



Charities' awareness, understanding and attitudes towards the public benefit requirement

Research by FDS International incorporating
an initial analysis by the Charity Commission



The Charity Commission is the independent regulator for charitable activity. This is one of a series of reports that draws upon independent research that we have commissioned, as well as our own internal data, knowledge and experience of working with charities.

The purpose of these reports is to help increase understanding of an issue. They are part of our mission to help charities maximise their impact and comply with their legal obligations, to encourage innovation within the charitable sector and enhance effectiveness.

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Executive Summary

The Charity Commission is the independent regulator of charities in England and Wales. Part of its role is to promote compliance by charity trustees with their legal obligations in relation to the management of the administration of their charities.

'Public benefit' is the legal requirement that every organisation set up for one or more charitable aims must be able to demonstrate that its aims are for the public benefit if it is to be recognised, and registered, as a charity in England and Wales.

In 2006, Parliament passed new legislation for charities ('the Charities Act 2006') which, amongst other provisions, highlighted the public benefit requirement. Parliament also gave the Charity Commission a new objective 'to promote awareness and understanding of the operation of the public benefit requirement'. Under the Charities Act 2006, as part of fulfilling that objective, it is the responsibility of the Charity Commission to ensure that charities satisfy the public benefit requirement and to prepare (and consult on as necessary) guidance on public benefit. It is the responsibility of charity trustees to have regard to that guidance in running their charity to ensure that they carry out their charity's aims for the public benefit. Charity trustees also have a new statutory obligation to report on their charity's public benefit in their Trustees' Annual Report.

The purpose of this research was to find out more about charity trustees' levels of awareness, understanding and attitudes towards the public benefit requirement. FDS International was commissioned to carry out the research on behalf of the Charity Commission. The research was based on a random sample of charity trustees surveyed between July and September 2009. This report sets out the key findings from this research, which are summarised below. It will inform the Charity Commission's work to further promote awareness and understanding of the operation of the public benefit requirement, including identifying where further guidance and outreach work may be needed.

Charities' attitudes towards regulation

- Complying with charity regulation is not perceived by trustees as a significant issue; just four per cent claiming it is currently the greatest challenge they face.
- 76% of all respondents say that they deal with matters relating to charity regulation infrequently, either a few times or just once a year.
- The majority of respondents (58%) feel that the level of regulation placed on charities is about right (that is all regulation affecting them, not just the requirements of charity law and the Charity Commission). 24% of respondents feel it is too much rather than too little.
- 50% of those trustees saying that too much regulation was placed on charities, identified the requirements of other organisations, such as those of Companies House and the Health and Safety Executive, as a greater burden than those of the Charity Commission.
- 45% identified funding issues, and 20% identified attracting and retaining support, as the key challenges currently facing their organisation.

Awareness of public benefit requirement

- Six percent of respondents say they know a great deal about the public benefit requirement, and another 35% say they know a fair amount about it. A further 35% say they do not know very much, and 24% that they know nothing at all.
- Trustees of charities with incomes of over £500,000 are significantly more likely to know about the requirement, and also show greater awareness and action as a result of it overall. 71% of trustees of charities with an income of £500,000 and above say they either know a great deal (11%), or a fair amount (60%).
- Of the three-quarters of trustees who are aware of the requirement, a similar proportion is also aware of the published guidance, information and support available to them.
- Smaller charities, and those involved in certain activities such as sport/recreation, were the most likely to show no awareness of the requirement at all.
- Among those unaware of the requirement, three-quarters state an intention to find out more, and 69% that they are concerned they were not aware of it prior to the research.
 - The small number of respondents who do not intend to find out more about the requirement say that this because they already believe their charity can demonstrate its public benefit.
- Confidence in understanding of the requirement is high overall. Six out of ten respondents, with at least some awareness of the requirement, are either very or fairly confident about their understanding of the public benefit requirement.
- On providing trustees with no knowledge of the requirement with some background information, six out of ten (61%) believe it is a reasonable demand to place on charities.
- Of those trustees who say they are very or fairly confident about their understanding of the public benefit requirement, 22% were unable to demonstrate this when presented with a series of statements about what the requirement means in practice.

Meeting the requirement

- 98% of those respondents who are aware of the requirement, are confident that their charity can demonstrate its public benefit
- Over half of those with no awareness of the public benefit requirement (55%), when provided with some background information on the requirement, say that it would be easy for their charity to demonstrate compliance.
- Nearly a quarter of trustees who are aware of the requirement say their charity has revisited its aims as a result (22%). Amongst charities with an income of £500,000 or above this rises to 38%. Among those that have revisited their charity's aims, 89% feel it was a useful experience.
- 48% of trustees who are aware of the requirement say they have thought about the benefits their charity has for the public.
- 31% of trustees not aware of the requirement claim they would revisit their charity's aims if they knew more about it.
- Of trustees who are aware of the requirement, 27% say that their charity has taken some form of action to comply with it. However, some either do not expect to take any actions in the future, or do not know whether their charity will be taking any action (45% say they will not and 25% do not know).

Learning about the requirement

- Of those charity trustees who know at least something about the public benefit requirement, most became aware through accessing information directly from the Charity Commission (36% accessing literature and 32% the website).
- Among those not aware of the requirement, the Charity Commission is still likely to be the first source of information they would turn to (particularly the website).
- From the range of support on the public benefit requirement provided by the Charity Commission, published guidance and ad hoc information are the most known (73% and 70% of those aware of the requirement respectively).
- 49% of those respondents who were aware of the requirement, and also aware of published Commission guidance on the requirement, have used this guidance, and the majority of them found it both useful and easy to understand. A preference was expressed for the use of case studies in guidance on public benefit.
- Although some trustees are unaware of the public benefit requirement, they are positive in regard to the availability of guidance on charity legislation generally.
 - 94% of users of such guidance say it was useful.
 - 47% agree that the Charity Commission is proactive in informing charities of their legislative responsibilities (and 24% neither agree nor disagree).
 - 81% say guidance on charity legislation is readily available.

Overall attitudes

- The majority of trustees, both those who were aware of the requirement and those who at the time of the research were not aware of the requirement, believe that it is important to be aware of the public benefit requirement (90%).
- Two-thirds (67%) of trustees aware of the requirement say it has not had a significant impact on the way their charity delivers its aims.
- The majority of trustees do not view compliance with the public benefit requirement as a burden to their charity. Only 2% of trustees with at least some awareness of the requirement say that the requirement has had a negative impact on the way the charity delivers its aims.
- Complying with the requirement is more likely to be viewed as a priority for those more informed (54% versus 43% of trustees with no knowledge of the requirement).
- Over three-quarters of respondents (78%) did not make any recommendations for how the Charity Commission could better support charities in complying with the public benefit requirement. Among the suggestions provided, the most commonly cited included:
 - Providing clearer guidance to/more communication with trustees;
 - Keeping trustees updated; and
 - Having less red tape/regulation

Overall, the findings show a relatively high level of awareness of the public benefit requirement and acknowledgement of the need to assess a charity's service provision to ensure compliance, particularly among larger organisations. While some improvements to Charity Commission information have been identified, response to current provision is very positive and suggestions for development helpful in defining what is important to charities to aid a more comprehensive understanding of the requirement within the sector.

1. Introduction

For an organisation to be recognised, and registered, as a charity in England and Wales, it must have aims all of which fall within the descriptions of purposes listed in the Charities Act 2006, and which are for the public benefit. This is known as the 'public benefit requirement'.

As part of its role as the independent regulator of charities in England and Wales, the Charity Commission must promote awareness and understanding of the operation of the public benefit requirement. FDS International was therefore commissioned to undertake research with charity trustees to assess current levels of awareness, understanding and attitude towards the public benefit requirement.

The public benefit requirement is a pre-existing obligation that was emphasised in the Charities Act 2006, by explicitly including public benefit in the definition of a charitable purpose, and by removing the presumption that certain purposes (namely the relief of poverty and the advancement of education or religion) are for the public benefit.

In its guidance on public benefit, the Charity Commission has identified from the relevant case law two key principles of public benefit which apply to all charities. These are:

1. There must be an identifiable benefit or benefits, and
2. The benefit must be to the public, or a section of the public.

In order to fully comply with these principles, charity trustees are expected to:

- ensure they carry out their charity's aims for the public benefit;
- have regard to the guidance published by the Charity Commission on the public benefit requirement; and
- report on their charity's public benefit in their Trustees Annual Report (for charities above the reporting threshold).

This research, undertaken by FDS on the Charity Commission's behalf between July and September 2009, will contribute directly to the material which the Commission will provide for a statutory review of the Charities Act 2006 in 2011. In this review, the Charity Commission must demonstrate how they are meeting their statutory obligations in relation to the public benefit requirement. Accordingly, the Charity Commission must assess the success of their promotion of awareness and understanding of the operation of the public benefit requirement, and that of the guidance which they have published in relation to this requirement.

Further research will be conducted by the Charity Commission closer to this reporting date in 2010/11 to fully assess the *impact* of the new public benefit provisions in terms of the actions taken by charities to fully comply with the requirement. This first strand of research is therefore an assessment of the sector's *current* awareness, understanding and attitudes towards the public benefit requirement and the provision made by the Charity Commission in relation to it. Through meeting these research aims, there is an opportunity for the Charity Commission to glean an indication of the *intended* actions planned by charities which is suggestive of the future changes which will take place in the sector as a result of the public benefit requirement.

Specifically, the overall aims of this research were to:

- measure awareness of the public benefit requirement among charities;
- explore what charities understand as their obligations in terms of the requirement; and
- investigate the views of charities towards their obligations.

The findings will be used to inform the Commission's work to further promote awareness and understanding of the operation of the public benefit requirement.

2. Approach

A two-phased approach was taken to meet the research aims of this project. The first qualitative phase informed the development of a fuller quantitative study which formed the latter, core stage.

Phase 1 – Qualitative Research

Phase one consisted of 15 in-depth interviews with charity trustees, some of whom were chairs of trustees, across a wide selection of charities, to ensure participation of a range of organisations by activity, income and location. The in-depth interviews were essential to form a base of understanding, upon which the development of phase two was dependent.

The in-depth interviews were conducted over the phone, and lasted approximately 30 minutes each. Introductory letters were sent to a sample of trustees and chairs of trustees and a selection of these people were contacted. Those who were eligible, and willing to participate in the research, were subsequently recruited for the research.

The in-depth interviews were conducted in July 2009 using a semi-structured discussion guide that was created in consultation with the Charity Commission (Appendix A).

Of the 15 charities represented in this stage of the research:

- six had an income of less than £10,000 per annum;
- six had an income between £10,000 and £100 000 per annum; and
- three had an income which exceeded £100,000.
- six operated in England only
- four in Wales only
- four in both England and Wales
- and one outside of England and Wales.

There was a fairly even split between the number of trustees spoken to who were also chairs, and those who were not. Charities engaged in a wide range of activities were included to ensure that the results gained from this phase of the research were as representative as possible given the sample size.

Where consent was obtained from participants, their charity is identified in any quotes included in this report.

Phase 2 – Quantitative Survey

The findings from phase one of the research were used to create a questionnaire best suited to meet the research aims of the Charity Commission and to ensure understanding and relevance to the charities participating.

Methodology

In order to maximise response rates, a multimodal methodology was adopted that enabled respondents with email addresses to be sent an invitation to complete an online version of the survey, whilst those without were sent a hard copy of the survey through the post.

In total, 1,483 surveys were completed between 28 August and the 25 September 2009.

A sample of trustees was supplied by the Charity Commission, flagged according to the trustees' charity activity, income and location. To enable in-depth analysis of results, it was integral to the success of the project that sufficient interviews be conducted with charities of different income levels. A disproportionate stratified sampling methodology was therefore employed. From the sample available, the population of charities which trustees represented were divided into three non-overlapping income bands: <£25,000; £25,000-£499,999; and £500,000+. The same target number of completed surveys was then assigned to each of the three income bands; we aimed to obtain 500 respondents within each income band and a total of 1500 completed questionnaires overall. 2,500 trustees were selected at random, from each of the first two income bands, to receive an invitation to complete the survey, in the expectation that at least 1 trustee would return a completed survey for every 5 trustees contacted. By random we mean that all the trustees in a particular income strata had an equal and independent chance of being selected.

A different approach was taken with the £500,000+ strata. Given the limited sample available for charities with an annual income of over £500,000, it necessitated that a census survey be conducted with this sub-audience and consequently all contacts available were invited to participate.

During fieldwork, reminder emails or letters were sent to those who were yet to complete the survey to boost response rates.

Questionnaire

The same survey questionnaire was used for both the online and postal samples, and was developed in consultation with the Charity Commission. A marked-up questionnaire is included in the appendices.

Data

The survey had a target of 1,500 trustee respondents, evenly spread as mentioned above across three annual income bands of <£25,000; £25,000 - £499,999 and £500,000+. In Appendix C we detail the sample breakdown including the sample available to conduct the survey. The final number of interviews achieved was 1,483.

