



## A Balancing Act

New perspectives on the charity/beneficiary relationship



This report presents the findings of our research into the relationship between charities and their beneficiaries. We commissioned Ipsos MORI to conduct two major surveys of the public, and one of charities, as part of our research. We also gathered information from Charity Commission visits to charities and from in-depth interviews conducted by Ipsos MORI with both charities and beneficiaries.

As well as presenting the results of our findings, we also consider the implications of our research, both for wider society and for the Commission in its role as the independent regulator of charities.

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# Foreword

## A message from the Chair and the Chief Executive of the Charity Commission

### Dear Reader,

There are around 190,000 registered charities in England and Wales that encompass an enormously diverse range of charitable activity. Attitudes to charities, who benefits from them and what beneficiaries should expect, have moved a million miles from the days of the 'deserving poor' and its associated public stigma.

Or have they? This report is the first to survey perceptions three-dimensionally; presenting analysis of the relationship between charities, their beneficiaries and public views of what being a recipient of a charity's services might mean today.

It looks at the public's knowledge gap about what is, and isn't, charitable, the difference that personal experience of a charity makes to service expectations, and public perceptions of stigma in relation to using a charity's services, whether free or paid for. The findings suggest that both charities and the Commission still have an uphill struggle in getting across the range and scope of the work charities actually do, as well as the reality that most of us actually benefit directly from charitable activity – whether we recognise it or not.

This report also presents findings from charities themselves. Charities of different types and sizes show interesting variations in both their beneficiary profiles and the ways in which they maintain and manage these relationships. There are also noticeable differences in the types of charity which partially, or wholly, charge for their services and those which don't.

Particularly relevant - as public expectations of accountability grow and more charities deliver public services - are the different approaches taken by charities to proactive communication and service evaluation. Many charities have developed innovative ways to gain user feedback and make contact with hard-to-reach beneficiaries; others seem to have a more static approach to this issue.

There also appear to be widely differing attitudes to user involvement, up to and including users as trustees. We see a number of innovative ways in which this involvement has been achieved and maintained, benefiting the future direction and strategy of charities which have thought the issue through and put steps in place to maximise the likelihood of turning this involvement to their advantage.

This report does not provide answers to all these issues for every type of charity, but it does provide a list of recommendations both for individual charities and for wider sector debate and action.

Beneficiaries are, after all, the primary reason that charities exist. Who they are, what they expect and how they are treated must be of central importance to each and every charity.



**Dame Suzi Leather**  
**Andrew Hind**

**Chair**  
**Chief Executive**

# Introduction

The overall aim of our research was to examine the charity/beneficiary relationship from the perspectives of charities, the public and the public as charity beneficiaries.

The report begins with the key findings from our research. These are followed by our analysis of the research findings, including what we think the implications of our research are for the sector, wider society and for the Commission itself in its role as the independent regulator of charitable activity in England and Wales.

Detailed findings are contained in sections one and two of the report.

Our research for section one included two surveys of the public,<sup>1</sup> including people who identified themselves as charity beneficiaries ('self-identified beneficiaries'), and together examined:

- the extent to which the public and self-identified beneficiaries are aware of having benefited from the work of a charity or charities;
- levels of knowledge of which types of organisations can be charities;
- the extent to which the public and self-identified beneficiaries are comfortable receiving services from a charity or contacting a charity;
- who the public and self-identified beneficiaries feel charities should be accountable to;
- expectations of the level of service from the charitable sector compared with the public and private sectors;
- the degree to which the public and self-identified beneficiaries would want a say in how services are delivered by a charity; and
- the degree to which they would want to be involved in the running of a charity.

Our research for section two consisted of a survey of charities<sup>2</sup> and was primarily aimed at examining how these charities interact with their beneficiaries, including how they:

- refer to and identify beneficiaries;
- manage their relationships with beneficiaries;
- communicate with their beneficiaries;
- evaluate the direct effectiveness of their services; and
- how they involve beneficiaries in the running of their charities, for example through having user trustees.

The survey also asked charities how effective and useful evaluating their services and engaging with their beneficiaries had been.

Through follow-up case study interviews, and findings from the Charity Commission's own visits to charities, we explored more fully charities' experiences with their beneficiaries.

We also commissioned Ipsos MORI to conduct in-depth interviews with seven charity beneficiaries to find out more about their personal experiences in dealing with charities. What they had to tell us, including some of the themes coming out of the survey work, is discussed in section three.

This report has been written by the Charity Commission and uses the findings of the research conducted by Ipsos MORI. Where the report states, for example, 'we asked respondents', this references the research conducted by Ipsos MORI who of course actually asked the questions.

Further details of the method used for the research are included in *Annex A* to this report. A full method detailing how the surveys were carried out, along with questionnaire data tables, are contained in the technical report that accompanies this research report. The technical report is available for download (in PDF format) on the Charity Commission website: [www.charitycommission.gov.uk](http://www.charitycommission.gov.uk)

<sup>1</sup> Face-to-face surveys of adults aged 15+ in England and Wales, conducted by Ipsos MORI in January and April 2008. Please see *Annex A* for more details.

<sup>2</sup> A postal survey of charities (sent to named contacts) conducted by Ipsos MORI between November 2007 and January 2008. Please see *Annex A* for more details.

## Key findings

- 1. Ease of identification of beneficiaries.** The vast majority of charities surveyed (85%) say they find it very or fairly easy to identify their beneficiaries. Charities with general charitable purposes are less likely to state very or fairly easy (79%) compared with charities with more specific charitable purposes - eg charities working in the area of disability (91%) and those working in education/training (90%). Most charities in our survey, 71%, say that beneficiaries are identified when they approach the charity. Only 32% of charities actively seek out or recruit their beneficiaries. (Charities were able to choose more than one response.)
- 2. Meeting need and demand.** Many charities surveyed would like to help more people, but are able to identify reasons why, on occasion, they are not able to do so. 35% of all charities, rising to 60% for large<sup>3</sup> charities, said that a reason why they might not be able to help is because demand exceeds supply. 29% of charities surveyed said they have been unable to help because the need was outside the charity's objects, indicating an awareness by charities of charity law, and consideration of whether meeting a particular need fits with charitable purposes.
- 3. Extent to which charities refer people on to another organisation.** Only 39% of the charities surveyed said that, on every or most occasions, when they are unable to help somebody, they refer that person on to an organisation which they think can help; 20% of the charities surveyed said that they only refer on some occasions, and 13% said that they never refer.
- 4. Level of comfort in receiving help from a charity.** Respondents to our surveys of the public were asked how they felt about receiving a service from a charity. More than a quarter, (28%), agree that they would be embarrassed to receive free help from a charity.<sup>4</sup> This proportion falls down to 21% if it is help from a charity that people have directly paid for.

<sup>3</sup> We have described charities as 'small', 'medium', 'large' or 'very large' according to their income band (see table in *Annex A* for more information). This was purely used as a classification for our research purposes and in no way reflects the standing of the charities concerned or makes a judgement on their impact in their own communities.

<sup>4</sup> 8% strongly agree, 20% tend to agree.

- 5. Expectations of levels of service.** 40% of the public surveyed think that public sector organisations *should* provide the highest level of service compared to a private (14%) or voluntary sector organisation (9%). Interestingly, however, 24% of respondents thought that a voluntary organisation *would* provide the highest level of service (the same proportion of respondents that felt that the private sector would, and higher than the 19% that state the public sector). 34% of the public surveyed said that the level of service *should* be the same across all three sectors, but only 24% thought that it *would* be.
- 6. Accountability of charities.** When respondents were asked who they think charities should be accountable to, 18% said that accountability should be to the people who directly benefit from the charities' goods, services or activities. Respondents who fell within the category of self-identified beneficiaries were more likely to say this (27%). However, both a greater proportion of self-identified beneficiaries and respondents overall, selected the charity regulator, charity trustees, donors, and the general public, over charity beneficiaries, when giving their views on who charities should be accountable to. The findings indicated that members of the public who were surveyed have a low level of understanding about the range of organisations that have charitable status, and misperceptions about the type of organisations that can be registered as a charity. Clearly this also has implications for public perception about charities' beneficiaries.
- 7. Managing the beneficiary relationship.** 62% of the charities surveyed have some form of arrangement in place for managing the relationship with their beneficiaries. These include formal contracts, complaints and feedback procedures, standards of service, service level agreements and beneficiaries' charters. Despite the fact that 38% of charities in our survey stated specifically that they 'provided services' to beneficiaries, only 6% of all charities surveyed used beneficiaries' charters. However, it is unclear the extent to which the term *beneficiaries' charter* was understood and familiar to respondents.

**8. Ways in which charities consult and engage with their beneficiaries.**

59% of the charities surveyed say they consult and engage with their beneficiaries using at least one of the methods set out in the survey. Just over one third (35%) have service users on their trustee body (ie 'user trustees'). 45% of these charities with user trustees have considered the potential for conflicts of interest to arise and have relevant policies or procedures in place to deal with such conflicts; 19% have considered the issue but don't have policies or procedures in place; and 26% have not considered the potential for conflicts of interest at all.

Of those charities surveyed that said they do not have user trustees, 14% said they have other methods in place for seeking user feedback; 12% said they are prohibited from appointing user trustees by their governing document, and another 12% said that their beneficiaries are legally ineligible to be trustees because, for example, they are too young. Just over a quarter of charities (28%) have beneficiaries who are also volunteers in the charity.

**9. Frequency of contact with beneficiaries.** The frequency of charities' contact with beneficiaries was explored. This varied from daily contact (15%) or contact most days (17%), to contact at least once a year (27%). Frequency of contact appeared to be related to a charity's purpose: for example, 14% of charities working to relieve poverty are in daily contact with their beneficiaries, as compared with accommodation/housing charities, 33% of which reported daily contact.

**10. Charities' evaluation of their services.** The majority of charities surveyed (79%) evaluate whether their services meet the needs of their beneficiaries; they use a range of formal and informal tools to achieve this, and some charities report finding evaluation activity more useful than other charities do. Of those charities surveyed that do not evaluate their services, 15% say it is because of lack of time, resources or money, 9% say it is because it is too difficult to measure whether they are meeting the needs of their beneficiaries, and 7% say it is because it is too difficult for beneficiaries to respond. Among the ways that the charities surveyed do evaluate their services, 15% use beneficiary representative groups or user panels, but this figure ranges from 8% for small charities to 49% for very large charities. Small charities are more likely to use informal methods of evaluation; eight in ten evaluate their services in some way, but they use a narrower range of methods than the larger charities and the methods that they do use tend to be less resource intensive.

## Analysis and conclusions

The survey findings highlighted significant issues:

- 1. Public's knowledge and awareness of the work of charities.** Findings on the public's perceptions of who benefits from the work of charities support the findings of the previous research<sup>5</sup> published by the Commission. Both reveal some uncertainty on behalf of the public about which organisations are charities, and about how charities are run and managed. This raises questions about the public's knowledge and awareness of the work of charities in the 21st century.
- 2. Extent to which charities refer people on to another organisation.** A key issue which arises is about what happens to the potential beneficiaries of those charities which say they can't help everyone because demand exceeds supply; and what happens to those people who contact a charity which cannot help, and which also fails to refer them on to anyone who can help? There is a need for individual charities to take a more proactive approach to refer people on to other organisations that may be able to help where a charity is not in a position to do so itself.
- 3. Charities' awareness of the legal context in which they operate.** While some serious concerns are raised, it is, nonetheless, encouraging and timely that more than a quarter of charities in our survey (29%) said when they are not able to help, a reason has been that the need is outside the charity's objects. It shows an awareness of the legal framework within which charities operate, which includes the requirement for charities to stick to their mission. It is also a possible indicator of a degree of readiness by charities for the requirement, from 2009, for charities to report on the public benefit they provide.
- 4. Representativeness of the charitable sector's voice.** The findings provide clear evidence of the strength of the charitable sector's voice. 59% of charities surveyed have contact with their beneficiaries at least once a month, and some much more often. This clearly demonstrates the legitimate and representative voice that most charities speak with, in particular in their campaigning and advocacy role.

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<sup>5</sup> 2008 Charity Commission Study into Public Trust and Confidence in Charities (Charity Commission, May 2008).

5. **Managing the relationship with beneficiaries.** It is encouraging that the relationship between charities and their beneficiaries is usually managed through some kind of formal mechanism; 62% of charities have an arrangement in place. Charities that have not introduced such an arrangement may find it useful to consider doing so.
6. **Beneficiaries as trustees.** The survey findings highlighted a number of reasons as to why some charities do not have beneficiaries as trustees (user trustees). For example: 14% of charities surveyed have other methods in place for seeking user views; 12% said that having user trustees was unworkable, and some charities cited legal reasons – 12% said they were prohibited by their governing document, and a further 12% said their beneficiaries were legally ineligible for reasons such as being too young.

While the barriers cited raise questions about whether they could be overcome, the findings also raise a question about the extent to which beneficiaries actually want to be involved as trustees. Less than half of the public surveyed (41%) said they would want a great deal, or a fair amount, of say in the overall management of a charity from which they received help, goods or services. For trustees making a decision to involve service users as trustees, this is an issue that requires careful consideration, both in terms of the value to the overall management of the charity, and to the impact on the individual users who take on the role of charity trustee.

7. **Managing conflicts of interest.** The findings raise a particular concern about how conflicts of interest are managed when service users become trustees. More than a third (35%) of charities surveyed had beneficiaries who are both service users and trustees, yet less than half of these had considered the potential for conflicts of interest to arise *and* had a policy or procedure in place. All charities need to be aware of the Commission's guidance on *Users on Board: Beneficiaries who become trustees*.
8. **Public's expectation of level of service.** Perceptions about standards of service are interesting in that they show that some respondents (24%) thought that a charity *would* provide the highest level of service compared to a private or public sector organisation. While the drivers for this belief were not explored, it indicates a considerable degree of trust and confidence in services provided by charities.<sup>6</sup>

<sup>6</sup> Please see also *2008 Charity Commission Study into Public Trust and Confidence in Charities* (Charity Commission, May 2008).

- 9. Charities' evaluation of their services.** It is encouraging that a high proportion (79%) of charities evaluate whether their services are meeting the needs of their beneficiaries, using a range of formal and informal evaluation methods. However, it is a potential concern that any charity working directly with beneficiaries is not doing so, regardless of the nature of service provided.
- 10.** There are a number of issues that require further consideration by both the Charity Commission and charities:
- **Public's level of comfort in receiving help from a charity.** The finding that a significant minority of people surveyed (28%) agree that they would be embarrassed to receive free help from a charity could be a barrier to people accessing the services they need, and which charities aim to provide.
  - **Level of proactiveness in identifying and recruiting beneficiaries.** Although the majority of charities say they find it easy to identify beneficiaries, the majority say that one way in which beneficiaries are identified is when they approach the charity, with only a third of charities actively seeking out beneficiaries. It appears that charities could be doing more to actively seek out and recruit their beneficiaries. Given that the public are not fully aware of which organisations are charities, and are also unlikely to be aware of the range of services provided by charities, unmet need is a potential concern that begins to emerge from the findings.
  - **Charities' level of accountability to their beneficiaries.** Even when people have accessed a charity's services, there are factors that may influence how well their needs are met. When asked about who charities should be accountable to, both the public and self-identified beneficiaries put beneficiaries fairly low down the list. The charity regulator, charity trustees, donors and the public were all selected above beneficiaries. If the public and beneficiaries are not placing a high priority on charities being accountable to beneficiaries, then there is a danger that charities will prioritise accountability to donors and other stakeholders.
- 11. Strengthening the charity/beneficiary relationship and meeting unmet need.** In conclusion, we know that charities care passionately about the people they work with. We see from this research that while the relationship between charities and their beneficiaries is strong and deeply valued, there are ways in which it could be strengthened further.

## Detailed findings: 1. Public and beneficiary perspectives

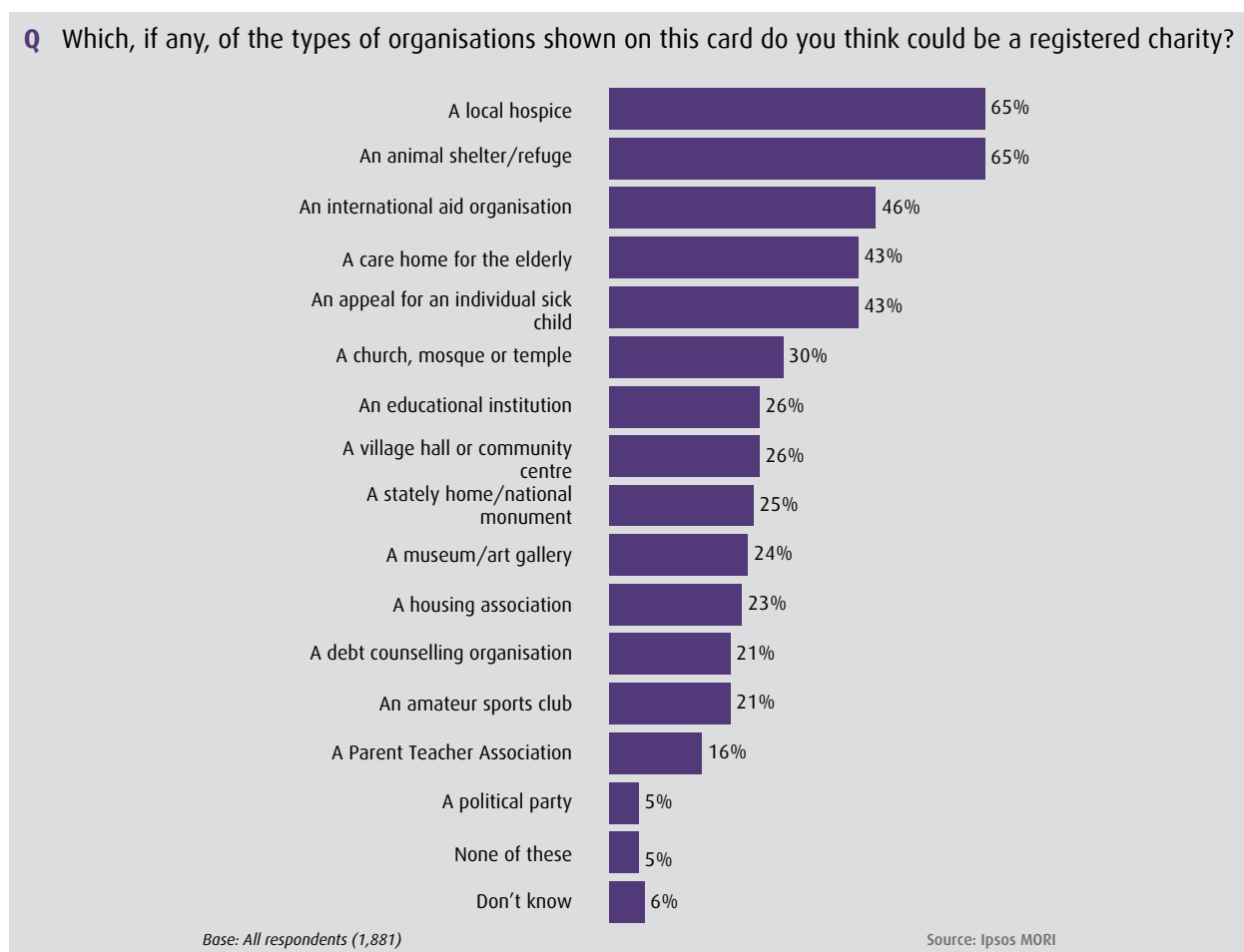
As part of our research, we commissioned Ipsos MORI to carry out two surveys among adult members of the public to explore the charity/beneficiary relationship from the viewpoints of both charity beneficiaries and the public.<sup>7</sup> We also wanted to find out about people's awareness of being charity beneficiaries and explore the extent to which they think they have benefited from the work of charities.

### 1.1 The knowledge gap

We asked members of the public to identify organisations which they thought could be registered charities. This question mirrors one we asked in our public trust and confidence research<sup>8</sup>; the public's

knowledge of what is charitable is an important factor in understanding what informs the public's perception both of charity beneficiaries generally and of themselves as beneficiaries.

**Figure 1: The types of organisations that people think can be registered charities<sup>9</sup>**



<sup>7</sup> Details of the research method conducted by Ipsos MORI are given in Annex A. Each chart indicates the sample size/base for the particular question asked. Where questions were the same in both surveys the results have been combined together and the combined base size is indicated.

<sup>8</sup> 2008 Charity Commission Study into Public Trust and Confidence in Charities (Charity Commission, May 2008).

<sup>9</sup> An appeal for an individual sick child and a political party cannot be charitable.

We found that only 26% of respondents understood that educational institutions can be charitable and only 16% thought that parent teacher associations could be charitable. 65% viewed a local hospice and an animal shelter/refuge as organisations that could be registered as charities; these were the organisations that were selected most frequently by respondents as possible charities.

mirror the results of similar research<sup>10</sup> in this area. This low level of understanding will possibly affect respondents' ability to recognise whether they have benefited in some way from the work of a charity – see section 1.2. Low levels of understanding may also influence how members of the public have responded to other questions within our surveys, and the results of our research must be considered with this in mind.

Overall, our findings indicate low levels of understanding among those surveyed about the range of organisations that have charitable status and

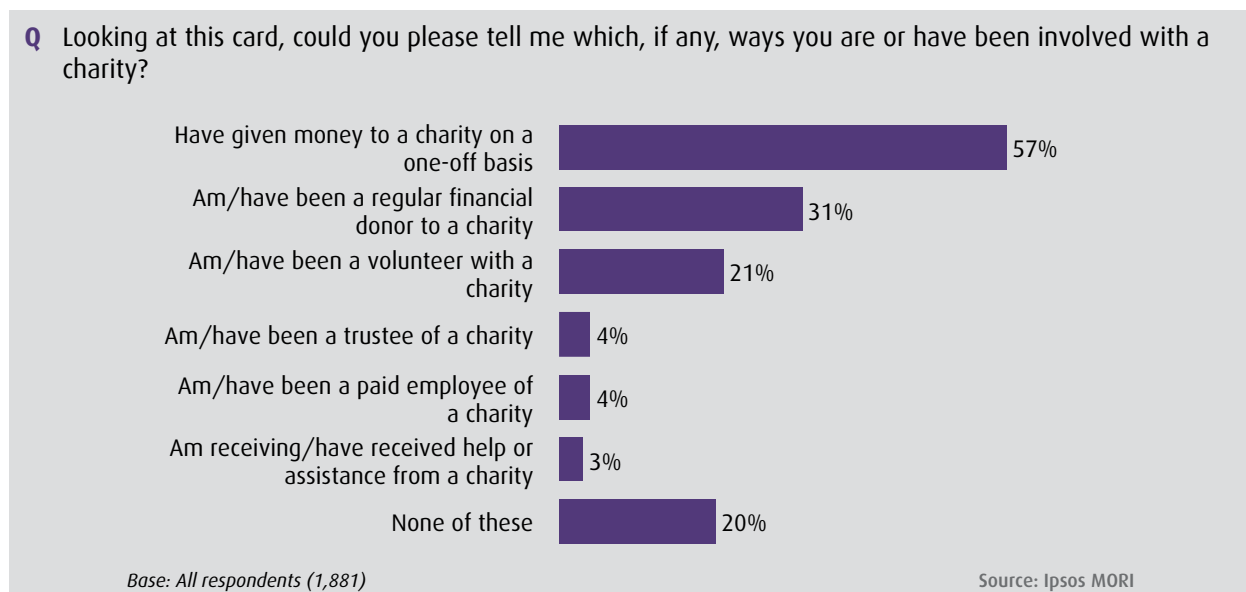
## 1.2 Personal involvement and benefit

### Types of involvement that the public has had with charities

The most frequent type of involvement with charities that was mentioned by respondents to our survey, was financial donations on a one-off basis (57% of respondents reported having done this), while

around a third of respondents (31%) said that they regularly donate to a charity. Very few respondents (3%) stated that they are or have been receiving help or assistance from a charity. This possibly relates to the low levels of understanding of the sorts of organisations that are charitable.

