

## New Government Initiatives for Charities



Yesterday evening (8<sup>th</sup> April), the Chancellor Rishi Sunak unveiled a set of measures designed to assist frontline charities through the difficulties that Covid-19 presents. Many of these charities have come under a huge increase in demand for their services at a time when fundraising has essentially been cut off. Charity sector bodies have estimated that through the loss of charity shops and fundraising, charities stand to lose a minimum of £4.3 billion over the 12 weeks throughout this crisis, and whilst the furloughing option is available for charities, it is often not practical to furlough staff when so many vulnerable people are in need of help.

These measures had been promised for nearly two weeks and the Chancellor was coming under ever increasing pressure to assist those at the front line of response to the most vulnerable in our society – but is it enough?

As always, the devil will be in the detail (which we don't have yet), but the initial response from the Government is:

1) £360 million direct from government departments to charities providing key services and supporting the vulnerable. This amount includes up to £200 million to go to hospices, with the balance being spread across various charities, including:

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  - St Johns Ambulance to support the NHS;
  - victims charities, including domestic abuse to assist with increased demand;
  - vulnerable children charities so that they can continue to deliver services on behalf of local government
  - Citizens Advice to increase the number of staff giving advice.

It appears that charities eligible to receive this funding will be identified by government departments at some level, rather than through any application scheme. The guidance mentions that there is hope that the first amounts will be delivered “in the coming weeks”.

2) £370 million for small and medium-sized charities (no indication of what that means), through the National Lottery Community Fund, aimed at organisations at the heart of local communities such as food banks, and those providing essential medicines and financial advice.

The information provided on this is quite sparse and there are indications that this will be a grants process, but we await the detail of this with interest.

3) Match funding for whatever the public raises from the BBC's Big Night In, with a minimum amount of £20 million. This is happening on 23 April, and whilst funds raised on the night will be split between Comic Relief and Children in Need, the government amount appears to be routed through the National Emergency Fund, who are already running their own coronavirus appeal.

We are in unprecedented times and these measures are also unprecedented, although much needed.

I am in no doubt that they will provide a lifeline for some charities supporting the most vulnerable in our society, and I, like many others, hope that when the details come, they are straightforward and easy to administer.

When presenting these measures, Rishi Sunak admitted that it will not be enough to permit every charity to remain operational and he is right – whilst the amount promised is a significant step for many front line charities, for some it is simply too little too late, with many smaller charities being unable to get to the position where these grants are paid without having to severely scale down operations or shut their doors completely.

**Karl Wilding**, Chief Executive of NCVO commented “....Today's announcement is an important first step, though it will not be enough to prevent good charities around the country from closing their doors. Even many that survive will look very different in a few months' time, with a severely reduced capacity to provide the support that people rely on.

At a time of crisis, charities want and need to be able to give their all to supporting people who need it most. They cannot do that if they have to suspend their work or close altogether. We know this is not something that the government wishes to see any more than we do, so we will continue to push for the support needed so that charities can keep serving the public. We would welcome a commitment from the government to review the level of this support as the crisis continues.”

The full government press release on the measures is available here: [https://www.gov.uk/government/news/chancellor-sets-out-extra-750-million-coronavirus-funding-for-frontline-charities?utm\\_sq=gdmx0tcnaw&utm\\_source=twitter&utm\\_medium=social&utm\\_campaign=officialcause4&utm\\_content=charitynewsanalysis](https://www.gov.uk/government/news/chancellor-sets-out-extra-750-million-coronavirus-funding-for-frontline-charities?utm_sq=gdmx0tcnaw&utm_source=twitter&utm_medium=social&utm_campaign=officialcause4&utm_content=charitynewsanalysis) and we will provide a further update as soon as the details become available.