

How to 'Do Good' well

8 Tips to ensure
your charitable
donations are
helping and not
harming

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There are currently more than 175,000 registered charities in the United Kingdom and hundreds of thousands more globally all working to address a variety of problems. So, choosing where to donate your hard-earned cash can be tricky. It may be tempting to just type your credit card number into a website and forget about it. However, there are easy ways to make sure that the organisations you choose to support are truly working towards a solution. The following tips can help you pinpoint an organisation that is 'doing good' well and that is in line with your beliefs and interests.

1

Check the registration number

Every charity operating in England & Wales must be registered with the Charity Commission, and those operating in Scotland with the OSCR (see Resources below for links). If you're curious about a particular organisation, check the register to see if it's formally recognised.

But bear in mind that *not* being registered isn't necessarily a red flag – some organisations, especially small fundraising outfits, social enterprises and voluntary organisations choose not to be recognised as charities as it may not be financially or practically viable for them. And of course, the opposite is also true – just because a charity *is* registered isn't a guarantee that it's doing what it does well.

3

Big isn't necessarily better

The top ten charities registered with the Charity Commission generate over £8bn of income every year from donations, legacies, charitable activities and investments. However, there are more than 50,000 registered charities with an annual income of less than £5,000.

While the big names have the reach and power smaller organisations don't, their running costs can be high. Smaller charities that employ only one or two employees and have low overheads may have the advantage of knowing their niche well and be better able to address problems in their specific field of interest. In the charity world, size doesn't necessarily matter – a good charity knows its scope and uses its resources effectively.

2

Check the accounts

Assuming the organisation you're thinking of donating to is registered with one of the Commissions, it will need to post annual accounts. These can be found on the relevant Commission's website.

It's not always easy to make a judgement on an organisation's financial performance unless you're a specialist in that area. However, a very basic understanding of income and expenditure will show you whether the organisation is managing its money well, if it's growing or if it's showing signs of being unsustainable. You may hear that a key criterion of a good charity is that its overhead costs aren't too high. Although this may be indicative of the financial health of an organisation, it's not a hard-and-fast rule. Organisations that address complex problems or require highly-trained staff may have higher running costs but deliver greater value in the long-run. Just because the cold hard cash you donate isn't going straight into the pockets of beneficiaries doesn't necessarily mean it's being wasted.

Ultimately, transparency is key. If an organisation hasn't posted its accounts, or if something looks amiss at first glance, follow up with the Commission or with the charity directly.

4 Choose organisations that fit with your ethos

Selecting an organisation to share your money with should be personal, so find one that fits with your values and interests. If you're passionate about conservation, choose a charity that seeks to preserve ecosystems or protect individual species. If you think your local area isn't receiving the attention and investment it needs from the government, look out for small locally-based charities that engage directly with that community.

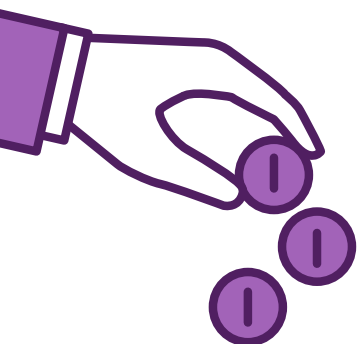
Most charities provide a 'Mission Statement' and/or strategy on their website, as well as a list of goals and an explanation of how they intend to achieve them. In addition, you can always contact the organisation directly to discuss their work and see if they would be a good fit.

6 Using donation processing websites

With the rise in online giving, websites such as JustGiving and GoFundMe have emerged to facilitate the donation process. Using these sites can make giving easier and more convenient than dealing with a charity directly, and some also allow individuals to set up their own personalised fundraising pages.

However, it's worth remembering that some of these organisations are for-profit enterprises, meaning they can take a slice of your donation for more than just covering administration costs.

The Good Web Guide offers a nice overview of currently-operating giving sites (see Resources below), but you should always visit individual sites to check their latest fees and charges.



5 Don't forget Gift Aid

If you pay tax in the UK, you're eligible for the Gift Aid scheme. Gift Aid allows charities to claim an additional 25p on every £1 donated. This money is collected directly from HMRC at no expense to you. For each donation, you'll need to make a formal declaration that you're a current UK taxpayer. This can be in the form of a written declaration, a verbal declaration (e.g. for donations made over the phone) or an opt-in box-tick on a website.

More information on Gift Aid, as well as template declarations, can be found on the gov.uk website (see Resources below), or contact your chosen charity to request one.

7 Street fundraising – 'Chuggers'

We've all been there: late for an appointment, rushing through town and then we catch sight of her – the street fundraiser, with her accreditation hanging round her neck, clipboard in hand. We cross the road, eyes down, hoping desperately to avoid that, 'Excuse me!'

Known derogatively as 'Chuggers' or 'Charity Muggers', street fundraisers are employed by charities to elicit donations face-to-face. Charities use this method because their return on investment tends to be good because givers are asked to sign up for repeat (usually monthly) donations. Securing regular income is vital for organisations to be able to plan their future work.

If you're confident in the work of a charity, consider making a regular donation, if not with a street fundraiser, then directly with the charity through their website.

8

Remember sustainability

Humanitarian crises can often be sudden, with a blaze of media coverage and images that shock us into donating money. Campaigns associated with the 2004 Indian Ocean tsunami raised over \$3bn in private donations, in part because of the horrifying images we saw on our screens.

But it's worth remembering that some disasters, such as civil wars and their consequences, can endure long after the TV cameras have moved on. And other organisations that may focus on non-disaster-related problems can also be forgotten. Making a long-term commitment to a charity that has meaning for you personally, and in whose activities you have confidence, remains the most sustainable means of giving.

Considering sustainability can also mean looking into the unintended impacts of an organisation's activities on its area of operation. For example, a charity working on food poverty might inadvertently cause biodiversity loss by encouraging the clearing of an important natural habitat to expand farming opportunities.

Consequences like these are obviously difficult for us to measure from a distance. But good charities will reflect on the effect they have on the area in which they operate and offer supporters information such as impact assessments to show they're working to mitigate any unintended outcomes. This information should be available on the charity's website or you can always contact the charity to ask questions.

And if you're thinking about volunteering...

In 1957, Dr. Martin Luther King observed that, 'life's most persistent and urgent question is, "What are you doing for others?"'

Giving money is an important part of 'doing something for others'. But there are other ways to contribute. Giving your time can often be just as effective, especially if you make a regular commitment to a locally-based voluntary organisation. Volunteering abroad, for example in the so-called developing world, however, can be more problematic. It can be a superb experience for the volunteer, as well as adding value to a CV. But before hopping on a plane, it's absolutely essential that you do your due diligence on the organisation you plan to work with to make sure your presence is welcome and beneficial to the communities you plan to work with. Using some of the methods outlined above, as well as discussing with the organisation how your intentions and credentials can be useful, is the best way of doing this.

Resources:

Charity Commission, Register of Charities in England & Wales:

<https://register-of-charities.charitycommission.gov.uk/>

OSCR, Scottish Charity Register:

<https://www.oscr.org.uk/>

Gift Aid:

<https://www.gov.uk/guidance/gift-aid-declarations-claiming-tax-back-on-donations>

The Good Web Guide, *Top Ten Charity Fundraising Websites, May 2019*:

<https://www.thegoodwebguide.co.uk/lifestyle/website-reviews/best-shopping-sites-roundup/top-ten-charity-fundraising-websites-to-help-you-r/20632>