Weighting

Weighting has been applied to the data to correct for any under- or over-representation of charities within the sample. A purely randomly generated sample would not have included many organisations with large incomes, for example, because they are so few in number. Instead, as explained above, the sample was stratified to achieve an even number of interviews within each specified income band. Weighting was then applied to the findings to ensure that the data was representative of charities overall.

Interpretation of data

As this is a sample of charity trustees the results are subject to sampling tolerances.

We explain fully in Appendix D the statistical reliability of data using different base sizes and when comparing data between sub-categories. Throughout this report, differences between sub-categories are only identified where statistically significant.

Where percentages do not sum to 100, this may be due to computer rounding, the exclusion of 'don't know' categories, or multiple answers. Throughout the report, an asterisk (*) denotes any value less than half a per cent but greater than zero.

3. Charities' Attitudes Towards Regulation

To better understand how current regulation impacts upon charities, trustees were asked a series of questions in relation to the challenges currently faced by their charity, and the perceived burden of regulation.

Current challenges

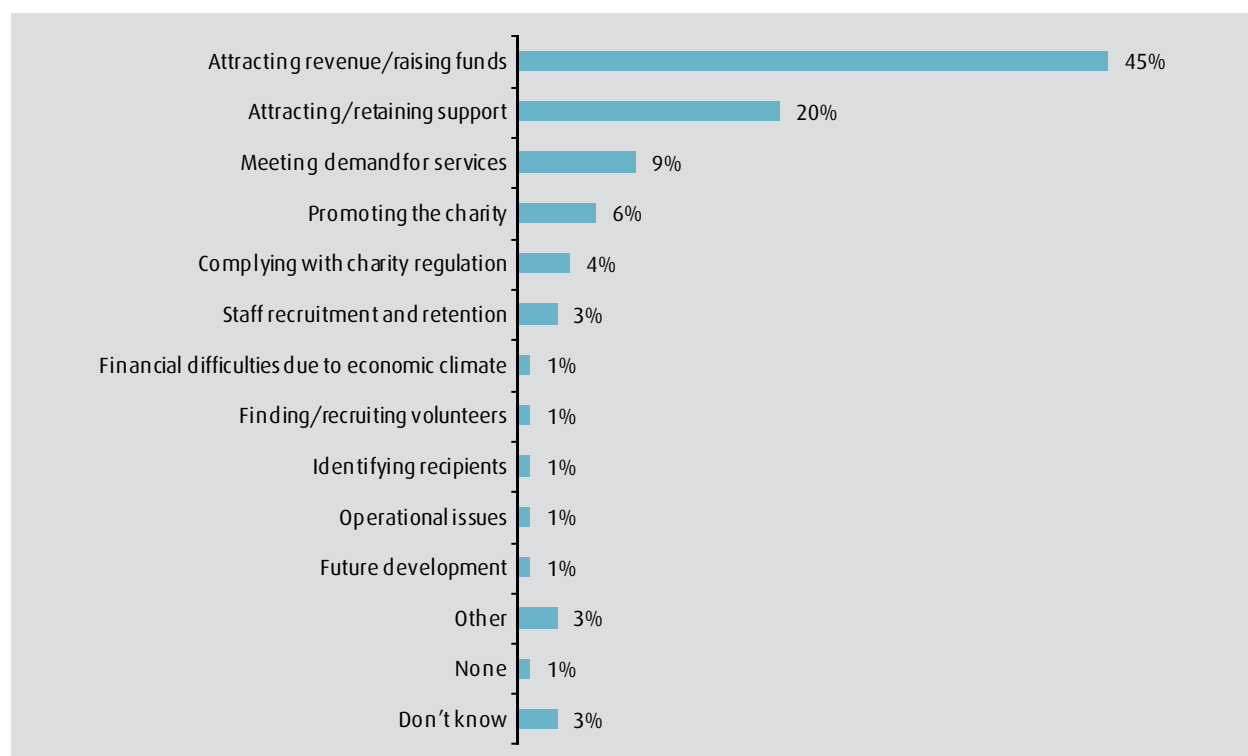
Complying with charity regulation is not perceived by trustees as a significant issue for their organisation, with just four per cent claiming this is currently the greatest challenge they face.

The most commonly cited challenge is *attracting revenue and raising funds* (mentioned by 45%). This is felt most keenly by the larger charities; 58% of trustees from charities with an income in excess of £500,000, and 54% with an income of £25,000-£500,000, state this factor presents the greatest burden compared with 41% of trustees from charities with incomes of less than £25,000.

Chart 1

Q3b Which one of the following factors currently presents the greatest challenge to your charity?

Base: All respondents – 1,483



Charitable activity also has a bearing on current challenges, with those in the arts/culture and the environmental/conservation/heritage sectors significantly more likely to state that *attracting and retaining support* is a current issue (both 27%).

Dealing with regulation

When asked how often their charity deals with matters relating to charity regulation, for most it is infrequently. Half the respondents say it is a few times a year (50%), with a further 26% saying once a year.

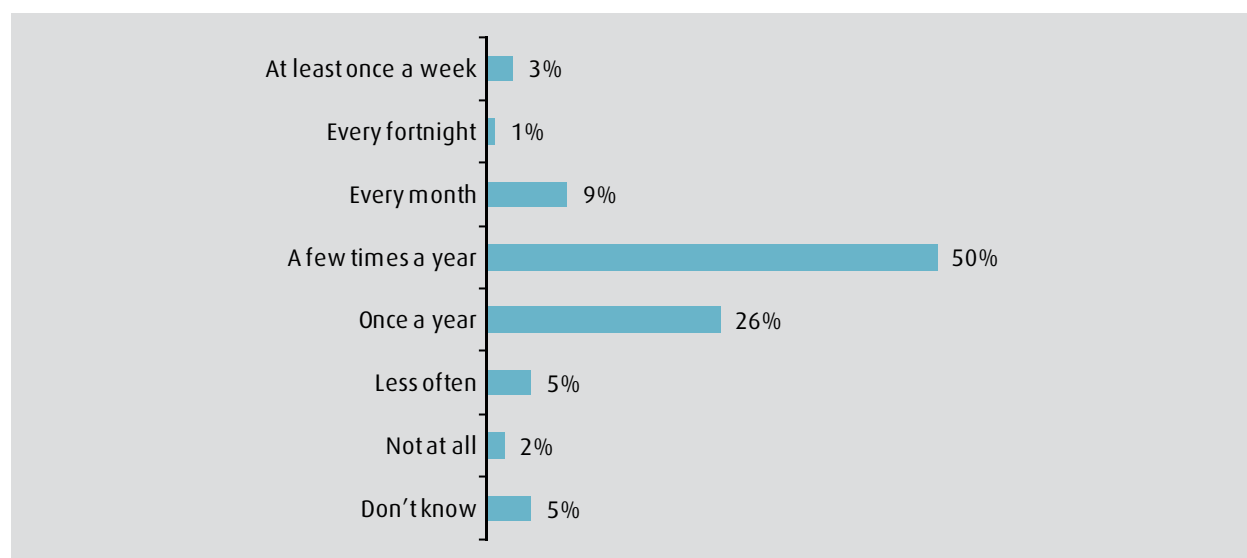
The larger charities deal with charity regulation on a more regular basis, with 29% of charities with incomes exceeding £500,000 dealing with regulation at least once a month (eight per cent once a week), compared to 16% of charities with an income of £25,000-£500,000 and 10% of those with an income of less than £25,000.

Trustees with a greater, self-professed, knowledge of the public benefit requirement also claim to deal with charity regulation on a more frequent basis. Around a third deal with it at least once a month compared to eight per cent of trustees with no knowledge at all of the requirement.

Chart 2

Q4 On average, how often does your charity deal with matters relating to charity regulation? By charity regulation, we mean the requirements of charity law, including the requirements of the Charity Commission.

Base: All respondents – 1,483



Most trustees feel that the amount of regulation placed on charities is, *about right* (58%) and more feel that it is *too much* rather than *too little* (24% and two per cent respectively).

These results were substantiated in the phase one in-depth discussions where the vast majority of participants felt that the amount of regulation placed on charities was about the correct level.

"As far as my knowledge goes, [the amount of regulation] seems okay."

(Female trustee, £10-100k, Outside England and Wales)

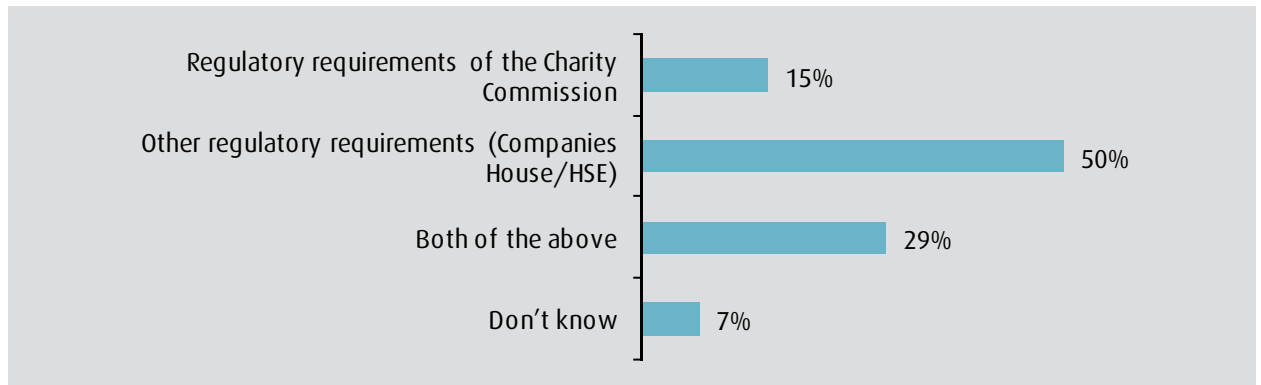
There were no statistical differences in opinion regarding the acceptability of regulation levels across charity activity, size and location. However, those trustees with a great deal of knowledge regarding the public benefit requirement were significantly more likely to say that the level of regulation placed on charities is too much (42%) in comparison to those with lesser awareness of the requirement.

Those who said the regulation placed on charities was too much, were then asked which aspect of regulation they felt was too much. In response, trustees were more likely to state *other regulatory requirements* such as those of Companies House and the Health and Safety Executive were more of a burden than the regulatory requirements of the Charity Commission (50% versus 15%). However, 29% felt both aspects were too much.

Chart 3

Q5ax Which aspect of regulation do you feel is too much?

Base: All respondents saying too much regulation placed on charities – 369

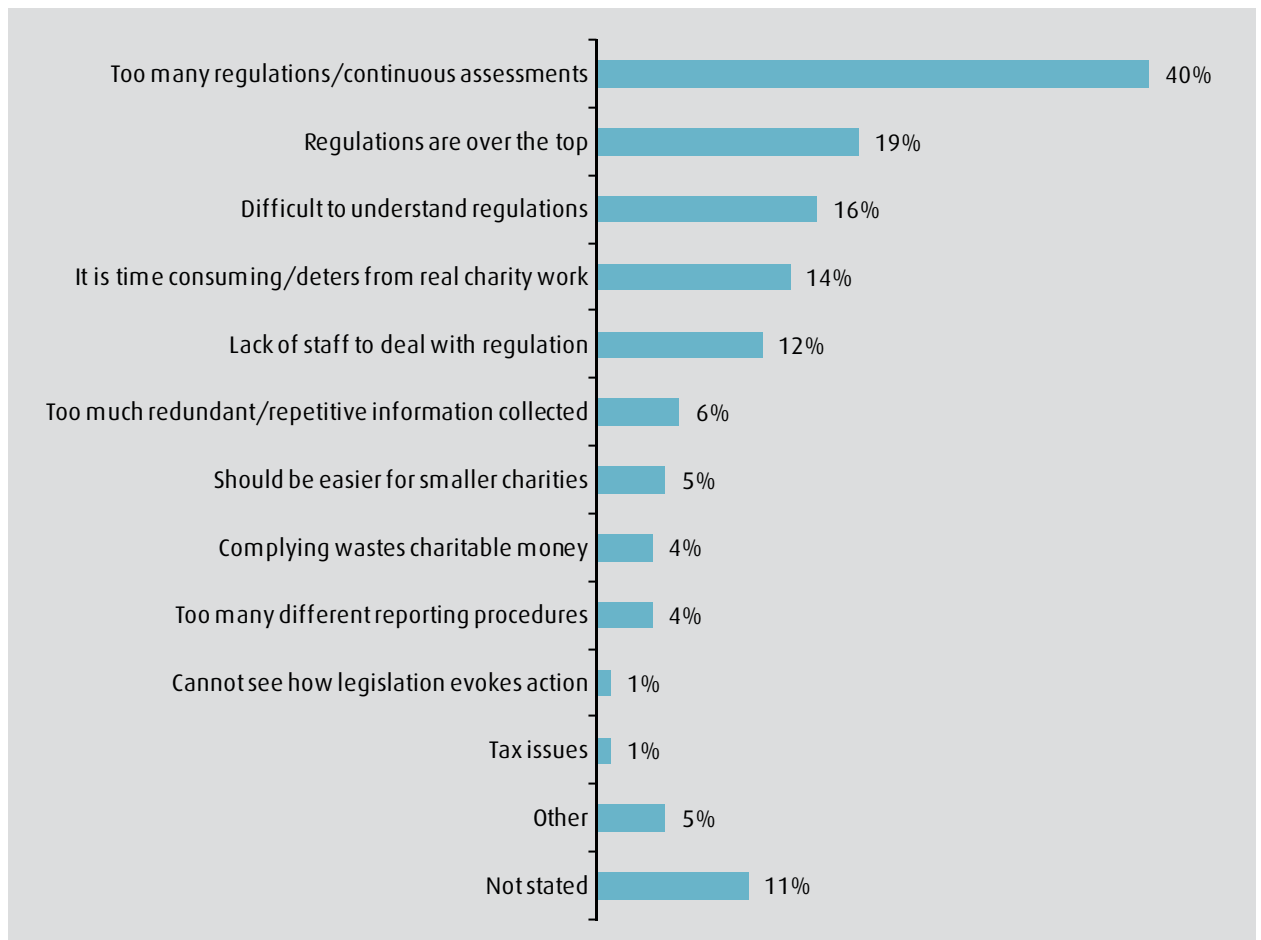


The most commonly cited reason for the level of regulation to be perceived as too much is that there are *too many regulations* and *continuous assessments* (mentioned by 40%). 19% felt that *regulations are over the top* and 16% that regulations are *difficult to understand*.