**Figure 2: The types of involvement the public has had with charities**



<sup>10</sup> For example, the Commission's own study into public trust and confidence – already mentioned in footnote 8. The nfpSynergy report, *The State of the Third Sector 2007*, also found that 92% of 300 professionals taken from a broad cross-section of charities, agreed or strongly agreed with the statement that 'the public doesn't understand how modern charities work'.

One of the aims of our survey of the general public was to identify respondents who could be said to be beneficiaries of charities, for the purpose of comparing this group of respondents' views and experiences with respondents who were not beneficiaries and/or with respondents overall.

In view of the low numbers of those surveyed who reported that the type of involvement that they had with a charity consisted of receiving or have received help/assistance from a charity (ie respondents whom we would then have been able to categorise as being, or having been, charity beneficiaries), we decided to ask respondents a further question. This question sought to identify the proportion of respondents that used a range of services which could potentially have been charitable services. One of our aims with this question was to find another way to ascertain a group of respondents which were, or had been, charity beneficiaries.

We therefore asked people which of the following they had done, either themselves or on someone else's behalf:<sup>11</sup>

- a. received advice from a charity;
- b. received financial help from a charity;
- c. used the services of a charity;
- d. received personal care from charity workers;
- e. visited a National Trust property;
- f. visited an art gallery;
- g. had a child who attended private school; or
- h. been a patient in a local hospice.

Respondents had the option to choose 'don't know' or 'none of these'.

Each of the statements a. to d. above specifically mentions a charity, indicating that the respondent both used the services of a charity and recognised

that it was a charity providing the service or services. 16% of respondents chose one of these a. to d. responses and we have therefore classified this group of respondents as **self-identified beneficiaries** for the purpose of this research. These are the only people who responded to our survey who have both benefited directly from charity services and, importantly, recognise that fact.

Although, many, if not all hospices are registered charities, and the National Trust is a registered charity, we do not know whether respondents selecting either of these two responses were aware of the charitable or potential charitable status of these organisations. In addition, not all art galleries or private schools are charities, so an element of doubt exists over whether these respondents were using the services of charity, and if they were, whether they knew that they were charity beneficiaries. We made the decision, therefore, that anybody who selected one of the responses e. to h., and who did not also choose any of the options a. to d., could not therefore be included within the self-identified beneficiary category.

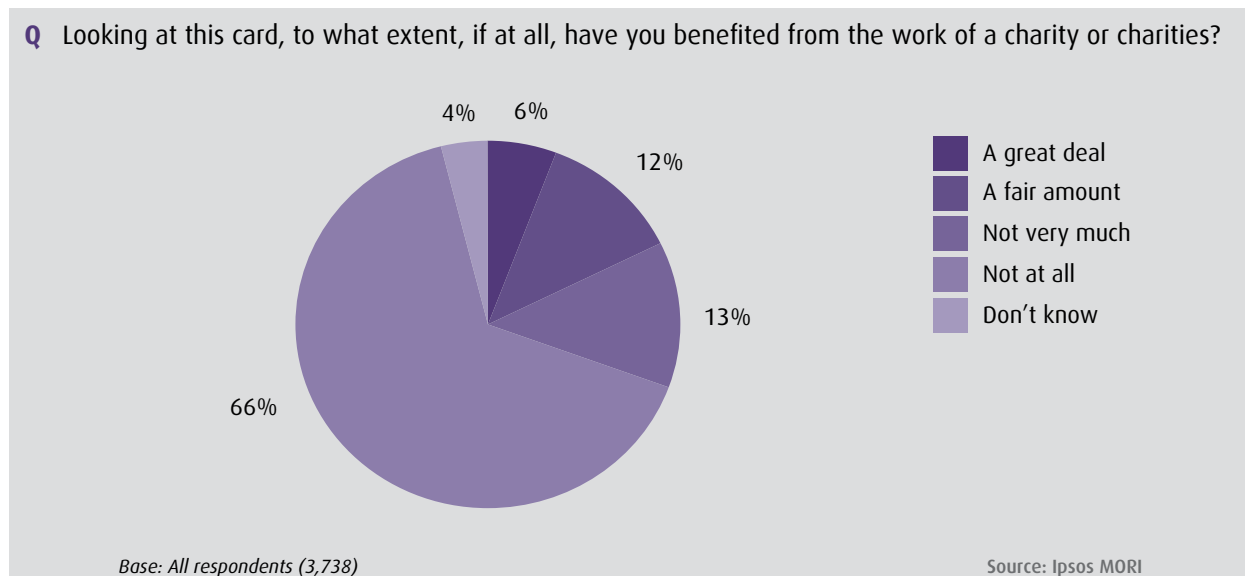
Similarly, as the list presented in the survey could not hope to be exhaustive of the types of situations in which respondents may have received charitable services, those replying 'don't know' or 'none of these' were also excluded from the self-identified beneficiary group.

Having identified a group of self-identified beneficiaries in this way, we have been able, therefore, to present, where appropriate, the views and experiences of these self-identified beneficiaries and compare these findings with the views and experiences of respondents as a whole, again where it has been felt pertinent to do so.

<sup>11</sup> The question asked in this survey about the types of involvement that the public has had with charities is similar to a question our researchers asked in our *2008 Charity Commission Study into Public Trust and Confidence in Charities* conducted by Ipsos MORI. The question in the public trust and confidence survey was wider, however, in that, although it used the same set of possible options for type of involvement, it asked respondents to report not just their own personal involvement, or involvement on somebody else's behalf (the scope of the question in this survey) but also the involvement of their close family or friends. The narrower scope of the question asked in this charities and beneficiaries relationship survey helps explain the lower percentages obtained against particular options as compared to those obtained in our public trust and confidence research.

## Perceived level of benefit received from charities

Figure 3: The perceived level of benefit people have from the work of charities



We asked respondents in our surveys whether or not they felt that they had benefited from the work of charities. Overall, almost a fifth (18%) of respondents believe they have benefited a great deal or a fair amount from the work of a charity or charities, with 13% saying that they had benefited but not very much. Two-thirds (66%) do not think they have benefited at all.

Interestingly, a significant proportion of the respondents which we categorised as self-identified beneficiaries do not think they have actually benefited from the work of a charity: 40% of them said that they have not benefited at all or not very much.<sup>12</sup> However, these self-identified beneficiaries

were more likely to think they had benefited, when compared with the views of respondents overall (60% of self-identified beneficiaries said that they had benefited a great deal or to some extent, compared to 17% of respondents overall<sup>13</sup>).

There were very few differences to be observed across the different demographic categories for this question. However, of those surveyed, those who were in the lowest income bracket (up to £9,499 annually from all sources, before tax and other deductions) were more likely to state that they had benefited a great deal or a fair amount from the work of a charity (27% compared to 17% of respondents overall).

<sup>12</sup> 19% of stated beneficiaries said they do not think they have benefited at all from the work of a charity or charities; 21% said they had not benefited very much.

<sup>13</sup> The percentages quoted refer to respondents who said they benefited a great deal or a fair amount from the work of charities. The percentage does not equate to the addition of the figures shown in Figure 3 due to rounding.

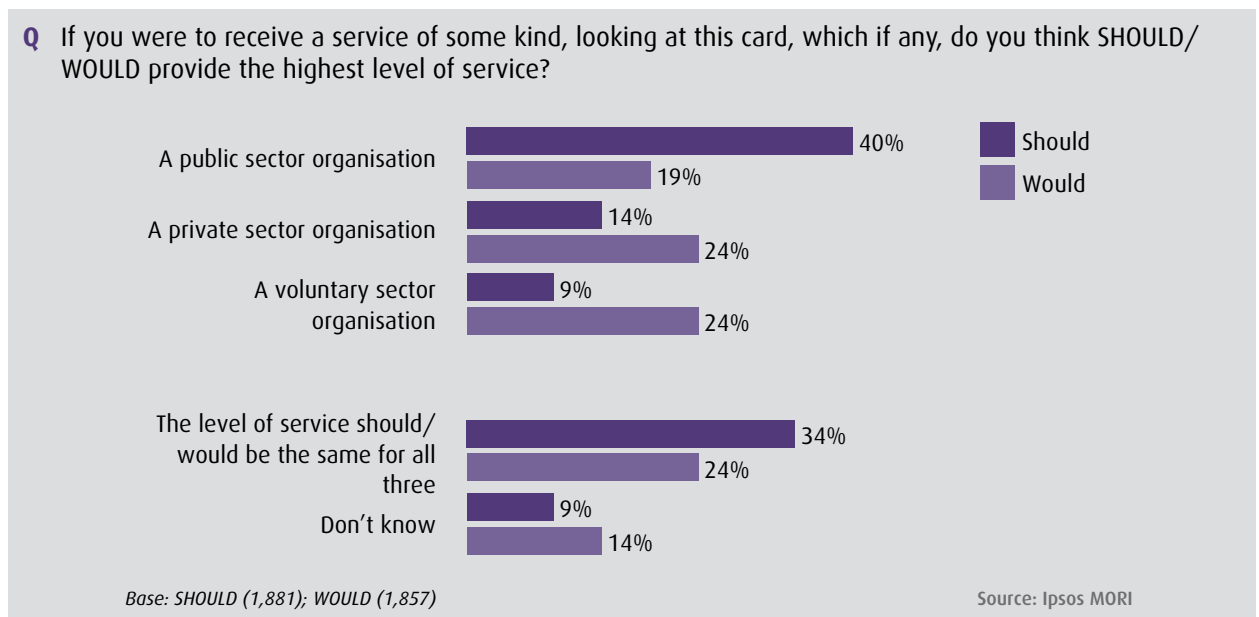
### 1.3 Service expectations

Respondents were asked to state which sector (public, private or voluntary) *should* provide the highest level of service and which *would* provide the highest level of service.

We found that respondents had a lower expectation of the standard of service from the voluntary sector compared to that of the standard of service provided

by public and private sector organisations. Two-fifths (40%) respondents said that they thought public sector organisations should provide the highest level of service in comparison with private sector and voluntary sector organisations. However, a third (34%) said that they thought that the level of service should be the same across all three sectors.

**Figure 4: People’s views on the type of organisations that should provide the highest level of services**



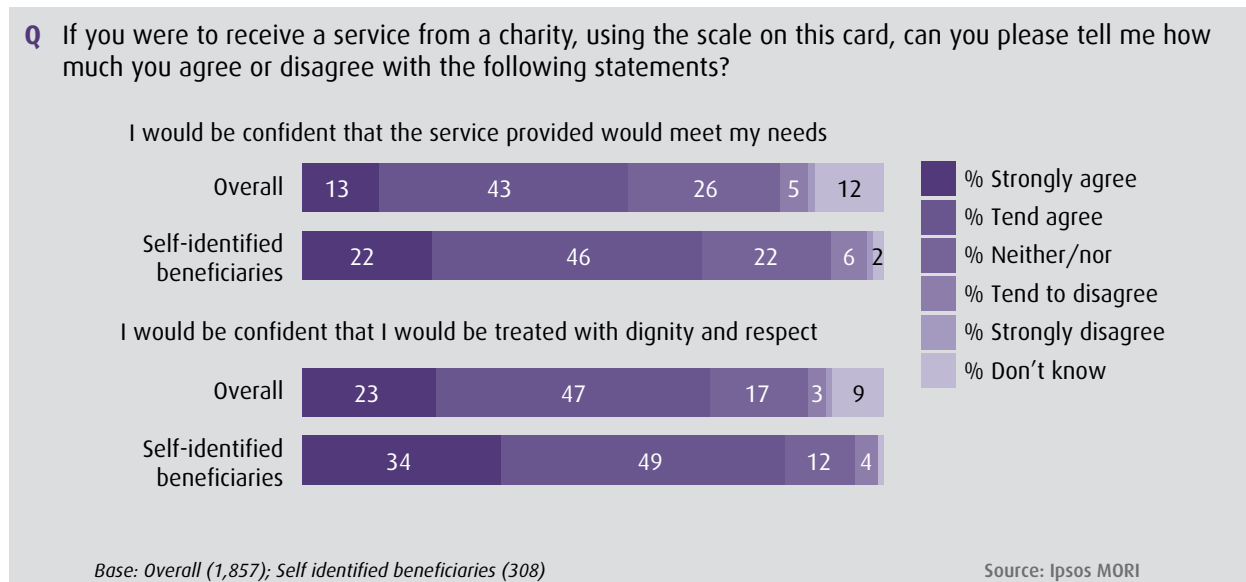
When it came to the public’s views on the sector that *would* provide the highest level of service, the results were much more even. While only 9% of respondents said that they think that a voluntary sector organisation *should* provide the highest level of service, almost a quarter (24%) think that it *would* provide the highest level of service. Self-identified beneficiaries were slightly more likely than

respondents as a whole to state that the voluntary sector *would* provide the highest level of service (30%, compared to 21% overall).

We then asked respondents questions that aimed to gauge their expectations of the type of relationship they would have, or would want, if they received a service from a charity.

## Level of confidence in charity services

Figure 5: People's level of confidence in charity services



The majority of people surveyed expressed confidence that a charity would provide a service that meets their needs (56% of respondents either strongly agreed or tended to agree with statements to this effect) and that they would be treated with dignity and respect (70%). Self-identified beneficiaries were more likely than respondents overall to have confidence that the service provided would meet their needs (68%, compared to 56% overall) and that they would be treated with dignity and respect (83%, compared to 70% overall).

A significant proportion of respondents stated 'neither agreed nor disagreed' or 'don't know' to these questions about level of confidence in charity services, perhaps reflecting the hypothetical nature of the questions and so making it difficult to provide clear answers. There was, however, a lower proportion of self-identified beneficiaries compared to respondents overall stating 'don't know' in answer to these questions.

Our research also found differences in levels of confidence in charity services according to the extent to which respondents felt that they had benefited from the work of a charity or charities:

- 81% of those surveyed who feel they have benefited a lot or a little from the work of a charity or charities agreed that they would be confident that the services provided would meet their needs, compared to 52% of those who said they have not benefited much or at all;

- 89% of those respondents who feel they have benefited a lot or a little from the work of a charity or charities agreed that they would be confident that they would be treated with dignity and respect, compared to 68% of those who felt that they had not benefited much or at all.

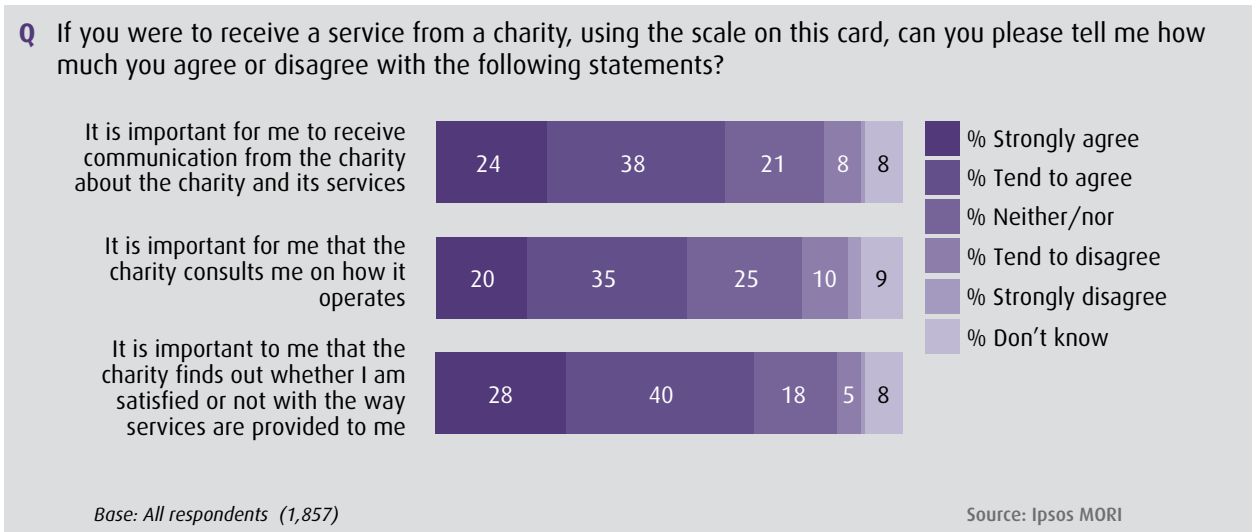
### Level of communication and consultation wanted from charities

Respondents were asked, if they were to receive a service from a charity, how important they think it is:

- to receive communication from the charity about the charity and its services;
- that the charity consults them on how it operates; and
- how important they think it is that the charity finds out whether they are satisfied or not with the way services are provided to them.

While over half of the public surveyed at least tend to agree that it is important to receive communication about the charity and its services, be consulted and have their satisfaction measured, the agreement was not universal. A small minority do not agree that any of these three things are important, and again the proportion answering 'neither agree nor disagree' or 'don't know' are significant.

**Figure 6: Communication and consultation**



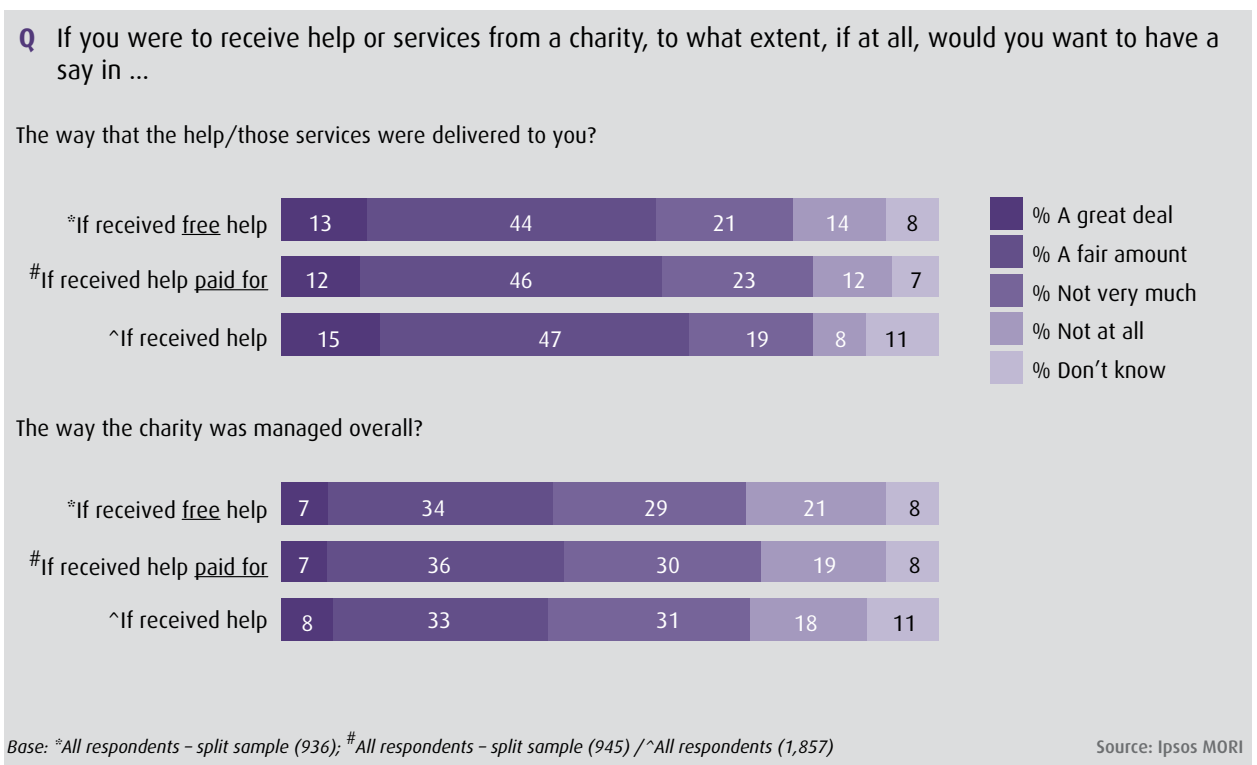
We found that respondents who said that they have benefited from the work of a charity or charities a great deal or a fair amount, were significantly more likely to agree with each of the three statements concerning the importance of communication and consultation.

they were to receive help or services from that charity; only a small proportion of the public surveyed would want a great deal of say in either the way the services were delivered to them, or in the way that the charity was managed overall. There appeared to be no difference in attitude when this question was asked in relation to a service that was free or paid for.

**People's desired level of involvement with charities**

We asked respondents to indicate the level of involvement that they would want in a charity if

**Figure 7: People's desired level of involvement with charities when receiving services**



A majority of the public surveyed, however, would want at least a fair amount of say in the way the help or services were delivered to them by a charity. Having said that, a significant proportion would still either not really want much say, or want none at all.

When it comes to having a say in how the charity is managed overall, less than half would actually want to be involved in this, with around half not wanting very much of a say or wanting none at all.

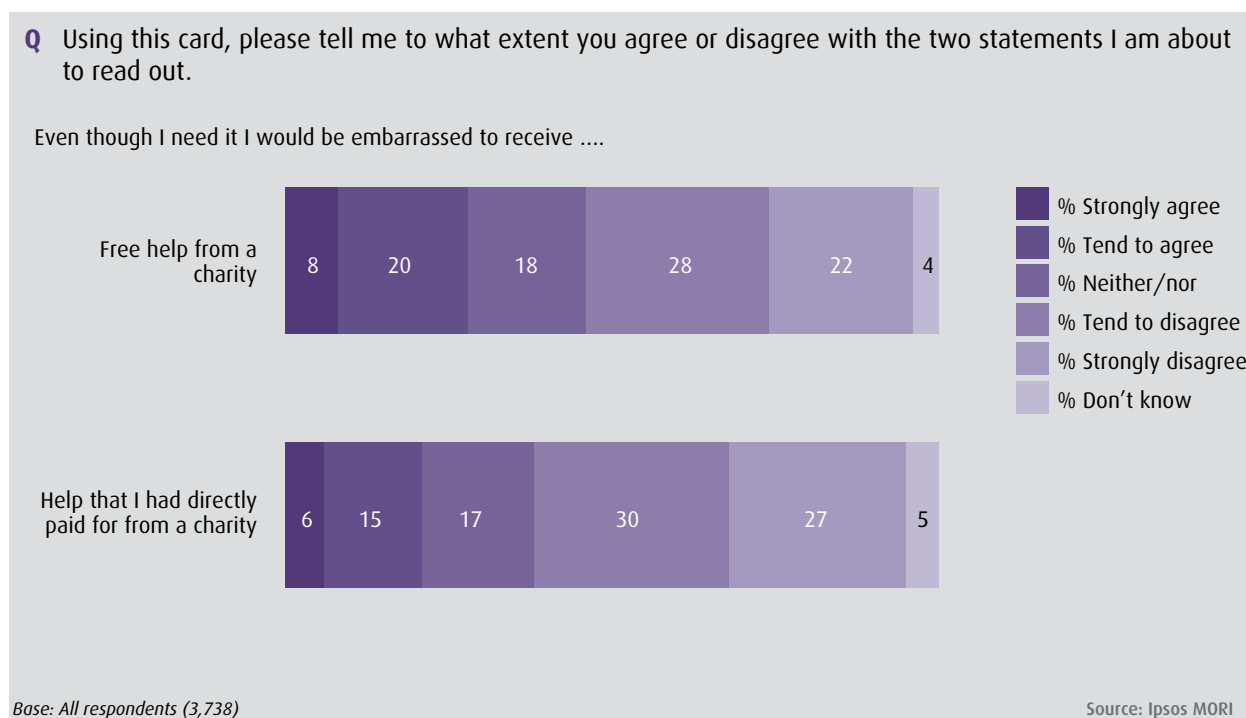
## 1.4 Level of comfort in receiving services from a charity

### Feelings about receiving help from a charity

At least half of the public surveyed would not be embarrassed to receive help from a charity: 50% of respondents disagreed with the statement that they

would be embarrassed to receive free help from a charity; 57% of people disagreed that they would be embarrassed to receive help from a charity that they had paid for.

