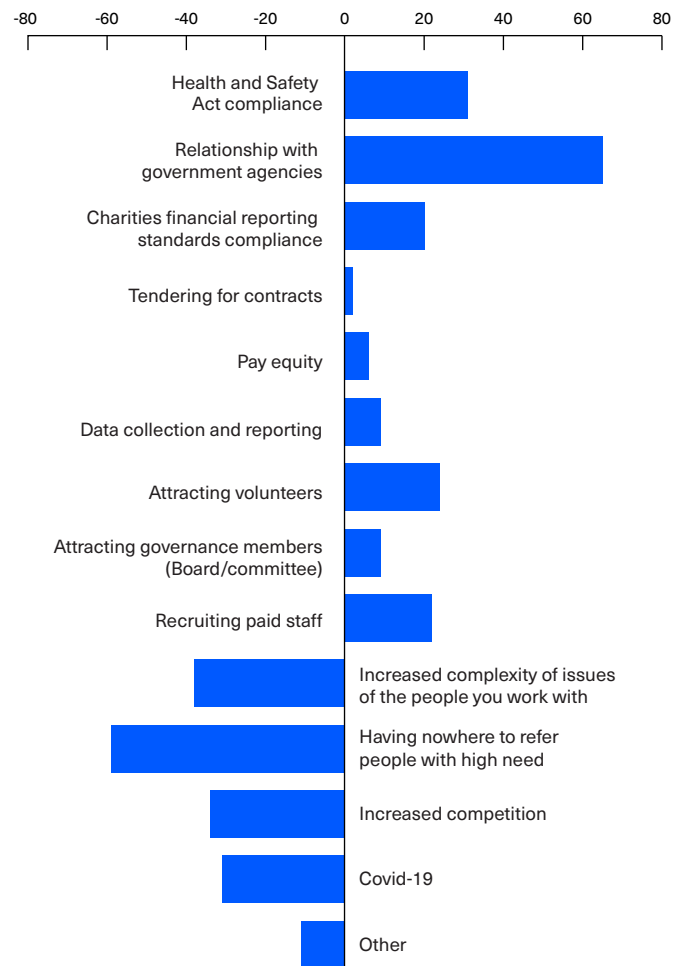
### 3. Organisation capacity

#### Key points

- Central government funding, philanthropic grants and local government funding are the most significant sources of income for respondents.
- 55% of organisations surveyed generate some of their own income through commercial and fee for service activities, making this one of the top 4 sources of income.
- There appears to be more stability among respondent organisations. Fewer organisations have restructured than in previous surveys (32%, compared to 44% in 2018).
- There is an increase in collaboration.

In 2020, for the second time, organisations were surveyed about the impact on them (positive or negative) of various factors affecting the sector (Chart 3.1). Using a net weighted-average scoring (where *very negative* = -2, *somewhat negative* = -1, *no impact* = 0, *somewhat positive* = +1, and *very positive* = +2), the major negative challenge for organisations surveyed is 'Having nowhere to refer people with high needs'. (Out of 87 organisations, 18 found this very negative and 25 found it

**CHART 3.1**  
Impact of various factors effecting the sector  
(each factor rated on a 5-point scale (N=87))



somewhat negative for them). This is followed in quick succession by three other issues of negative impact: *'The complexity of issues of the people you work with'*; *'Increased competition'* and *'COVID-19'* (even though 56% of respondents completed this question before the COVID-19 option was included). This compares with only a slight reshuffling of the same issues with a net negative impact in the 2018 survey. In 2020, there is a significantly less negative impact of *'Tendering for Contracts'* and somewhat less negative impact of *'Data collection and reporting'* compared to 2018. It is also noteworthy that a new issue (*'Relationships with government agencies'*) is included for the first time as the highest net positive issue for respondents in 2020.

**Funding:** The organisations surveyed rely on funding from a wide range of sources. Using a weighted average of the highest four ranked sources of income, central government funding is clearly the most significant, rating more than a third higher than the next most significant source (philanthropic grants), followed by local government funding, self-generated income, donations and fund-raising (Chart 3.2). This compares with all non-profits in Aotearoa New Zealand (Statistics New Zealand, 2016), where the single biggest source of income is Sale of Goods and Services (43% of income, excluding Government contracts), ahead of Government Contracts and Grants (31%), and Membership, Donations and Philanthropic Grants (24%) making up most of the rest.

Thus the survey respondents have a funding profile much more like Social Service non-profits (Statistics New Zealand, 2016). Although self-generated and commercial income is a smaller share than for all non-profits, for almost half of the survey respondents, these are still among their top four income sources – suggesting that the organisations do not take funding support for granted, but also give significant emphasis to supporting themselves. For many this is a necessity, given that recent research shows government funds non-profit social services “for less than two-thirds of the actual cost of delivering the essential services they are contracted to provide, and that

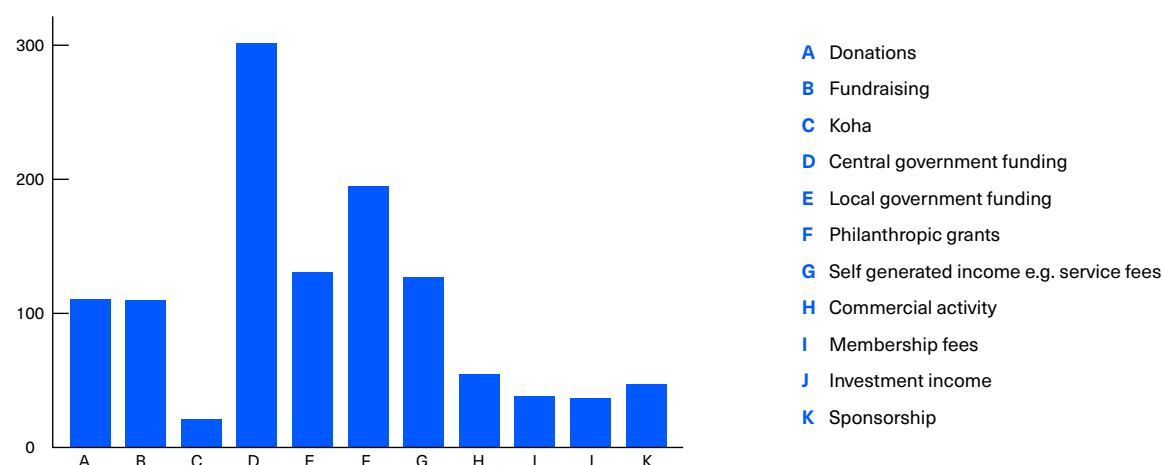
the total underfunding is estimated to be at least \$630 million annually” (MartinJenkins, 2019). That research also found that as a result, (1) organisations are not funded for the basics, (2) the workforce is underpaid and overworked, (3) competition leads to incentivising organisations to accept under-funded contracts and disincentivised from collaborating for joined-up services, (4) organisations are struggling to make ends meet, and (5) ultimately New Zealanders are not getting the support they need.

The documented government funding squeeze (at least for social service non-profits) is also occurring in an era of shrinking alternate funding sources and increasing demand. Despite a dramatic increase in the number of registered charities, the amount of philanthropic funding has decreased. Between 2011 and 2014, personal donations fell by 4%, from \$1.42 billion a year to \$1.37 billion. Giving by voluntary trusts and foundations decreased by 4% and business and corporate donations dropped by nearly a quarter over the same period (Philanthropy New Zealand, 2015). McLeod (2020) uses a different methodology and potentially identifies sources under-estimated in the earlier Philanthropy New Zealand research, but it is unclear how this may impact on the overall trends.