Chart 4

Q5b Why do you say regulation is too much?

Base: All respondents saying too much regulation placed on charities – 369



4. Awareness of Public Benefit Requirement

The aim of the research was to measure current levels of knowledge and understanding of the public benefit requirement amongst charity trustees. The survey was independently commissioned, ensuring that respondents felt able to answer honestly without being fearful about any lack of awareness.

Both the online and paper surveys were therefore prefaced by an introduction stressing that the survey was not designed to audit charities, but to explore actual experience. Discouraging trustees from researching the public benefit requirement before completing the survey was also important in determining current levels of knowledge and awareness for the identification of areas for improved Charity Commission communications in the future.

Accordingly, levels of knowledge and awareness of the public benefit requirement were assessed through a variety of questions; the most direct of which asked respondents how much, if anything, they knew about the public benefit requirement.

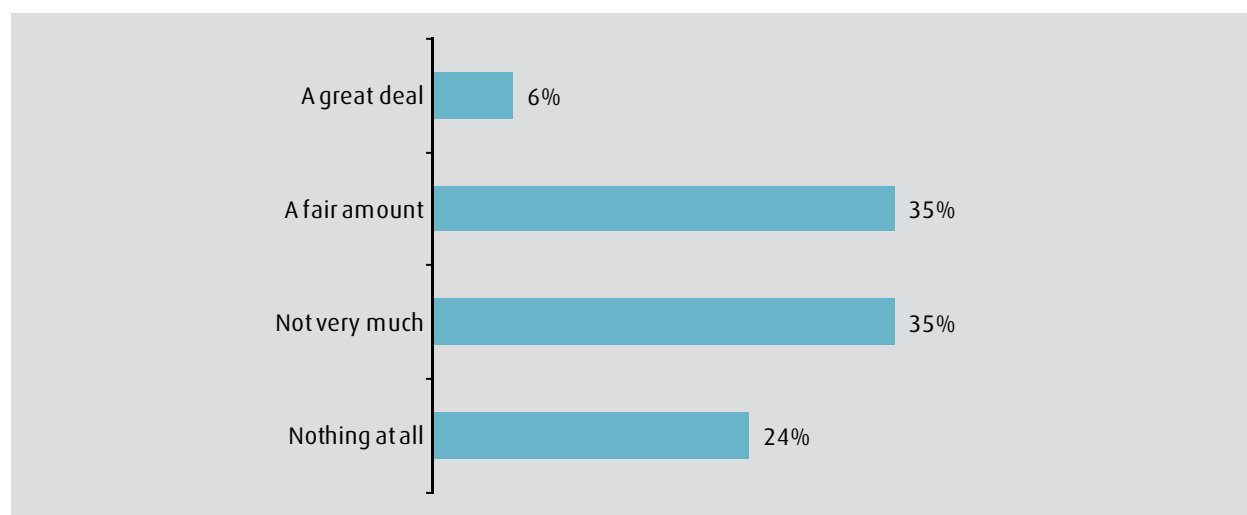
Stated awareness of the requirement

The majority of trustees claim to know a fair amount (35%) or not very much (35%). A further 24% of trustees admitted to knowing nothing at all, with only six per cent claiming to know a great deal.

Chart 5

Q6 How much if anything do you know about the public benefit requirement?

Base: All respondents – 1,483



Analysis of knowledge of public benefit requirement by sub-group audiences

We show in the table on the following page that there are significant variations in knowledge levels of the public benefit requirement according to the size of the charity which the trustee represents. Trustees of charities with annual incomes that exceed £500,000 are more likely to know a greater amount about the public benefit requirement. In contrast, charities with annual incomes smaller than £25,000 know the least about the public benefit requirement.

This trend was reflected in the in-depth interviews, with a greater number of trustees from smaller charities having limited (and in some cases no) knowledge of the public benefit requirement.

"No [I don't know about the public benefit requirement], I'm afraid I'm ignorant."

(Male chair, under £10k, both England/Wales)

"I've heard of [the public benefit requirement] in relation to the latest thing about private schools."

(Female trustee, £10-100k, Outside England and Wales)

When analysing the data by charity activity, levels of knowledge concerning the public benefit requirement are fairly consistent. However, charities with sport/recreation as their main activity are significantly more likely to say they know nothing at all about the legislation (35% compared to the 24% aggregate).

The data suggest that those charities which have been in operation since 2006 are likely to have a greater knowledge regarding the requirement than those in operation more than three years ago before the Charities Act 2006 in which the public benefit requirement was made explicit.

Table 1

Knowledge of public benefit requirement by sub-group

Base: All respondents – 1,483

	Base	% A great deal	% A fair amount	% Not very much	% Nothing at all
Total	1,483	6	35	35	24
<i>Income</i>					
<£25,000	587	4	31	37	27
£25,000-£499,999	475	6	39	35	20
£500,000+	417	11	60	22	7
<i>Charitable activity</i>					
General charitable	378	5	37	36	22
Education/training	848	6	35	35	24
Medical/health/sickness	315	7	40	36	16
Disability	247	7	41	31	21
Relief of poverty	277	5	46	37	12
Overseas Aid/Famine relief	89	5	40	40	16
Accommodation/housing	129	10	39	36	15
Religious Activities	201	7	39	36	18
Arts/Culture	258	5	38	33	24
Sport/Recreation	249	4	26	35	35
Animals	37	0	34	40	26
Environment/Conservation/Heritage	188	5	35	39	21
Economic/Community/ Development/Employment	227	6	38	35	22
Other	40	4	36	29	31
<i>Length of time in operation</i>					
Less than a year	11	0	63	37	0
1-3 years	67	6	50	31	13
4-5 years	70	9	25	36	30
6-20 years	548	5	35	39	21
20+ years	736	7	36	33	24

NB: Variations in numbers of charities according to type of activity are indicative of the charitable sector as a whole. For more information on the sample profile please see Appendix C.

Overall, 44% of trustees felt someone else within the charity would be likely to know more about the public benefit requirement than themselves. Interestingly, this does not vary significantly based on the level of knowledge respondents claim to have of the requirement. Among the trustees, chairs were significantly less likely to say someone else would know more than them, than trustees generally (38% versus 51% respectively).

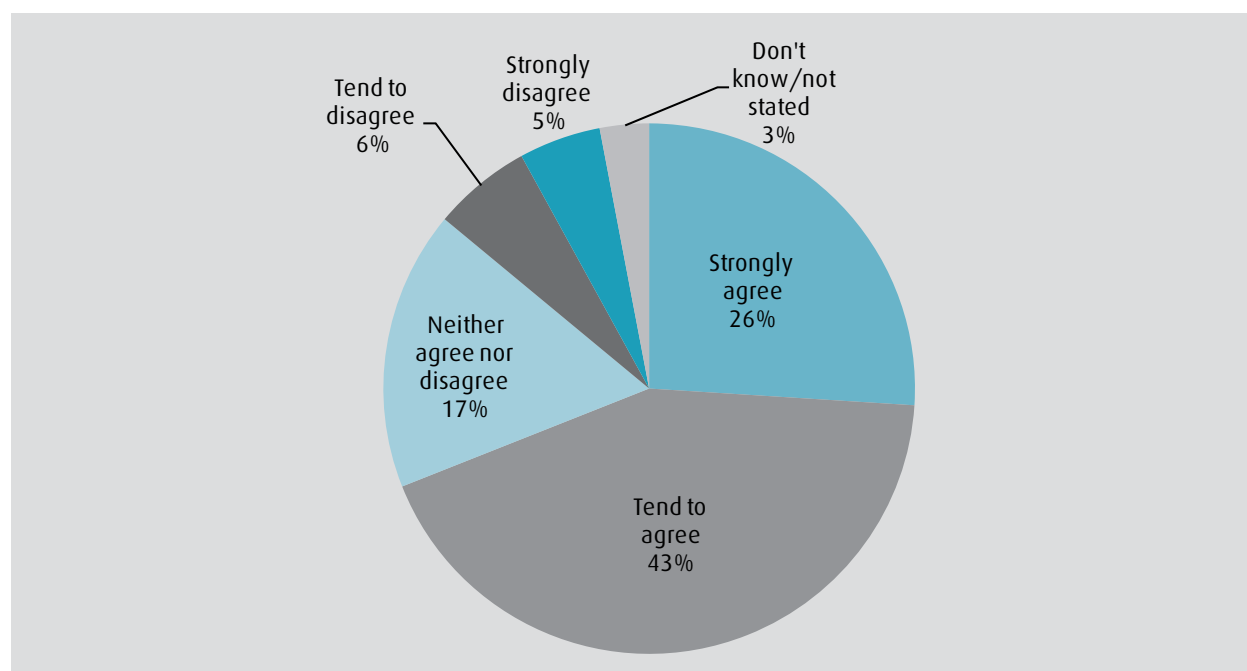
Among those stating no knowledge at all about the public benefit requirement, most say they do intend to find out more about it in the future (75%). Despite their lack of awareness, there is therefore acknowledgement among this audience of the need to investigate their responsibilities further. Seven in ten of this group of trustees also say they are concerned that they were unaware of the public benefit requirement prior to participating in this research.

Chart 6

Q49d To what extent do you agree or disagree with the statement:

"I am concerned that prior to this survey, I was unaware of the public benefit requirement"?

Base: All respondents knowing nothing at all about requirement – 282



These findings support the desires of many in-depth interview participants to find out more about the public benefit requirement.

"I certainly want to have a more in-in-depth knowledge of all the criteria involved. Yes, definitely."

(Female trustee, under £10k, England only)

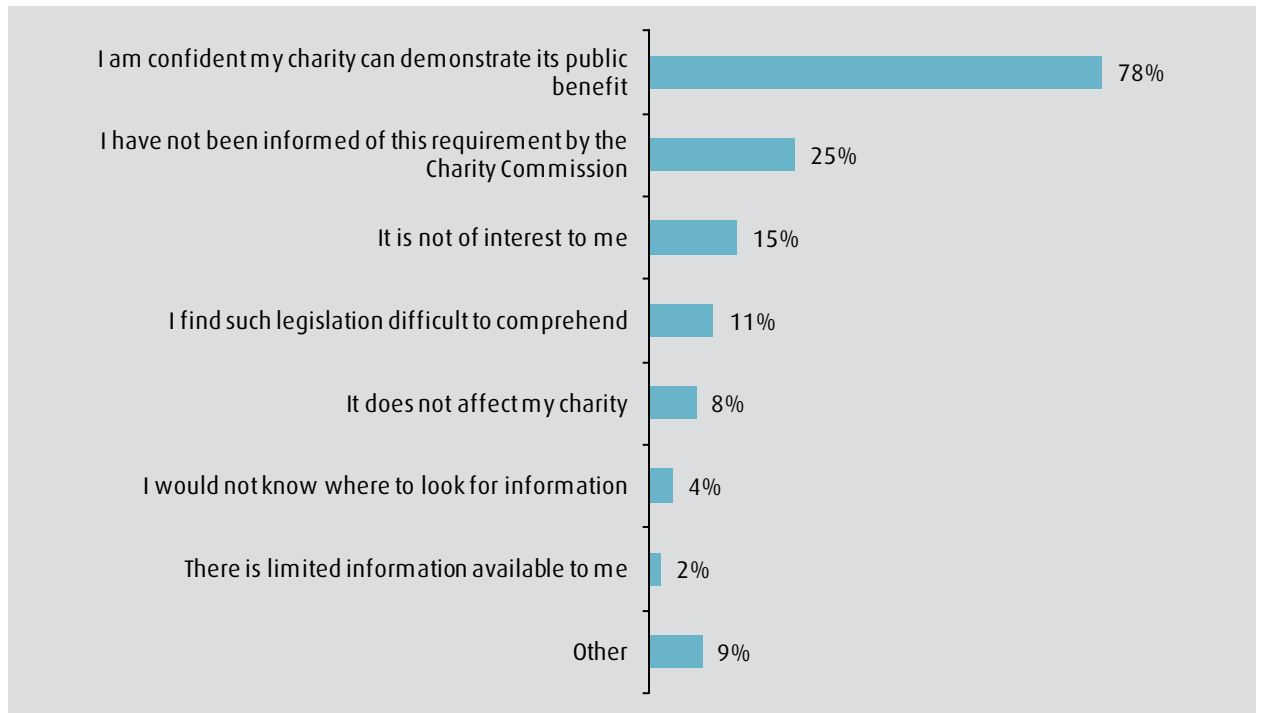
For those trustees claiming they do not intend to seek out further information on the requirement, it is largely because they feel their charity already demonstrates a public benefit through its activities (78%).

