



Philanthropic Sector Weekly Update 22 May 2020

Purpose of this update

Since late March 2020, Philanthropy New Zealand has been releasing a weekly update to share philanthropic and grantmaking activity and insight as the sector seeks to support communities in the wake of Covid-19. This update is a general public document, provided to Ministers, Government, funders, community groups and media.

Change to this update

This is our ninth bulletin and we will now move from providing this update weekly to monthly. We are increasing the frequency of *Giving Matters*, our e-newsletter for members, from fortnightly to weekly to help us continue to provide useful sector information.

Key point for Government

- Philanthropic and grantmaking organisations have expressed their interest in the Government's programme of infrastructure and development projects, with funding decisions soon to be announced. Some of our members have been involved in developing options or have engaged with local authorities behind the scenes. The interest of others is due to the likely interdependence with this scheme (as has been seen with co-funding or ongoing needs for the Provincial Growth Fund) and what decisions will mean for communities and their resulting applications to philanthropists and grantmakers.

Key points for philanthropic funders and grantmakers

- PNZ is studying the impact of Covid-19 on its members' funding. 82 funder members have responded to our survey and results will be available in about three weeks. The contribution of the responding members to good causes in a regular year totals hundreds of millions of dollars. The report will cover the impact on funding levels, funding approaches as a result of Covid-19, and the types of collaborations that have developed. We thank our members who have responded.
- Food charities have been providing record numbers of meals over the past two months. The Government investment of \$32 million over two years in the provision of food assistance is focused on interim arrangements when emergency management ends in the coming weeks and particularly supports the warehousing and distribution of rescued food as well as the food bank sector and iwi and marae networks involved in provision. Philanthropic funders (with MSD represented) this week identified that there is now a need to invest in initiatives that can create long term food security. This might include affordable food brands being available to people on low incomes, and infrastructure for groups and iwi to grow their own food and create jobs with local and regional areas.
- With around a quarter of New Zealanders classified as disabled, a funder meeting to discuss the impacts of Covid this week identified the opportunity for disabled people and affiliated



organisations to challenge the status quo, ensure that services are accessible to all, and bring to the table new thinking as our systems are rebuilt and reimagined. This representation and capacity to be involved would benefit from the support of funders at this critical time.

Key points for community organisations and the public

- A survey of the community sector to collect a comprehensive picture of the impact of Covid-19 will be released next week. Hui E! Community Aotearoa, Volunteering New Zealand, the Centre for Social Impact and Philanthropy New Zealand are producing the survey to:
 - Increase understanding of the impact of Covid-19 on the community sector;
 - Highlight the contribution the community sector is making to our response and recovery;
 - Inform community, philanthropic, government and business sector decision making, advocacy and support for charities and community organisations; and
 - Provide a baseline for future surveys to assess longer-term impacts.

The Centre for Social Impact will be incorporating data from more specific surveys (e.g. those of particular geographical areas or particular causes) and these will be fed into the results. We will be encouraging people to share the survey to get the best possible snapshot and will put effort into distributing the data widely. Please support this important exercise!

- The Ministry of Health is inviting feedback by 15th June 2020 on [The Kia Kaha, Kia Māia, Kia Ora Aotearoa - COVID-19 psychosocial and mental wellbeing recovery plan](#) as a national approach to supporting the mental and social wellbeing of New Zealanders in the Covid-19 recovery period.
- Not for Profit Organisations and charities can consider applying for the small business loan if it meets their needs and risk profile. The scheme which is available for application until 12th June on My IR. The purpose of the loan is to cover core operating costs. [Full details](#) around eligibility criteria and terms and conditions are available through Inland Revenue.
- DIA Charities Services ran a webinar in mid-May to provide guidance for charities responding to Covid-19. You can now view this [here](#).

The philanthropic landscape

Response and forward funding

Simplicity Charitable Trust has provided two rounds of funding for those in need during the Covid-19 crisis, totalling \$100,000. Significant donations have been given to charities including Women's Refuge, the Auckland, Wellington and Christchurch City Missions and the Salvation Army.

In the Covid-19 environment, the SkyCity Auckland Community Trust (SACT) is funding four large collectives (two in Auckland, two in Northland) that link with organisations who: have received previous grants; have Covid-19 response plans; have the capacity and capability to distribute



hygiene and food packs to thousands of families and; provide wrap around social and health services. They are:

- Pasifika Future Limited - Auckland only - \$300,000;
- Te Manawaroa o Ngāti Hine (Ngāti Hine Health Trust Board) – Northland only- \$100,000;
- Whānau Ora Commissioning Agency (Te Pou Matakana Ltd) – Auckland only - \$300,000;
- Te Kahu O Taonui (Te Runanga O Whaingaroa) - only \$300,000.