**Restructuring:** Thirty-two percent (32%) of organisations report they had restructured in the previous two years. This suggests slightly more stability in the sector, as it is down from the 44% reported in 2018, the 46% in 2016, and the 60% over the 3-years prior to 2014. In the current survey the primary driver of restructuring (for 48% of organisations) was *'Wanting to change or improve the way we worked'*, followed by *'Needing to improve our financial position'* (24%). This is a reversal since 2014 and 2016, when the largest single driver was the organisation's financial position. And in the current survey only 10% indicated restructuring was due to direct pressure from funders or external agencies; the same proportion who indicated the restructuring was driven by their growth.

### CHART 3.2

Top four income sources (N=60)



**Collaboration:** The proportion of respondent organisations that have worked on a collaborative tender or funding proposal in the past two years grew to 47% (N=87), after significant declines in the share of organisations reporting so in previous surveys – dropping from 44% (over the prior 3 years) in 2014 to 30% in 2016 and 21% in 2018. This marked restoration in collaboration occurred even before collaborative efforts were given a further boost as a result of the impact of COVID-19 (as outlined further below). At the time of answering the survey, 45% of the collaborative proposals were successful and in a further 21% are still waiting to hear the result of their proposals – suggesting that a significant part of this increased collaboration was in recent times.

**Concerns speaking publicly:** Capacity to undertake important advocacy has been a long-standing concern of the sector. The literature is clear that advocacy by civil society organisations has a major influence on the vitality of democracy, promotion of human rights, and especially in leveraging more impact through systemic change and addressing underlying causes (Elliot and Haigh, 2009).

In the 2014 survey as many as 60% of respondents said they were not prepared to speak out publicly. While that dropped in subsequent surveys (down to 30% in 2018), and is lower again this year (22%), we have also seen the growth of a significant number who are 'not sure' (22%), leaving those having 'no concerns' at speaking up at 57% (which is also down from 68-70% in 2016 and 2018). While the reduction in fear of speaking up is welcome, this increased uncertainty needs to be carefully monitored to ensure there is not a less obvious but still very real, unease growing among non-profits to speak out publicly on issues they are facing. While in the past much of this fear may have been related to gagging clauses in funding contracts or more subtle, even implied pressure from funders, it could be that high profile actions by Charity Services against Registered Charities involved in advocacy may be generating a chill on speaking up from a different source. Although a number of these rulings have subsequently been over-turned (National Council of Women, Greenpeace, Family First, etc), they have been highly disruptive and expensive in time and money for the organisations involved, and at least the latter is (at the time of writing) subject to appeal. This is despite the fact that, at the strong urging of the Sector the original Charities Bill was amended to include sub-clauses 5.3 and 5.4, as a compromise "to avoid any doubt" that registered charities could include advocacy (and other non-charitable) purposes, as long as it is "ancillary to a charitable purpose." Nevertheless Chen and Baker (2011) provide an opinion that the Charities Commission has, in practice, taken an especially narrow or technical interpretation of this issue.

Onyx et al, (2009) identify a continuum of advocacy methods (which are often collectively required in order to achieve major change), but also see a shift towards reliance on one strategy of "advocacy with gloves on" (institutional or 'insider' advocacy, informed by technical research, etc) under the increased role of government in funding community organisations – in order to

avoid 'biting the hand that feeds you'. Elliott and Haigh (2019) found similar results in Aotearoa New Zealand, cutting off many other advocacy strategies, and ironically this is especially likely to make direct grassroots or consumer engagement in advocacy more difficult.

Most (56%) of the 18 organisations which provide comments indicate their reluctance to speak out is directly related to a fear of losing funding; one even referring to it as 'retribution':

*"Caught between a rock and a hard place; hard to raise concerns to or about a funder who may well reduce or cut off funding".*

*"For fear of losing contracts - under the previous [...] government we were told not to say anything about funding for to do so would put future funding in jeopardy which was outrageous."*

Despite this hesitation, two organisations indicate they are very proactive in voicing concerns without ill effect, or even that it reinforces their reputation as transparent and has improved trust. A few organisations also emphasised the complexity of speaking up:

*"We are one organisation in a spoke and hub arrangement. Its not our role to vocalise the issues faced."*

*"I don't think there's any issue with people talking about increases in demand for services etc. However, talking about financial issues and sustainability is more of a worry for groups. E.g. grant funders and sponsors want to see that you're financially viable so that you are likely to deliver whatever it is they fund, not that their money might go towards keeping you afloat. It's a worry that if you say you're struggling funders will actually veer away from funding you. That said I have seen some charities say 'if we don't raise \$X we'll have to cut services/staff/close etc' so at this time there seems to be more appetite for discussing it."*

*"Comments can be seen as anti-government or government agency. Worried about them being picked up on by opposition parties and used against government..."*

Another organisation also raised the complications of confidentiality.

One organisation in particular echoed the findings of Onyx et al (2009) and Elliot and Haigh (2019):

*"We can raise concerns privately but would not do this in the public domain. It would likely damage our relationship with our government funder."*

While a further organisation noted their own need for training and improved knowledge about public policy before they would 'speak up'.

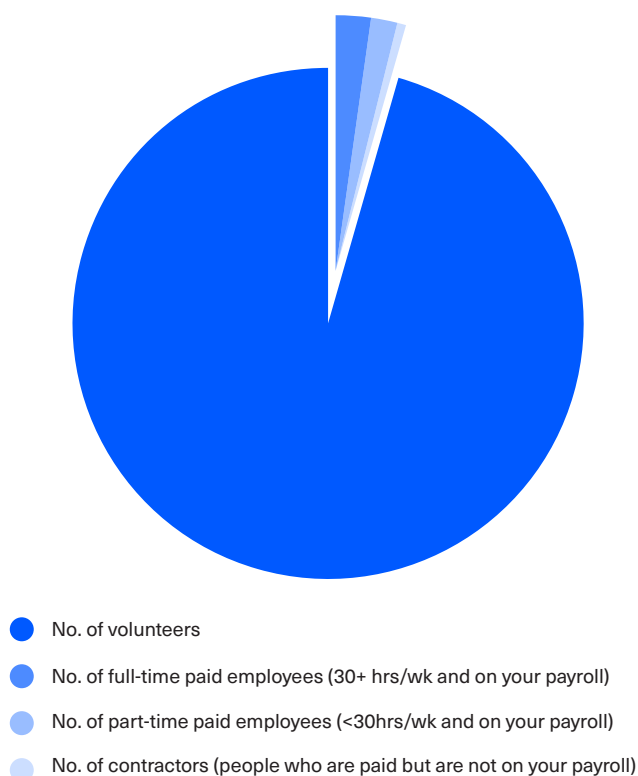
## 4. People capacity

### Key points

- Nearly half of respondents report an increase in paid staff, supporting a long-term shift to the professionalism of services and programmes, while a similar size report no change over the past 2 years.
- The majority of work continues to be undertaken by volunteers.
- There has been a small increase in the percentage of organisations surveyed able to pay a wage increase over the previous two years (up from 60% to 67%), but the number unable to offer any increase remains consistent at around 30%.