However there is evidence that some trustees are unaware of the requirement because they do not believe it to be relevant to their charity. A quarter state they have not been informed of the requirement by the Commission and a further eight per cent that it does not affect their organisation. There are no significant differences by sub-groups due to the small base size for this question.

Chart 7

Q43 Why would you choose not to find out more about the public benefit requirement?

Base: All respondents knowing nothing at all about requirement and not intending to find out more about compliance – 69



Confidence in understanding public benefit requirement

For those trustees claiming to know at least something about the requirement, a series of questions were asked to elicit further insight into their true understanding.

The majority of trustees are confident in their understanding of the requirement (60%), and attitudes to this positively correlate with trustees' self-professed knowledge of the requirement.

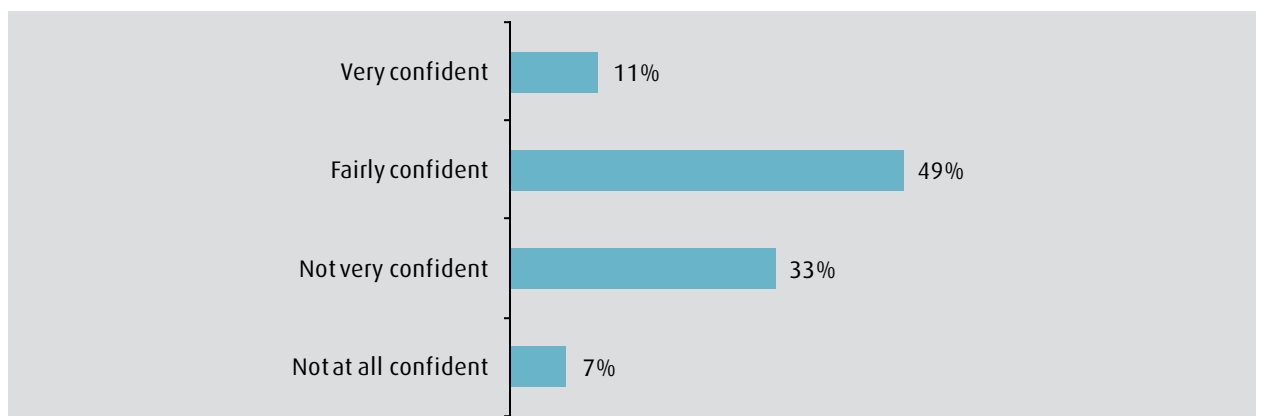
"Yes, I think I've got my head round it reasonably successfully."

(Male trustee chair, £10k-£100k, England only)

Chart 8

Q8 How confident are you in your understanding of the public benefit requirement?

Base: All respondents knowing at least something about the PBR – 1,201



On providing some background information to those trustees with no knowledge of the public benefit requirement, nearly two-thirds (61%) believe it is a reasonable demand to place on charities, with no sub-group audience demonstrating greater or lesser support.

Actual understanding of the requirement

Whilst these questions provide an indication of trustees' self-rated knowledge and understanding of the public benefit requirement, an objective measurement was also utilised to fully explore trustees' actual knowledge of public benefit and the public benefit requirement.

To gain such a measurement, respondents were asked to class a series of statements about the public benefit requirement as being either true or false. A don't know option was also available for those who were unsure.

Each respondent was asked to look at six randomly allocated statements out of a total available set of twelve statements. Of the six statements given to them to judge as being either true or false, most judged between two and four correctly (67%). The statements were designed to provide some insight into levels of knowledge and understanding. There is no expectation from the Charity Commission that charity trustees should be able to answer all of the statements correctly either now or in the future; instead the statements are intended to give just a sense of awareness and understanding that can inform future communication and awareness raising work.

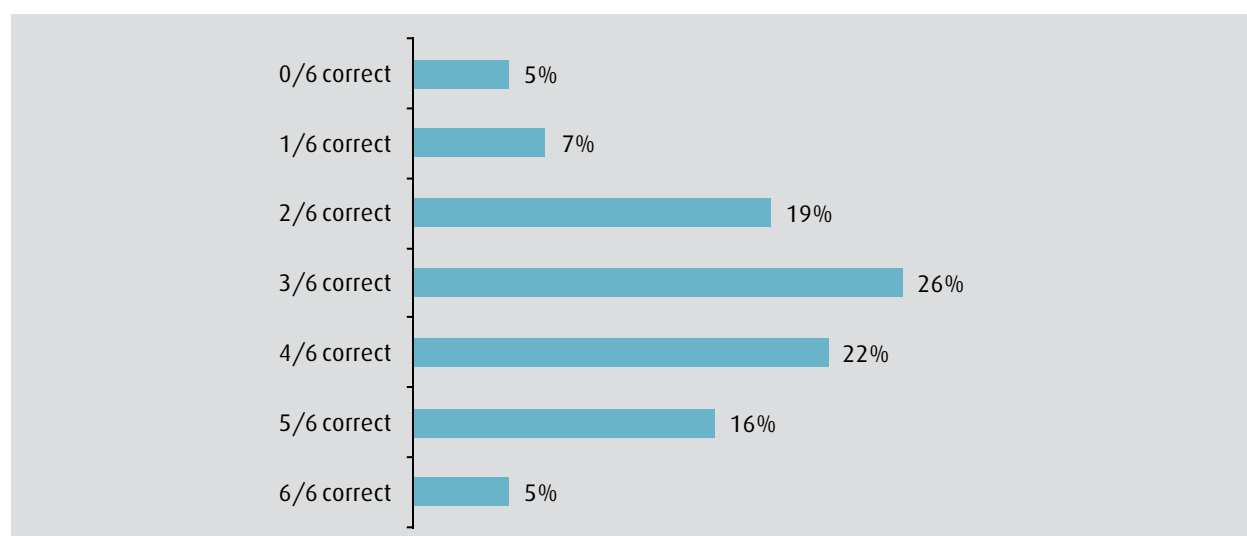
As we would expect, trustees who are very or fairly confident in their understanding of the public benefit requirement are more likely to judge three or more of the statements as true or false correctly, in comparison to those who are not very or not at all confident in their understanding (78% versus 57%).

The same pattern can be seen for those trustees claiming to know a great deal or a fair amount about the public benefit requirement as opposed to those who say they do not know very much. Thus it seems that the self-professed levels of knowledge and confidence with regards to the public benefit requirement are fairly accurate predictors of the objective measurement of knowledge regarding the requirement.

Chart 9

Q9x Accuracy of responses to true/false public benefit requirement statements

Base: All respondents knowing at least something about the PBR – 1,201



Looking at the specific statements in detail, some aspects of the requirement are more widely known and understood by respondents than others. When ranking the statements in order of correct true or false classification, it is clear that certain features of the requirement are less well understood.

Areas where trustees aware of the requirement are most likely to correctly interpret the public benefit requirement relate to:

- awareness that a charity can benefit a small section of the public (85% correct);
- trustees responsibility to report on their charity's public benefit requirement (74% correct); and
- any professional fees incurred by a charity in delivering its aims not affecting its public benefit (69% correct).

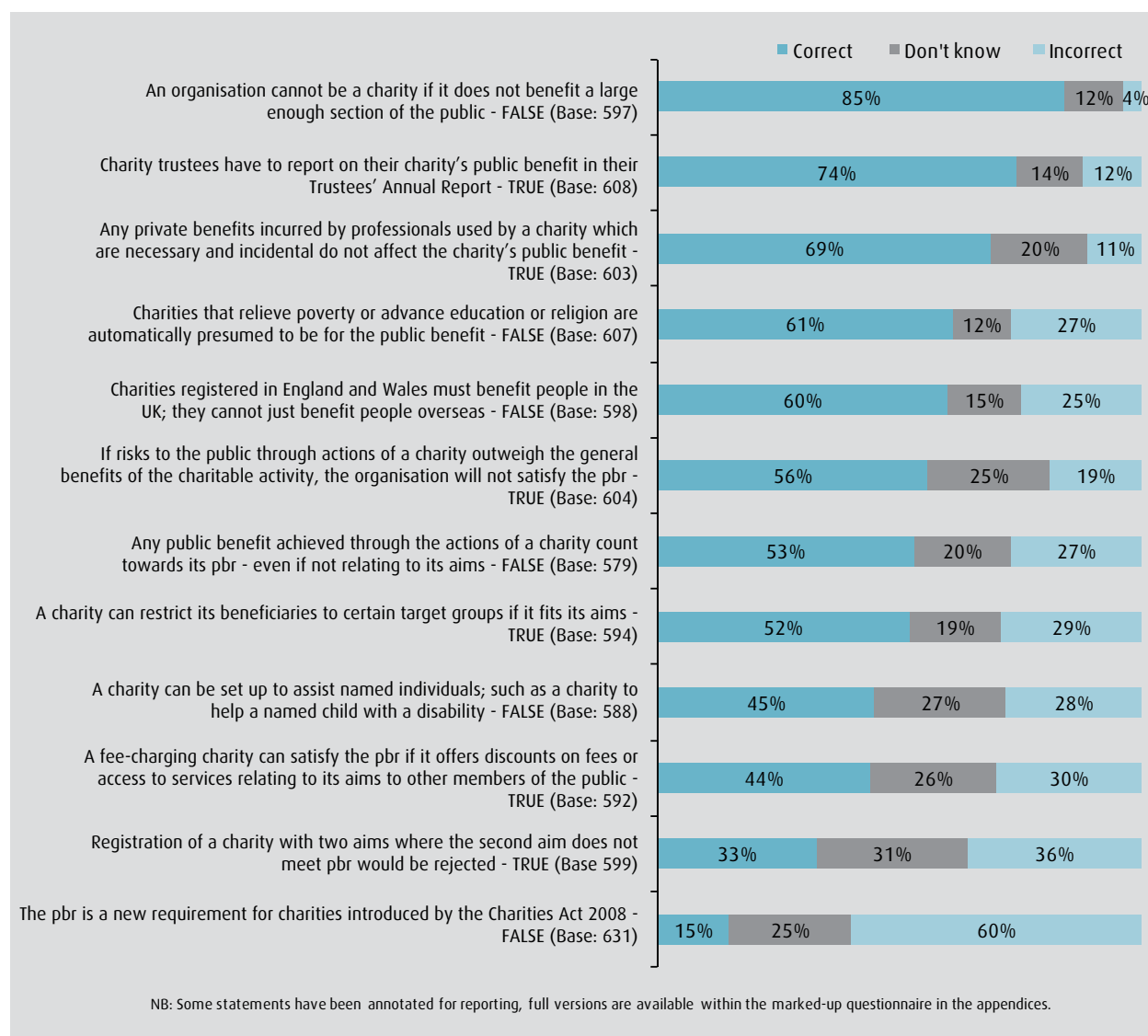
Less well understood aspects of the public benefit requirement (through ratings of don't know and being incorrect) are that:

- the public benefit requirement can be satisfied by fee charging charities through offering some free or discounted services to the public (56% incorrect or don't know);
- if a charity wishes to register as having two aims, both must satisfy the public benefit requirement (67% incorrect or don't know); and
- the public benefit requirement is not a new requirement (85% incorrect or don't know).

Chart 10

Q9 In relation to the public benefit requirement, which of the following statements do you think are true and which are false?

Base: All respondents knowing at least something about the PBR – 1,201



It will be important for the Commission to consider how to improve trustees' awareness of the requirement overall to cover all of its varying aspects.

