

Summary

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What Regulation, Who Pays? Public Attitudes to Charity Regulation in England and Wales

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Summary:

Conversations around what charity regulation should look like and how it should be funded have gained momentum in recent years. When people donate to charity, they do so because they want the cause they are giving to whatever it is to benefit and to thrive (Duncan, 2004; Bekkers and Wiepking, 2011). Charity regulation, in theory, makes charities more transparent and accountable and allows donors to make informed decisions about future donations (Cordery, 2013).

Regulation allows charities to demonstrate their efficiency and effectiveness and allows for the growth of confidence in organisations and trust in the sector as a whole, growth that will potentially leverage higher donations (Keating and Frumkin, 2003; Breen, 2009; Cordery et al, 2015).

This paper explores the English context for charity regulation. To do so, it adopts a qualitative approach based on four focus groups with a representative sample of those who identified as donors and those who identified as non-donors. Conducting qualitative focus groups enables this paper to explore complex attitudes towards charities and how they are regulated.

It finds that while public knowledge of charity regulation is low, people are nonetheless clear that charities should be regulated. Views were more mixed on how regulation should be funded, but the most common view was that charities should make some contribution but that this should be alongside, rather than instead of, government funding. People felt that if they could see that charities bought into regulation both literally and metaphorically they would be inclined to

donate more. The difference between stated and actual donor behavior however means we need to treat this with some caution.

This helps us to understand how charities paying for regulation may impact on donor behavior. Donors may not mind some of their donation going towards funding the regulator if it is seen to be operating in the interests of charities, their donors and their users, but they would not be happy donating to a toothless or under-resourced regulator or if they felt that the charity contributions were simply replacing government funding for the regulator. People trust charities, but this can be eroded if they do not have confidence in how they operate. A visibly effective regulator is central to maintaining trust.

Most important references:

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