Ninety (90) organisations answered these questions on staff and volunteers (Chart 4.1). Between them they employ 1,527 full-time paid staff, 942 part-time paid staff, 501 paid contractors, and 9,303 volunteers:

**CHART 4.1**  
Total number of employees, contractors and volunteers (N=90)



- On average each organisation engages 17 full-time staff, but there is a wide range from zero to 520 (with 22% of organisations engaging zero full-time staff, and a further 41% engaging just 1-3 full-time staff).
- On average they engage 11 part-time staff, ranging from zero to 330 in any organisation (with 23% of organisations engaging zero part-timers, and a further 37% engaging 1-3 part-timers).

- On average they engage 6 contractors, ranging from zero to 300 (with 53% engaging zero contractors, and a further 33% engaging 1-3 contractors).
- On average they engage 103 volunteers, ranging from zero to 4,512 volunteers. Several had zero or just a handful of volunteers, probably indicating in most cases they had forgotten to include their volunteer board members (very few nonprofit board members receive remuneration). It is likely that a large share of the 35 who skipped the staffing question may have been all-volunteer organisations, engaging no paid staff.

Encouraged by funders, there has been a long-term shift to the professionalisation of services and programmes, including increased employment of paid staff. For example, across the sector as whole between 2004 and 2013, there was 30% increase in paid staff (up from 105,340 to 136,750, Statistics New Zealand, 2016). This is also reflected among survey respondents - a sizable proportion of whom report increases (up 45%) over the past two years in the number of paid staff employed, though with a similar share identifying 'no change' (43%), and only 12% experiencing a decline in paid staff.

Most organisations surveyed (84%) employ the 489 '30-49 year olds' (mid-career employees), and 62% employ the 302 '50-59 year olds'. This compares with 49% of organisations employing 170 'under 30 year olds', 40% of organisations employing 180 '60-65 year olds', and 30% of organisations employing 109 'over 65 year olds'. While only 9% of staff in the organisations surveyed are over 65 years, just under half (47%) are over 50 years - indicating the potential need for strong succession planning over the next decade or so. The paid workforce is overwhelmingly female (73% of staff, compared to 26% male and less than 1% gender diverse). Three organisations (4%) employ no female staff, and almost a third (32%) employ no male staff.

The number of volunteers, however, swamps all others engaged in the organisations (though it is important to realise that these are not full-time equivalents, but separate people who may be engaged for limited hours). Statistics New Zealand (2016) reports that the total number of volunteers grew to 1,229,000 in 2013, contributing a total 157 million hours. This represents around 128 hours/year (or just under 2.5 hours/week).

The Volunteer Reference Group (2017) highlights that while the number of people volunteering in Aotearoa New Zealand grew by 22% between 2004 and 2013, there was at the same time a massive and somewhat inexplicable 42% decline over that same period in the time spent volunteering. This is particularly of concern as, while more than a third of these volunteer hours are worked in culture and recreation non-profits (mainly sports groups), this is followed by hours volunteered to religious bodies and social services (Statistics New Zealand, 2016).

Sixty-seven percent (67%) of organisations report they have been able to increase wages and salaries over the past two years. This represents a slight lift over the 60% generally reporting as able to do so in the previous three surveys.

However, it still leaves a sizeable minority of around a third or organisations consistently reporting they have been unable to offer any increase in wages and salaries since (at least) 2011 to their staff – many of whom are undertaking essential work in the community. This ‘decade of neglect’ is all the more troubling when we know that wages and salaries in the sector were already coming off a low base. This is, perhaps, not unrelated to the female dominance of the non-profit workforce. For example, before the recent pay equity settlement for government’s Oranga Tamariki social workers which lifted the average salary of Oranga Tamariki social workers by a further 30%, there was already a average wage differential of 13% between social workers employed by non-profit organisations and Oranga Tamariki social workers (Martin Jenkins, 2019: 53). The MartinJenkins research also found that over half of the organisations in that research are ‘heavily’ reliant on filling the funding gap by paying staff less than they would earn in the for-profit or government sectors; nearly three-quarters are ‘heavily’ or ‘somewhat’ reliant on this.

*“Yes, the community sector needs to pay its workers a decent wage and this is an often neglected component of strategic planning and governance overall.”*

## 5. Government contracting

### Key points

- 38% of the organisations surveyed report an increase in the number of government contracts received and 40% said that the value of their contracts had increased.
- There has been a steady decrease in the number of organisations surveyed saying that the value of their contracts had reduced, from 23% in 2016 to 8% this year.
- Only 7% of organisations say that the burden of compliance was reducing.

Sixty-nine percent (69%) of respondent organisations receive government contracts (not including Lottery or COGS grant funding). Most commonly this is with the Ministry of Social Development, District Health Boards, and Territorial Authorities. Significant numbers of organisations also receive contracts with Oranga Tamariki, Ministry of Education, and Tertiary Education Commission. Most organisations report at least some of their contracts are ‘outcome based’ (79%). For half the organisations, ‘most’ or ‘all’ of their government contracts are ‘outcome based’. This has been slowly edging up over the previous two surveys. While being outcome focused appears desirable, it can also have significant unintended impacts on organisations, increasing their vulnerability and even building in perverse incentives.

*“[One] contract became Outcome Focused. Payment is only provided when milestones have been reached. We work with vulnerable, unwell people so we can invest time and resource into achieving positive outcomes but if they become unwell or chose to go elsewhere we receive no income.”*

Generally for those organisations receiving government contracts (N=60), the number of contracts has remained the same for most (53%) of organisations, but has increased for 38% of organisations, reducing for only 8% of organisations. This is a notable change from previous surveys, where the number of contracts remaining the same was around 60%, and reducing for 16-18%. The value of these contracts also mostly remained the same (50%), but still 40% increased in value. This also represents a reduction in the number of organisations reporting a drop in value – down from 23% in 2016, 15% in 2018, to just 8% in 2020.

Specifications in these contracts have significantly changed for 38% and not significantly changed for 55% of respondent organisations with government contracts. The proportion reporting significant change is edging downwards, compared to previous surveys. While some changes are disruptive and negative for the organisations, the lack of change in recognition of changing circumstances can be equally negative. There is also no guarantee of consistent approaches across different government funders – with mixed results and added complexity for organisations in managing relationships with their funders.

*“The specifications are significantly different to previous contracts. We were not advised that the specifications had changed before the contracts were offered and we had no opportunity to have input into what those changes. Effectively it is a funder dictating how we shall run our business. We do have the right to refuse the contracts but in doing that we would have to close our doors permanently which would be a loss to our community. We wonder if there is an underlying motivation to fund fewer organisations.”*

*“They should have changed. Costs and demand for our services continue to increase yet we are expected to deliver on the same budget.”*

*“The detail related to compliance has increased, in the case of one set of government contracts we are looking to codesign, in the case of other government contracts they are very much ‘us’ and ‘them’.”*

The time taken to administer and report back on contracts increased for 47% of organisations; though remaining the same for almost as many (43%). For only 7% was the compliance burden reducing. This does not reflect any significant improvement on the previous two surveys, where this question was asked.

As a result, perceptions are roughly split among those who see the overall impact of changes in government contracting as being of benefit to their organisation (37%), as being of no benefit to their organisation (30%), and who experienced no changes in government contracting (28%). This represents a gradual but distinct growth in perceptions of benefit (up from 20% in 2016, and 24% in 2018), reduction in perceptions of no benefit (down from 50% in 2016, and 40% in 2018), and especially the evaporation of the ‘Unsure’ share from 31% down to 5%.