**Figure 8: People's feelings about receiving help from charities**



However, a sizeable minority, over a quarter (28%) of respondents, agree that they would be embarrassed to receive free help from a charity, even if they need it, and one in five (21%) say they would be embarrassed to receive help that they had directly paid for from a charity. This significant proportion of respondents who strongly agree, or tend to agree that they would be embarrassed to receive help from a charity, suggests that some may attach a stigma

to receiving 'charity', even if they have paid for a service.

There was no significant difference in the responses of self-identified beneficiaries, as compared with respondents overall, in relation to their feelings about receiving help from a charity, irrespective of whether the help was free or paid for.

### Level of comfort in contacting a charity for help

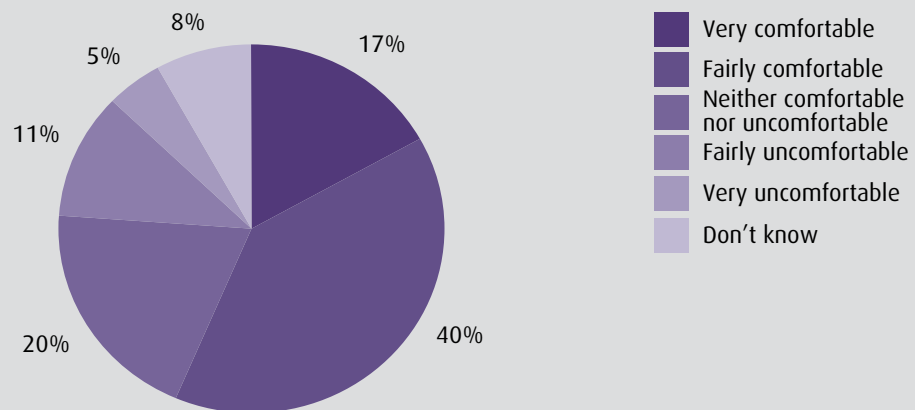
We also asked respondents to state how comfortable they would be contacting a charity if they needed a service that the charity provided. The majority said that they would be comfortable contacting a

charity for help, although only 17% would be very comfortable.

17% of people would actually be uncomfortable in contacting a charity for help.<sup>14</sup>

**Figure 9: People's level of comfort in contacting a charity for help**

**Q** If you had the need for a service that a charity is set up to provide, how comfortable would you be in contacting the charity for help?



Base: All respondents (1,857)

Source: Ipsos MORI

Perhaps unsurprisingly, a higher proportion of those surveyed who stated that they would be embarrassed to receive free, or paid-for help, also said that they would be uncomfortable approaching a charity for help. Of those that said they would be embarrassed to receive free help from a charity, 36% would be

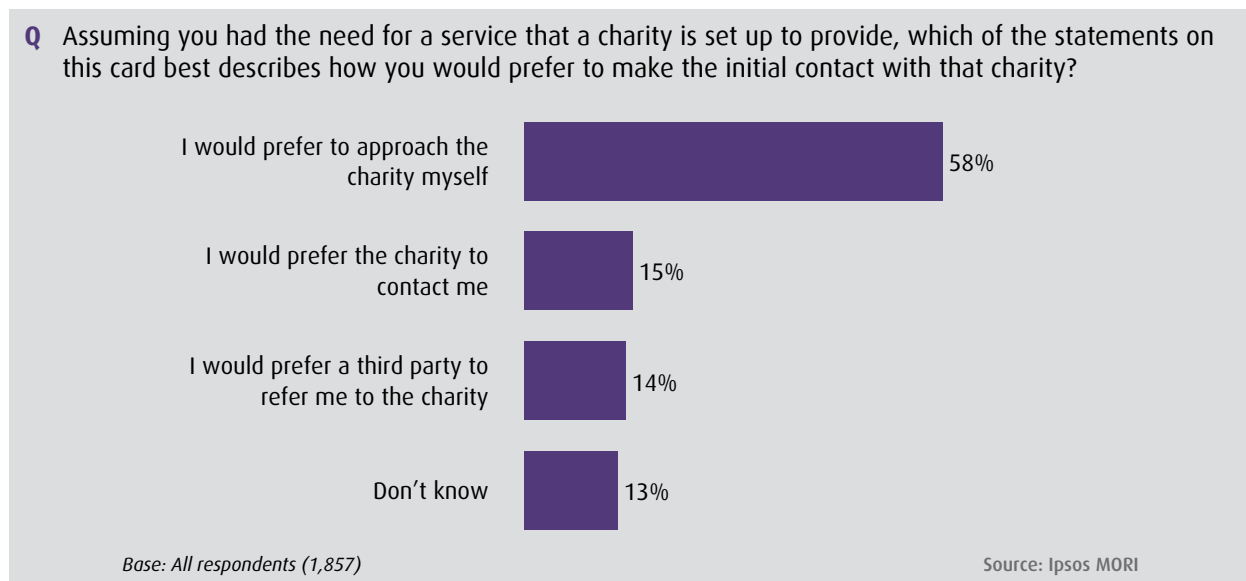
uncomfortable contacting a charity. This compares to just 6% among those that would not be embarrassed to receive free help. The same picture emerges for those who would and would not be embarrassed to receive help from a charity that was paid for.

<sup>14</sup> The percentage quoted refers to respondents who said they were fairly or very uncomfortable contacting a charity for help. The percentage does not equate to the addition of the figures shown in Figure 9 due to rounding.

## Preferred initial contact with a charity

When it comes to making initial contact with a charity, most of the public surveyed (58%) said that they would prefer to approach the charity themselves.

**Figure 10: Preferred initial contact with a charity**



Only 15% of the respondents surveyed would prefer the charity to contact them and a similar proportion, 14%, would prefer a third party to refer them.

However, when looking exclusively at the responses of those who would feel a degree of embarrassment in receiving free help from a charity, a higher

proportion of these respondents, when compared with respondents overall, would want the charity to contact them (19% as compared with 15%) or would prefer a third party to refer them (20% as compared with 14%).

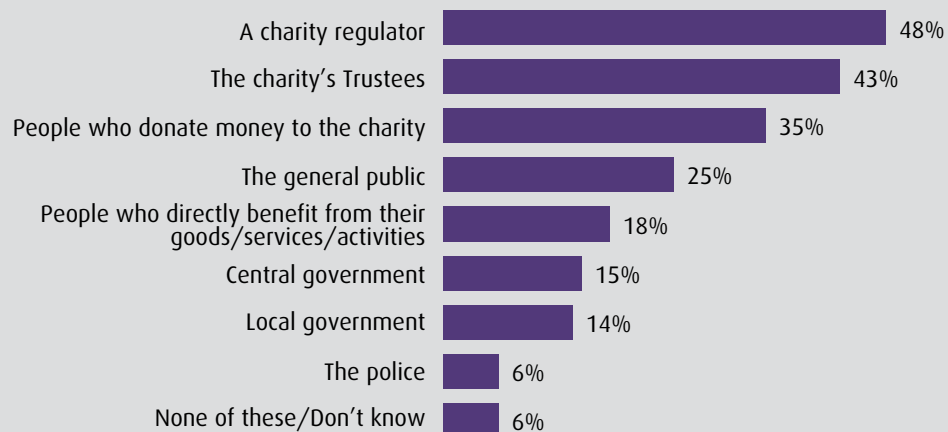
## 1.5 Accountability

Only 18% of the public surveyed think that charities should be accountable to the people who directly benefit from their goods, services or activities. A charity regulator and the charity's trustees were the two most mentioned organisations and individuals to which charities should be accountable (48% and 43% respectively). Interestingly, significantly

more respondents think that charities should be accountable to donors, as compared with beneficiaries (35% compared to 18%), but of course a greater proportion of respondents were donors to charities compared to being aware that they were a beneficiary of a charity.

**Figure 11: To whom people think charities should be accountable**

**Q** Looking at this card, which two or three, if any, do you think charities should be accountable to (ie expected to justify their actions or decisions to)?



Base: All respondents (3,738)

Source: Ipsos MORI

## Detailed findings: 2. Charity perspectives

As part of our research we explored the different relationships charities have with their beneficiaries through a postal survey sent out to main charity contacts conducted by Ipsos MORI.<sup>15</sup> We asked charities to consider who their beneficiaries are and how they interact with them. We also asked charities how that relationship arises in the first place, how charities involve users and how, if at all, they seek feedback from beneficiaries to evaluate the effectiveness of their charitable activities.

### 2.1 Beneficiary profile

For the purposes of our research with charities, beneficiaries were defined in two ways:

- **Direct beneficiaries:** defined as the individuals and groups or organisations that benefit from, or use the services and facilities of the charity, or receive some support from it. We asked charities to include in this definition the person who acts on behalf of the direct beneficiary, such as an advocate, parent, legal guardian or carer. It should be noted that the term 'direct beneficiary' is not a legal definition and has been used solely for the purposes of this research; and
- **Wider beneficiaries:** defined as any other organisation or person that a charity considers may benefit from its work more indirectly. Again, the term 'wider beneficiary' is not a legal definition and has also been used solely for the purposes of this research.

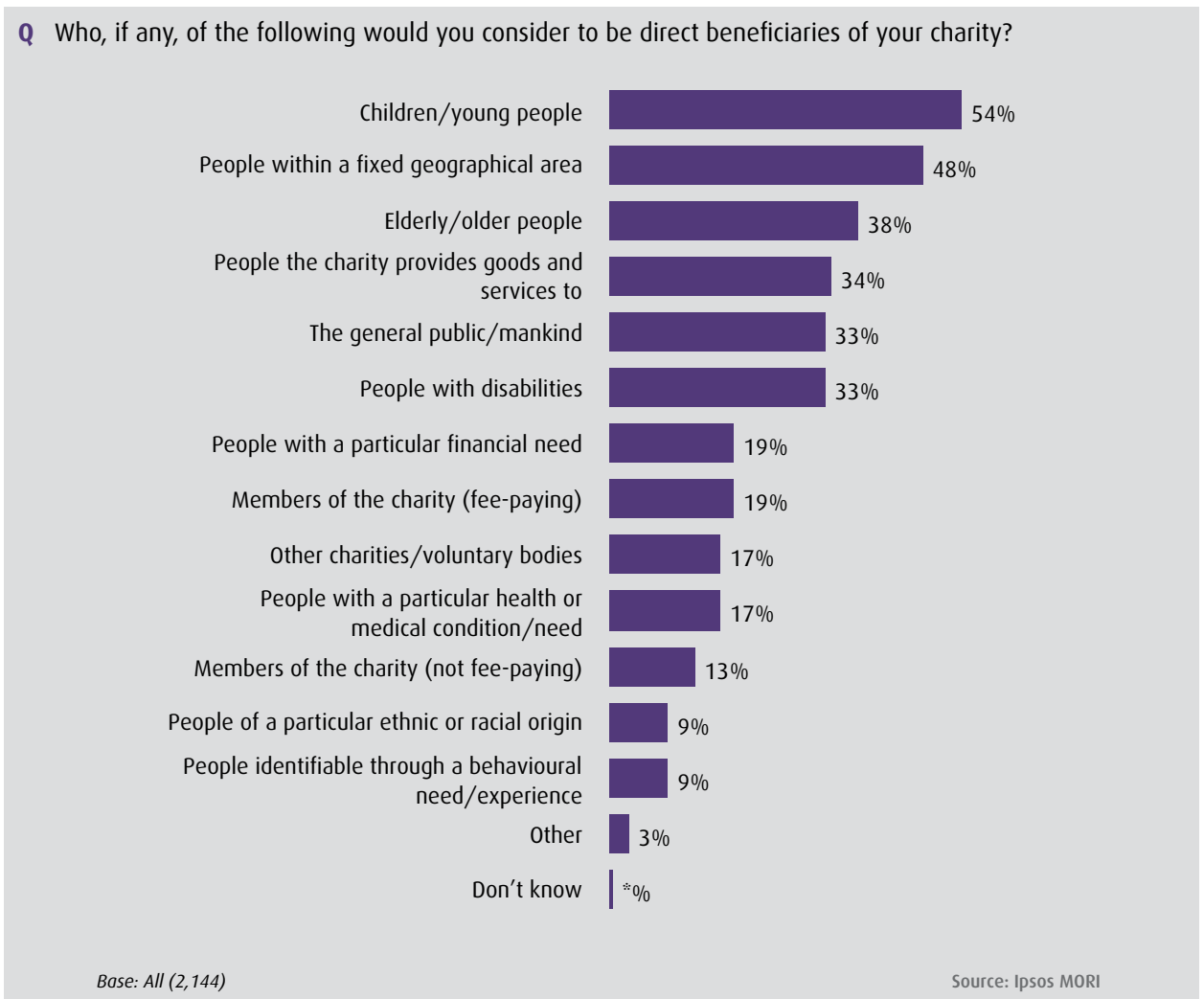
Unless stated otherwise, all references to 'beneficiary' or 'beneficiaries' in this report are to direct beneficiaries, as defined above (and *not* to wider beneficiaries).

We asked charities to tell us who their direct beneficiaries are, with reference to a list of possible beneficiaries as set out in *figure 12*. We found that the greatest proportion of beneficiaries of the charities we surveyed are:

- children and young people (54%);
- people within a fixed geographical area, such as the local neighbourhood (48%);
- older people (38%);
- people to whom goods/services are provided (34%);
- the general public (33%); and/or
- people with disabilities (33%).

<sup>15</sup> Details of the research method conducted by Ipsos MORI are given in *Annex A* and a profile of the charities that were surveyed is given in *Annex B*.

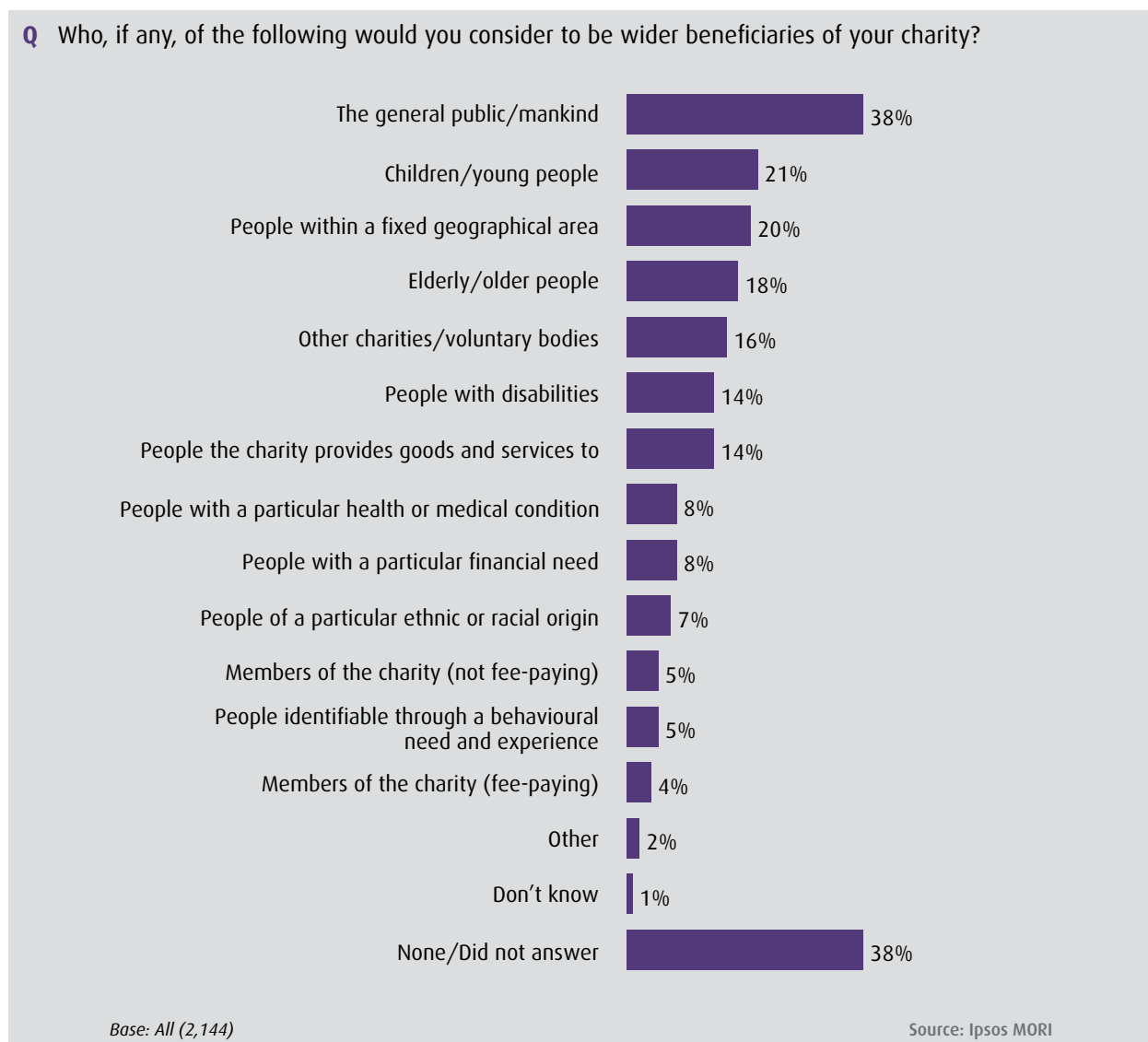
Figure 12: The direct beneficiaries of the charities



Six in ten of the charities (61%) surveyed were able to name some form of wider beneficiary of their charity:

- many charities consider the general public are the wider beneficiaries of their work (38%);
- around a fifth of charities reported that children/young people were their wider beneficiaries (21%) or people in a fixed geographical area (20%); and
- the next most popular answers given by charities were older people (18%) and other charities/voluntary bodies (16%).

Figure 13: The wider beneficiaries of charities



**Terms used when referring to direct beneficiaries**

We found that the charities surveyed use a variety of terms when referring to their direct beneficiaries, for example:

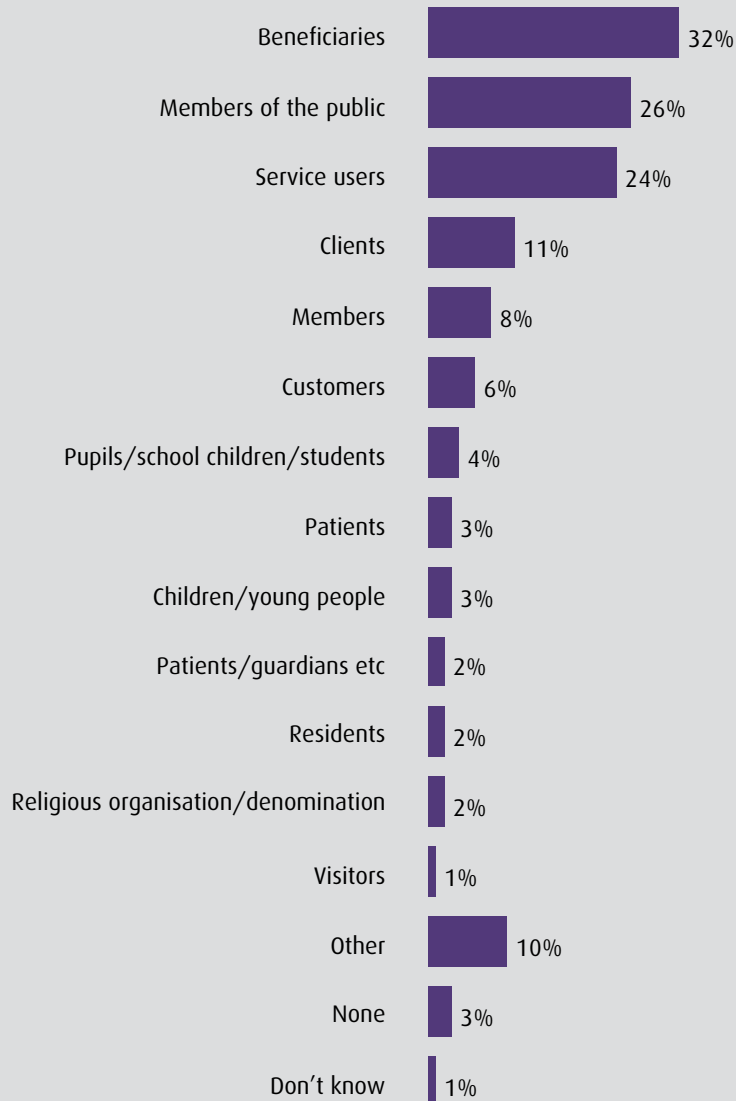
- beneficiaries (32%);
- members of the public (26%);

- service users (24%);
- clients (11%);
- members (8%); and
- customers (6%).

Other terms tend to be more specific to the type of direct beneficiary, such as pupils or patients.

Figure 14: The terms used by charities when referring to their direct beneficiaries

Q How are your charity's direct beneficiaries referred to by your charity, ie we essentially mean what your direct beneficiaries are called, either informally, or formally?



Base: All (2,144)

Source: Ipsos MORI

The size<sup>16</sup> of a charity, the charity's purpose, and how charities define their direct beneficiaries also appear to play a part in how charities in our survey said they refer to their direct beneficiaries. For example:

- small charities are slightly more likely to use the term 'beneficiaries' (35%), compared to large (28%) and very large charities (26%);
- small charities are also less likely to call their beneficiaries 'customers' (3%) compared to large (18%) and very large charities (20%);
- 64% of relief of poverty charities say they use the term 'beneficiary', but only 23% of sport/recreation charities use this term; and
- 60% of charities serving people with a particular financial need use the term 'beneficiary', but only 21% of charities that have fee-paying members use the term.

<sup>16</sup> We have described charities as 'small', 'medium', 'large' or 'very large' according to their income band (see table in Annex A for more information). This is purely for our research purposes and in no way reflects the standing of the charities concerned or makes a judgement on their impact in their own communities.

### What's in a name?

What charities call their beneficiaries can depend on the audience, to fit in with the language of funders, for example.

- One charity, the Sycamore Project (1050020), said it uses the term 'beneficiaries' in legal documents but 'young people' on a day-to-day basis.
- Himmat Limited (1059600) told us that it had had been mindful that the terms it uses for its beneficiaries should not have any negative connotations or demonise young people. The charity has chosen to refer to its beneficiaries in general terms as 'young people', or individually by name when appropriate.

Charities can call their beneficiaries different names for other reasons. The Manchester Deaf Centre Limited (1110373), for example, said it distinguishes between 'service users' (regular users) and 'clients' (occasional users) for statistical recording purposes.