5. Meeting the Requirement

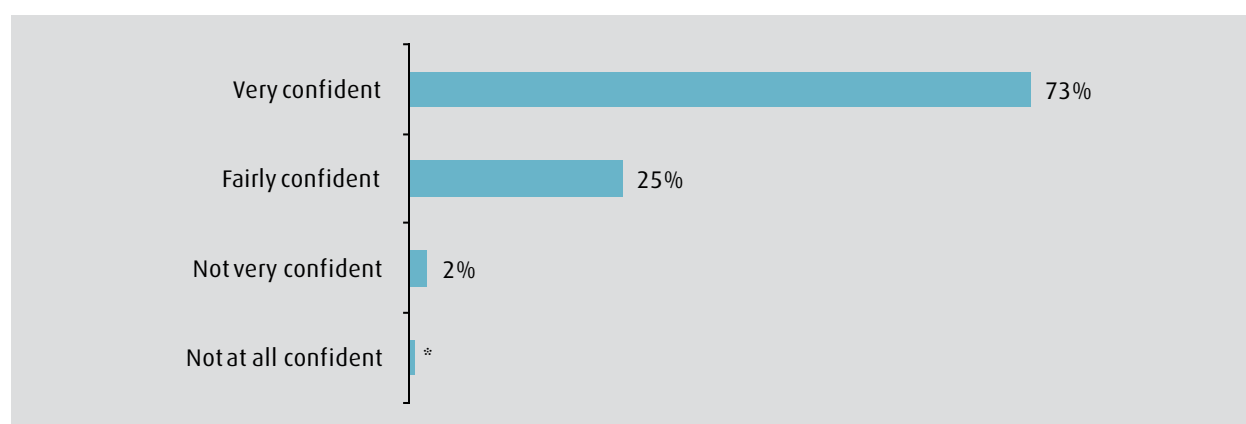
Confidence in demonstrating public benefit

Nearly all trustees who know at least something about the requirement are confident their charity can demonstrate they are for the public benefit (98%), with 73% very confident.

Chart 11

Q10 How confident are you that as a charity, you can demonstrate the public benefit in your work?

Base: All respondents knowing at least something about the PBR – 1,201



Despite this high overall level of confidence in charities' abilities to demonstrate their public benefit, some trustees are more likely to feel this than others. For charities with annual incomes of £25,000-£500,000 and those exceeding £500,000, 78% of trustees felt very confident in their ability to demonstrate the public benefit in their work. This compares to 69% of trustees from charities with annual incomes less than £25,000.

Although awareness about the public benefit requirement is relatively low amongst the trustees who participated in the qualitative phase, they tended to be very confident in the ability of their charity to demonstrate its public benefit. In general, the requirement seemed rather obvious to the participants, and accordingly there was little concern about complying with it.

"The only purpose of this charity is to provide public benefit really so I wouldn't think we'd have a problem coping with that."

(Male chair, under £10k, Wales only)

Confidence among those who are not aware of the requirement at all that their charity's general purpose would meet the requirement, is also borne out in the survey, with over half of those with no awareness of the requirement claiming it would be easy to comply with (55%). However, while only two per cent stated it would be difficult, nearly a third said they didn't know.

In considering this confidence in compliance against awareness of aspects of the requirement identified in the previous section, there is somewhat of a gap in perceptions. Many trustees appear to take the requirement very much at face value without full consideration of what it actually involves. In order for the Charity Commission to be confident in how the requirement is being interpreted, it will be important to acknowledge that more of a learning process about the finer details of compliance may be required by charities.

Supporting this assumption, among those knowing nothing of the requirement, opinion is evenly split on understanding the actual implications of it for their particular charity. A third say they agree that they understand its implications and a third also say they disagree (25% neither agree nor disagree and one per cent do not know).

Actions taken

Some charities have already taken action in relation to the public benefit requirement, and more charities are likely to do so as awareness continues to grow. The actions taken so far are wide-ranging, but appear to be positive for the charities responding.

Revisiting aims

Since the introduction of the Charities Act 2006, nearly a quarter of trustees and their charities (knowing at least something of the public benefit requirement) have revisited their original aims (22%).

The pattern continues in which charities larger in size are more engaged with the public benefit requirement. This is shown by 38% of charities with annual incomes greater than £500,000 revisiting their aims as a result of the requirement, as made explicit in the Charities Act 2006, in comparison to 19% of charities with incomes less than £25,000.

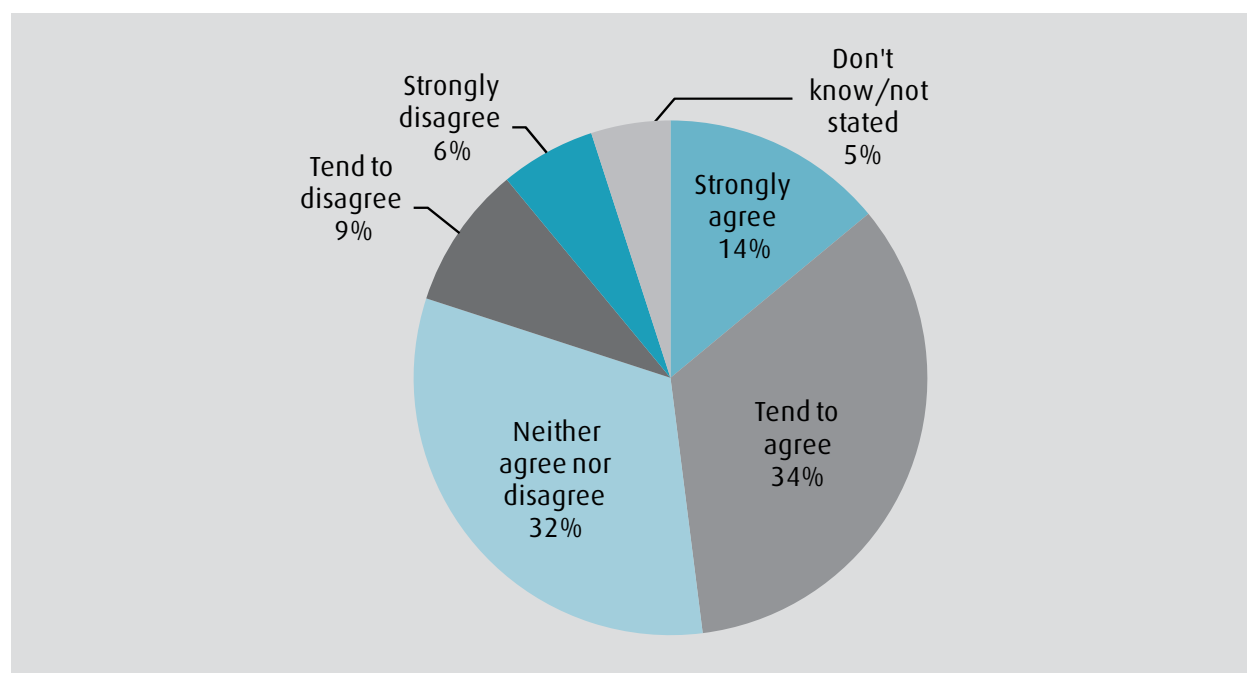
While 22% have actually revisited their charity's aims, a higher proportion of trustees aware of the public benefit requirement do claim to have *thought* about the benefits its charity has for the public as a result (48%).

Chart 12

Q36a To what extent do you agree or disagree with the statement:

"The public benefit requirement has made me/the charity think about the benefits it has for the public?"

Base: All respondents knowing at least something about the PBR – 1,201



Among those that have actually revisited their charity's aims, the majority feel it was a useful experience (89%), with 33% saying it was *very* useful and 56% *fairly* useful. Twelve per cent say this exercise has not been useful to them.

Trustees claiming a great deal of knowledge about the public benefit requirement are significantly more likely to say that revisiting their aims was a very useful experience (56%) in comparison to those that know a fair amount (36%), and those that know not very much (21%).

Those not at all aware of the requirement were asked if they would be likely to revisit their charity's aims if they knew more about it. Views are very evenly divided.

Table 2

Q51 Would knowing more about the public benefit requirement make you revisit the original aims of your charity?

Base: All respondents knowing nothing about the PBR – 282

	%
Yes	31
No	39
Don't know	30
Not stated	1

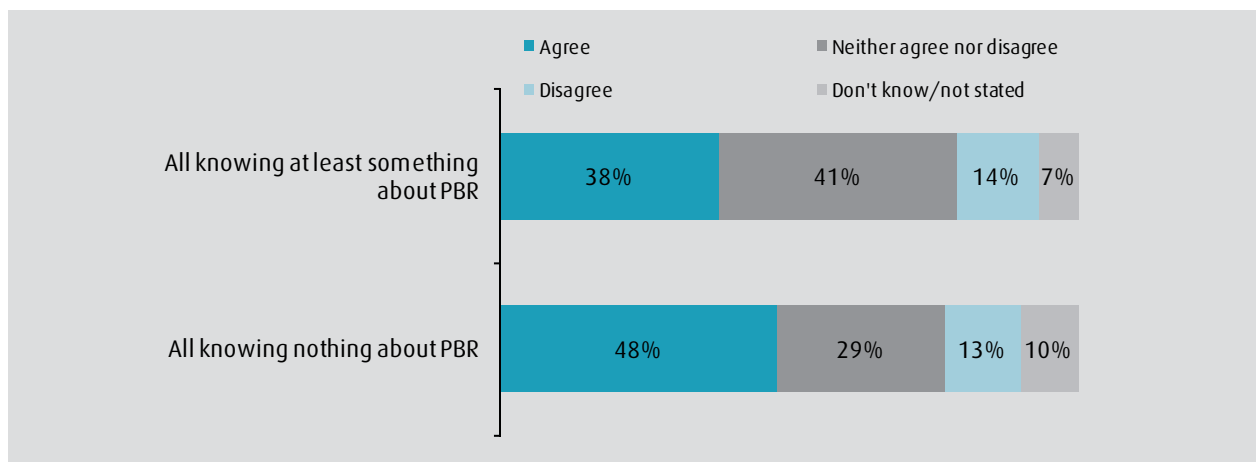
Across all respondents, revisiting their charity's aims to ensure compliance with the public benefit requirement is viewed by trustees either in a positive or neutral respect rather than negatively.

Chart 13

Q36c/49g To what extent do you agree or disagree with the statement:

"Revisiting the charity's aims to ensure they comply with the PBR will be/has been positive for the charity and its supporters"?

Base: All respondents knowing at least something about the PBR – 1,201; All respondents knowing nothing at all about requirement – 282



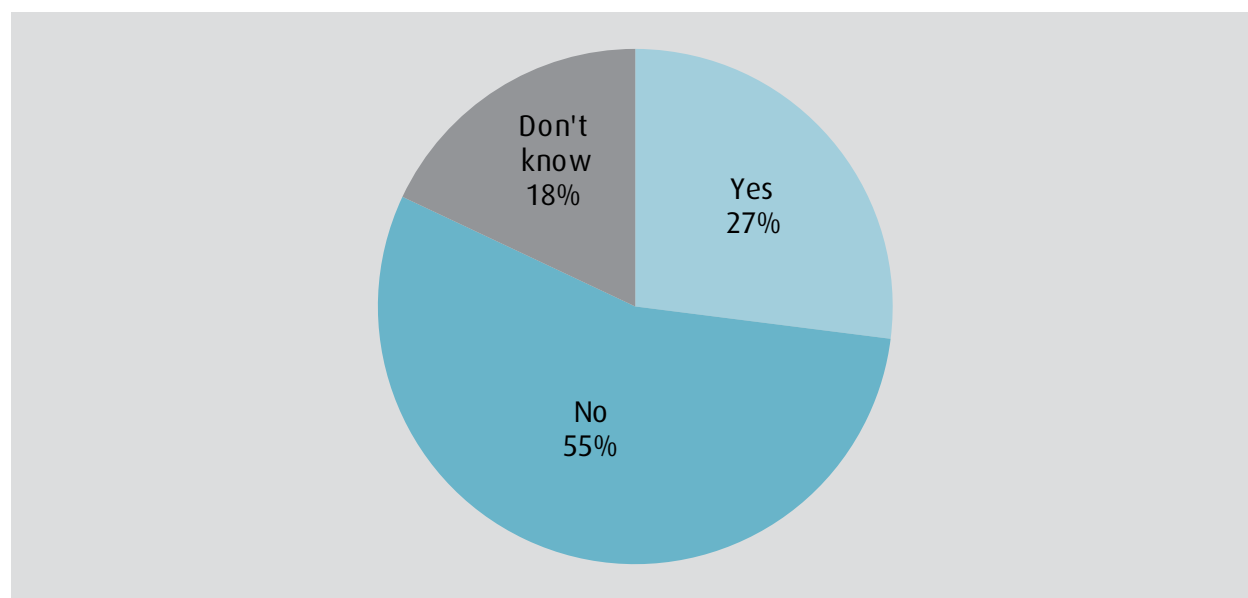
Other actions taken

As with revisiting aims, most trustees with at least some awareness of the requirement, and their charities, have not taken action to comply with the public benefit requirement since the introduction of the Charities Act 2006 (55%). Those with the greatest knowledge about the requirement are more likely to have taken action as a result of it - forty-six per cent of those who know a great deal about the legislation have taken some action in contrast to 34% of those who know a fair amount, and 16% of those who do not know very much.

Chart 14

Q13 Since the introduction of the Charities Act 2006, has your charity taken any actions to comply with the public benefit requirement?

Base: All respondents knowing at least something about the PBR – 1,201



The actions taken by those to comply with the public benefit requirement are naturally diverse in nature, and Chart 15 shows the responses mentioned by more than two per cent of those asked.