Forty-one (41%) of the 60 organisations reporting on government contracting volunteered comments, which underline the mixed, and at times contradictory, directions of change. Eleven (11) comments reflect welcome changes: generally because of increased funding, ability to service more clients, longer term contracts or reduced compliance costs, and better recognition of overhead and administrative costs. On occasion, the impact was positive because of the extra demands it put on organisations.

*"[We welcome:] longer-term for contract; reduced reporting requirements (annually, not 6-monthly); CPI adjustment; additional grant funding for project development and then for delivery."*

*"Our organisation gets a lot of work done on a small budget. We are lucky that both our philanthropic funder and the Lotteries funding has moved to three year funding. This has made a huge difference to our ability to plan ahead."*

*"We welcome outcome-based contracts and reporting, but its still a work in progress with most government depts. Often have very junior staff members working on the contracts."*

*"Keeps us nimble and responsive."*

*"We are in a far better position, but that's because we've changed funder, and it was part of the Government's Wellbeing budget. If that budget hadn't been implemented, we would be out of business. We have declined our funding with [one agency] because the terms were unreasonable and there was no negotiation - we would have been worse of in 2020 than from 2019; but luckily we have [another agency's] funding. But that funding requires us to change our mode of delivery. The amount allocated for transition is not enough, so it's still an uphill battle, but overall we are in a better position and it will get better as we head into out years for funding."*

Four (4) further comments were mixed, both because there are 'good and bad aspects' of individual contracts, but especially as "it is difficult to answer these questions because we have different contracts - some have been positive some have not changed."

*"Positive is that we have key outcomes to be working toward, negative is feeling that we have to work only within that framework."*

*"The compliance in terms of reporting is definitely higher, and we need more sophisticated ways of capturing data. We have had to upgrade our IT and CMS. But the result has also provided us with more robust information, which is helpful."*

Nine (9) organisations commented on increased compliance costs; 7 commented on the financial squeeze and failure to recognise full costs or cost increases, and in some cases reducing contributions; and 3 commented specifically on the

counter-productive impacts of increased competition. In short they repeat many concerns outlined in previous year's surveys.

*"Having to go out and seek more contracts as some existing contracts are not funded appropriately and this is an historic issue, increased compliance and increased details regarding standards etc that we need to be cognisant of...the standards themselves are constantly changing so never feel like we have 'landed' on a correct set of information."*

*"Due to the Outcome Focused framework we had to reduce overheads which meant a staff members was made redundant. This impacted the remaining staff member under this contract and the pressure caused work place stress and they could not continue in the role. As an employer we chose to withdraw from this contract and re-deploy the employee to another position. This team had done a brilliant job working with members of our community that other agencies did not want to work with, because of the Outcome Focused Framework."*

*"Most Government contracts to date are contestable, time-consuming application process for complex issues, this year the [funder] has allocated new funding while creating EOI processes, then two step application processes so a 7 months application time. It is difficult for us to invest resources that are unfunded for this level of work."*

*"Compliance costs are higher while the dollar amount of contracts is decreasing."*

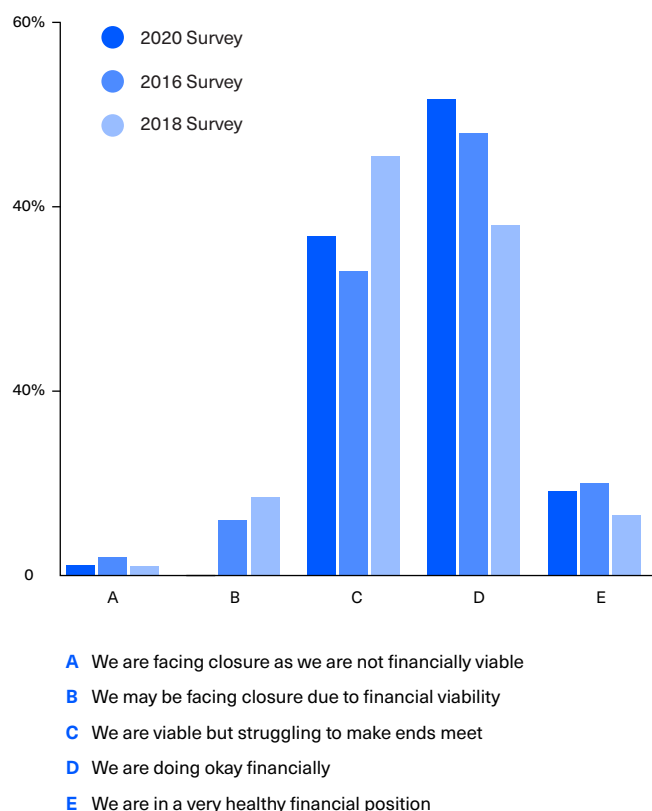
## 6. Financial viability

### Key points

- There is a small but clear lift in respondents' financial viability but a significant degree of fragility remains.
- 38% of surveyed organisations report that they are struggling financially, but this is an improvement on the 54% who reported that they were struggling in 2018.
- 43% of surveyed organisations consider that they are better off than they were two years ago. 20% consider themselves worse off.

Organisations were asked to rate their current financial viability. In 2020, most organisations report they are 'doing ok' (52%), a further 9% are in a very healthy position, and a further 37% are viable, but struggling (Chart 6.1). While it is not desirable that 38% are struggling, overall this represents a small but clear lift in the two positive and the middle options on self-assessments from previous surveys, and a concomitant decrease in the two negative options of 8-10% points. This is all the more significant as previously the trend appeared to have been going in the opposite direction – that is, the organisations' financial viability was deteriorating even further each survey.

**CHART 6.1**  
Financial viability (compared to previous surveys)  
(N=87)



Organisations were also asked if they were better off, the same, or worse off financially compared to two years ago. In the 2020 survey 43% rated themselves as better off (up from 23% in 2016 and 25% in 2018); 38% rated themselves as the same (compared to 40-41% in 2016 and 2018); and 20% considered themselves worse off (down from 37% in 2016 and 35% in 2018). Again, while there are still too many organisations worse off, it is welcome that this proportion appears to be dropping, and the share better off increasing even faster.

As a result the proportion currently using organisation reserves to fund service delivery had also dropped to 33% in 2020 (compared to 60% in 2014, 41% in 2016 and 51% in 2018). Of those currently using reserves (N=40), 45% of organisations could sustain this for up to 6 months, 33% for 7-12 months, 5% for 13-18 months, and 18% for over 18 months. Although this effected a smaller proportion of organisation than in previous years, those who were affected had lower reserves and were less able to sustain this, for example, for 12 months or more down from 50-52% in previous surveys to just 23% in 2020. Thus a significant degree of fragility remains despite the overall improved financial viability, and indications are that it has already deteriorated further as a result of COVID-19 – as we see from comments on the financial impact of the pandemic below, which is far from even on all organisations.