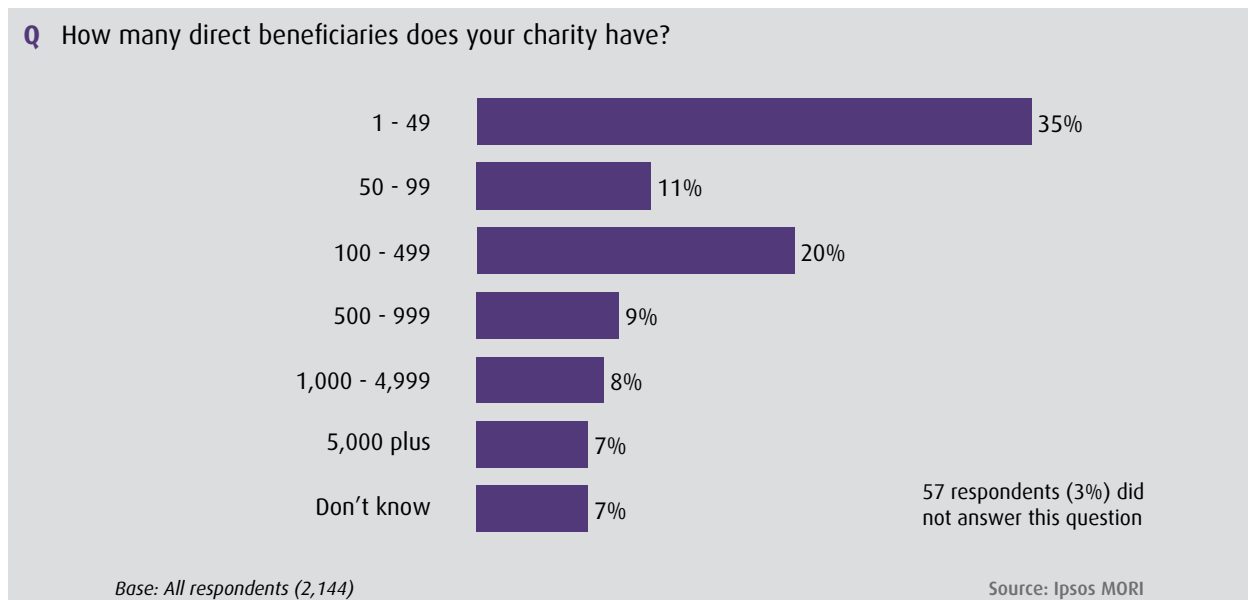
*Findings from Charity Commission visits<sup>17</sup>*

### Numbers of direct beneficiaries

Two-thirds (66%) of the charities surveyed have fewer than 500 direct beneficiaries. However, some

charities have very high numbers of beneficiaries: 7% have 5,000 or more direct beneficiaries and 2% have 50,000 or more direct beneficiaries.

**Figure 15: The number of direct beneficiaries**

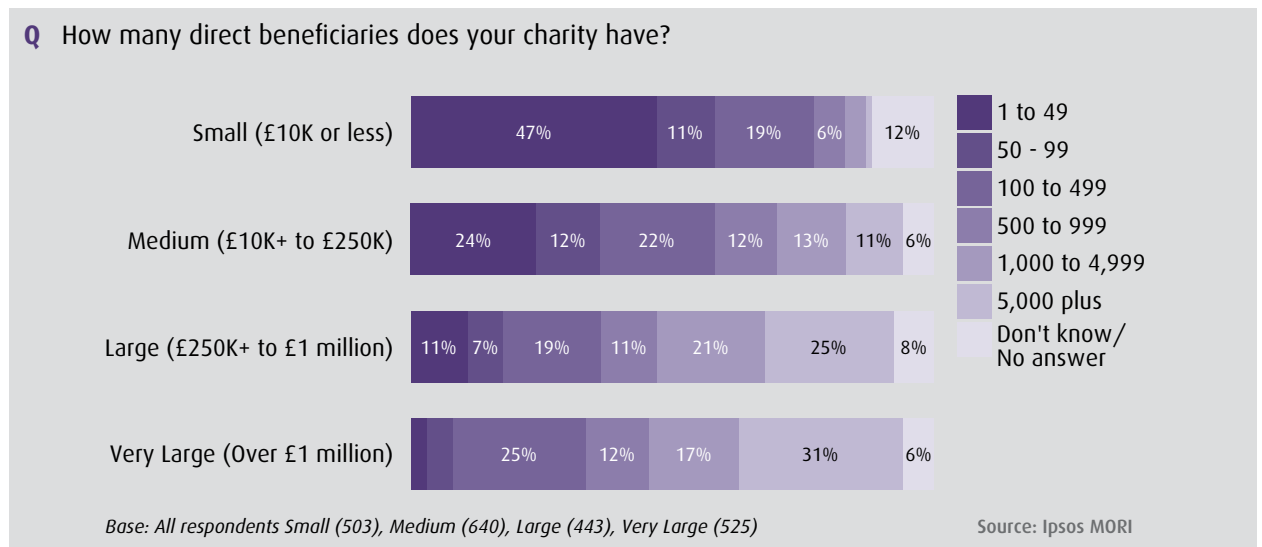


<sup>17</sup> As part of our research we visited 52 charities; the charities visited provide services in a wide range of operational areas and deal with many different types of beneficiaries. These visits were conducted by the Charity Commission independently of the research conducted by Ipsos MORI.

There is a strong relationship between the number of direct beneficiaries and the size of charity in terms of income. The majority of small charities have fewer than 100 beneficiaries (58%), compared to large and

very large charities where the majority have over 500 beneficiaries (57% and 60% respectively). Within medium charities the distribution is rather more even.

**Figure 16: The number of direct beneficiaries by income band**



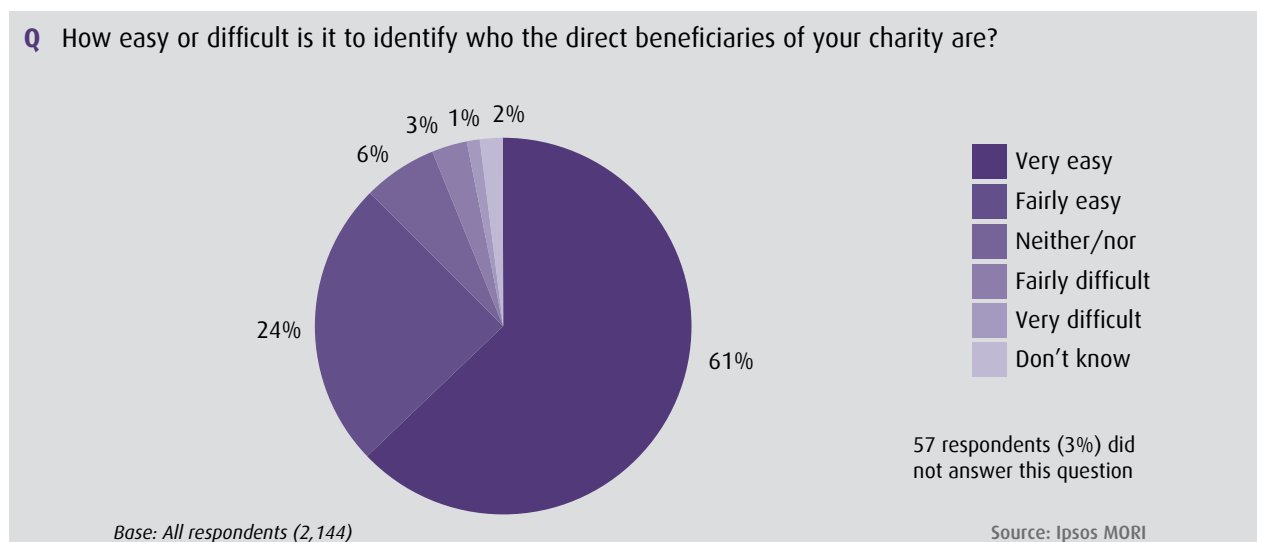
## 2.2 Forming and maintaining the relationship

### Ease of identifying beneficiaries

The large majority of charities (85%) in our survey find it very or fairly easy to identify their beneficiaries, and there were very few differences between different types of charities. One difference we found was that charities with general charitable

purposes are less likely to state very or fairly easy (79%), compared to those charities that operate in more specific areas, such as disability (91%) or education and training (90%). Only 4% of charities surveyed said they find identifying beneficiaries difficult.

**Figure 17: The ease of identifying beneficiaries**



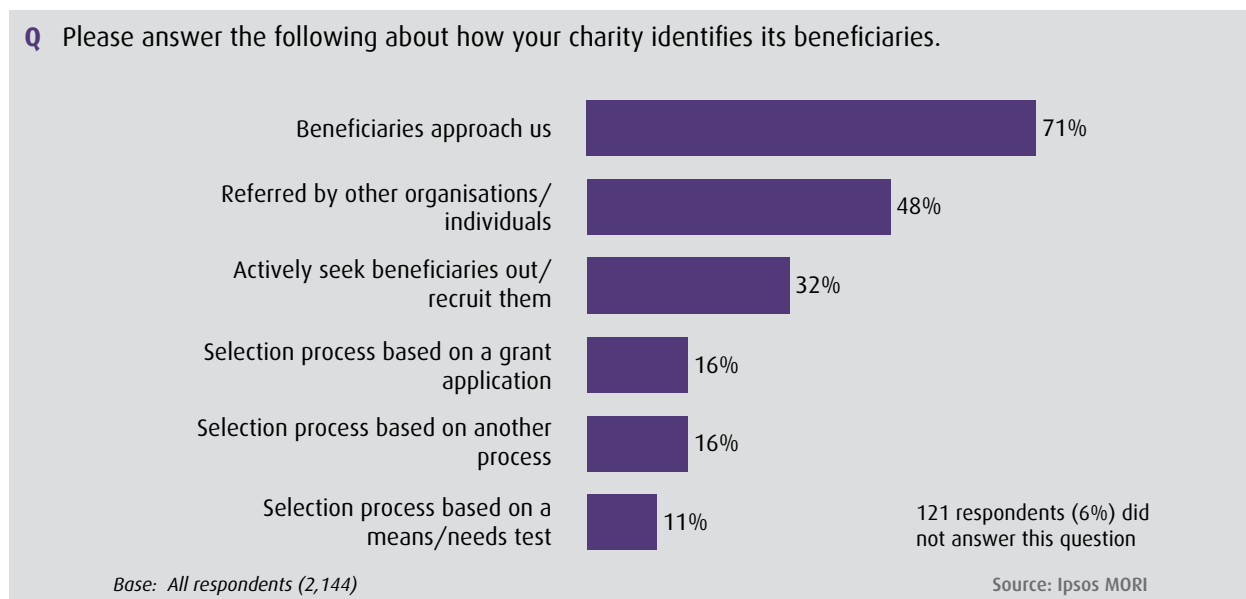
The number of beneficiaries that a charity has does not appear to affect the ease of identifying them.

## How beneficiaries are identified

We asked charities to identify the range of ways in which they identify their beneficiaries. Nearly three-quarters of the charities surveyed (71%) say that their beneficiaries approach them, while around

half (48%) say beneficiaries are referred to them. However, one third (32%) actively seek or recruit their beneficiaries. Other charities operate some sort of selection process, based on, for example, a grant application (16%), a means/needs test (11%) or another selection process (16%).

**Figure 18: How beneficiaries are identified**



The charity's purpose has a direct bearing on how it identifies its beneficiaries. For example, almost three-quarters (74%) of the charities surveyed which work in the area of disability have beneficiaries referred to them by other individuals or organisations, compared to under half (44%) of arts/culture charities. Charities

working in arts/culture have the largest proportion of charities that actively seek out beneficiaries (46%).

Small charities in our survey were less likely than larger charities to select any of the presented options on ways of identifying beneficiaries.

**Table 1: How beneficiaries are identified by size of charity<sup>18</sup>**

	Small (Base 503)	Medium (Base 640)	Large (Base 443)	Very Large (Base 525)
They approach us	63%	80%	84%	81%
They are referred by other organisation/individuals	36%	61%	73%	69%
We actively seek them out/recruit them	27%	38%	47%	49%
We operate a selection process based on another process	14%	17%	25%	35%
We operate a selection process based on a grant application	13%	18%	24%	22%
We operate a selection process based on a means/needs test	8%	13%	13%	29%

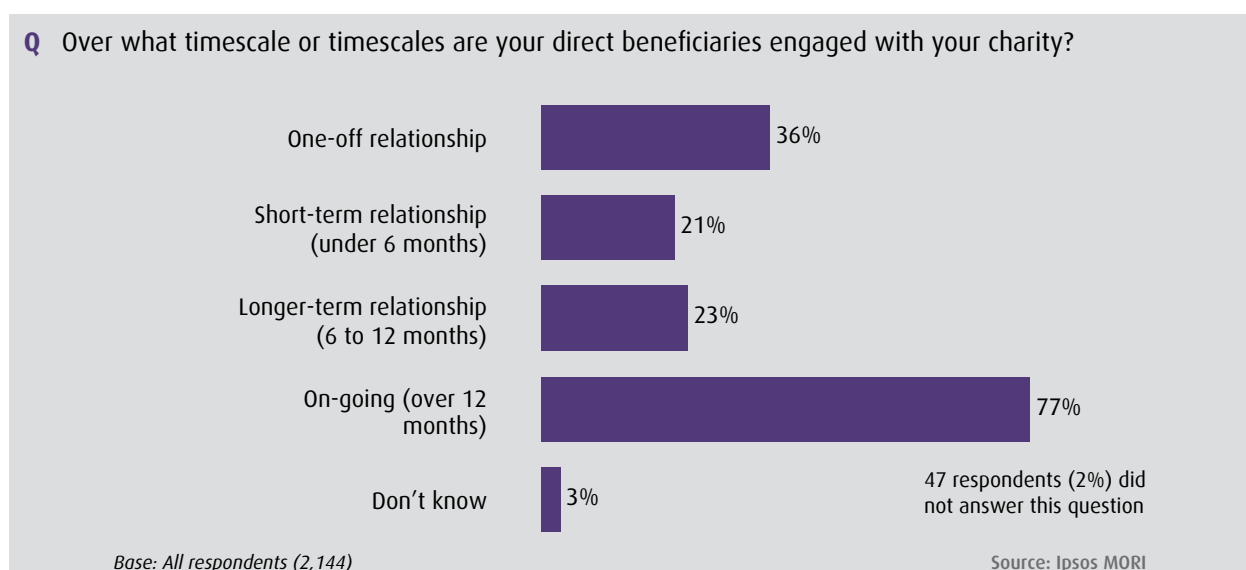
Source: Ipsos MORI

### Length of relationship with beneficiaries

We found that the majority of charities in our survey have on-going relationships with their beneficiaries. Approaching eight in ten (77%) said that their charity has beneficiaries who are engaged with them on an on-going basis (over twelve months) and almost

one in four (23%) between six to twelve months. Just over one in three of charities, (36%), said that a proportion of their beneficiaries have a one-off relationship with them and one in five (21%) reported having a proportion of beneficiaries with whom they have a short-term relationship of under six months.<sup>19</sup>

**Figure 19: The length of engagement with direct beneficiaries**



<sup>18</sup> Only the highest percentages (8% and above for small charities) are given in the table.

<sup>19</sup> Respondents were able to select as many of the timescales as they felt were appropriate.

The charities in our survey most likely to have one-off relationships are those operating to relieve poverty (64%) and those with general charitable purposes (55%). Charities that operate in the following areas are least likely to have a one-off relationship:

- sports/recreation (30%);
- education/training (35%); and
- religious activities (37%).

### Ensuring adequate take-up of services

Bangladeshi Women's Association (1117481) said it keeps comprehensive records of its users broken down by gender, ethnicity, age, employment status and health. The charity can then compare the profile of its beneficiaries with that of the local community to assess, for example, whether beneficiaries reflect the composition of the local community. In this way the charity can judge whether there is adequate take-up of its services from all sections of the community.

*Findings from Charity Commission visit<sup>20</sup>*

### Frequency of engagement with beneficiaries

Overall, the responses to the question on frequency of contact were quite mixed, and varied from every day (15%) or most days (17%) to at least once a year (27%). Around one in ten charities (9%) have exclusively one-off relationships with beneficiaries.<sup>21</sup>

When comparing responses by the size of the charity, a clearer observation emerged. Small charities in our survey were less likely to select multiple responses to this question compared to larger charities:

- contact everyday: small charities (8%), compared to medium (20%), large (32%) and very large (49%);
- most days: small (9%), compared to medium (28%), large (30%) and very large (31%); and

- at least once every six months: small (9%), compared to medium (18%), large (25%) and very large (24%).

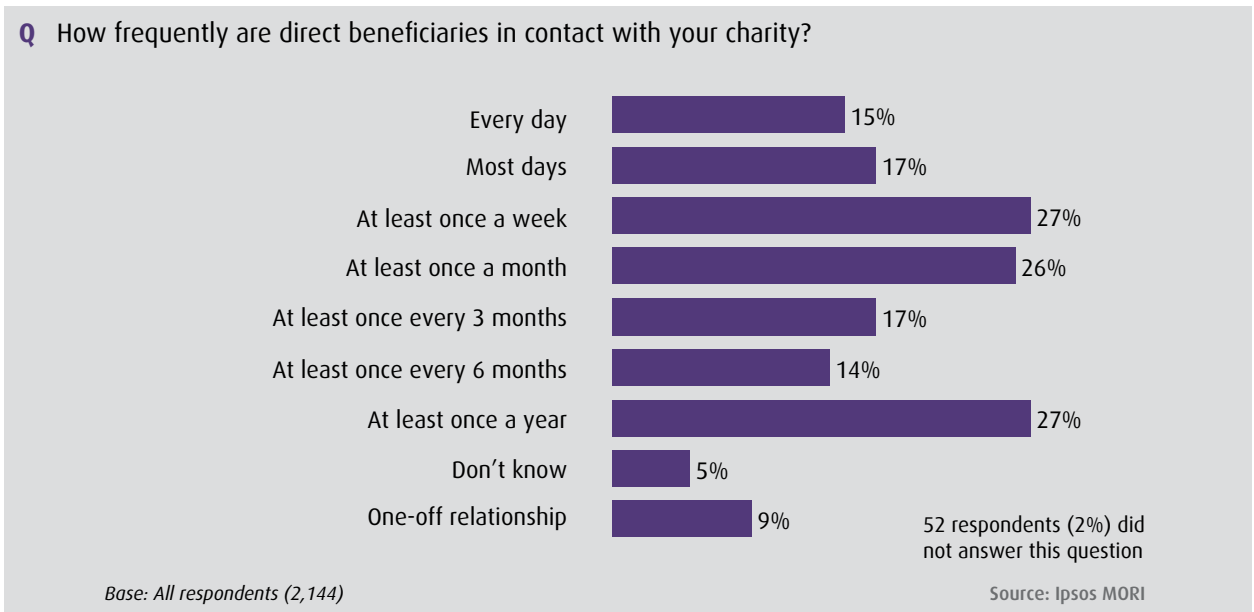
However, there was no difference relating to charity size, in the proportion of charities surveyed that have contact with their beneficiaries at least once a year (all between 26% and 30%).

Smaller charities in our survey were also more likely to say that they only have a one-off relationship with beneficiaries and, therefore, that the frequency of contact was not applicable: 13% of small charities said they only have one-off relationships compared to 5% of medium, 2% of large and 1% of very large charities.

<sup>20</sup> As part of our research we visited 52 charities; the charities visited provide services in a wide range of operational areas and deal with many different types of beneficiaries. These visits were conducted by the Charity Commission independently of the research conducted by Ipsos MORI.

<sup>21</sup> The figure of 9% is smaller than the figure of 36% mentioned in the previous question because the 9% figure relates only to that percentage of charities which have exclusively one-off relationships with their beneficiaries, whereas the 36% figure relates to charities which have varying lengths of relationships with their beneficiaries, but which includes beneficiaries with whom the relationship is one-off.

Figure 20: The frequency of engagement with beneficiaries



It appears that the frequency of contact with beneficiaries is driven in part by the charity's purpose and the type of beneficiaries it has. Possibly owing to the nature of their work, charities in our survey that operate within the accommodation/housing sector were likely to report a more frequent contact with their beneficiaries than the overall average, and in comparison with some specific other types of charities, such as those that work in the area of relieving poverty.

To illustrate, a third (33%) of accommodation/housing charities surveyed are in contact everyday, 21% on most days, 30% at least once a week and 40% are in contact at least once a month. Only 2% have a one-off relationship with their beneficiaries. In comparison, among charities that work in the area of relieving poverty, only 14% are in daily contact with their beneficiaries, 16% most days and 18% once a week. Over four in ten of these charities (43%) are in contact at least once a year, with 16% stating they only have a one-off relationship.<sup>22</sup>

<sup>22</sup> A charity respondent was able to choose more than one option to reflect the different mix of beneficiaries the charity may be engaging with.

## 2.3 Charging

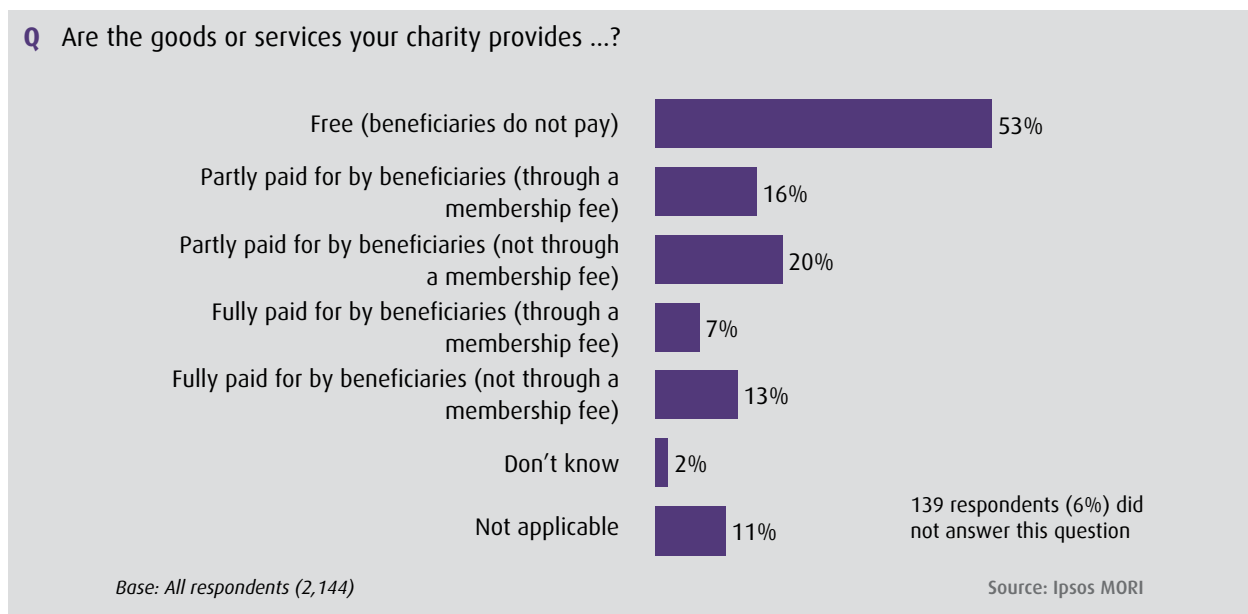
### Are the goods/services provided for free, or paid for?

The majority of charities surveyed (53%) provide (at least some) of their goods and services for free. In this question respondents were asked to select as many of the options in *figure 21* as were appropriate, so covering both free and paid for goods and services.

Among the different types of options presented as to how a charity's goods and services could be paid for, payment by a beneficiary, but not through

a membership fee, was the most common form of payment reported by the charities surveyed. 20% of the charities surveyed reported that goods and services were partly paid for through this method and 13% reported that goods and services were fully paid for through this method.

**Figure 21: Are the goods or services free or paid for?**



Our research found that there is a greater mix of free and paid for services among the medium, large and very large charities surveyed than among small charities.

## Charging

Some charities said they charge for goods/services – sometimes nominal amounts – for a variety of reasons other than purely to cover costs:

### *Charging as a way of fulfilling a charity's objects*

Himmat Limited (1059600) works with children and young people; this work includes helping prevent young people from turning to crime. Although many of its in-house activities are free, the charity does make nominal charges for some of the activities it organises, such as residential trips. The charity feels that, making young people contribute a nominal charge for some of its services can teach them the financial cost of benefits they receive, though the charity reported that it took care not to exclude anyone from activities who could not afford the cost.

