

SA NPOs facing severe funding crisis as demand for services grows

According to a [recent survey](#) by social impact organisation Nation Builder, 72% of NPOs said demand for their services had increased, while experiencing decreased funding. In all, 61% of NPOs said their project and overhead costs had increased, but they had decreased their staff complement. Only 38% said they had not decreased staff at this time.

As part of Social Development Month, which is celebrated every October, Nation Builder has launched a call for greater collaboration between government, corporates, civil society and NPOs to help the nation recover from the effects of the Covid-19 pandemic.



Keri-Leigh Paschal, the executive trustee of Nation Builder

Rise in unemployed and homeless

Keri-Leigh Paschal, the executive trustee of Nation Builder, said the real effects of the NPO sector's struggles were being borne by South Africa's most vulnerable, with the pandemic seeing a huge increase in the number of unemployed and homeless people.

"The pandemic has highlighted many gaps in the country's social fabric," said Paschal. "Unfortunately, the people who help address these issues, our NPOs, are feeling squeezed as they try to provide support and services to an ever-expanding number of people at the same time that their revenues have dried up."

Businesses facing similar giants

More than half of NPOs (56%) surveyed said they felt business could have done more to support them. However, many of these businesses were facing similar giants as our country's economy came to an almost grinding halt due to lockdown. This saw some social investments diverted to relief, or frozen due to business uncertainty, said Paschal.

“The silver lining that we’ve seen emerging from the pandemic is that there’s been a lot more collaboration in the NPO space, with organisations finding novel ways to reduce costs, reduce duplication and effort, and have a greater impact on their communities,” said Paschal.

“What we need to see going forward is government, civil society, corporates and NPOs coming together to find new and innovative ways to help the nation build back better, and meet the needs of our most marginalised communities. There’s a new realisation of how important it is to invest in rebuilding our country’s social fabric, but no one sector can do it alone.”

For more, visit: <https://www.bizcommunity.com>