***“We used reserves during the lockdown as a couple of funds were put back. One of these has since come in, and the other has been confirmed so we have been able to stop using our reserves.”***

***“The next 6 months will be crucial for us. If funding is not returned to levels previous to COVID 19 we face major restructuring that will mean reduced services.”***

Forty-five (45) organisations also volunteered comments on the issue of financial viability, some cautious, some positive, but many expressing serious continuing concerns:

***“Even not for profit organisations need adequate and realistic support and funding to reach any sort of comparable professional level of staffing, acceptable pay rates, money to train and support staff and volunteer professional development and have adequate resources. Until this is all valued and recognized the capacity and quality of the sector will suffer which is a great shame due to the knowledge, dedication, experience, passion and expertise provided by this sector, these organisations give amazing added value and additional benefits.”***

***“We are in a great deal better situation than we were 2 years ago, but we struggle with getting the money contracted to us meaning that we use reserves before we eventually get paid.”***

***“Our contract comes up this year, if we don't receive a boost in our funding we will have to reduce our services.”***

***“We want to pay our staff more. We already rely on grants for 50% of our wage costs however and if we increase pay we seriously increase our risk we won't be able to pay our people.”***

***“For the past 18 months we have been drawing from reserves to make ends meet and we are not a “flash” corporate, flash car organisation, we spend our public money delivering service to the people but that still requires, vehicles, fuel, phones, IT equipment etc to run the organisation.”***

***“It is a constant source of stress!”***

***“We have made budgeted deficits for the past 3 years, which is not sustainable in the long term.”***

***“Every year it is a close run thing. We won't have to use reserves this year, but we did the year before last.”***

***“Making funding applications is a big and continuous job.”***

***“It's a struggle.”***

To some extent these trends may have been somewhat obscured to date, because, while overall income has been increasing – up an impressive 65% between 2004 and 2013 across all non-profits – at the same time, expenditure has increased by 68%, forcing more organisations to eat into reserves to survive. (Statistics New Zealand, 2016). This squeeze is not a sustainable formula for long-term survival or effectiveness.

This is reinforced by the findings of a COVID-specific survey (Centre for Social Impact, 2020), that a substantial majority (74%) of community organisations surveyed experienced or were expecting reduced funding as a result of the pandemic and the Lockdown. While almost half of respondents to that survey had sufficient funds to maintain staff and activity for six months or more, for one in five, they only had sufficient funds to maintain current operations for 2-3 months. This is in the context that the impact of the COVID global recession/slowdown is likely to last for some time yet to come.

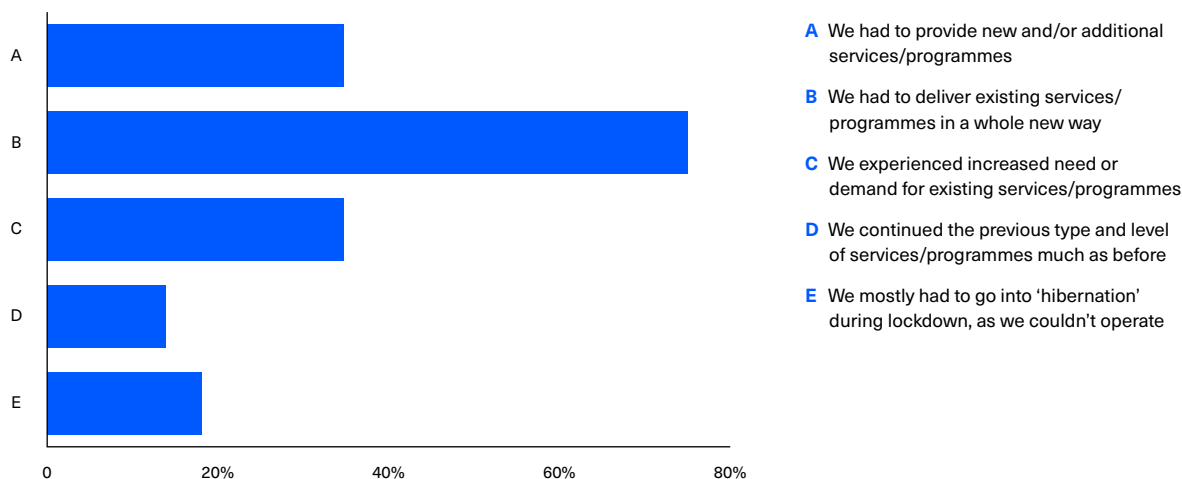
*“Over the past few years I’ve noticed a decline in the number of funders willing to fund overheads/admin/salary costs. Charities and community groups are expected to run services and organisations on a shoestring budget, and yet many of us are seeing increasing demand for services, and increasing opportunities and needs for more services to be delivered where existing services run by others have stopped/been defunded. COVID has in some ways given us an opportunity as a sector to say we can’t do it like this anymore. If charities and community groups aren’t funded for their actual running costs we will just see more organisations close and the services they deliver stop. I also think we need to be smarter as a sector. We’re always seen as being in competition with each other (particularly for funding) when we need to look more at working, and being funded, in partnership, to help with sustainability and to have a bigger impact for our beneficiaries.”*

*“We frequently encounter issues with government agencies not paying their bills on time. It is intensely frustrating, and we often end up doing their work for them - chasing up people in individual departments to authorise payment, etc.”*

*“Whilst the government has made some positive moves the sector still feels under resourced. Massive amounts of goodwill keeps it functioning.”*

#### CHART 7.1

Impact of COVID-19 and the lockdown on programmes (multiple answers allowed) (N=72)



## 7. Special Issue: Coping with COVID

### Key points

- The COVID pandemic brought on a major impact in unleashing innovation, creativity, and in programme provision, increased collaboration and wider use of technology, while causing significant increases in costs and decreases in funding for surveyed organisations. This is also reflected in the results of other reports and surveys over the same period.
- There has been a clear improvement in surveyed organisations' relationships with government and other funders, greater flexibility in contract outcomes and faster and more flexible and responsive decision-making.

After the COVID-19 global pandemic hit Aotearoa New Zealand, it was decided to add a small number of supplementary questions to the State of the Sector survey regarding the impact on community organisations of COVID-19 and especially the national lock-down.

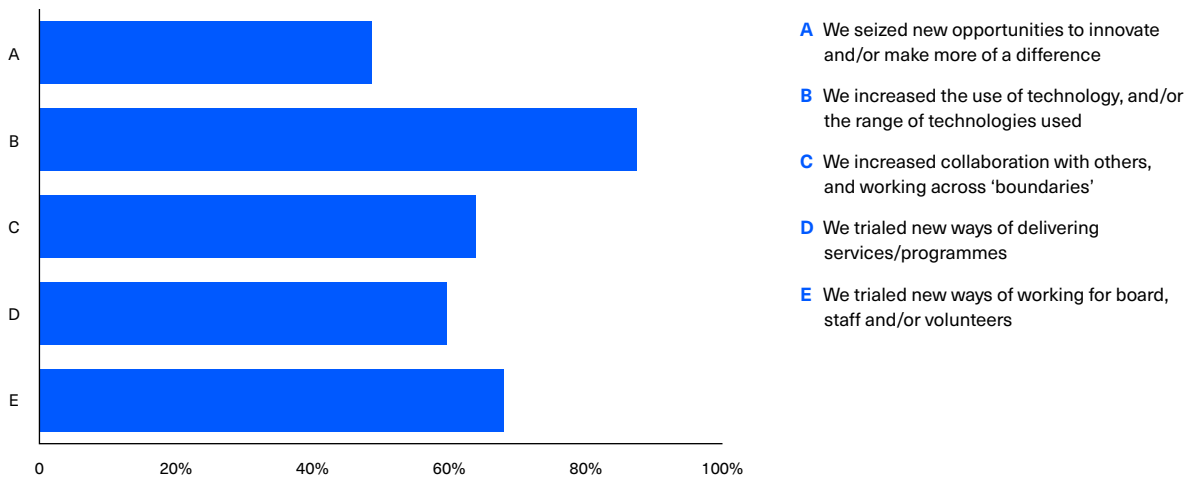
The questions were answered in the month from the end of June to the end of July 2020, when it appeared that the country had successfully eliminated COVID-19 following the lifting of the major country-wide 'lockdown'. During this period, Aotearoa New Zealand was back operating at Alert Level 1 (since 8 June) and the re-emergence of cases in the Auckland region had not yet led to that region moving back to Alert Level 3 on 12 August.