Another charity, the Mustard Tree (1044349), works with homeless and marginalised people. The charity makes some charges for furniture, appliances and clothing, as they consider that these charges increase the feeling of dignity and self-sufficiency among its beneficiaries.

Knutsford Sheald (1069821) works with adults who have learning disabilities and told us that beneficiaries pay for care, out of funding provided by Social Services. In one sense beneficiaries are paying for the care provided. The charity said that it thought that it is important that beneficiaries should live as 'normal' life as possible, which includes practising life skills such as budgeting.

### *Charging to increase commitment on the part of beneficiaries*

Leeds Mencap (1091809) said that it charged primarily to support the cost of service provision. But the charity also said that charging had had knock-on benefits: charging a fee requires a commitment to attend and make the most of services. They have found that when free services were offered there was no guarantee that beneficiaries would turn up for appointments, wasting resources and reducing the charity's ability to plan.

### *Charging to help others access services*

Whittington Park Community Association (1114033) is a local community association that said it asks parents of children who are its beneficiaries for a donation if they can afford it. This replaced a system of charging a flat fee of £1 per child. The charity found that parents who can afford it are happy to make an overall greater contribution, enabling those who cannot afford to make a donation, to have more regular access to the charity's services.

### *Findings from Charity Commission visits<sup>23</sup>*

<sup>23</sup> As part of our research we visited 52 charities; the charities visited provide services in a wide range of operational areas and deal with many different types of beneficiaries. These visits were conducted by the Charity Commission independently of the research conducted by Ipsos MORI.

Charities operating to relieve poverty, and within the areas of medical/health/sickness and disability, are the most likely in our survey to be offering at least a proportion of goods and services that are free (74%, 71% and 69% respectively). This compares to charities with purposes related to sports/recreation and arts/culture where less than half of the charities surveyed offer any proportion of their goods and services for free (39% and 42% respectively).

At the ends of this spectrum, 37% of charities surveyed provide exclusively free services and 9% provide exclusively fully paid-for services. Although there were some differences relating to the size of the charities, the differences were more marked

in relation to the type of charitable purpose that a charity had. We found that 59% of charities working to relieve poverty and 55% of medical/health/sickness charities offer free services only. This compares to a much lower 22% for both sport/recreation charities and arts/culture charities – and these same charities are the most likely to offer exclusively fully paid-for services (21% and 16% respectively).

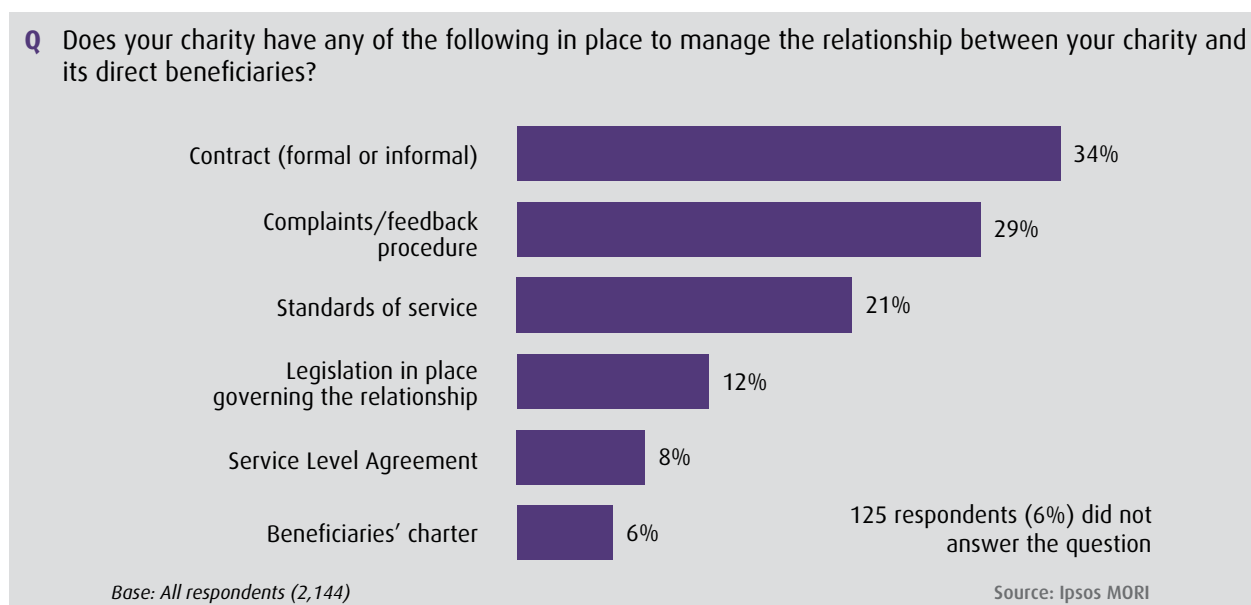
Sport/recreation charities are also the most likely to offer goods and services that are partly paid for only (27%): this compares to only 5% of charities working to relieve poverty.

## 2.4 Managing the relationship

Overall, 62% of charities in our survey say they have some form of arrangement for managing their relationship with beneficiaries. Around one third (34%) have a formal/informal contract in place, three in ten (29%) have a complaints/feedback procedure and one in five (21%) have standards of service in place. Other relationship management methods include legislation (12%), service level agreements (8%) and beneficiary charters (6%).<sup>24</sup>

The large and very large charities surveyed were more likely to have one or more of the methods listed in *figure 22* in place to manage their relationship with beneficiaries. While small and medium-sized charities were more likely to report use of other bespoke methods not listed in *figure 22*, they were also significantly more likely to say that they had none of the listed methods in place to manage their relationship with beneficiaries, and not highlight the use of any other methods either.

**Figure 22: Managing the relationship with beneficiaries**



<sup>24</sup> Although charities mentioned many other specific tools, none of these tools were mentioned by more than 2% of respondents.

Some charities surveyed are more formal than others in managing their relationship with beneficiaries. For example, charities working in the area of accommodation/housing are significantly more formal in their arrangements: only 12% did not have any arrangement for managing the relationship with beneficiaries; two-thirds (66%) of these charities manage the relationship through a contract; 53% have a complaints procedure and 37% have standards of service. In contrast, only 27% of charities working to relieve poverty have some form of contract and only 26% have a complaints procedure.

Where charities have an element of their goods or services that are partly or fully paid for by beneficiaries, they are more likely to have some type of formal arrangement in place for managing the relationship. For example, 23% of the charities in

our survey that offer free services have standards of service in place, compared to 30% of charities that offer partly paid for services and 33% of charities that offer fully paid-for services.

The more frequent the contact between beneficiaries and the charity, the more likely the charities in our survey were to have beneficiary management tools. Those charities that are engaged with their beneficiaries every day, for example, were more likely to report using contracts (54%), complaints/feedback procedures (61%) and/or have standards of service (49%) in place, compared to those charities that have a once-a-year relationship with their beneficiaries (28% of these charities use contracts, 25% complaints/feedback procedures and 16% standards of service).

### Issues with beneficiaries

We asked charities about the sorts of issues that arise in their day-to-day dealings with their beneficiaries.

Different language problems, such as low levels of literacy, were frequently cited by charities as an issue.

- West Lancashire Women's Refuge Limited (1101025) said it was trying to recruit Polish-speaking and Portuguese-speaking volunteers to overcome local language difficulties.
- Low levels of literacy, on the part of people with English as a first or a second language, meant that some beneficiaries were unable to read and understand the service standards of Newcastle-under-Lyme and Kidsgrove CAB (507959).

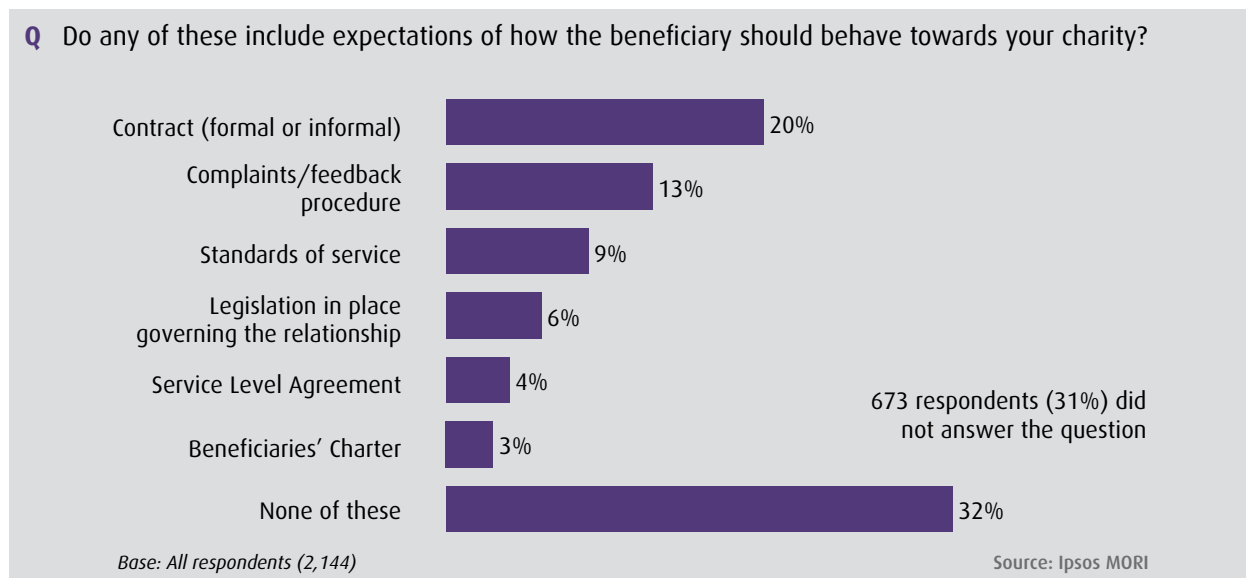
*Findings from Charity Commission visits<sup>25</sup>*

A third of charities surveyed (34%) said they had something formal in place covering the expectations of how beneficiaries should behave towards the charity. One in five (20%) say they have a contract that includes expectations of beneficiaries' behaviour

and around one in eight (13%) have a complaints/feedback procedure that covers this. This was followed by standards of service (9%), legislation (6%), a service level agreement (4%) and a beneficiaries' charter (3%).

<sup>25</sup> As part of our research we visited 52 charities; the charities visited provide services in a wide range of operational areas and deal with many different types of beneficiaries. These visits were conducted by the Charity Commission independently of the research conducted by Ipsos MORI.

**Figure 23: Formal ways of expressing how the beneficiaries should behave towards the charity**



Again, charities that offer at least some services that are fully paid for, are more likely to have arrangements that include expectations of how beneficiaries should behave towards the charity. A third (34%) of charities in our survey with at least some fully paid-for services have expectations of

beneficiary behaviour set out within a contract. This compares to 19% of those charities that offer at least some services for free. Charities that report providing at least some fully paid-for services were also more likely to have complaints/feedback procedures and legislation in place for governing the relationship.

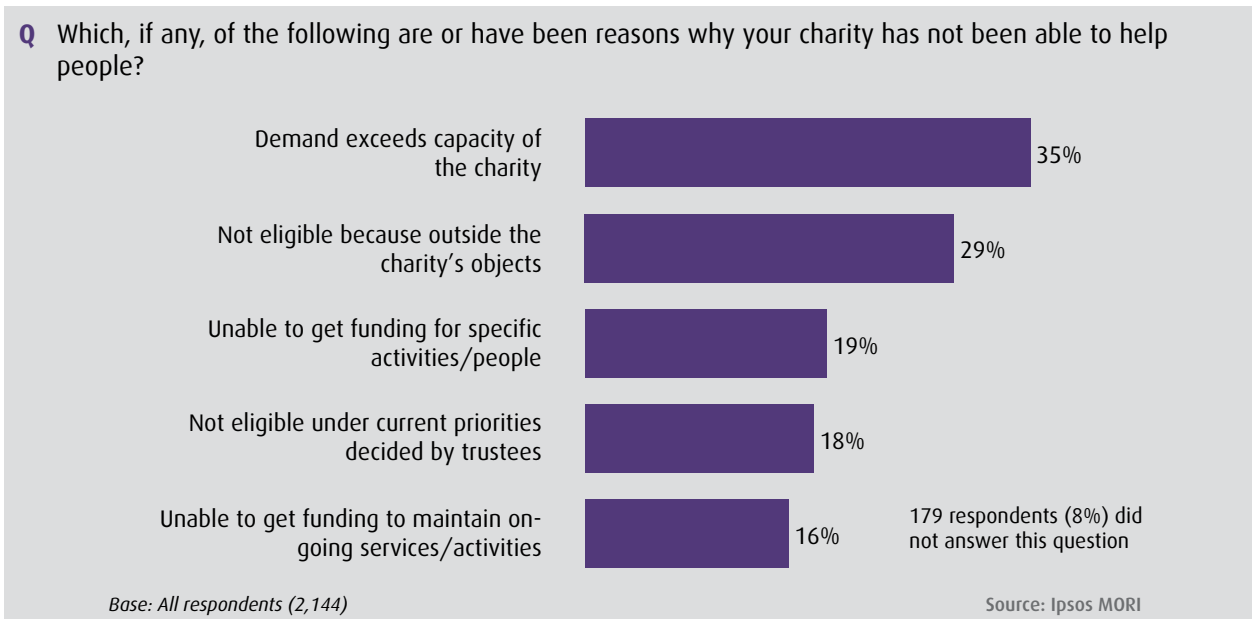
## 2.5 Capacity to help

Charities are not always able to help everyone who asks for assistance or needs it. Our research found that, for the majority of charities in our survey, there are a range of reasons as to why charities cannot always help, rather than there being one single reason.

Many charities would like to help more people, but are restrained from doing so because demand exceeds capacity (35%) or because there is an

inability to obtain funding, either for specific activities/people (19%) or for on-going services/activities (16%). Approaching three in ten charities surveyed (29%) say their charity has been unable to help as the request/need was outside the charity's objects. Around one in five (18%) of the charities surveyed say they have not been able to help people as they are ineligible for assistance under the priorities decided by the trustees at the time.

Figure 24: The reasons why charities have not been able to help all people



A number of trends related to charity size were again seen for this question:

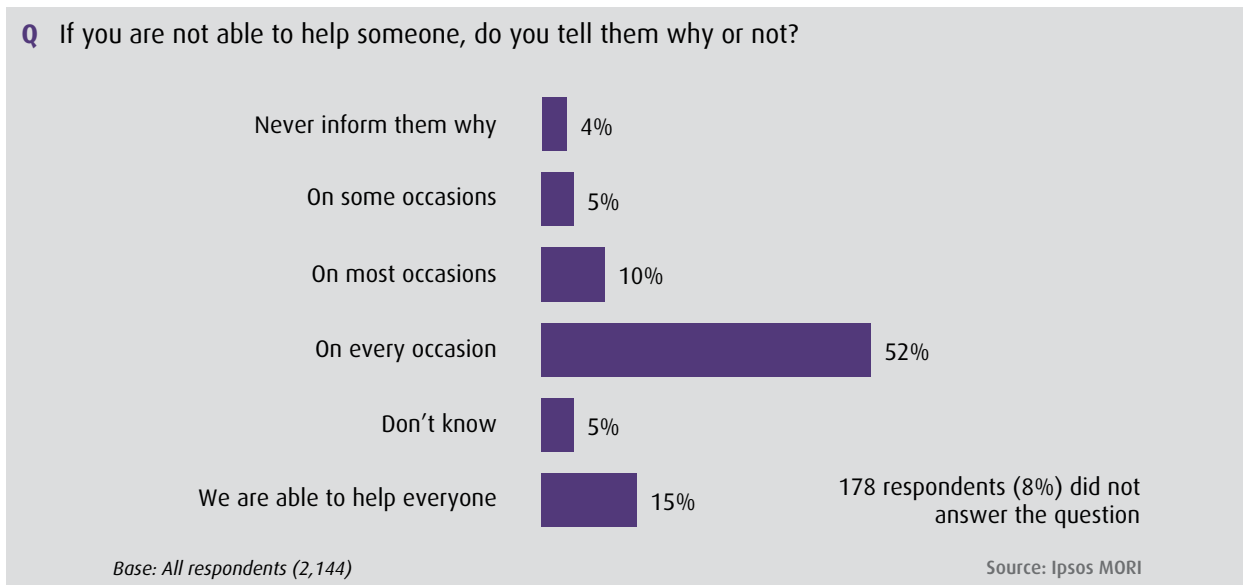
- Small charities were less likely in our survey to select reasons listed in the questionnaire as to why they might not be able to help everyone. Over a quarter (27%) of small charities stated that none of the reasons provided in the questionnaire are the reasons why they cannot help everyone (but they did not offer any other reasons in the space provided to them). A further 14% of small charities did not answer the question or stated 'don't know';
- The larger the charity, the greater the likelihood of their giving excess demand as a reason for why they cannot help everyone. (24% of the small charities surveyed reported that they are sometimes unable to help everyone because demand exceeds the capacity of the charity, but this figure rises to 45% for medium charities, 60% for large and to 61% for very large charities.);
- Likewise, the proportion of charities citing the inability to obtain funds as a reason why they cannot help everybody, generally increases with the size of charity. (The inability to get funding for

specific activities/people was given by 10% of small, 27% of medium, 49% of large and 40% of very large charities. Similarly, the inability to get funding to maintain on-going services/activities was given by 9% of small, 24% of medium, 40% of large and 31% of very large charities.)

Among medium, large and very large charities, excess demand over the charity's capacity was by far the most frequently mentioned reason in our survey for why charities cannot help everyone. While a quarter of small charities also gave this reason, an equal proportion of small charities also said that would-be beneficiaries fell outside the charity's objects making them ineligible for help.

The majority of charities surveyed said that they explain to people why they cannot help them. Around half (52%) reported they will always tell people the reasons why. A further 10% reported that will do so on most occasions, and 5% say that they will do so on some occasions. Only 4% reported that they never provide this information. Around one in seven (15%) of the charities surveyed say their charity is able to help everyone.

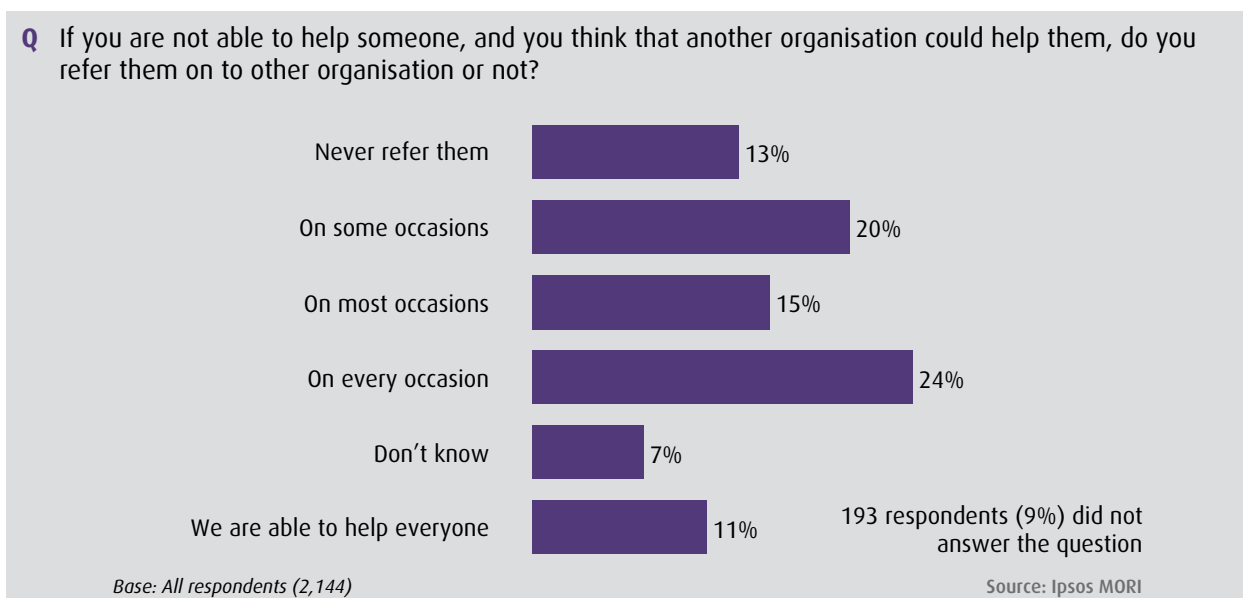
**Figure 25: Telling people if the charity cannot help**



The charities in our survey most likely to tell people every time that they cannot help, are accommodation and housing charities (74%), while those that are involved in religious activities are the least likely to do so (41%).

If a charity is unable to help with a particular request, but thinks that another organisation could, then 39% of the charities surveyed say they would refer people onto that organisation, on most occasions or on every occasion. However, one in five (20%) would only refer people on some occasions and around one in eight (13%) would never do so.

**Figure 26: Referring people elsewhere when the charity cannot help**



12% of small charities did not answer this question and 15% stated that they are able to help everyone. Despite this, a higher proportion of small charities, than larger charities, reported that they never refer

people (17%, compared to 5% of very large charities) and a smaller proportion that they refer people on every occasion (17%, compared to 35% of very large charities).

## 2.6 Communication and consultation

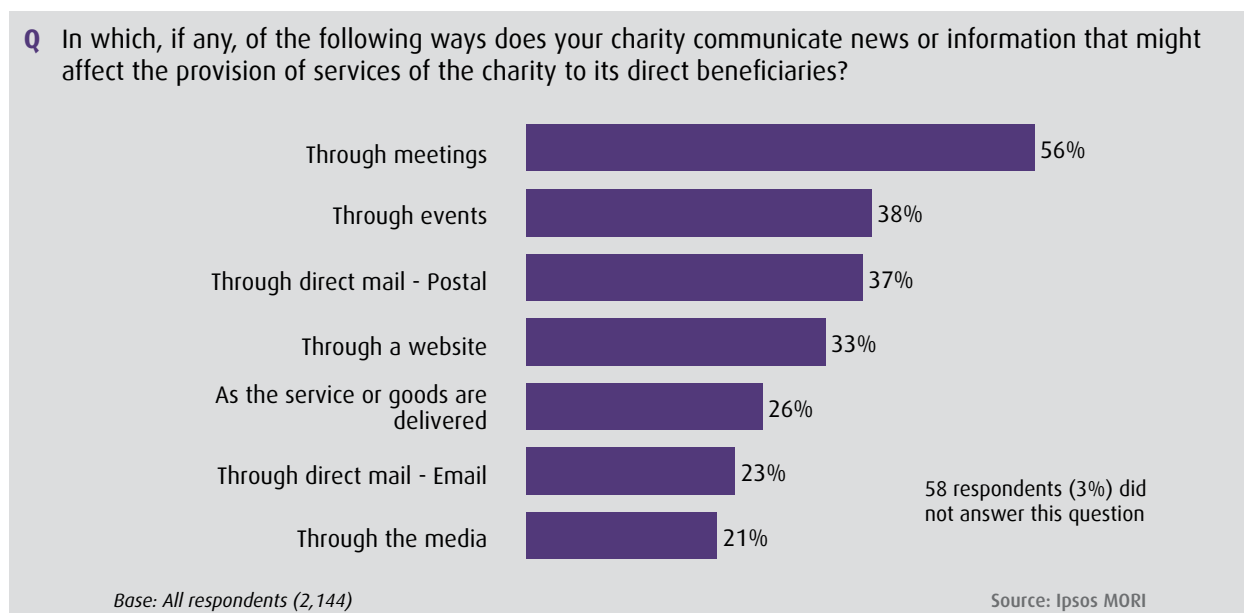
### Communication with beneficiaries

The vast majority of charities surveyed, 87%, use at least one of a range of methods to communicate news and information that might affect the provision of services to their beneficiaries. The most popular approach is via meetings, which more than half (56%) the charities surveyed use. The other most widely reported communication methods used include: through events (38%), direct mail (37%), on

websites (33%), as they deliver the goods/services (26%), using email (23%) and through the media (21%).