A number of responses concern action relating to monitoring their charity's compliance, with 27% of trustees saying they have undertaken to continuously review provision and/or make compliance a key performance indicator of the charity. A further seven per cent state they will continue with current actions to meet the requirement and five per cent that they have ensured compliance with the criteria.

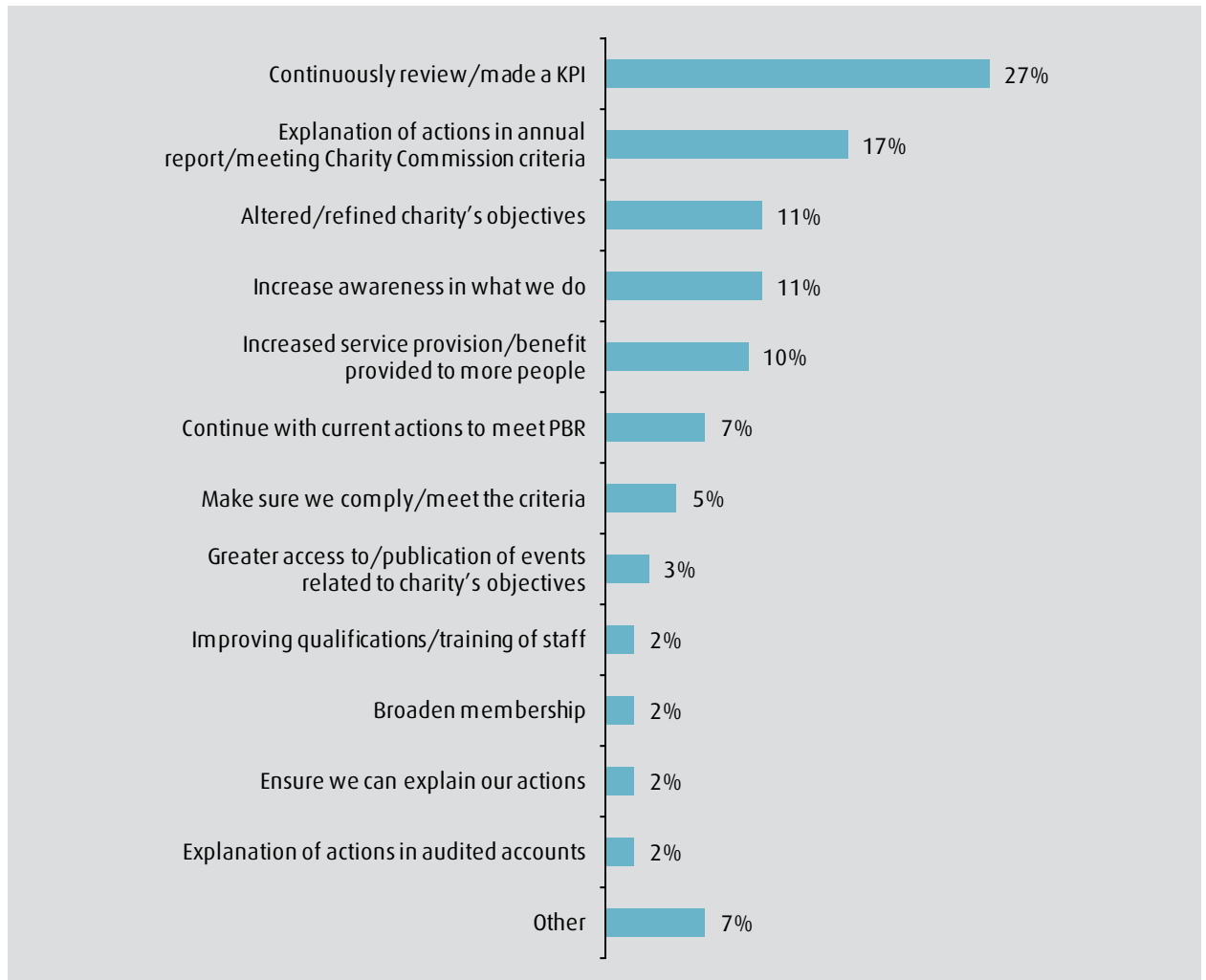
Seventeen per cent classify 'action' as the requirement placed on them to report on their charity's public benefit in their Annual Report.

11% of charities responding are refining their objectives and a further 11% are attempting to increase awareness of their aims.

Chart 15

Q14 Please briefly state what these actions have been?

Base: All respondents knowing at least something about the PBR and taking action as a result – 353



Among the quarter of trustees taking action as a result of the public benefit requirement, two-thirds say the actions have been easy to implement and they are more likely to have been neither easy nor difficult than hard to put in place (24% and 12% respectively).

Future actions

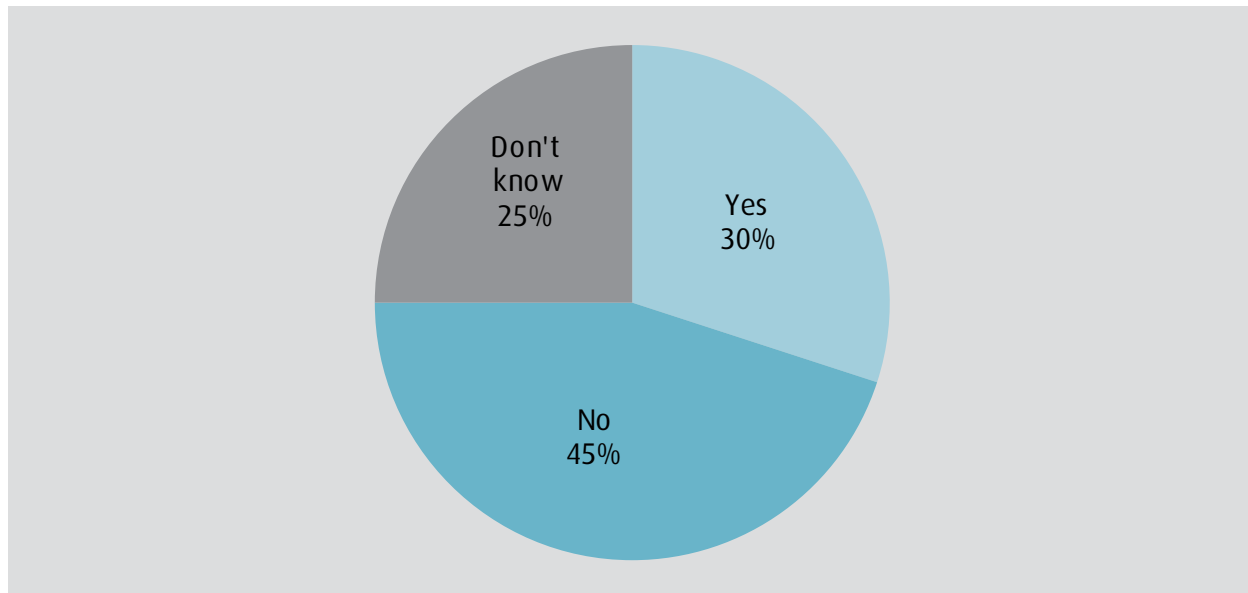
Most trustees knowing something about the requirement do not expect their charity to take future actions to comply (45% say they will not and a further 25% do not know) while 30% say they are likely to. Again, it is larger charities that appear more engaged, with 40% saying they will take some action compared with 30% of those with an income of lower than £25,000 and 28% of those with an income of £25,000-£500,000. There are few significant differences among other sub-groups on this aspect.

As previously reported, from the qualitative in-depth interviews, anecdotal evidence shows many trustees feel their charity is already compliant with the requirement with the aims of the organisation clearly for the public benefit, and therefore they feel actions are not required. As highlighted through the analysis of the true/false statement classification however, many charities are not fully aware of all the aspects of the requirement.

Chart 16

Q16 Do you expect your charity to take any actions to comply with the public benefit requirement in the future?

Base: All respondents knowing at least something about the PBR – 1,201



Among those expecting to take action in the future, what these may be, is again varied (chart 17). One in five (21%) will monitor and take responsive action, while 19% say they will actively review the charity's current services, and nine per cent say they will review their charity's objectives.

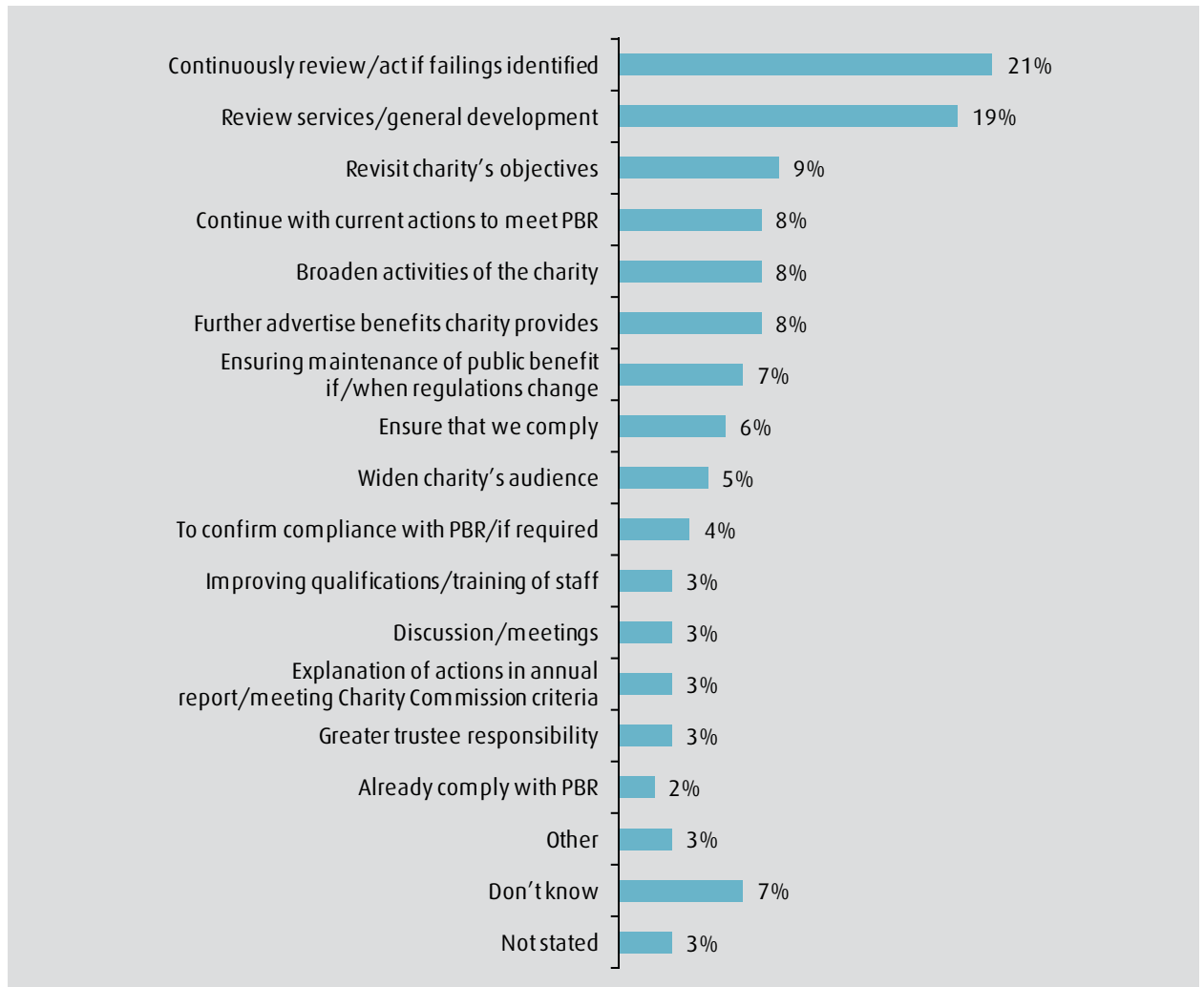
There are few significant differences, across charities of the different income groups, in the nature of actions expected. However 33% of those with an income of over £500,000 state they would continuously review/act on failings compared with 17% of trustees of charities with an income of less than £25,000 and 21% of those with an income of between £25,000 and £500,000.

Most do not envisage these future actions being difficult to implement, with 54% saying they expect them to be easy and a further 30% neither easy nor difficult.

Chart 17

Q17 Please state briefly what you expect these actions to be?

Base: All respondents knowing at least something about the PBR and expecting to take action to comply – 391



6. Learning about the Requirement

In seeking to find out more about charity trustees' levels of awareness and understanding of the public benefit requirement, the research also provided an opportunity for the Charity Commission to learn more about the ways in which charity trustees had heard about the requirement, and to use this knowledge to further inform its communications in this area.

Whilst the findings do show an awareness of the requirement and confidence in a charity's ability to demonstrate public benefit, there is clearly some way to go in trustees developing a full understanding of what compliance may entail.