Most organisations (75%) reported that they had to deliver programmes in “a whole new way”, and many (35%) were also likely to need to respond to increased need/demand (35%), and/or provide new or additional programmes (35%) (Chart 7.1).

There was a major impact in unleashing innovation (for 49%), creativity in organisation (68%) and in programme provision (60%), increased collaboration (64%), and especially wider use of technology (88%) (Chart 7.2).

**CHART 7.2**

Impact of COVID-19 and the lockdown on innovation and creativity (multiple answers allowed) (N=72)



*"This was quite a change and an expansion to our standard services. Our normal programmes all went into 'hibernation' and so we had to develop new ways to stay connected and support usual participants. Groups connected through online videos, zoom and Facebook a lot more. We had a specific marketing campaign around our community to support others and helped drive a lot of the volunteering and supporting opportunities."*

*"There was lots of work with a whole range of NGOs collectively in different ways. It was great."*

*"There was increased need for practical and emotional support from existing clients during lockdown."*

*"Challenges we had to deal with included navigating the provision of support to clients around sensitive topics whilst children were all home, and clients' lack of access to phone credit, internet, and internet capable devices limiting the ability to communicate."*

*"I was really impressed with the innovation and creativity of our teams during lockdown. I am hopeful that, having broken out of usual patterns due to lockdown demands, there will be more receptiveness to change going forward. For a fundamentally kanohi-ki-te-kanohi oriented workforce, lockdown requirements have certainly broken through a resistance to using technology to maintain and enhance relationships."*

*"It was incredibly freeing to be able to work together unheeded by red tape. Hugely increased collaboration."*

While for over a third of the organisations, costs and income remained about the same (Charts 7.3 and 7.4), and for 12–18% actually improved, for the other half of the group costs increased (40% up to a 30% increase, and 6% for over a 30% increase), and income dropped (40% up to 30% decrease, and 14% for over a 30% decrease). Increased costs included increased demand, new programmes, technology costs, PPE, and costs of different ways of working, though this was sometimes offset by rent holidays, and cost savings in less

travel, etc. Reduced revenue included impacts of cancellation or delay of fund-raising events, loss of grants (especially from Gaming Funds), and loss of earned income. Increased community generosity, extra flexibility with funds and wage subsidies helped some.

*"We had to close down our revenue-making programs but increase our loss making (food rescue) activity."*

*"All income generating activity had to stop in Levels 4 and 3, and was reduced in Level 2 and is still recovering / slightly reduced. Some we have had to shut down permanently."*

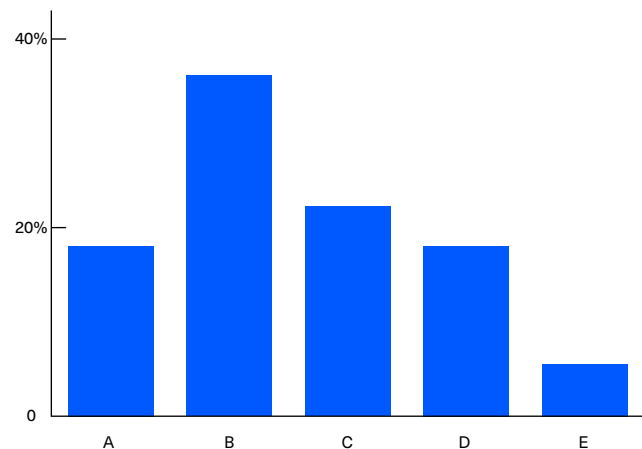
*"Grants were delayed or cancelled for the year that we would typically rely on. Substantial hire-age revenue was lost. Our special appeal for donations during this time has given us some extended support around salaries. Moving forward we are finding that new groups seeking a venue are struggling to pay standard community hire rates (and our rates are low compared to others) and participants of groups are starting to show financial stress around membership fees etc as job loss is starting to increase. This has a flow on effect. The government wage subsidy and emergency support fund have been essential in helping us keep our head above water."*

*"We received very generous donations from our community to help with the extra cost and need for non-government funded services such as the food bank."*

*"A complicated situation. Contracts remained in place despite some impact on service (e.g. no group work possible) so that was appreciated. Donations increased substantially but all specifically tagged for COVID relief so not necessarily off-setting other costs. Income from our primary revenue-generating arm (secondhand stores) disappeared overnight, while costs continued. Some staff were able to be redeployed to assist with welfare response but donations and grants often cannot be applied to wage costs."*

**CHART 7.3**

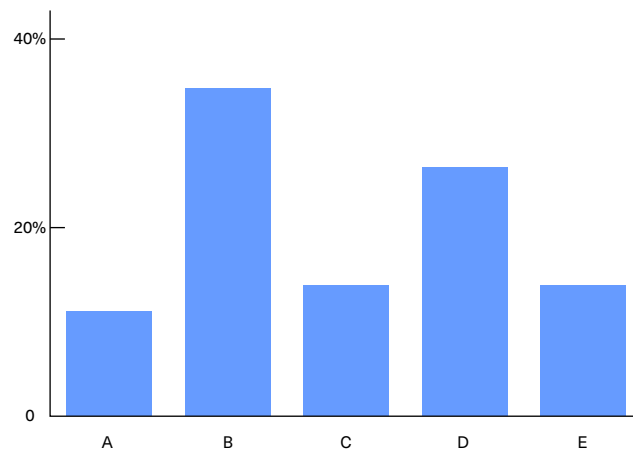
Overall impact of COVID-19 and the lockdown on costs (N=72)



- A Reduced
- B Stayed about the same
- C Increased a little - up to 10%
- D Increased significantly - up to 30%
- E Increased with major impact - over 30%

**CHART 7.4**

Overall impact of COVID-19 and the lockdown on income (N=72)



- A Increased
- B Stayed about the same
- C Decreased a little - up to 10%
- D Decreased significantly - up to 30%
- E Decreased with major impact - over 30%

Similar findings are echoed by a longer COVID-19 impact survey (Centre for Social Impact, 2020), including identifying the impact of COVID-19 and the Lockdown on:

- “unlocking a previously unknown capacity for flexibility and innovation
- being responsive, nimble, adaptive and resourceful
- an appreciation of technology as a powerful tool (with caveats), offering new ways to connect and communicate and deliver some services, and the extent to which it was embraced by clients, stakeholders and members alike
- the extent to which COVID-19 revealed the strengths and capabilities of teams and organisations
- the immense value of working together and the huge appetite for collaborating within the not-for-profit sector, which was seen by many as being key to its ongoing sustainability”.

That same survey also found that a sizable majority (74%) experienced reduced revenue, and that maintaining financial viability is their top challenge for 3 out of 5 organisations at this time, but also that organisations “developed a new confidence and proficiency through having their own team strengths and capabilities realised... Collective effort across the sector, government and philanthropy is now needed to revive funding sources, replenish reserves, reshape the volunteer base, build technological and social infrastructure and skills, and rethink how services are delivered, supported and funded” (Centre for Social Impact, 2020).