A significantly higher proportion of the small charities surveyed, as compared with larger charities, stated 'no communication' in answer to this question (14% of small charities, compared to 5% of medium, 3% of large and 1% of very large charities).

Figure 27: Ways of communicating with beneficiaries



Most of the small charities surveyed, however, said that they do use some of these methods to communicate with their beneficiaries, although the range of methods used is narrower than that used by larger charities. The proportion of small charities utilising each method is also significantly smaller compared to the larger charities. Smaller charities in our survey were more likely to report using methods such as notice boards, notices and posters, although none of these methods were mentioned by more than 10% of small charities.

For each of the communication methods, there are also significant differences between charities with

different purposes. For example, 76% of sports/recreation charities surveyed use meetings to communicate with their beneficiaries, compared to 42% of charities involved in the relief of poverty. As another example, 39% of environment/conservation/heritage charities use the media, while only 13% of religious charities do so.

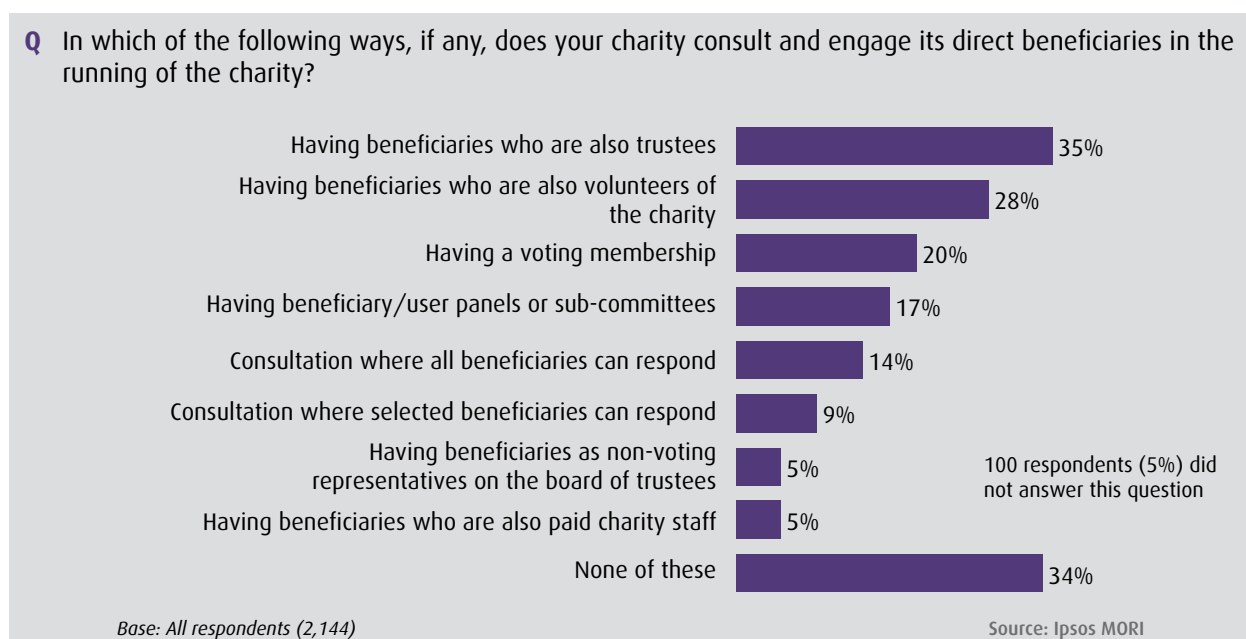
The number of beneficiaries that a charity has is also significant (although, as we are aware, beneficiary numbers are closely linked to the size of the charity in terms of income): charities with higher numbers of beneficiaries are using more communication methods.

## Consulting and engaging beneficiaries

Many of the charities surveyed employ a variety of techniques to consult and engage with their beneficiaries in the actual running of the charity. Around one third (35%) have user trustees and around three in ten (28%) have beneficiaries who are also volunteers in the charity. A fifth (20%) have a voting membership and around one in six (17%)

have beneficiary user panels or sub-committees. Consultations about specific issues, where all or selected members are allowed to respond, are also relatively common (14% and 9% respectively). In total, almost six in ten charities (59%) say they consult and engage with their beneficiaries using at least some kind of method (not all methods given are shown in *figure 28*).<sup>26</sup>

**Figure 28: Ways of consulting and engaging beneficiaries in the running of the charity**



We found some underlying differences in the ways charities consult and engage with their beneficiaries depending on:

**The size of charity:** a smaller proportion of small charities, as compared with larger charities, reported using each of the particular methods listed in *figure 28* as a means of engaging and consulting with their beneficiaries in the running of their charity. The range of methods used was also less extensive. Having beneficiaries who are also user trustees or who are also volunteers is less common among small charities compared to larger charities (29% compared to around 4 in 10 amongst medium, large and very large charities). A similar proportion of small charities to the proportion among the other sizes of charity have a voting membership, but, it is less common for small charities to have in place the other engagement and consultation tools shown in *figure 28* compared to larger charities. Having said this, the majority of

small charities do consult and engage, utilising the tools that they do have at their disposal.

41% of small charities, however, stated that they used none of the methods listed and they did not provide any alternatives in the 'other' section; this compares to 26% of medium charities, 24% of large charities and 17% of very large charities reporting that they did not use any of the listed methods.

**The charity's purpose:** charities with different purposes operate different levels of consultation and engagement with their beneficiaries. For example, those charities surveyed that are engaged in the relief of poverty are much less likely to engage and consult with their beneficiaries in the running of the charity. Over half (58%) of relief of poverty charities stated 'none of these' or did not answer the question about the ways in which they consult and engage with

<sup>26</sup> Apart from the main tools shown in *figure 28*, respondents were able to list any other methods that they use to consult and to engage in the running of their charity. A number of other methods were cited but no individual method was mentioned by more than 4% of charities.

their beneficiaries. This compares to sports/recreation charities (22%) and arts and culture charities (23%) for example.

**Beneficiary number:** the larger the number of beneficiaries a charity has, the more likely it is to engage and consult with these beneficiaries, using a wider range of tools.

**Beneficiary type:** charities in our survey that have beneficiaries who are members of the charity, whether members are charged a fee or not, are considerably more likely to engage and consult with their beneficiaries in the running of the charity than charities with other beneficiary types.

### Case study

Children with Aids Charity (1027816) is a large<sup>27</sup> charity 'set up in 1992 to help the youngest of those infected or affected by HIV and AIDS maintain a good quality of life. It is a national UK charity with the aim of working towards a future without poverty or prejudice for these children and their families.'

The charity runs a number of programmes including the provision of hardship grants, outreach grants and other outreach programmes including work experience at the charity. Some of the programmes may only entail the beneficiary being engaged with the charity for a short time, and on other occasions there are longer-term relationships with the charity in accordance with need.

The charity will regularly invite beneficiaries to feed back comments about the charity's services – eg what helped, what could be done better or changed. Older beneficiaries, including the parents of children living with HIV and AIDS (who are also direct beneficiaries), will be asked for this type of feedback. The charity also encourages younger children who are beneficiaries and who have received hardship grants to send in drawings.

At the year end the charity encourages all beneficiaries to write and provide their thoughts (although this also tends to happen throughout the year) and then will collate and evaluate these comments.

The vast majority of the charity beneficiaries are referred in some way (eg from a local doctor, social services, other charity) and at the end of the year the charity will ask each of the referrers to get in touch with every beneficiary of the charity and ask them to complete a short questionnaire.

The charity also runs events (eg a picnic in London) at which they are able to gather feedback face-to-face from beneficiaries.

The charity considers all this feedback to be very valuable, and it has helped the charity to develop and change the services offered according to changing needs. For example, previously, the transport service that the charity provided (operating in London, Bristol, Manchester, Edinburgh, Glasgow and Oxford) was not used to courier medicines to beneficiaries' houses as it was felt to be important for families not to be reliant on this. However, beneficiaries (and nurses, with whom the charity also consults) identified a need for this, and now the charity does courier medicines in cases when a beneficiary is not well.

The charity also involves young people in the running of the charity. While many are not able to be trustees of the charity as they are too young, or may not want to become involved in a formal trustee role, the charity does invite three young people to be actively involved in the running of the charity. The level of engagement is left up to the young people, but they tend to be the beneficiaries who are taking part in work experience at the charity. The feedback and input that these young people provide, help inform the charity's work.

Information for this case study obtained from in-depth telephone interviews conducted by Ipsos MORI in January and February 2008. For further details about these charity case study interviews please see *Annex A*.

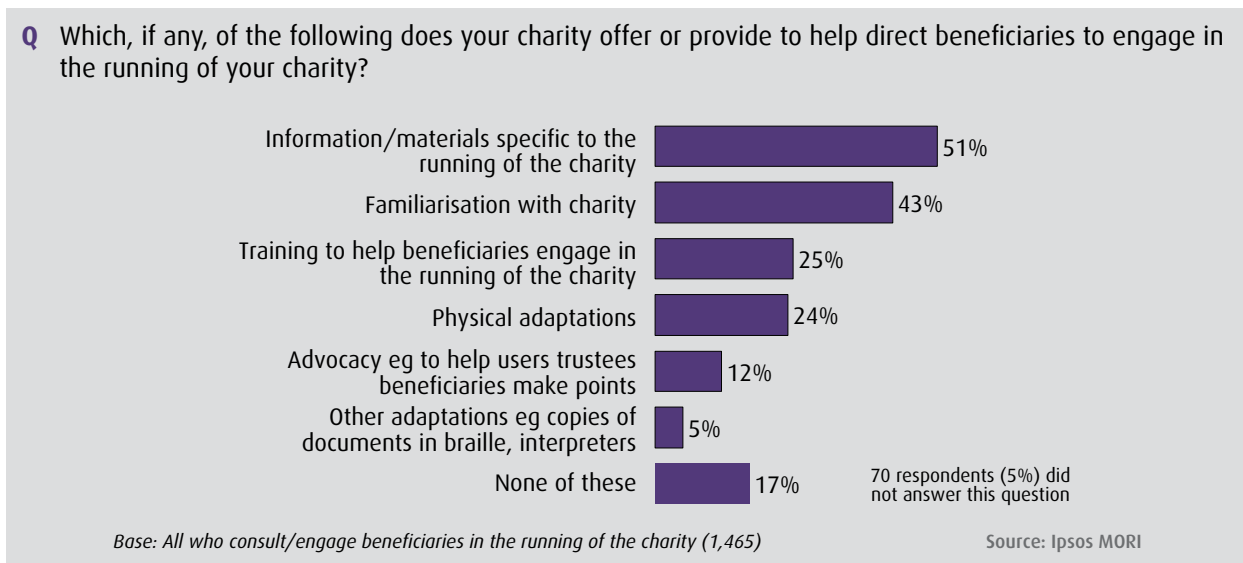
<sup>27</sup> We have described charities as 'small', 'medium', 'large' or 'very large' according to their income band (see table in *Annex A* for more information). This was purely used as a classification for our research purposes and in no way reflects the standing of the charity concerned or makes a judgement on its impact in its own community.

### Facilitating engagement

Charities use a range of approaches to help beneficiaries engage in the running of their charity. The most common approach, used by around half (51%) of the charities surveyed, is the provision of information/materials specific to the running of the charity. A slightly smaller proportion (43%) offer

some sort of familiarisation with the charity, such as an induction. Training is provided by one quarter (25%) and around the same proportion (24%) make physical adaptations to facilitate engagement (such as accessible meeting rooms). Advocacy services are provided by around one in eight (12%) of the charities in our survey.

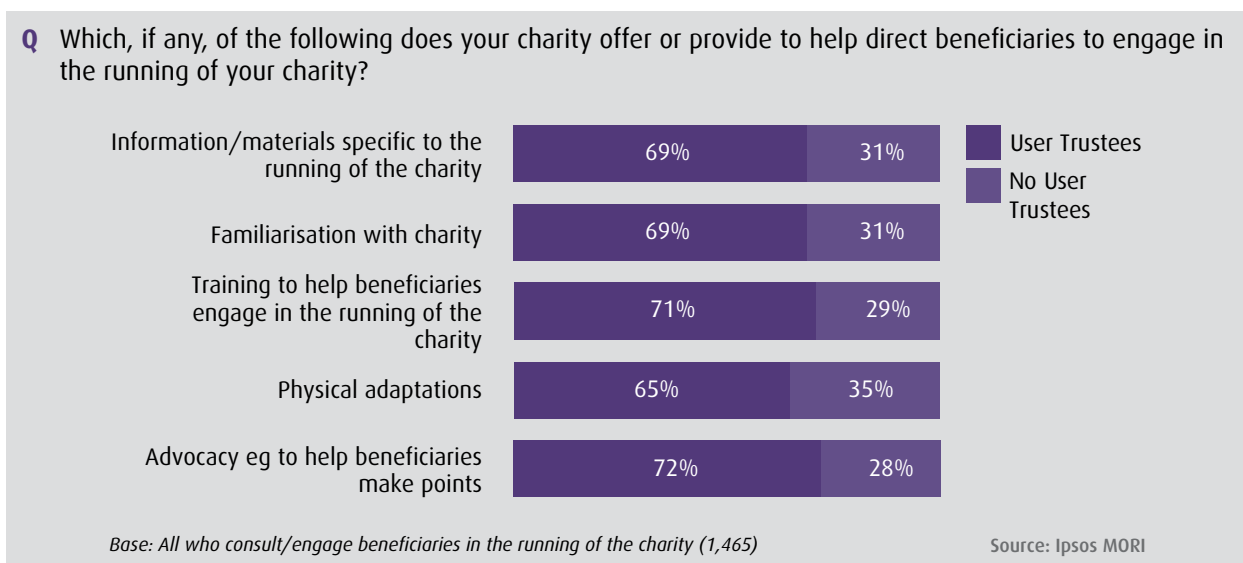
**Figure 29: The help provided to beneficiaries to engage in the running of the charity**



We found that charities with user trustees (ie trustees who are beneficiaries) were more likely to help

beneficiaries engage by using one of the methods in figure 30, than those charities without user trustees.

**Figure 30: Helping beneficiaries to engage – split by whether the charities have user trustees or not**



We found that small charities are the least likely to offer or provide help to beneficiaries to engage in the running of the charity. For example, only 43% of the small charities surveyed provide their beneficiaries

with information/materials specific to the running of the charity, as compared with 56% of medium charities and 67% of very large charities.

### Service evaluation and consulting/engaging beneficiaries

- A national charity that helps promote independent living for disabled people, the National Centre for Independent Living (1113427), holds regional consultation events: the results of these discussions are fed to board away days, so influencing the charity's planning over the coming year.
- Early Break (1072052) is a charity that offers a range of services to young people with drug/alcohol problems. It ensures its clients have input into a range of the charity's activities. Clients hold regular meetings and have assisted with staff interviews, contributed to funding applications, created promotional articles and material and have taken advantage of media training by featuring on radio broadcast and television productions. The charity's ethos is to empower and involve young people at every level: placing responsibility on young people in this manner opens up avenues to education and work experience and is crucial for personal development.
- Both formal and informal methods are used by Palfrey Community Association (1099698) to consult and engage with its beneficiaries. Formally, the charity holds open management committee meetings to give users in the community direct access to their representatives. The charity also has current and former service users on the management committee (trustee board). More informally, many of the charity's trustees are also active in the community, helping the charity to obtain wider informal feedback.
- The Children's Liver Disease Foundation Limited (1067331) told us about the electronic forum it runs on its website to help beneficiaries raise issues for the charity to consider. To ensure inappropriate material is not posted, the charity has introduced usage protocols and actively manages the site with regular checks.

*Findings from Charity Commission visits<sup>28</sup>*

### Consulting and engaging through user trustees

Over a third (35%) of the charities surveyed have user trustees. From our survey, it was found that the more trustees a charity had overall, the more likely the charity was to have user trustees. Table 2 shows for example that among those charities that have

between one and three trustees, only 18% of these charities have user trustees (ranging between one and three). However, among those charities with ten or more trustees, over half indicated they have user trustees, with a quarter of these charities (26%) having ten or more user trustees.

<sup>28</sup> As part of our research we visited 52 charities; the charities visited provide services in a wide range of operational areas and deal with many different types of beneficiaries. These visits were conducted by the Charity Commission independently of the research conducted by Ipsos MORI.

**Table 2: The relationship between the number of user trustees and the total the number of trustees<sup>29</sup>**

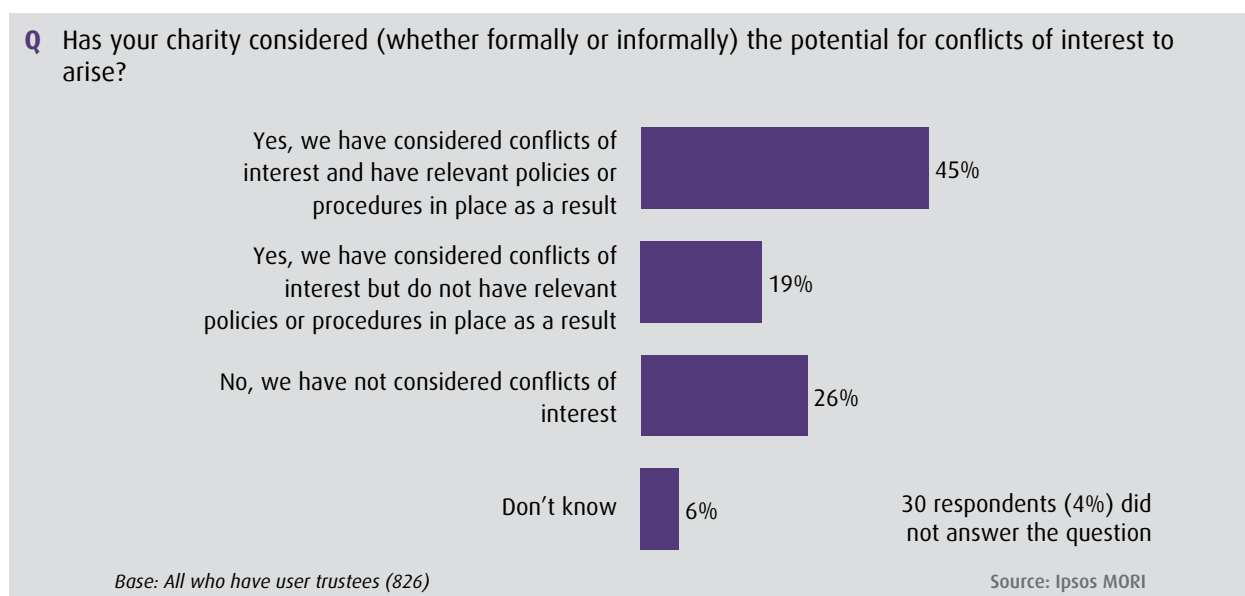
Number of user trustees <sup>#</sup>	Number of trustees <sup>*</sup>				Overall
	One - Three	Four - Six	Seven - Nine	Ten or more	
No user trustees (or answered don't know or did not answer the question)	82%	75%	62%	48%	<b>11%</b>
One - three user trustees	18%	11%	11%	11%	<b>34%</b>
Four - six user trustees	0%	14%	7%	8%	<b>23%</b>
Seven - nine user trustees	0%	0%	19%	6%	<b>15%</b>
Ten or more user trustees	0%	0%	0%	26%	<b>18%</b>
<b>Overall</b>	<b>18%</b>	<b>33%</b>	<b>18%</b>	<b>23%</b>	

Base: <sup>\*</sup>All respondents (2,144) were asked how many trustees they had Source: Ipsos MORI  
<sup>#</sup> All respondents who indicated they had user trustees (826) were asked to indicate how many user trustees they had

Approaching half (45%) of the charities with user trustees in our survey have considered the potential for conflicts of interest to arise and have put relevant policies/procedures in place to address this. However, around one in five (19%), although having considered

the potential for conflict of interest, have not subsequently implemented any policies/procedures to address this, and around one quarter (26%) have not considered the potential for conflict of interest at all.

**Figure 31: Consideration of a conflict of interest by having user trustees**



<sup>29</sup> The data presented in this chart is based on how charities answered three different questions about how they consult and engage their direct beneficiaries in the running of the charity, the number of trustees the charity has in total, and the number of user trustees the charity has (if applicable).

Larger charities were significantly more likely in our survey to have considered the potential for conflicts of interest to arise with their user trustees and have

relevant policies in place: 82% of very large charities reported this, compared with 74% of large charities, 50% of medium charities and 33% of small charities.

### Experiences with user trustees

The Bangladeshi Women's Association (1117481) said that its trustees believe the involvement of beneficiaries at trustee level has been a key factor in the success of the charity.

Palfrey Community Association (1099698) has a board that includes a mix of beneficiaries and former beneficiaries to help ensure the charity is able to meet community needs and expectations.

Despite wanting to engage beneficiaries at trustee level, this is not always easy:

- A homelessness prevention charity, Catholic Housing Aid Society Bradford (244980), has encouraged beneficiaries to stand for election, but without success. The charity feels that this is understandable since beneficiaries are often unable to commit due to their vulnerable circumstances.
- Pecan (801819) helps unemployed people secure fulfilling employment opportunities but has found it difficult to get beneficiaries involved in the running of the charity. Beneficiaries are with the charity for a defined length of time for a defined outcome; they then move on and contact with the charity ends.
- The Warehouse (Dudley Drug Project – 1020293) offers help to people with drug and alcohol problems and their families. It has found it hard to engage beneficiaries, who often have complex problems related to drug and alcohol use. The trustees have discussed the subject of user trustees in the past. The charity has managed to involve some clients in strategic planning days, but these clients tend to be advanced in their treatment and nearing the point when they no longer need to rely on the charity.

Amadudu Women's Refuge (702347) said that they thought it inappropriate for current beneficiaries and residents to join the trustee board, but that they think former beneficiaries can bring valuable experience. It is often the case, therefore, that former beneficiaries are appointed as trustees only after a suitable period of time has elapsed from them being beneficiaries. Care has been taken to ensure that ex-residents have no existing links or knowledge of current residents when joining the board to ensure confidentiality.

Although having some ex-users on its board, Kensington and Chelsea Mental Health Association (1002986) thought it inappropriate to have current beneficiaries as trustees. Instead, it has a service user advisory structure in place that provides direct advice and feedback to trustees.

A charity that provides employment services for adults with learning disabilities, Osborne Partnership (1087444), said it has two associate members who are individuals with learning disabilities and who attend board meetings; they are not full board members but they are consulted on issues as appropriate. A member of staff assists them if they need support, such as making a prepared statement.

Children's Liver Disease Foundation (1067331) is a charity that fights children's liver disease through research, education and support. The charity did not want to see the involvement of parents on its board as tokenism. It therefore provided support and training to family members to inform and empower them to make a full contribution to the charity; three family members are now on the board.

