



# Trust

## In 2016 charity leaders looked at the problem of falling public trust through a fundraising lens...

In the wake of high-profile charity scandals, a large number of leaders we spoke to were candid about the fact that they predominantly thought about public trust as a fundraising issue, instead of thinking about the effects of falling public trust in areas such as their ability to deliver services.

One third of those we surveyed felt that a loss in trust in the charity sector would not affect their organisation. They also didn't think the problem lay with them: whilst transparency was perceived as important, most of the sector's suggestions for building trust were focused on educating the public about charities and the sector, rather than changing their behaviour in response to public concerns.

## ... and the question remains if they are concerned about the wider impact on the sector

When asked for this research, interviewees acknowledged trust was an issue but were keen to stress that public trust in charities remains relatively high, with a minority of large, predominantly international charities bearing the brunt of public dissatisfaction. There was a sense of fatigue at the question, which has dominated the narrative for years. Still, lots of interviewees didn't think it affected them:

*'I think most of the mistrust is directed at bigger and international charities... local charities have the advantage here in that people feel more connected.'*

Others seemed to insinuate that the problem was either an invention or exaggeration of the media:

*'If you read the Daily Mail you'd be terribly worried [about falling public trust], if you read the Guardian, rather less so...'*

## Charities are worried about the impact of low trust on recruiting good trustees

Given the scrutiny on good governance in recent years, e.g. the publication of the [Charity Governance Code](#) in 2017, some charities are worried that they will struggle to recruit good trustees. There is a risk that coverage of negative events within the sector heightens the barriers to entry and has a detrimental affect on the diversity of trustees, which is already woeful.

*‘A particular problem is that potential trustees—highly skilled people—are seeing the risks and [they feel] it’s too much of a personal risk to be a trustee, so they will volunteer in a different way...It’s hard enough to attract trustees at the moment and it will get worse. [But] it might make us examine the governance model, which is dated, and maybe it will shake that up a bit.’*

More work to champion the value of volunteering as a trustee might help encourage good potential trustees to take up a role.

## **Charities are not clear who should lead on improving trust**

Respondents referred to the regulator when asked about trust, but seemed unclear about the connection between the two. Some interviewees lament a perceived shift in the regulator from being supportive of the sector, to acting as a policeman, and some found focus on enforcement actively unhelpful.

*‘One of the challenges I see is the regulatory challenge. The Charity Commission has moved from supporting charities to being there for the public to hold charities to account...’*

*‘[It is] very understaffed [and] very easily wound up by press criticism of the sector and they go charging in—and they don’t realise how disruptive that can be to a charity.’*

NPC argues in charities, as in other sectors, a strong regulator that takes action when the public interest is threatened is essential to gaining and maintaining public trust. We also believe that while it is necessary, it is not sufficient and the sector itself has a role to play. Some of the people we spoke to agreed, suggesting the sector needed to come together to tell a positive story which would justify the public putting trust in the concept of charity, not just trusting individual charities.

*‘Leadership in telling the story of the sector is needed. Every week there are different [negative] stories, we as a sector need to do the meta narrative better, as well as our individual charity brands are effective in showing the difference that we make.’*

Initiatives, such as NCVO’s [How Charities Work](#) go some way towards this positive meta-narrative but do charities feel there is sufficient need to pool resources and mount a big positive campaign on trust?

## **NPC’s plans for 2019**

Do charities care about the public’s faith in them, aside from as a fundraising proposition? Is it even possible for charities to improve it? These are the questions we will be taking forward into our next, full-scale state of the sector research programme.

Please visit our [website](#) or contact [policy@thinknpc.org](mailto:policy@thinknpc.org) if you are interested in supporting this work.