This period also seems to have represented a period of significant positive change in organisations relationships with

government and other funders. While for a small percentage of respondents in our survey the relationship deteriorated (3-4%), and for some it remained pretty much the same (14-39%), for most there was a ‘clear improvement’ (for 38-63%, including a ‘major improvement’ for 6-17% of organisations). The only exception was with respect to the ‘Ease and quality of contact with Ministers and politicians’, as more than half (54%) rated this as Not Applicable, and a further 28% rated it as staying much the same. While the improvements were by no means universal, they clearly evidence that they are definitely possible.

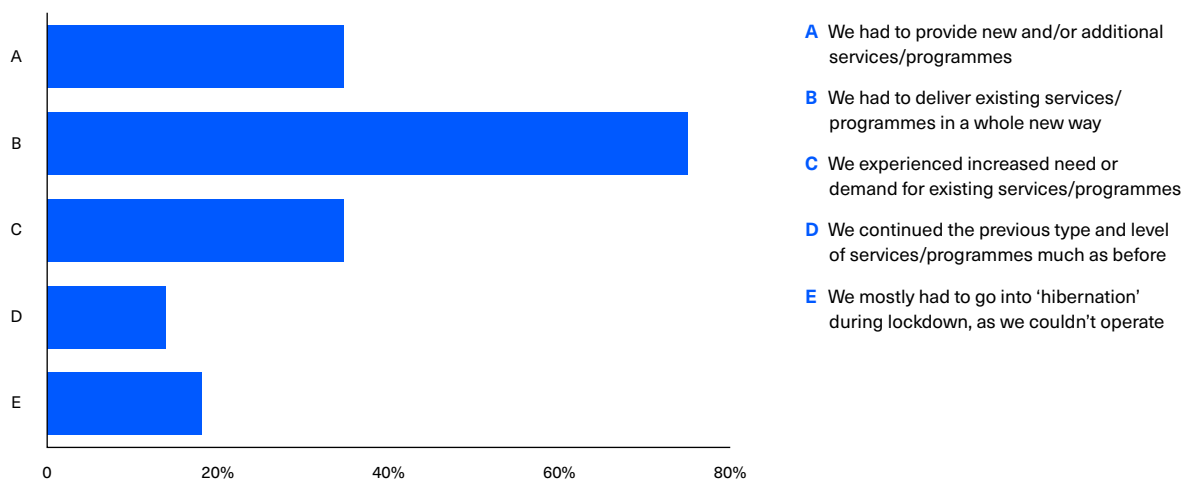
*“We had two different experiences from key Central Government funders - one was more flexible, allowed for reporting changes and checked in with us to see how we were and what help we needed. The other, required more planning (3 month and 12 month plans) didn’t decrease the large reporting requirement at all and expected further work to administer pieces of work on their behalf while we were trying to develop other responses to our community.”*

Using net weighted averages, the biggest positive changes were experienced in ‘Greater flexibility in contract outcomes, ‘wash-up’ clauses etc., to focus on what is needed’ (Score of 16), ‘Faster and more flexible/responsive decision-making’ (Score of 14), ‘Sense of real partnership and treated with respect’ (Score of 11), ‘Whole-of-government instead of silo’ed approach’ (score of 9), and ‘Ease and quality of contact with officials and departments’ (Score of 8) (Chart 7.5).

The obvious challenge for government is how it can maintain and even build on these improvements in relationships beyond

**CHART 7.5**

Improvements in relationships with government and other funders (Net weighted average score) (N=72)



COVID-19 and the Lockdown. The government has essentially committed itself to this task in work already underway across government agencies to improve the commissioning of social services in New Zealand:

*“An effective and sustainable social sector is central to improving wellbeing across New Zealand communities. Government agencies, Non-Government Organisations (NGOs), philanthropic funders and communities all share the common goal of improving wellbeing and equity of outcomes for individuals, families, whānau and communities.*

*“Government has committed to the ongoing development of strong partnerships; this includes funding services in a way that recognises the ability for communities to successfully design local solutions to local issues.*

*“Government has heard the sector's perspectives on how to make the system work better to achieve wellbeing and equitable outcomes. This has included feedback around funding, reporting and transparency.*

*“Progress towards a better system has begun. This includes more sustainable funding models, client and whānau-centred design and innovation, supporting community-led initiatives, longer term contracts, simplified contracting and procurement processes and partnering with iwi and Māori communities.” (Ministry of Social Development, 2020).*

It is crucial we get beyond good intentions – as, even with commitments to work more in partnership, these are still not always translated into effective practice:

*“When working with the State Sector to improve or provide collaboration, the doors are often only half open or they believe they are covering all the areas, even though on the frontline in reality there are gaps.”*

If it's possible to improve our working together during a pandemic, it should be all the more possible during non-emergency times, if there is sufficient commitment to the task. It should not be beyond us to make this a reality, not just to make things easier for non-profits, but essentially because we all need it to be so. As Centre for Social Impact (2020) also finds, the sector is currently still in a fragile, finely balanced position.

## ABOUT YOUR ORGANISATION

**What part of the community sector does your organisation work in? Select the most relevant area (one response).**

*Response options*

- Arts, culture, sport and recreation
- Education and research
- Health
- Social/community services
- Environment
- Development and housing
- Law, advocacy and politics
- Grant making and fundraising
- International development
- Religion
- Business and professional services
- Other, please specify

**What kind of services or activities does your organisation provide? Select as many as relevant.**

*Response options*

- Arts and culture
- Child protection
- Community services
- Counselling
- Disability services
- Drug and alcohol
- Education
- Employment support
- Environment
- Family support
- Family violence
- Financial planning and support
- Health
- Housing support
- Justice
- Mental health
- Migrant/refugee services
- Older people's services
- Peak Body/Umbrella Group
- Sexual violence
- Sport and recreation
- Youth services
- Other, please specify

**Are you a registered charity?**

*Response options*

- Yes
- No
- Not sure

**Please select your annual income range for the last financial year.**

*Response options*

- Under \$125,000
- Under \$2 million
- Under \$30 million
- Over \$30 million

**Please rank in order your top 4 sources of income from the list. 1 (one) being your highest source of income, 2 your second highest and so forth.**

*Response options*

- Donations, fundraising, koha
- Central government funding
- Local government funding
- Philanthropic Grants
- Self-generated income e.g. service fees, commercial activity
- Membership fees
- Investment income
- Sponsorship

## HUMAN RESOURCES

**How many employees, contractors and volunteers do you have in your organisation today? Write a number.**

*Response options*

- Number of full-time paid employees (30+ hrs/wk and on your payroll)
- Number of part time paid employees (less than 30hrs/wk and on your payroll)
- Number of contractors (people who are paid but are not on your payroll)
- Number of volunteers

**Do you have more, the same or fewer staff now than you had two years ago? Select one response.**

*Response options*

- More staff
- Same number of staff
- Fewer staff

**How many paid staff do you employ within the following age ranges?**

Please leave blank if you prefer not to answer

*Response options*

- 29 and under
- 30–49
- 50–59
- 60–65
- Over 65

**Please indicate the total number of your paid staff by gender.**

Please leave blank if you prefer not to answer

*Response options*

- Female
- Male
- Gender diverse

**Have you restructured in the past two years?**

*Response options*

- Yes
- No

**If you answered yes in the previous question, what was the primary driver of the restructuring?**

Select most relevant response.

*Response options*

- To improve our financial situation
- Growth
- Wanted to change or improve the way we work
- Pressure from funders or external agencies
- Other, please specify

**Has your organisation increased paid employee wages and salaries in the past 2 years?**

*Response options*

- Yes
- No
- Not sure

**SERVICE DELIVERY – WHAT YOU DO**

This part is about what you do and the way you work.