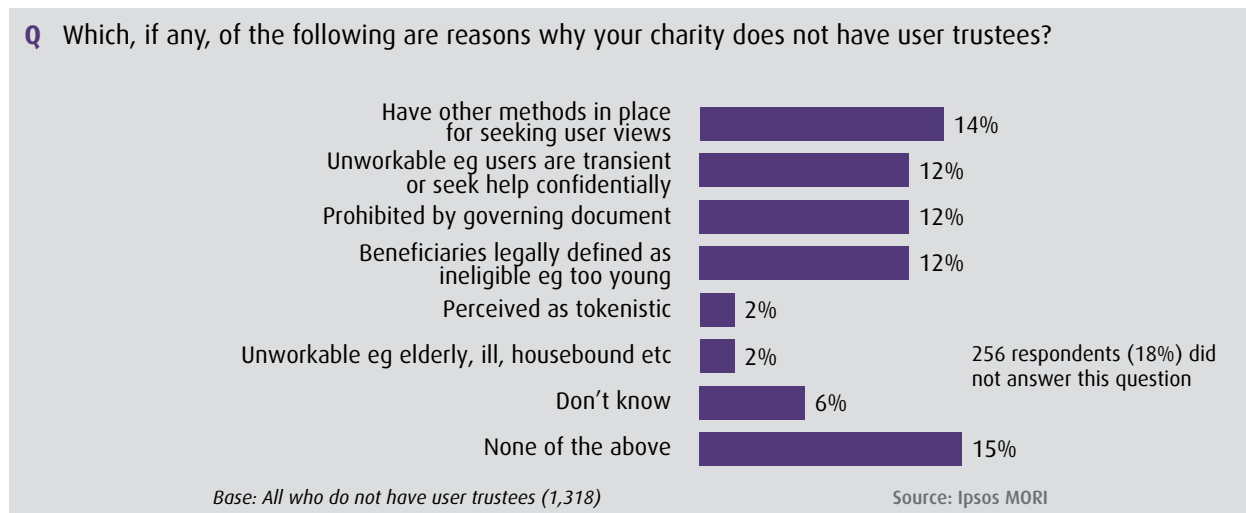
*Findings from Charity Commission visits<sup>30</sup>*

There are a number of reasons cited in our survey as to why charities do not have user trustees. These reasons include: having other methods in place to seek users' views (14%); that having user trustees would be unworkable – for example, because of the

transient nature of their beneficiaries (12%); that their beneficiaries cannot be user trustees for legal reasons, such as being too young (12%) or because their governing document prohibits the charity from having user trustees (12%).

<sup>30</sup> As part of our research we visited 52 charities; the charities visited provide services in a wide range of operational areas and deal with many different types of beneficiaries. These visits were conducted by the Charity Commission independently of the research conducted by Ipsos MORI.

**Figure 32: Why charities do not have user trustees**

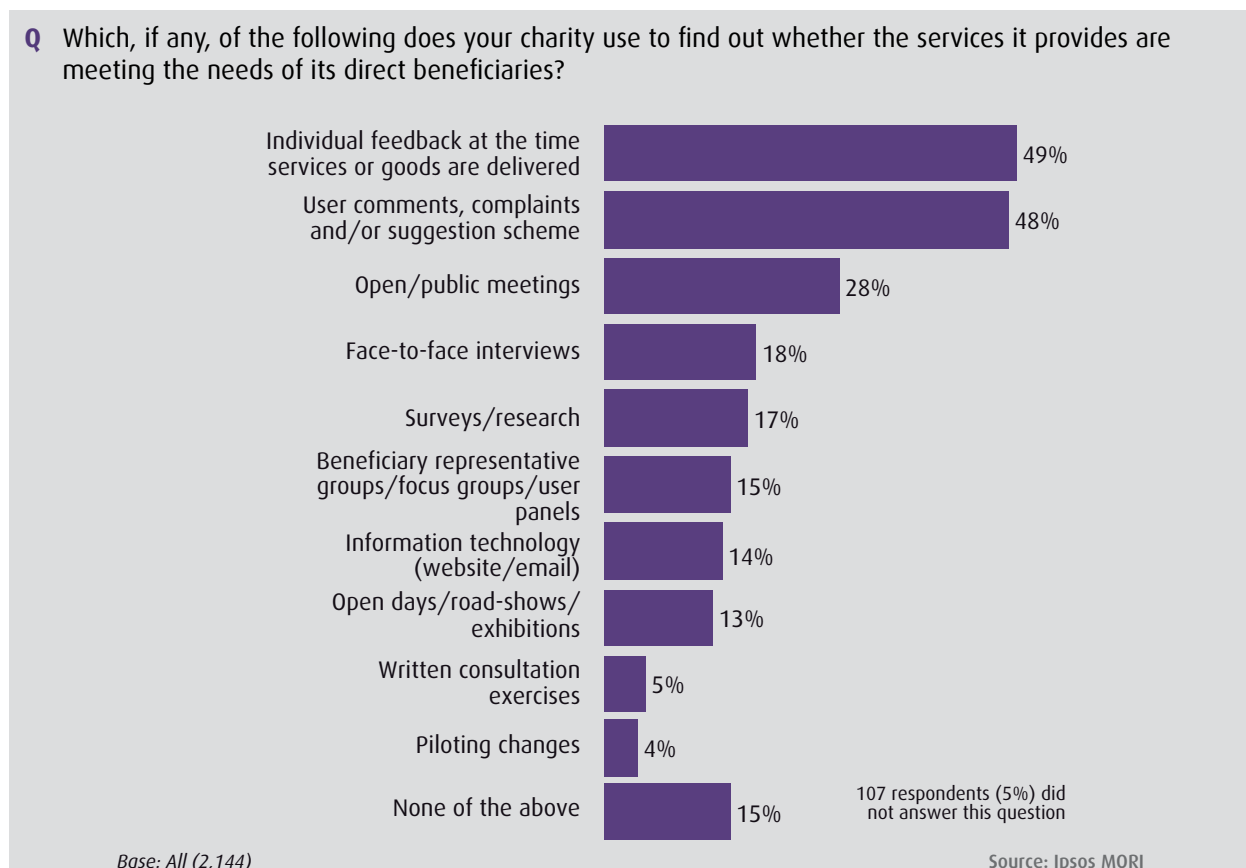


## 2.7 Service evaluation

The large majority (79%) of charities surveyed evaluate whether their services meet the needs of

their beneficiaries. They do this by utilising a range of different tools, some formal and some less so.

**Figure 33: How charities evaluate their services**



The most frequently reported methods used by charities for evaluating whether or not their services are meeting the needs of their beneficiaries, were: individual feedback at the time that services or good are delivered (49%), and user comments, complaints, and/or suggestion schemes (48%). By their very nature these two methods place more emphasis on the beneficiaries feeding back to the charity, rather than the charity more proactively and comprehensively seeking out views.

However, many charities also use a range of other methods for evaluating their services:

- 28% use open/public meetings;
- 17% conduct research/surveys;
- 14% obtain feedback via technology, such as through a website or by email; and
- 13% use open days, road-shows and/or exhibitions.

### Case study

The Jubilee Debt Coalition (1055675), known as the Jubilee Debt Campaign, is a medium-sized<sup>31</sup> charity working towards 'the 100% cancellation of unpayable and unfair poor country debts.' About \$88 billion of debt has now been cancelled, releasing over \$2 billion a year for additional social spending.

The charity's direct beneficiaries are people living in extreme poverty in countries where the national debt burden drains financial resources for debt repayment that could otherwise be used for health, education and other social investment.

The charity's wider beneficiaries are the individuals involved in the member organisations of the campaign coalition (national organisations and local/regional groups).

This UK-based charity, with direct beneficiaries overseas that can number entire populations, obtains feedback from, and measures the direct effectiveness of, its activities on its direct beneficiaries:

- The Campaign conducts an annual 'stock-take' on what has been achieved on the issue of debt in that year, including how politicians, government and international institutions have moved.
- The charity monitors the reports that many individual countries produce on how they spend the money that they have gained through debt relief; in this way the charity can assess the impact of the debt relief for which they are campaigning.
- Through its many partner organisations overseas, the charity obtains feedback on the effect of debt relief and the other activities that the Campaign promotes.

The Campaign regularly communicates with – and obtains feedback from – its wider beneficiaries, using, for example, regular newsletters (every two months), emails and information on the Campaign's website. In addition:

- The Campaign's Working Group meets regularly to discuss future campaigns and feedback on what has gone well before and where there have been difficulties.
- Member organisations (both national organisations and local/regional groups) are all eligible to put someone forward for election onto the board of trustees of the charity. The secretariat of the Campaign inducts all new trustees, providing them with comprehensive induction material and introducing them to each charity staff member in order that the new trustee can gain an insight into what staff members do.

Information for this case study obtained from in-depth telephone interviews conducted by Ipsos MORI in January and February 2008. For further details about these charity case study interviews please see *Annex A*.

<sup>31</sup> We have described charities as 'small', 'medium', 'large' or 'very large' according to their income band (see table in *Annex A* for more information). This was purely used as a classification for our research purposes and in no way reflects the standing of the charity concerned or makes a judgement on its impact in its own community.

As with consultation and engagement, we found some underlying differences depending on:

**The size of charity:** eight in ten of the small charities surveyed evaluate their services in some way but

do not use as wide a range of methods as the larger charities. In addition, the methods that they do use, tend to be less resource intensive.

**Table 3: How charities evaluate their services by size of charity**

	Small (Base 503)	Medium (Base 640)	Large (Base 443)	Very Large (Base 525)
Individual feedback at the time services or goods are delivered	40%	58%	69%	64%
User comments, complaints and/or suggestion scheme	39%	58%	68%	73%
Open/public meetings	25%	32%	29%	33%
Face-to-face interviews	11%	25%	37%	42%
Surveys/research	8%	24%	48%	54%
Beneficiary representative groups/focus groups/user panels	8%	20%	34%	49%
Information technology (website/emails)	6%	22%	31%	42%
Open days/road shows/exhibitions	8%	17%	24%	33%
Written consultations	1%	8%	16%	19%
Piloting changes	1%	5%	14%	14%

Source: Ipsos MORI

**The charity's purpose:** in the main, most of the charities surveyed, whatever their purpose, reported carrying out some form of evaluation of their services. However, those charities that we surveyed that were working to relieve poverty, running religious activities, and those that have a general charitable purpose, were the most likely types of charities to report that they did not engage in evaluation activity. We also found that the extent to which charities used particular evaluation methods differed according to what the charities' purpose was. For example:

- surveys/research: general charitable purpose charities (14% used this method) compared to arts/culture charities (26%);
  - information technology: arts/culture charities (26% used this method) compared to religious charities (10%); and
  - open days/road shows/exhibitions: environment/conservation/heritage charities (29% used this method) compared to religious charities (5%).
- user comments, complaints and/or suggestion scheme: relief of poverty charities (38% used this method) compared to accommodation/housing charities (63%);

**Beneficiary number:** our survey found that the more beneficiaries a charity has, the more likely it is to evaluate and obtain feedback on its services, and the more likely it is to use a wider range of evaluation methods. Although still needing feedback, charities with very small numbers of beneficiaries (tending

to be the smaller charities) may use more informal methods, and may have less need for more resource-intensive methods for obtaining feedback, particularly when compared to charities that have hundreds or thousands of beneficiaries.

### Case study

The Thorngate Almshouse Trust (226587) is a very large<sup>32</sup> charity that provides and maintains almshouses for poor people of 50 years of age or older. The charity operates locally in the borough of Gosport. The total number of beneficiaries of the charity is around 200, in almshouses and a care home.

The charity always consults residents and involves them in plans that might affect the services that are provided by the charity. As the beneficiaries are residents, either in the almshouses or the care home, the charity is able to communicate with them in a personal, face-to-face manner. This two-way communication allows the charity to both provide information to, and obtain feedback from, the residents.

Regular communication takes place through the warden scheme that operates in the almshouses and the staff at the care home. Wardens are able to communicate information to the residents, and residents can pass on views and feedback to the charity.

Appointed representatives of the almshouses (two from each of three schemes) also meet quarterly with the chairman of the trustees. In these meetings the representatives are able to pass on any views, complaints or suggestions for improvements.

If deemed necessary, the charity also holds meetings with all residents to tell them of any major undertakings that will affect them.

Information for this case study obtained from in-depth telephone interviews conducted by Ipsos MORI in January and February 2008. For further details about these charity case study interviews please see *Annex A*.

### Charities that do not evaluate

The most common explanation given by the charities that we surveyed, as to why they do not evaluate whether their services are meeting the needs of beneficiaries, is a lack of time/staff/money (15%).

Other reasons given in our survey for not evaluating services include:

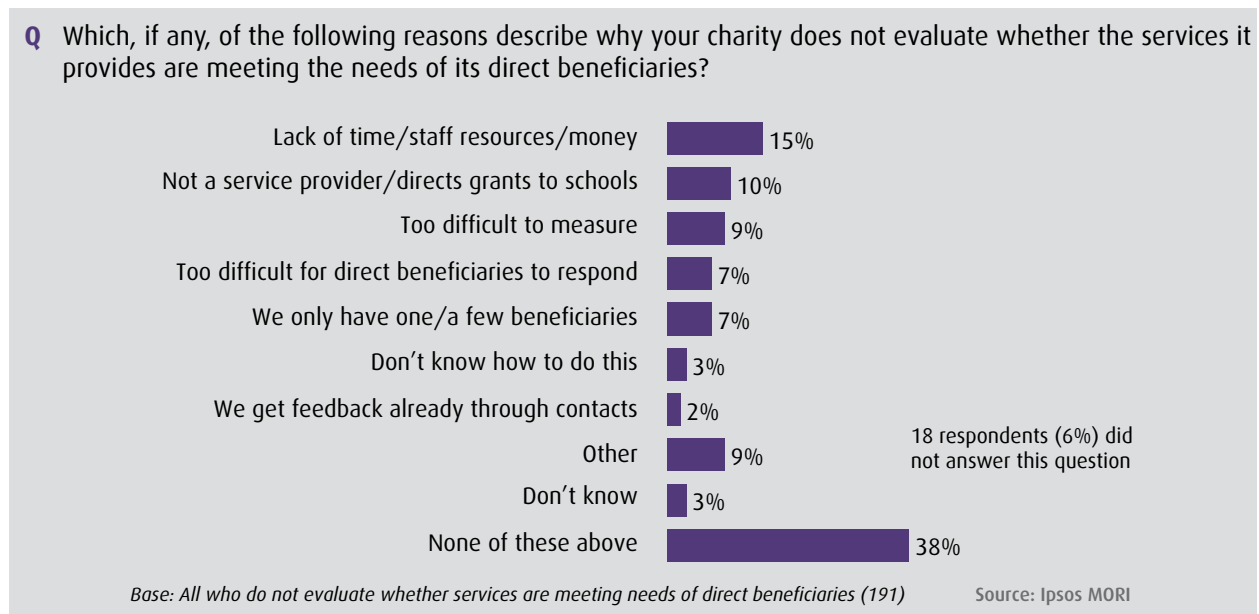
- the nature of the work done by the charity, for example because it is not a service provider or it directs grants to others (10%);
- it is too difficult to measure whether services are meeting the needs of beneficiaries (9%);

- it is too difficult for beneficiaries to respond (7%); and
- the charity believes the number of beneficiaries, size of charity and/or amount of money paid does not warrant evaluation (7%).

In our report, *Cause for Complaint*, anecdotal evidence from our qualitative research revealed a perception among some charities that having a complaints procedure is likely to encourage complaints. However, these survey findings showed that none of the charities surveyed stated that the reason why they did not evaluate their services was because it might encourage people to complain (this was included in the answer options but not selected by any respondent).

<sup>32</sup> We have described charities as 'small', 'medium', 'large' or 'very large' according to their income band (see table in *Annex A* for more information). This was purely used as a classification for our research purposes and in no way reflects the standing of the charity concerned or makes a judgement on its impact in its own community.

**Figure 34: The reasons why charities do not evaluate their services**

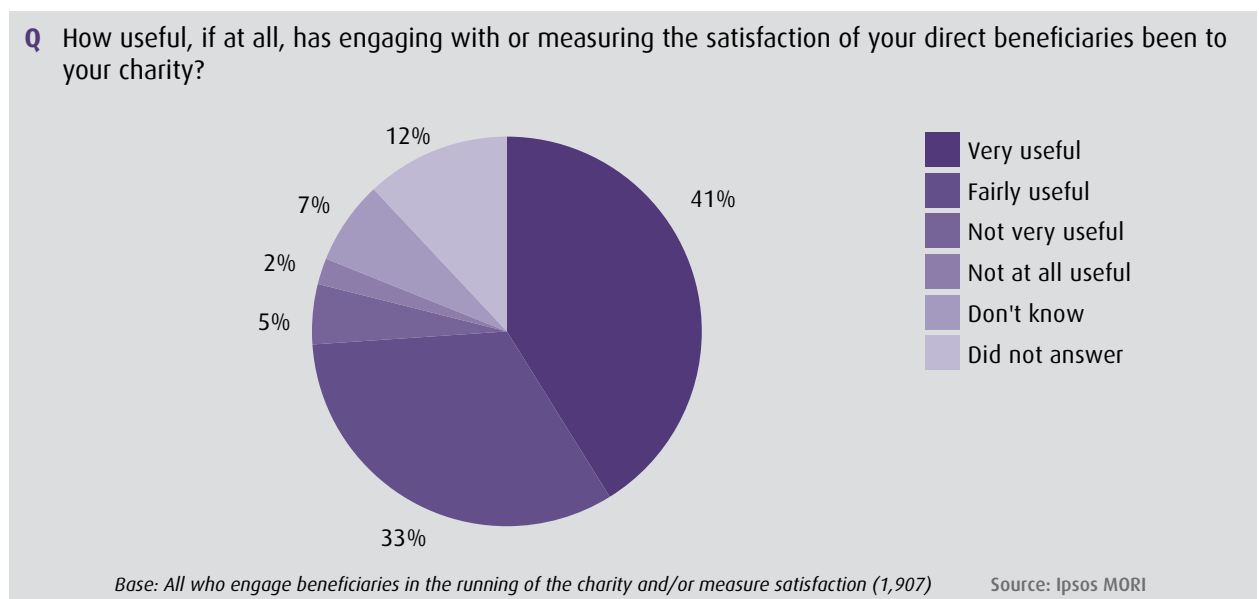


## 2.8 Engagement and evaluation: the rewards

Most charities which reported engaging their beneficiaries in the running of the charity and/or evaluating their services, said that they found these useful exercises that have informed real change within their charity.

Engaging beneficiaries and/or measuring satisfaction was felt to be useful by three-quarters (74%) of charities in our survey. Of these, four in ten (41%) felt these activities to be very useful and a further third (33%) fairly useful. This compares to only 7% of charities which said that they did not find these activities useful.

**Figure 35: The usefulness of engaging beneficiaries and evaluating services**



The larger charities surveyed were much more likely to find engagement with their beneficiaries and evaluation of their services useful. For instance, while a majority of small charities reported finding these activities useful (63%), a much higher proportion of large and very large charities reported this (90%).

Charities, across the range of different charitable purposes, reported finding evaluation and engagement activity useful, but some charities with particular types of charitable purpose reported finding this activity more beneficial than others. For example, across the range of charitable purposes, a greater proportion of charities working in accommodation/housing reported finding engagement and evaluation activity useful (86% of this type of charity found this activity to be very or fairly useful, with 56% of them saying that they found it very useful). This compares with a much smaller proportion of charities working in the area of religious activities finding engagement and evaluation activity useful (63% of this type of

charity found this activity to be very or fairly useful, with 32% saying they found it very useful).

The more beneficiaries a charity has, the more likely it is to find evaluation of its services and engaging beneficiaries in the running of the charity useful, or very useful.

According to our survey, there are many ways in which evaluating services and engaging beneficiaries in the running of the charity have helped charities. Overall, two-thirds (69%) said they have helped to inform change within the charity. Over a third said that it changed the services or goods the charity provides (37%) and a similar proportion said that it informed the charity's strategy (34%). Over a quarter (28%) believe that it informed changes to the charity's policies and procedures and a fifth (20%) that it changed the working relationship between the charity and its beneficiaries.

**Figure 36: How engaging beneficiaries and evaluating services has helped charities**



Engagement and evaluation have helped larger charities in more ways than smaller charities. For example, while 56% of very large charities in our survey said that evaluating services and engaging beneficiaries had changed the services or goods the charity provides, only 29% of small charities said this.

Almost a fifth (19%) of small charities gave no reason why engaging beneficiaries and evaluating services had helped the charity; the figure falls to 12% of medium charities, 6% of large and to just 3% of very large charities.

## Detailed findings: 3. Close-up on beneficiaries

Seven in-depth telephone interviews with charity beneficiaries were conducted by Ipsos MORI to explore first-hand their experiences in using the services of charities as direct beneficiaries. Although they cannot be taken as representative of every beneficiary, their experiences do touch on some of the themes that came out of the charity and public/beneficiary surveys.<sup>33</sup>

### Establishing contact with the charity

The beneficiaries contacted the charities in a number of different ways. One beneficiary had always known about the charity, for example, while another had seen an advert on television.

The feeling of not being entirely comfortable approaching a charity, reported by our surveys, was echoed by one beneficiary.

*'We were advised through the Doctor's surgery and the nurse there, [name of nurse], [said] would I go there and quite shakingly and quite worried I did go...'*

Two beneficiaries had received the charity's contact details from friends. One beneficiary, following his own experience with a charity, actively referred others to the same charity. These cases illustrate just how important a good reputation and word of mouth can be.

### Nature of services used

For some beneficiaries, the service was quite physical or material in nature, with a relatively brief period of contact with the charity. For example, one beneficiary had his wheelchair serviced by a charity.

For others, the benefit they received was more psychological in nature; obtaining advice or support for example, with contact taking place more frequently and over a longer period of time. Such help included receiving advice from a local Citizens Advice Bureau, counselling to help overcome addiction and help and support provided to a couple where one partner had suffered a brain injury. In another case, where the charity took a parent's seriously ill child on holiday to Florida, the benefit was more time-limited.

### Tailoring of services

Beneficiaries highlighted instances where they felt charities had tailored their services. These ranged from ensuring contact was always made by the same person from the charity, arranging to visit at a convenient time, to providing a service that felt very personal and caring.

*'The nurses sit with them; talk with them, making sure they're comfortable. [name of husband] loved the sea, so they made sure he had a chair overlooking the sea.'*

### Communication with the charity

As seen in the charities survey results, the frequency and nature of contact with charities are linked to the nature of the service being provided. Frequent and face-to-face communications were appropriate with some beneficiaries.

*'They did say, look if you get any problems, just give us a ring and we'll be there.'*

For others, being able to contact the charity over the telephone if they needed to was sufficient. One beneficiary had on-going contact with a charity for four years. No beneficiaries told us that the charity could have done more to communicate with them.

### Outcomes for beneficiaries

While some self-identified beneficiaries in the main survey stated that they did not benefit very much, or not at all from the work of a charity, all the beneficiaries who were interviewed recounted positive outcomes from their contact with the charities, though we recognise that only a very small number of beneficiaries were interviewed. Many of those interviewed mentioned how they felt the

<sup>33</sup> Interviews conducted via telephone by Ipsos MORI in June and July 2008. For further details of these beneficiary in-depth interviews please see Annex A.

charity had helped them in a way that, at the time of establishing contact at least, they felt nobody else could.

The positive emotional/psychological support derived from their contact was also mentioned by some. This has important implications for charities and funders when trying to evaluate the effectiveness of services and trying to measure satisfaction: not all outcomes are tangible and easily measured.

### Gauging satisfaction

The vast majority of charities in our survey did evaluate whether their services met the needs of their beneficiaries. Some beneficiaries were asked directly about the services they had received.

