

Summary on a Page: September 2009

Charity Commission's Economic Survey of Charities

📌 What is it?

The results of the Charity Commission's third comprehensive survey of the impact of the economic downturn on the charitable sector. It includes case studies from across the sector.

📌 What does it say?

The impact of the downturn has increased since they last surveyed the sector at the beginning of 2009. Larger charities seem to have been more likely to have been affected than small and medium sized charities.

17% of charities have seen an increase in demand for services over the last 12 months. Over half of these were confident they could meet the increased demand, with a further 18% feeling they could partially meet it. More charities had seen a reduction in their income from investments (69%), grants (31%) and fundraising (26%) than had seen an increase. However looking ahead charities seem relatively optimistic.

52% of charities had taken steps to counter the recession's effects by reducing their running costs (21%), increasing their fundraising activities (8%), drawing on their reserves (10%) and merging / collaborating with others (9%). This is a greater amount than the last survey showed. Some had also reduced or frozen staff pay, hours or numbers, but the percentages doing so were not high. 11% reported they had increased their drive to take on more volunteers.

📌 Any implications?

Overall the survey results indicated that charities are optimistic about their future, but there are some who remain concerned, particularly in the largest income band. However, the case study conversations suggested that there is feeling that the full impact of the recession may be felt in the charity sector for some time. For example, those who have lost income through donor reductions feel that it will be difficult to attract new donors. Public sector contracts that are currently providing security will be ending in 2010 or 2011 which may be the point at which charities really feel the pinch. There is similar feeling about grant funding ending.

📌 Key links:

📄 [Full report on survey findings](#)

📄 Charity Commission's ['Big Board Talk'](#): The conversation all charities need to have

📄 NAVCA's ['Crunch Time'](#): Third sector local resilience action planning activities