**Do you have more, the same or fewer people using/joining your service/s now than you had two years ago? Select one option.**

*Response options*

- More people
- Same number of people
- Fewer people
- Feel free to comment

**Rate the impact of the following on your organisation in the past two years.**

Select one response per row. If you have another issue that has been significant for you (positively or negatively) please specify under 'Other'. If you do not have any 'Other' issue to include, please select the N/A answer for 'Other'.

*Response options*

- Relationship with government agencies
- Health and Safety Act compliance
- Charities financial reporting standards compliance
- Tendering for contracts
- Pay equity
- Data collection and reporting
- Attracting volunteers
- Attracting governance members (Board/committee)
- Recruiting paid staff
- Increased complexity of issues of the people you work with
- Having no where to refer people with high needs
- Increased competition
- COVID-19
- Other, please specify

**Has the demand for your services and/or activities increased, stayed the same or reduced in the past two years? Select one response.**

*Response options*

- Increased
- Stayed the same
- Reduced
- Feel free to comment

**Do you have any comments to make about your organisation's ability to deliver services and/or activities? (i.e. changes to complexity of need, main issues clients bring, etc)**

Comments

**CENTRAL AND LOCAL GOVERNMENT CONTRACTING**

**Does your organisation have any government contracts with a central government agency (e.g. MSD) or local government (e.g. council). NB: Please do not count funding from Lotteries or COGS as government contracts.**

*Response options*

- Yes
- No – if you answered no, please go to Part 5 of the survey (Financial Viability).
- Not sure – if you answered not sure, please go to Part 5 of the survey (Financial Viability).

**With whom are your main government funding contracts?**

**Select as many as applicable.**

NB: Do not include funding from Lotteries and COGS here.

*Response options*

- ACC
- District or city council
- District Health Board
- Dept of Corrections
- Dept of Internal Affairs
- Ministry of Business, Innovation and Employment
- Ministry of Education
- Ministry of Health
- Ministry of Justice
- Ministry of Social Development
- Oranga Tamariki
- Te Puni Kokori
- Tertiary Education Commission
- No significant government funding contracts
- Other, please specify

**Has the number of government contracts for your organisation increased, stayed the same or reduced in the last two years?**

*Response options*

- Increased
- Stayed the same
- Reduced
- Not sure

**Have the specifications in your government contracts changed significantly over the past two years?**

*Response options*

- Yes
- No
- Not sure
- Feel free to comment



**Has your organisation over-delivered on any of your contracted services in your last contract period? (i.e. provided more outputs/outcomes than you are contracted to deliver)**

*Response options*

- Yes
- No
- Not sure
- Not applicable

**If yes, by how much did your organisation over deliver?**

*Response options*

- Up to 10%
- Between 11–25%
- Between 26 – 50%
- Over 51%

**Are your government contracts outcomes based?**

*Response options*

- None
- Some
- Most
- All
- Not sure

**Has the time it takes to administer and/or report back on your contracts increased, stayed the same or reduced?**

*Response options*

- Increased
- Stayed the same
- Reduced
- Not sure

**Has the value of your government contract/s increased, stayed the same, or reduced?**

*Response options*

- Increased
- Stayed the same
- Reduced
- Not sure

**Overall, have the changes in government contracting been of benefit to your organisation?**

*Response options*

- Yes
- No
- Hasn't changed
- Not sure

**What is the overall impact of contracting changes, if any on your organisation in the past two years?**

Comment

**Has your organisation worked on a collaborative tender or funding proposal in the past two years?**

*Response options*

- Yes
- No
- Not sure

**If you answered yes to the previous question, was the collaborative tender or funding proposal successful?**

*Response options*

- Yes
- No
- We are waiting to hear the result
- Not sure

## FINANCIAL VIABILITY

**How would you describe the current financial viability of your organisation? Select one option.**

*Response options*

- We are facing closure as we are not financially viable
- We may be facing closure due to financial viability
- We are viable but struggling to make ends meet
- We are doing okay financially
- We are in a very healthy financial position
- Not sure

**Compared to two years ago, are you better off, the same, or worse off financially?**

*Response options*

- Better off
- About the same
- Worse off

**Are you currently using organisational reserves to fund service delivery?**

*Response options*

- Yes
- No
- Not sure

**If you are using your reserves, how long can you sustain this?**

*Response options*

- 1– 6 months
- 7 – 12 months
- 13 – 18 months
- 19+ months

**Do you have any other comments to make about your organisation's financial viability?**

Comments

## FINAL COMMENTS

**Does your organisation have concerns about speaking publicly on, or about, the issues you are facing?**

*Response options*

- Yes
- No
- Not sure

**If you answered yes to the previous question would you like to tell us why you feel like this?**

**Anything else you would like to comment on that has not already been covered in this survey?**

**SPECIAL ISSUE: COPING WITH COVID**

**Service/programme delivery: What was the impact of COVID-19 and the Lockdown on need and demand for your services/programmes? Select as many answers as appropriate to your organisation.**

*Response options*

- We mostly had to go into 'hibernation' during lockdown, as we couldn't operate
- We continued the previous type and level of services/programmes much as before
- We experienced increased need or demand for existing services/programmes
- We had to deliver existing services/programmes in a whole new way
- We had to provide new and/or additional services/programmes
- Please provide any comments on particular impacts on your organisation's services/programmes

**Innovation and Creativity: What was the impact of COVID-19 and the Lockdown on innovation and creativity in your organisation? Select as many answers as appropriate to your organisation.**

*Response options*

- We trialed new ways of working for board, staff and/or volunteers
- We trialed new ways of delivering services/programmes
- We increased collaboration with others, and working across 'boundaries'
- We increased the use of technology, and/or the range of technologies used
- We seized new opportunities to innovate and/or make more of a difference
- Please provide any comments on particular innovations implemented or opportunities seized

**Expenditure: Overall, what was the impact of COVID-19 and the Lockdown on your organisation's costs? (costs of different ways of working, PPE, technology, extra procedures, extra staffing, volunteer costs, etc) Select only one answer.**

*Response options*

- Reduced
- Stayed about the same
- Increased a little (up to 10%)
- Increased significantly (10–30%)
- Increased with major impact (over 30%)
- Please provide any comments on the most significant impacts on your costs

**Income: Overall, what was the impact of COVID-19 and the Lockdown on your organisation's income? (contracts, grants, user fees, donations, etc) Select only one answer.**

*Response options*

- Increased
- Stayed about the same
- Decreased a little (up to 10%)
- Decreased significantly (10–30%)
- Decreased with major impact (over 30%)
- Please provide any comments on the most significant impacts on your income

**Relationship with government and other funders: Overall, to what extent did each of these aspects of your organisation's relation with government and/or other funders change during the pandemic or the lockdown? Select only one answer for each aspect.**

*Response options*

- Deteriorated, Stayed much the same, Somewhat improved, Significant improvement, Major improvement, Not applicable
- Sense of real partnership and treated with respect
- Ease and quality of contact with Ministers and politicians
- Ease and quality of contact with officials and departments
- Faster and more flexible/responsive decision-making
- Greater flexibility in contract outcomes, 'wash-up' clauses etc., to focus on what is needed
- Whole-of-government instead of silo'ed approach
- Please provide any comments on the most significant changes with government and other funders