*'I used to get papers and that to fill in. Was I happy with their care? Was I satisfied with their responses? Was there anything I could think of that could be beneficial to them?...'*

Others could not recall explicit attempts by the charity to gauge or measure their satisfaction, perhaps mirroring the relatively lower proportion of charities in our charities survey that proactively seek out beneficiary views.

*'Maybe by way of mouth they might have said to me are you happy with the [service]... and they say if there is anything we can do for you don't hesitate to come back.'*

All the beneficiaries we interviewed, however, felt that the 'door was open' if they needed to get in touch, and all stated they were satisfied with the service/benefit they had received.

*'I never thought I'd be any good for anything and it [the charity] has given me that purpose in life to do these things and actually to help other people.'*

# Annex A – Research method

## Public/beneficiary surveys

We commissioned Ipsos MORI to carry out two separate surveys of adult members of the general public. For each survey, questions were placed on the Ipsos MORI Omnibus, where a representative sample of adults aged 15 years and over, living in England and Wales were interviewed.

The first survey involved 1,881 adults and was conducted between 4 and 10 January 2008. The second survey was conducted between 4 and 10 April 2008 when 1,857 adults were interviewed. As a guide only, the surveys have a maximum sampling tolerance not exceeding +/- 2% at a 95% level of confidence.<sup>34</sup>

Fieldwork for both Omnibus surveys was carried out by Ipsos MORI using CAPI (Computer Assisted Personal Interviewing). All interviews were conducted face-to-face, in the home – one interview per household. No incentives were offered to respondents. For each of the questions asked, respondents were prompted with show-cards detailing the answer options available to them.

Analysis for each survey was carried out in-house by Ipsos MORI. The data have been weighted for each survey to the known population of adults aged 15 years and older across England and Wales. This is to adjust for any variance in the quotas or coverage of individual sampling points.

Some questions were included in both Omnibus surveys. Where indicated in the report, the results for these repeated questions have been combined. The combined results have been weighted using the separate weighting schemes for the two separate surveys rather than applying a new weighting scheme to the combined sample.

## Charity survey

We also commissioned Ipsos MORI to carry out a postal survey sent out to a random sample of 5,690 registered charities across four income bands.<sup>35</sup> The fieldwork was carried out between 23 November 2007 and 4 January 2008. The questionnaire was addressed to the main charity contact as held on the Charity Commission Register.

In order to reduce the potential research fatigue among charities on the Register, all charities that had been previously contacted to take part in other research within 18 months of this survey were excluded. A random sample was then chosen by the Charity Commission from the remaining charities. Ipsos MORI calculated the effect of excluding charities from particular sub-sections (such as charities that work overseas) to ensure the random sampling was not adversely skewed as a result.

The postal survey achieved a good response rate of 38%. In total, 2,144 completed forms were returned for analysis. As a guide only, this allows for a maximum sampling tolerance not exceeding +/- 5% at a 95% level of confidence.<sup>36</sup>

<sup>34</sup> In other words, the survey response rate was high enough to say that, if the same population were surveyed again using the same procedures, the chances are that the results would probably vary by no more than +/- 2% from the same result. Since quota sampling rather than purely random sampling was employed, tolerance calculations can only be used as a guide. (Quota sampling involves setting quota values for different demographics, such as males and females, which are proportionate to the adult population as a whole.)

<sup>35</sup> This figure was calculated through working out a target response overall and a proportionate target response for each of the income bands used to stratify the sample (based on a target confidence interval of +/- 2% overall and +/- 4% for each of the income bands). Then using an estimated response rate of 40% the total number of charities invited to take part can be calculated.

<sup>36</sup> In other words, the survey response rate was high enough to say that, if the same population were surveyed again using the same procedures (including the weighting procedure), the chances are that the results would probably vary by no more than +/- 3% from the same result. Since there was an element of self-selection in our survey, tolerance calculations can only be used as a guide.

Size of charity	Income band	Number of questionnaires sent	Number of questionnaires returned	Response rate as % of total returned
Small	£10,000 or less	1,472	503	34%
Medium	£10,001 - £250,000	1,482	640	43%
Large	£250,001 - £1 million	1,399	443	32%
Very large	Over £1 million	1,337	525	39%
	<b>Total</b>	<b>5,690</b>	<b>2,144*</b>	<b>38%</b>

\* 33 respondents included in this total figure did not stipulate their charity's income size

Source: Ipsos MORI

Data entry and analysis were carried out in-house by Ipsos MORI. Large and very large charities were over-sampled in order to ensure that a robust base was collected for these two income bands. A weighting scheme was then applied in order to weight the data

back to the true profile of the Register according to the four main charity income bands. The weighting allows results in our survey for the different income bands to be combined and to be reported at an overall level.

Income band	Number of questionnaires returned	Number of questionnaires mailed as % of total sample	% of charities on the Register <sup>37</sup>	Weighting factor	Weighted sample size
£10,000 or less	503	26%	56%	2.4	1,191
£10,001 - £250,000	640	26%	35%	1.2	745
£250,001 - £1 million	443	25%	5%	0.2	108
Over £1 million	525	23%	3%	0.1	67
<b>Total</b>	<b>2,144*</b>	<b>100%</b>	<b>100%</b>	-	<b>2,144*</b>

\* 33 respondents included in this total figure did not stipulate their charity's income size

Source: Ipsos MORI

Thirty-three respondents did not state the income size of the charity concerned. The Commission normally includes charities that have not specified their annual income on their Annual Return in the 'small' (under £10k) category on the Register. However, as the survey data was weighted by charity size according to the details provided on the questionnaire, it was decided that for the purposes of this research these 33 charities would not be reclassified in this way. Since we assumed for our research that the

size of charity in terms of income would be a key distinction within the research findings, it would be inappropriate to skew potentially the small income band by including charities where the income is not known. Instead, these charities were given a weighting value of one.

For further details of the profile of the charities surveyed please see *Annex B*.

<sup>37</sup> Percentages based on the last quarterly facts and figures for 2007, available at: <http://www.charitycommission.gov.uk/registeredcharities/factfigures.asp#intro>

### Charity case study interviews

As part of the charity survey, Ipsos MORI conducted interviews with six charities that had given their permission to be re-contacted when they completed and returned the postal questionnaire. These in-depth interviews were conducted by telephone by Ipsos MORI in January and February 2008.

### Beneficiary in-depth interviews

We wanted to gain more of an insight into beneficiary experiences than can be obtained from a survey alone. Following the public surveys we therefore commissioned Ipsos MORI to carry out in-depth interviews with seven charity beneficiaries, recruited from those respondents to our 2008 *Public Trust and Confidence* survey who stated they would be happy to be contacted again by Ipsos MORI to participate in further research by the Charity Commission. Some interviewees wished their identity and/or that of the charity concerned to remain anonymous.

Name	Charity (registered number)	Service received
Susan Straker	A brain injury charity	Advice
Female	A local Citizens Advice Bureau	Advice
Kenneth Syder	The H.A.N.D. Partnership (1081062)	Fixed wheelchair
Tom Magee	BAGRA, part of the Drug and Alcohol Service for London Limited (299535)	Advice/support/counselling
Female	An advice charity	Advice
Rosemary Schofield	Childflight (327986)	Free holiday for family for son with leukaemia
Becky Sutcliffe	Marie Curie Cancer Care (207994)	Advice/support

As with all qualitative research, the findings from such a small sample are designed to facilitate understanding and, unlike the public surveys, they are not intended to provide statistical information.

### Charity Commission visits

As part of our research we visited 52 charities during 2007. The charities visited provide services in a wide range of operational areas and deal with many different types of beneficiaries. These visits were

conducted by the Charity Commission outside of the research conducted by Ipsos MORI.

We have used the information gathered from these visits to report different charity perspectives on various aspects of their relationships with their beneficiaries. As with all qualitative research, the findings are designed to facilitate understanding and, unlike the charity and public surveys, they cannot provide statistical information.

### Note on the reporting and interpretation of the data

In all graphs and tables, the figures quoted are percentages. The size of the sample base from which the percentage is derived is indicated. Note that the base may vary – the percentage is not always based on the total sample. Caution is advised when comparing responses between small sample sizes (typically any with a sample size of fewer than 100).

As a rough guide, please note that the percentage figures for the various sub-samples or groups generally need to differ by a certain number of percentage points for the difference to be statistically significant. This number will depend on the size of the sub-group sample and the percentage finding itself.

Where an asterisk (\*) appears, it indicates a percentage of less than 0.5, but greater than zero. Where percentages do not add up to 100% this can be due to a variety of factors, such as the exclusion of 'don't know' or 'other' responses, multiple responses or computer rounding.

**A full method detailing how the surveys were carried out, along with questionnaire data tables, are contained in the technical report that accompanies this research report. The technical report is available for download (in PDF format only) on the Charity Commission website: [www.charitycommission.gov.uk](http://www.charitycommission.gov.uk)**

The Research Reports team is also happy to answer any queries about the research.<sup>38</sup>

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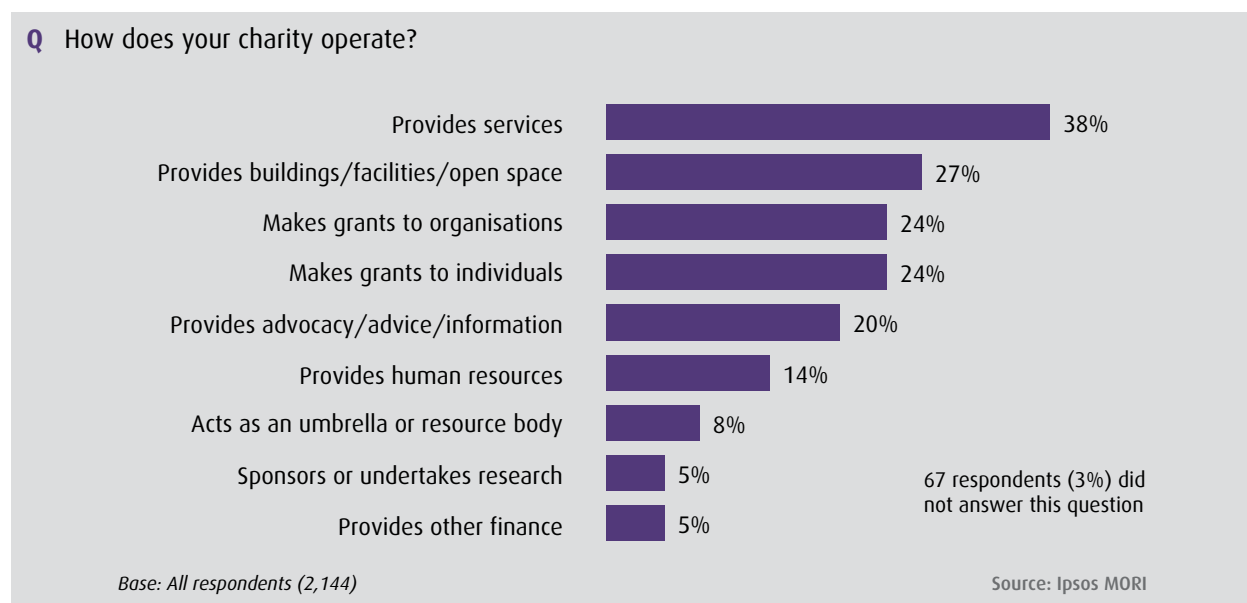
<sup>38</sup> Please contact [ResearchReports@charitycommission.gsi.gov.uk](mailto:ResearchReports@charitycommission.gsi.gov.uk)

## Annex B – Profile of the charities surveyed

### Sample profile of the postal survey with charities carried out by Ipsos MORI

Details of the sample in terms of charity size (by income) are included in the research method detailed in *Annex A*.

#### *Method of operation*

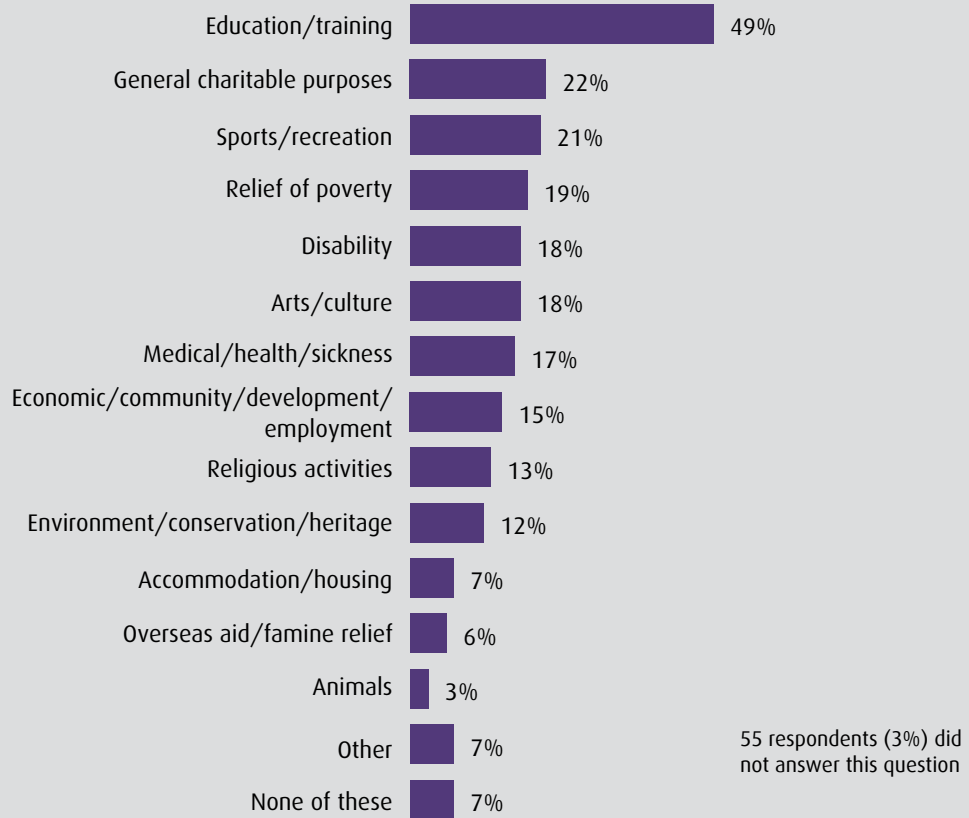


Charities also provided details of other specific ways in which they operate, in addition to the ways listed in the chart above. However, no single alternative

method of operation was mentioned by more than 5% of respondents.

## Charitable purpose

Q In which area or areas does your charity operate?

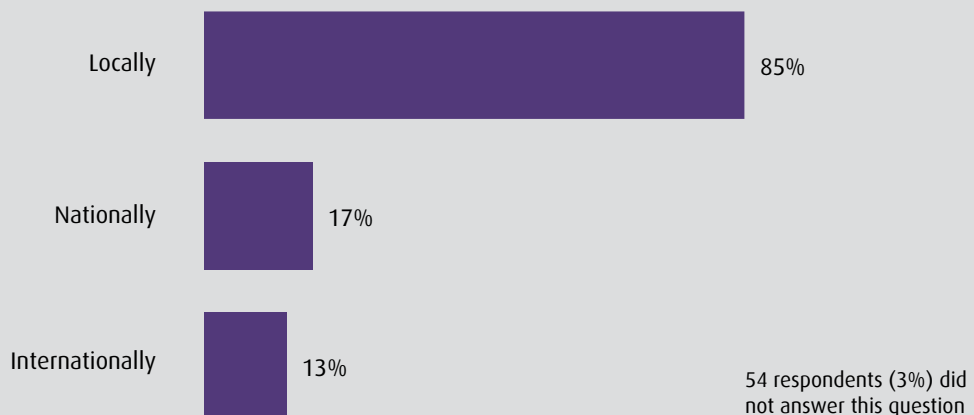


Base: All (2,144)

Source: Ipsos MORI

## Geographical area of operation

Q Does your charity operate ...?

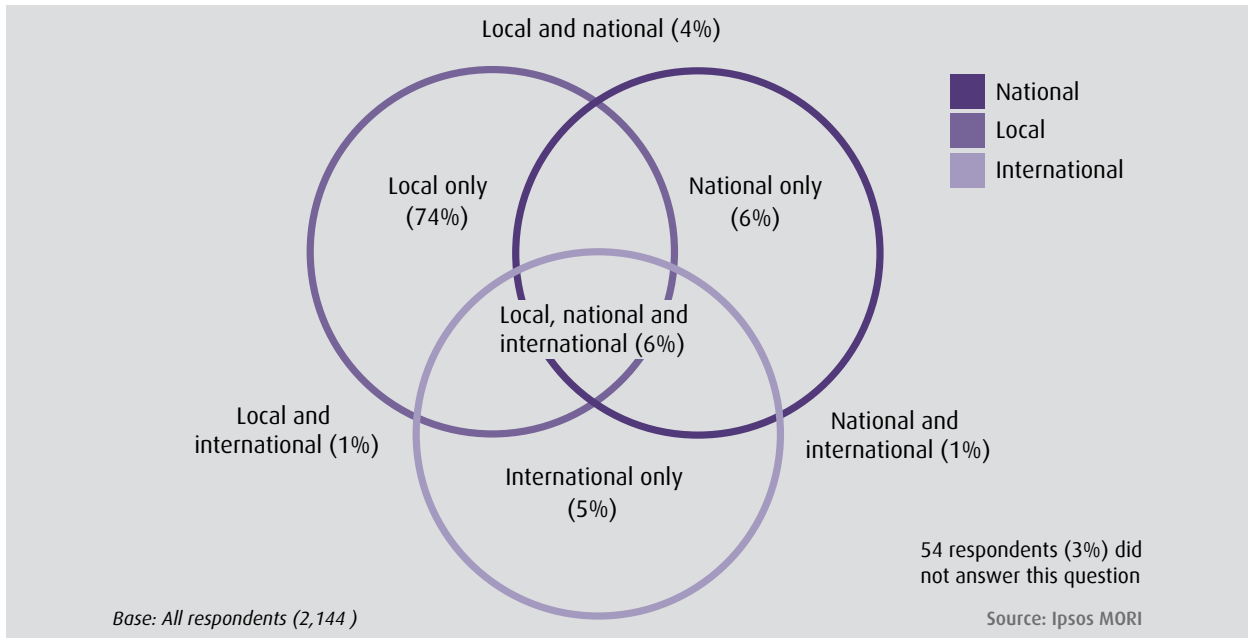


Base: All respondents (2,144)

Source: Ipsos MORI

Note: Each charity was able to select as many options in this question as they felt were appropriate. Some charities stated that their area of operation is a

combination of more than one area, such as local and international, or local, national and international.



Note: As might be expected, small charities are significantly less likely to operate nationally compared to other sized charities.

## Annex C – Resources

### The Charity Commission for England and Wales

The Charity Commission is the independent regulator of charities in England and Wales. Its aim is to provide the best possible regulation of charities in England and Wales in order to increase charities' effectiveness and public confidence and trust. Most charities must register with the Commission, although some special types of charity do not have to register. There are some 190,000 registered charities in England and Wales. In Scotland the framework is different, and the Commission does not regulate Scottish charities.

The Commission provides a wide range of advice and guidance to charities and their trustees, and can often help with problems. Registered charities with an annual income over a certain threshold must provide annual information and accounts to the Commission. The Commission has wide powers to intervene in the affairs of a charity where things have gone wrong.

More information about the Commission, together with a range of guidance for charities, can be found on our website [www.charitycommission.gov.uk](http://www.charitycommission.gov.uk), or by contacting Charity Commission Direct:

Telephone: 0845 300 0218  
Minicom: 0845 300 0219  
By post: **Charity Commission Direct**  
PO Box 1227  
Liverpool  
L69 3UG

### Charity Commission publications

Readers may find the following Charity Commission publications helpful:

*The Essential Trustee: What you need to know* (CC3)

*Users on Board: Beneficiaries who become trustees* (CC24)

*Complaints about Charities* (CC47)

*The Charity Commission and Regulation*<sup>39</sup>

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<sup>39</sup> Available at: <http://www.charitycommission.gov.uk/spr/regstance.asp>

## Annex D – Bibliography

These publications and reports are mentioned in the text or footnotes of the main report and/or were used to shape the aims and scope of the research:

**Birchall, J and Simmons R (2004): *User power: the participation of users in public services*** ‘explores how to increase user participation and make it effective by applying a more systematic and strategic approach.’ (National Consumer Council.<sup>40</sup>)

**Charities Act 1993.** Available at:  
[http://www.opsi.gov.uk/acts/acts1993/Ukpga\\_19930010\\_en\\_1](http://www.opsi.gov.uk/acts/acts1993/Ukpga_19930010_en_1)

**Charities Act 2006.** Available at:  
[http://www.opsi.gov.uk/acts/acts2006/ukpga\\_20060050\\_en\\_1](http://www.opsi.gov.uk/acts/acts2006/ukpga_20060050_en_1)

**Charity Commission (2008): *2008 Charity Commission Study into Public Trust and Confidence in Charities*** ‘is based on independent research conducted by Ipsos MORI...The research looks at what drives public trust and confidence, and includes research on the percentage of people that give money, goods or time to charities, and what people’s perception of charities is.’ Available at:  
<http://www.charitycommission.gov.uk/news/pbsurveyint.asp>

**Charity Commission (2006): *Cause for Complaint? How charities manage complaints about their services (RS11)*** ‘looks at the nature, extent and cost of complaints handling in the sector. It includes a checklist to help trustees draw up, or evaluate an existing, complaints procedure.’ Available at:  
<http://www.charitycommission.gov.uk/Library/publications/pdfs/rs11text.pdf>

**National Consumer Council<sup>41</sup> (2002): *Consumer representation: Making it work*** ‘lists fourteen good practice points for supporting and getting the best out of consumer representatives. It draws upon on our research into the experiences and needs of individual consumer representatives serving on a range of bodies.’

**nfpSynergy (2007): *The State of the Third Sector 2007***: ‘...is the first instalment of an annual survey carried out with *Third Sector Magazine*. It aims to track the mood of the sector over time on key issues such as external pressures, government initiatives, stakeholder relations and much more.’ Available at:  
[http://www.nfpsynergy.net/our\\_free\\_research/default.aspx](http://www.nfpsynergy.net/our_free_research/default.aspx)

**Robson, P, Locke, M and Dawson, D (1997): *Consumerism or democracy? User involvement in the control of voluntary organisations*** ‘focuses on the impact of voluntary organisations of the tide of change towards greater user involvement, and it analyses how voluntary organisations can respond positively.’ (The Policy Press, University of Bristol.)

**Service First, Cabinet Office (1998): *An Introductory guide: How to consult your users*** explores why public services do not consult and different methods for making consultation work. Available at:  
<http://archive.cabinetoffice.gov.uk/servicefirst/1998/guidance/users/index.htm>

**Taylor, M (1999): *Preparing for the Future – Involving users in the running of voluntary organisations*** pulls together the different approaches Chief Executives have used to user involvement and ‘offers a resource to Chairs of trustees and others taking responsibility for user involvement in the running of the organisation.’ (ACENVO.<sup>42</sup>)

**Voluntary Action Westminster (Mullely, J, and Sturdy, C) for the Performance Hub: *Centre Stage? Making choices about involving users*** ‘aims to help you understand the benefits, challenges and costs that involving users can bring to your organisation.’ (NCVO 2008.)

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<sup>40</sup> Now Consumer Focus.

<sup>41</sup> Now Consumer Focus.

<sup>42</sup> Now ACEVO: The Association of Chief Executives of Voluntary Organisations.

## Acknowledgements

We would like to thank everyone who has co-operated in the production of this report, especially the charities and members of the public that gave their time to take part in our surveys, participated in the qualitative research and who gave permission to share their experiences.

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This publication can also be accessed at the Charity Commission's website: [www.charitycommission.gov.uk](http://www.charitycommission.gov.uk)

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