Learning of the public benefit requirement

Many of those aware of the requirement learnt of it through the Charity Commission, either through literature or the website. The media has also played a part, with one in five citing this as a source and a further 20% stating another trustee or charity staff member informed them. These findings support the experiences of the participants in the qualitative in-depth interviews.

"I just read things in the newspapers reflecting other more complex charities such as schools."

(Male chair, under £10k, Wales only)

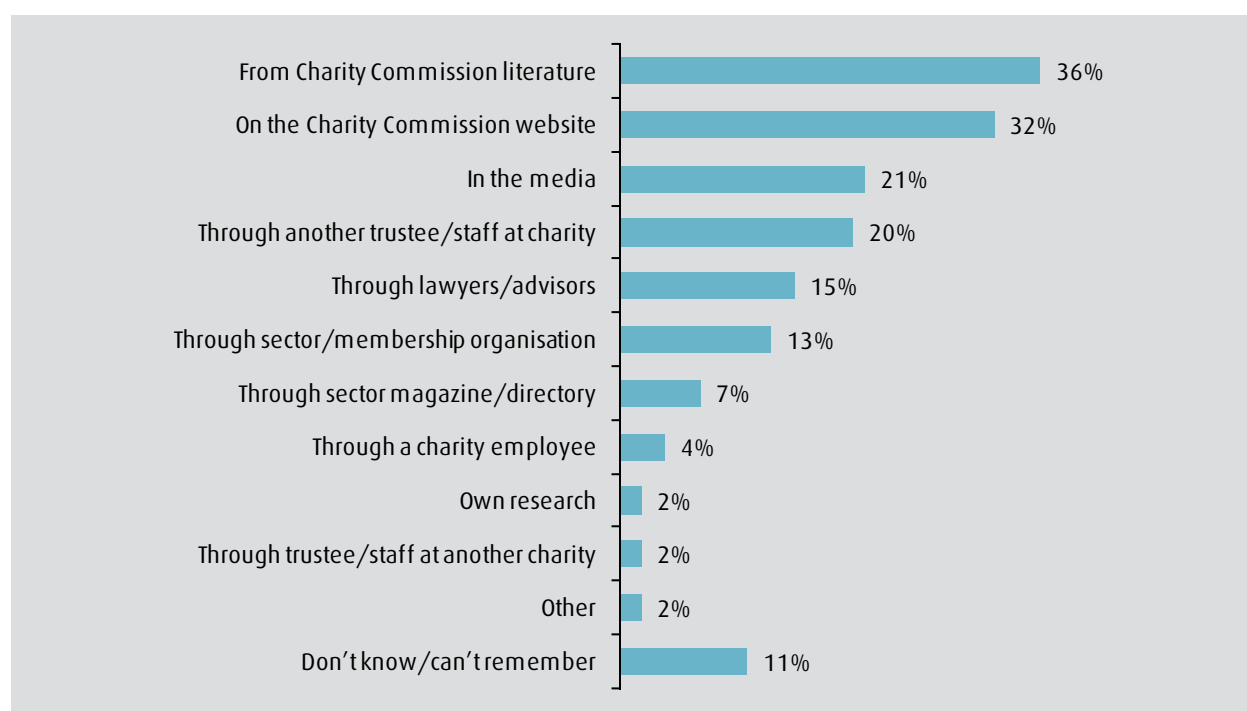
"I certainly rely on our very efficient secretary to draw anything like this to my attention."

(Male chair, £100k+, England only)

Chart 18

Q7 How did you become aware of the public benefit requirement?

Base: All respondents knowing at least something about the PBR – 1,201



Trustees of higher income charities are more likely to have learnt of the requirement through a sector/membership organisation or through a charity employee than smaller charities (20% and 13% respectively versus 12% and two per cent of those with an income of lower than £25,000 and 14% and six per cent for those with an income of £25,000-£500,000). Those serving Wales only were also more reliant on a sector/membership organisation in comparison to other charities and the aggregate (35% of charities serving Wales only, found information on the requirement through this source).

It is useful to explore how those with higher awareness of the requirement became aware. Higher proportions of those stating a great deal of knowledge became aware through the Charity Commission website (50%); sector/membership organisations (30%) and through a lawyer/adviser (32%) in comparison to those knowing just a fair amount or not very much.

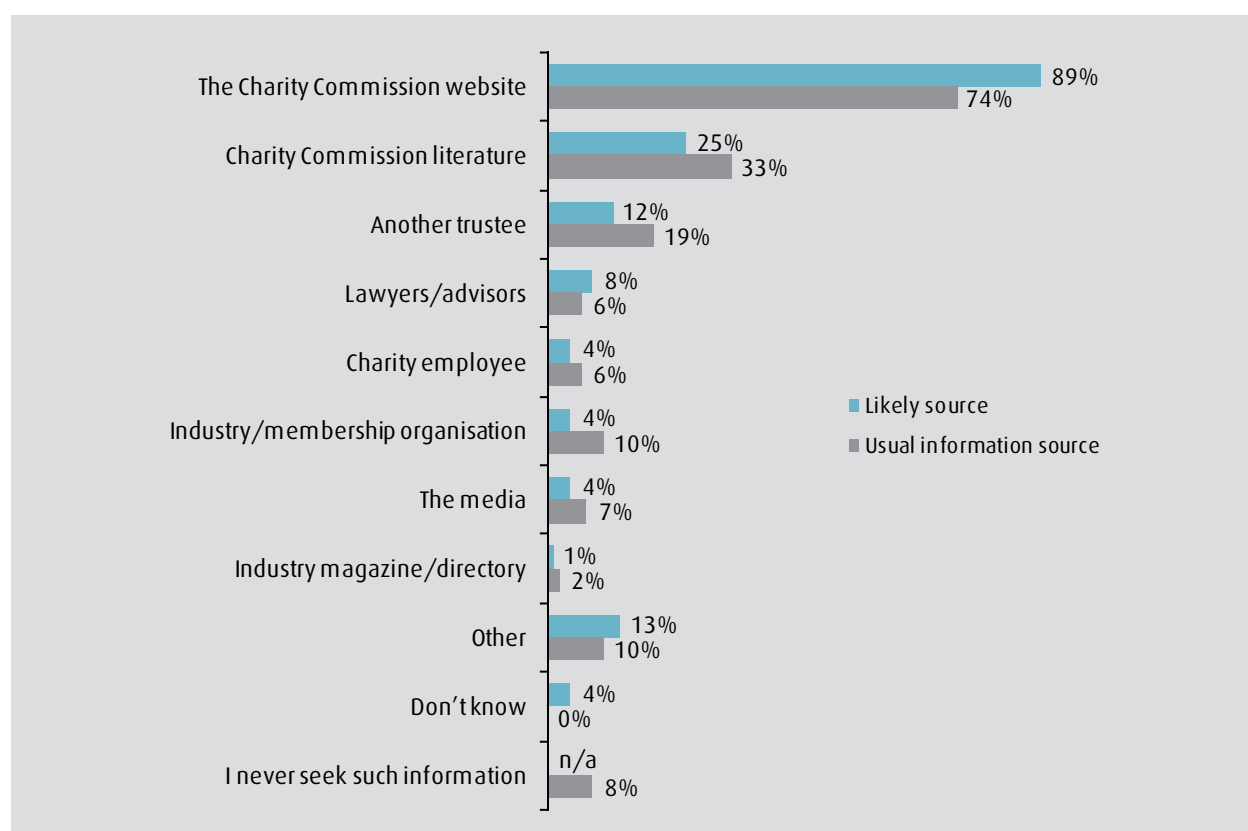
Among those who know nothing at all about the public benefit requirement, the Charity Commission is the most likely source of information about the requirement that trustees would use initially – particularly the website. They are also more likely to use the Charity Commission website to seek out information about the requirement, than they would usually do to find general information about charity legislation.

Chart 19

Q41 If you were to search for more information on the public benefit requirement, which sources would you turn to? (Likely source)

Q44 How do you normally find out information about charity legislation (not specific to the public benefit requirement)? (Usual information source)

Base: All respondents knowing nothing about the PBR – 282



Charity Commission guidance

The Charity Commission provides a range of information on the public benefit requirement to help and support charities in their compliance. The two core provisions are:

- published guidance
- ad hoc information, advice and support.

Awareness of both the published guidance and ad hoc support is relatively high (73% and 70% awareness respectively).

Published guidance

Among those aware of published support and guidance, use of the provision is evenly split with 49% using it and 51% not.

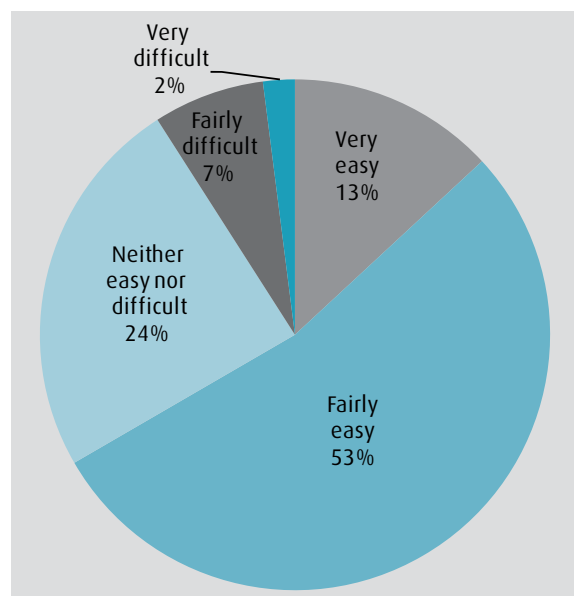
Feedback on the guidance is positive from users, with the majority saying it is both easy to understand and useful in helping their understanding of the requirement.

Chart 20

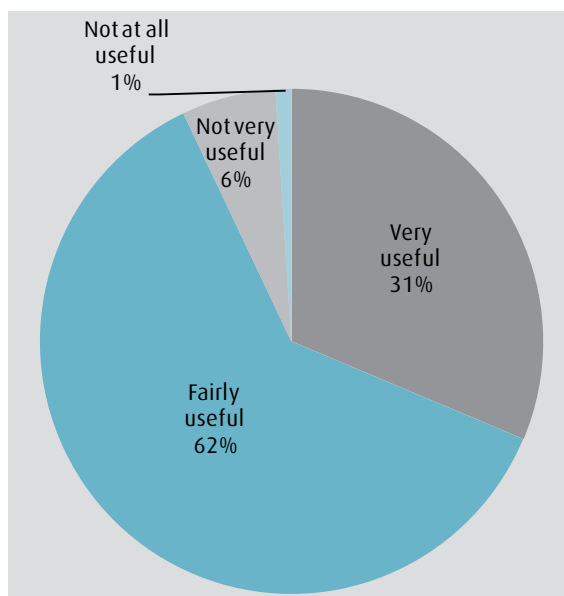
Q21 How easy or difficult was the guidance to understand?

Q22 How useful was the guidance in helping your/your charity's understanding of the public benefit requirement?

Base: All respondents using guidance – 477



Question 21



Question 22

The seven per cent of guidance users claiming it was not useful to them (39 respondents), were asked why. The most commonly cited reasons were:

- advice difficult to interpret (28%)
- examples not helpful (18%)

Users were asked how this Charity Commission guidance could be improved. Suggestions were limited with a quarter saying none were necessary and a further 38% giving no response. Recommendations from the minority included:

- using clearer language (eight percent)
- more communication (seven percent)
- more detailed/specific advice provided (seven percent)
- making publications shorter/more accessible (six percent).

There were repeated mentions in the in-depth interviews of the need for case studies to be provided by the Charity Commission to better improve trustees' understanding of the public benefit requirement

"They might be able to provide some information which gives examples of what is good practice and what isn't, so that instead of people being a bit in the dark, they will be able to see what the Charity Commission has ruled in the past."

(Male chair, £100k+, England only)

Ad hoc information, support and advice

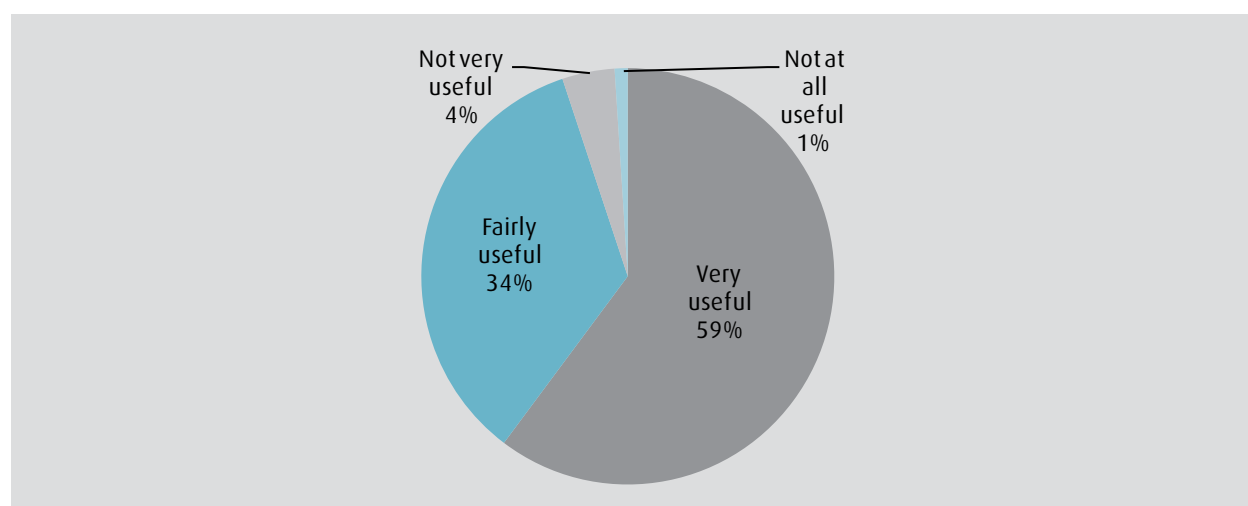
Seventy per cent of trustees aware of the requirement also stated awareness of the provision of information, support and advice from the Charity Commission. Among these, 13% have used this service.