SACT have also said their scheduled funding round will not be open until June with less funds available.

Reactions to Budget 2020

The New Zealand Council of Christian Social Services supports the direction of the \$50 billion Covid-19 Response and Recovery Fund (CRRF) fund at the centre of Budget 2020, and its focus on job creation and saving, public housing, food security, apprenticeships and training. They also note that the Budget has recognised the critical role of community and NGO services however there is concern that the level of this funding will not match the magnitude of the demand that will rise alongside unemployment numbers. They are disappointed in the exclusion of any significant increase to benefit levels or the abatement rate recommended by the Welfare Expert Advisory Group (WEAG). Read more [here](#).

Social Services Providers Aotearoa welcomed the additional funding of \$148.2 million over 4 years to be invested in NGO running costs, children in care, and rural and provincial social services, and the further \$183 million for specialist family violence services. They do however see it falling well short of the additional funding needed to sustain the sector especially given [a report last year](#) found that government-contracted social services for children and families were being under-funded by \$630 million a year. They have requested a commitment from government to work together for a realistic funding model that covers the actual costs of providing government-contracted social services. The full response is [here](#).

Linked to the discussion around food security earlier in the bulletin, the **Salvation Army** has noted in its latest report that Budget 2020 offers significant steps to help meet the current and ongoing hunger in communities and schools but was missing measures to deal with the underlying causes of food hardship. Without these measures the Salvation Army believes New Zealand faces increasing levels of food hardship for the foreseeable future. They have offered praise for the funding targeted at financial hardship and financial capability. The Salvation Army notes that pre-Budget 2020, about \$11 million was distributed to budgeting and financial mentoring services across the country. The Covid-19 recovery Budget, which lasts for the next two years, contains \$25 million total over these two years for funding the 131 budgeting services currently funded by MSD.

Fuller reactions to the budget and latest data collected on communities in need by the Salvation Army can be found [here](#).

The **Climate Change Commission** (the Government's independent climate change advisor) has [provided feedback on Budget 2020](#). They note there are a range of investments relevant to climate change in research, forestry and the emissions trading scheme (ETS) as well as for the operations of the Climate Change Commission, but that these do not take New Zealand far enough.



Their analysis highlights the potential for climate benefits in investments such as home insulation and nature-based jobs and the potential of building 8000 energy efficient state homes that use innovative green technologies. They stress that infrastructure investments need to be resilient and low emission (with special consideration given to improving Auckland's rail network and New Zealand's locomotive fleet as well as the replacement of Interislander ferries). Training people for the changing nature of work should include the opportunities that arise from transitioning to a low emissions and climate resilient economy. This includes accelerating electrification using renewable generation and growing our digital economy.

J B Were have issued a [summary of the current central government packages](#) available to the sector and its employees, including those announced by the Government in its 2020 Budget. It also highlights the additional government funding available to certain sub-sectors.

Government packages recently announced

Pathways to jobs through training and education

More detail has been offered on the Government contributing \$14.7 million for more pathways to jobs through training and education programmes in regional New Zealand.

The funding package consists of \$11.62 million from Te Ara Mahi (TAM), the Provincial Growth Fund's employment, skills and capability fund, and \$3.17 million from He Poutama Rangatahi (HPR), the Ministry of Business, Innovation and Employment's youth training and employment pathway fund.

The funding covers projects in Canterbury, Manawatū-Whanganui, Hawke's Bay, Bay of Plenty, Waikato and Te Tai Tokerau. More detail on programmes in these areas can be found [here](#).

Sport Recovery Package

Over the next four years the Government will invest in three areas:

- \$83 million in short-term support to help sport and recreation organisations at all levels get through the initial impact of Covid-19.
- \$104 million to help the sector rebuild in the medium term including so that national and regional sports organisations can make changes to operate successfully in the post-pandemic environment. This will include supporting new operating models and more collaboration.
- \$78 million for innovative approaches to delivering play, active recreation, and sport into the future. This funding will enable the use of new technology and research to modernise the sporting sector.

Across these areas there is funding to support women's sport and groups who are currently underrepresented including disabled people, Māori and those from low socioeconomic groups.