

Covid-19 implications on philanthropic funding and grantmaking - Survey findings June 2020

Summary information sheet

In May 2020, Philanthropy New Zealand ("**PNZ**") surveyed 120 of its philanthropic and grantmaker member organisations ("funders") to gain a snapshot in time of the impacts of COVID-19 on their funding and approaches.

PNZ undertook the survey because many of the investments and revenue streams of funders, that provide the money they distribute, have been affected. Philanthropic funders and grantmakers are also seeing changed demand for funding given greater community need.

Eighty-two PNZ funders responded. Their giving in the past 12 months represented around \$432 million.

Key findings

- 65% of funders said they expect to fund at the same level or increase their funding this year while 21% of funders are likely to decrease their funding.
- COVID-19 was either a factor or the sole reason given for most of the anticipated funding decreases while increases are generally due for a mix of reasons or unrelated to COVID-19.
- With an uncertain economic outlook, indications are that responding funders may distribute around \$21 million less in the year ahead.
- Many funders responded rapidly to the changing environment and emerging needs.
 To date, funders have specifically earmarked at least \$21 million to tackle COVID-19 impacts.
- Other funders are taking a mid to long term approach. They are waiting until the immediate government response is known and community needs further emerge before deciding on their response.
- Funders have employed a range of funding approaches to respond to the COVID-19 crisis, with nearly half adapting agreements with grant holders to introduce more flexibility. Around half have taken proactive approaches to fund community organisations working with those in greatest need.
- There has been significant collaboration amongst funders during the COVID-19 crisis with a large proportion sharing intelligence about funding needs, and/or working with other funders to identify community organisations in need. There has also been the rise of joint funds to increase efficiency and impact.

Given that the full economic impacts of COVID-19 are still to play out, some respondents suggest there may be greater effects on funding levels in two to three years.

Read the <u>full report.</u>