

CHARITIES IN THE NEW DECADE – WHAT'S ON THE HORIZON?

A new year and a new decade is a time when we all stop, take stock and look to the future. This is no different if you are running a charity.

The 2010's have been a time of significant change and challenge for the sector. We have seen new accounting standards, a new Fundraising Regulator in the light of the Olive Cooke scandal, a more robust regulatory regime and of course numerous high profile charity headline stories which has affected the reputation of the wider sector.

It was not all bad of course! It was a decade of considerable growth in the sector, increased giving, innovative ways to donate and of course lots of great work done with beneficiaries all across the UK.

So as we look forward to the 2020's what are the things that charities need to be thinking about? We look at 5 key themes which we think will be shaping the 2020s.

Climate change

This may seem like an easy and obvious topic to start with but it is likely to be a defining theme of the decade and we have already seen a certain amount of political jostling for position on leading the green agenda.

Charities have increasingly been in the forefront of the response to climate change, from the National Trust (amongst lots of others) switching from plastic to compostable packaging for their magazine distribution to local groups setting up plastic free food shops. It is likely that the third sector will continue to innovate in this area. But charities that are not responding to the swell of public opinion risk being left behind.

Showing that you have good 'green' credentials will increasingly be something which donors are looking for. Grant funders will want to see energy conservation considered and individual donors will balk at excessive paper and plastic in marketing campaigns.

The Charity Commission has also launched a **consultation on responsible investing**. This is another area when charities and their donors can make a difference, considering the ethics and impact their investment choices can make.

Brexit

Like it or not, for some charities the withdrawal from the EU will have an impact. It is early days to quantify the effect but those charities in receipt of EU funding will be concerned about future grant applications and operations. There will be new opportunities to be grasped as well and charities need to aware of both positive and negative impacts.

As part of the no deal preparations, the government announced that they would guarantee funding for projects in receipt of EU funds and that funds applied for and agreed before the end of the transition period should continue over the project's lifetime. What happens after the end of December 2020 is still subject to negotiation, so any charity involved with EU funding need to be thinking carefully about future funding streams and operations now.

The reputation of the sector

Oxfam, Kids Company, The Presidents Club... and numerous others all served to bring the sector onto the front pages for the wrong reasons and we are still dealing with the fall-out.

Charities need to be mindful of their safeguarding, bullying, harassment and whistleblowing policies so that issues are addressed quickly and appropriately and most have spent time and effort doing this.

But there is still the wider reputational issue to consider. Often charities think 'well that wouldn't happen to us' but reputation is something that can be chipped away at from many angles and so trustees endeavoring to operate the highest governance standards and being as open and transparent as possible should be the aspiration for 2020.

Keeping donors engaged

The constant issue for most charities is how to get that next pound donated. How do I get donors engaged, how do I keep them engaged?

The new decade sees more charities in front of us than ever before, all tugging at our purse strings. The charities that succeed will be those who are focused on their objectives, provide their public benefit as efficiently and effectively as possible and continue to innovate in how they engage with donors. Be it giving online, via text, apps or contactless, running new and different events, charities must continue to change.

Charities need to have a strategy to innovate and move forward with their fundraising, while ensuring they stay compliant with the Code of Fundraising Practice.

Regulation

2020 will see the formation of a new SORP committee and development structure and a new SORP in the next few years. Regulation will also continue to develop around fundraising, operations and delivery of activities across a number of sectors.

Charities are being seen more and more as businesses and given less slack than may have been the case in the past, particularly where delivering key services devolved by local or central government. The public scrutiny will also only increase.

Charities need to ensure that they have capable and engaged trustees to keep abreast of all these developments and assist with compliance.

The Mercia **Charities conferences** will touch on a number of these issues and give you a chance to talk with industry experts and fellow professionals so you are in the best possible position to support your charity clients through these and other issues they will face over the coming years.



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