



Summary of impacts of Covid -19 on WEL members

July 2020

Background

Wales Environment Link has 30 members of varying sizes, covering environmental policy areas that include nature conservation (terrestrial and marine), local environmental quality, access, landscape and heritage. Our members have experienced a range of impacts from Covid-19 and, since 6th June, we have had a survey open so that members could provide information on the impacts they are facing.

11 out of 30 members have responded to the survey. Unfortunately, many of our smaller members still have key staff furloughed and they haven't been available to respond to the impacts survey. We may run this again later in the year when more of our members are back to work and further assessment of the situation is possible. A brief summary of the responses of the 11 organisations that did respond is available below.

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Immediate impacts on members and the environment:

- The biggest impact of Covid-19 on those that responded was loss of income from membership subscriptions, grants and from visitor, contract or trade income. Restrictions on certain types of work due to Covid-19 rules and lack of staff capacity are also important factors.
- Members report estimated income losses for this financial year (2020 – 21) as between 10% and 40% of their usual income.
- Most expect further financial hardship next year with some organisations reporting that they expect it to take 3-5 years for their operations to recover to pre-March 2020 levels.
- In Wales, many organisations have reasonably good reserve levels (as required for responsible operating) – none of those that responded had reserves of less than a month and most (8) had at least 4 months' reserves. However, these reserves are dwindling quickly.
- The majority of respondents (9) assessed their organisational viability as being at a medium

- level of risk. They expect to be able to continue to operate, but need to mitigate their financial losses by reducing operational capacity and are having to consider redundancies.
- Work unable to be taken forward or postponed includes habitat management and creation, species monitoring, environmental monitoring and research, disruption to long-term data sets, campaigning, fundraising, face-to-face membership recruitment and community regeneration work (e.g. path maintenance, beach and river cleaning). Management of volunteers is also affected and will have to be done differently in future.
 - Members have reported (via this survey and anecdotally over the past three months) higher incidences of fly-tipping, littering, vandalism and wildlife crime during lockdown, whilst enforcement has been reduced. On the positive side, they also report that many people have discovered a newfound interest in nature and outdoor recreation, which they believe should be positively harnessed.

Support available for eNGOs:

- The majority of respondents (8) are accessing the UK Job Retention Scheme. We know from separate information gathering that over 55% of our members have used this scheme.
- None of those responding had accessed the Welsh Government Economic Resilience Scheme the Third Sector Resilience Scheme or the Voluntary Services Emergency Scheme. Members have reported to us that they have not been eligible for these schemes or have been reluctant to take on a loan as part of the offered support under the Third Sector Resilience Scheme.
- Only three respondents reported not using any form of government support scheme. Two of these organisations are not in immediate need and a third stated it does not accept government funding.

What our members need to help them survive and continue to deliver:

- **Flexibility on existing grants** to allow outdoor projects to be delivered – restrictions are only starting to be lifted and many environmental projects will not be delivered on time. It is essential that this funding is not simply lost due to the original deadlines being missed. Organisations need to be able to move delivery across financial years and timelines should be extended for providing information for claims whilst staff are still furloughed.
- **Payment of existing Welsh Government grant funding for work already done** – for some organisations this is causing extreme difficulties with cash flow as Welsh Government staff are not available to assess claims or provide any clarity on progress with payments. This concern has been raised with the Welsh Government repeatedly, but some organisations are still waiting for payments due from July 2019.
- **Fully reopen or expedite opening of new funds** that were expected as part of the Environmental Growth agenda, such as funding for Natura 2000 sites. This must be done with full involvement of the sector and rapidly. There are concerns that initial budgets have reduced at a time when the sector needs funding, not due to budgetary cuts, but due to internal Welsh Government concerns on their ability to administer funds. It is extremely frustrating to have funds allocated but not made available for much needed projects.
- **Core funding from Welsh Government**, recognising that many organisations' traditional sources of core funding are much reduced due to loss of income from visitors, being unable to campaign or recruit members or apply for other sources of funding. Project funding only provides limited overheads and doesn't cover core costs. Therefore, all core posts such as management, advice, land managers, accounting, fundraising and communications are under

threat. This puts the viability of organisations under threat and compromises the sector's ability to deliver, including on key government priorities like the Nature Recovery Action Plan.

- **Significant Welsh Government investment in a green recovery from Covid-19**, recognising that we are in the grip of a climate and nature emergency that is not going to go away. A significant reduction in delivery capacity by the environmental NGO sector will make it more difficult to tackle these issues. Increased investment in nature recovery and a long-term commitment to this across 3-5 years is necessary, including revenue as well as capital grants. Recent additional spending on nature has been in the form of one-off capital grants that must be spent within a year – this makes it difficult to deliver anything meaningful for nature.

With the right support in place, all of our members that had reduced operations or furloughed staff told us that they could be fully operational again within one or two months. It is crucial that the environmental NGO sector gets the same level of support that other sectors are receiving as they are important delivery organisations for some of the most important priorities facing Wales.

Wales Environment Link (WEL) is a network of environmental, countryside and heritage Non-Governmental Organisations in Wales. WEL is a respected intermediary body connecting the government and the environmental NGO sector. Our vision is a thriving Welsh environment for future generations.