Users of this service provide very positive feedback, with over nine in ten (93%) saying the help they received was useful. This is the same rating as users gave for published guidance.

Chart 21

Q32 How useful was the information/support/advice in helping your/your charity's understanding of the public benefit requirement?

Base: All respondents requesting information/support/guidance – 118



Reasons why the information, advice or support was not deemed useful included:

- not getting help with the public benefit requirement/unhelpful staff (two out of nine respondents)
- language too complicated (two out of nine respondents)
- more precise information required (two out of nine respondents).

Alternative guidance

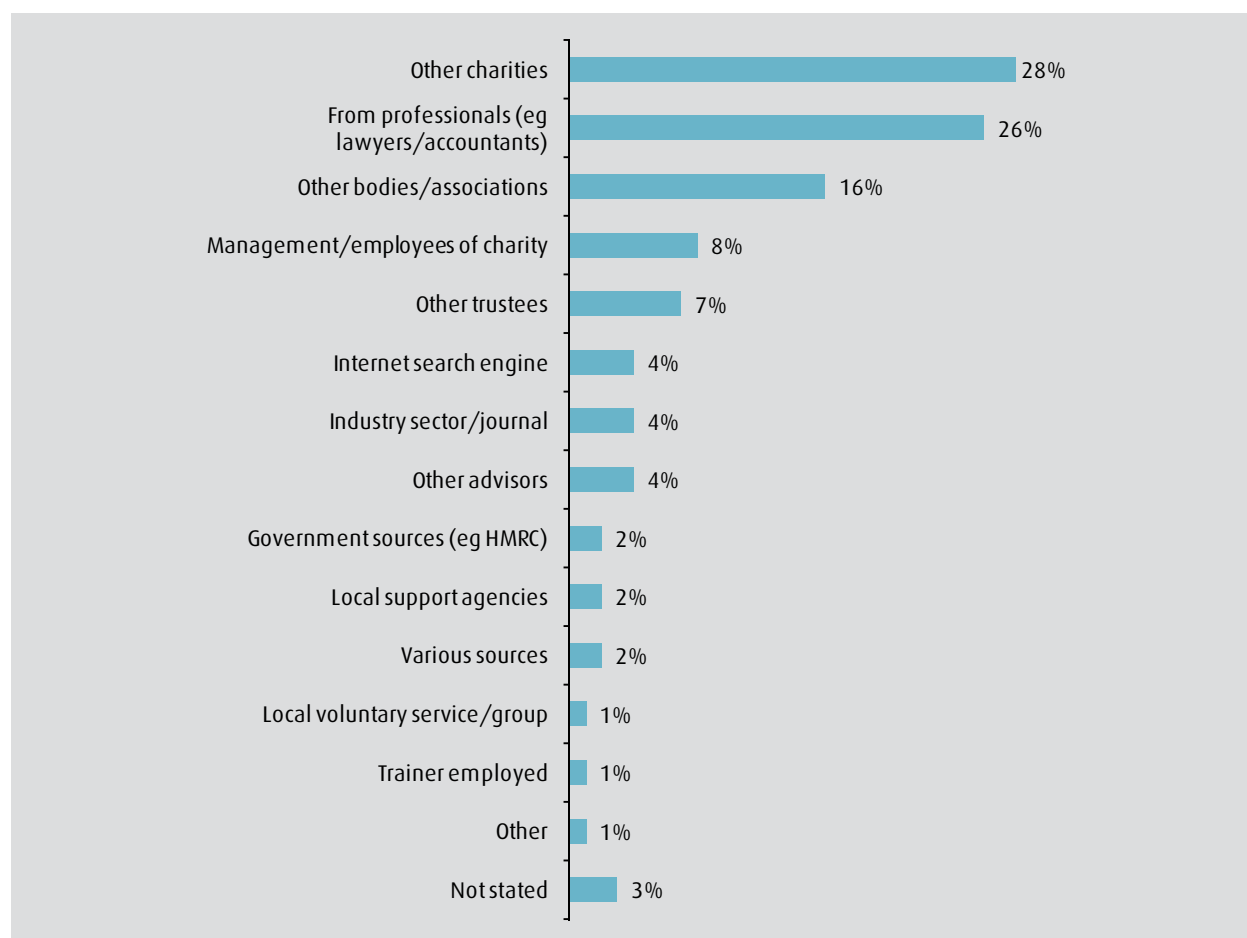
Among those not aware of Charity Commission published guidance, a quarter say they have needed such support (23%). This group, along with trustees aware but not using the published guidance, were asked if they have sought information elsewhere and 26% stated they have.

The main alternative sources used were other charities and professionals and this alternative guidance was also viewed as useful (by 90%).

Chart 22

Q26b Where did you look?

Base: All respondents not aware of/using published guidance and using other sources – 151



Guidance for those unaware of public benefit requirement

Despite being unaware of the public benefit requirement, eight in ten of these trustees say that guidance on charity legislation generally is readily available. There are no significant differences in this perception by different sub-group audiences.

Among those claiming such guidance is not readily available, three themes as to reasons for this are apparent: awareness; access; and content.

Firstly, a quarter is unaware of any guidance. A further three per cent each give not being aware of the public benefit requirement as an example and say guidance is not widely advertised.

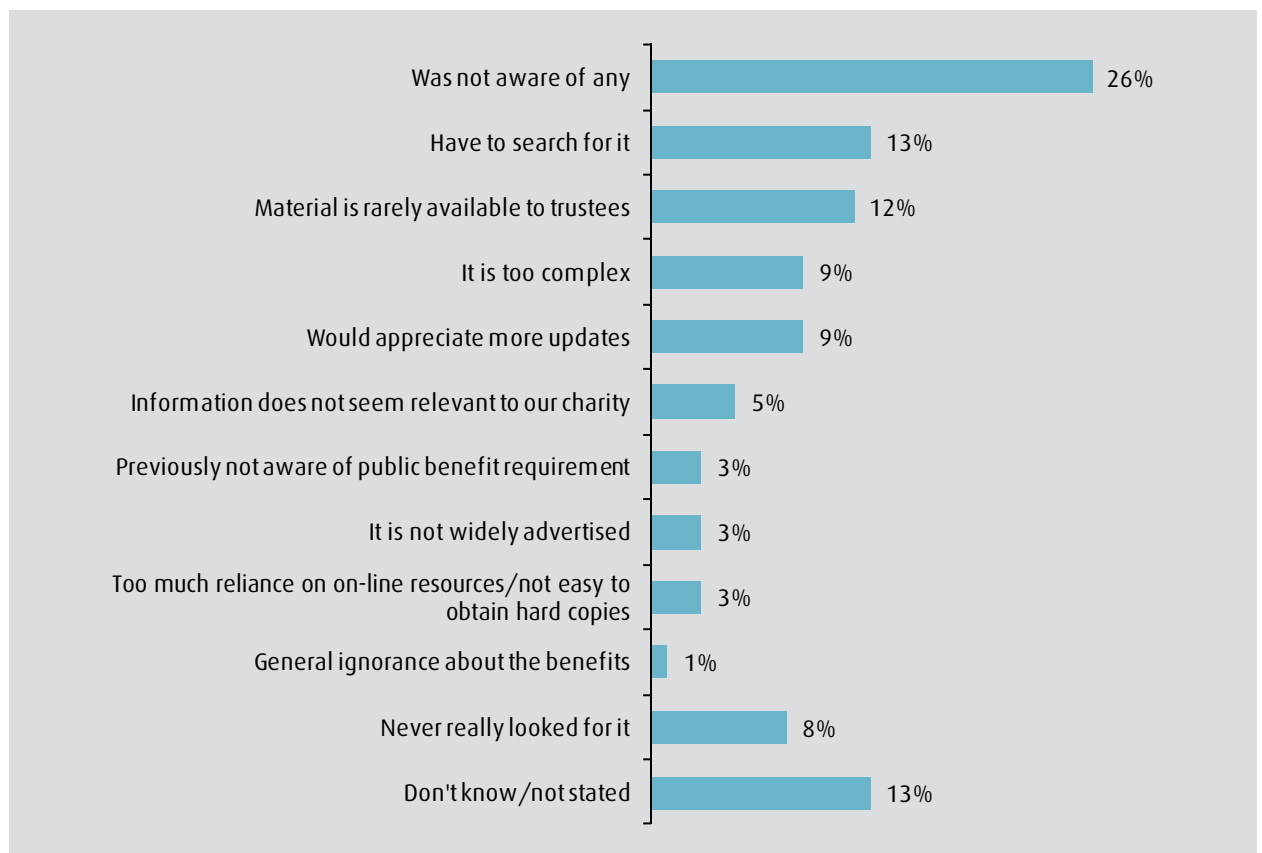
In terms of access, 13% say they have to search for guidance, 12% that such material is not readily available to trustees and three per cent that there is now too much reliance on online sources and hard copies are not easy to obtain. Nine per cent also state that they would appreciate more updates.

The content of guidance also influences opinion, with nine per cent claiming it is too complex and five per cent that the information is not relevant to their charity.

Chart 23

Q46 Why do you say that guidance regarding charity legislation generally is not readily available?

Base: All respondents not aware of or using published guidance and using other sources – 151



“There probably is enough guidance. Whether or not it’s distributed well enough by the Charity Commission I don’t know because I certainly don’t remember seeing a document about the public...what we’ve been talking about.”

(Female trustee, £10k-100k, Outside of England and Wales)

Half of those unaware of the public benefit requirement itself, have used Charity Commission guidance on other legislation (52%). No particular sub-group audiences are more or less likely to have accessed these resources. Again, feedback on these services is positive, with 94% of users saying they found the guidance useful.

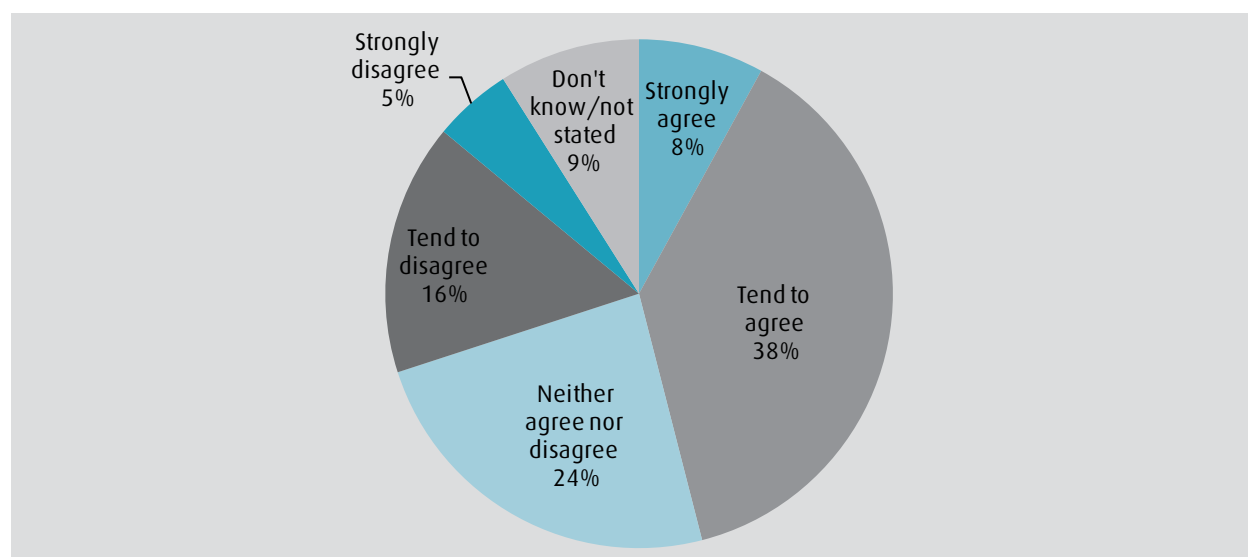
Similarly, nearly half (46%) agree that the Commission is proactive in informing charities of their legal responsibilities.

Chart 24

Q49b To what extent do you agree or disagree with the statement:

“The Charity Commission is proactive in informing charities of their legislative responsibilities”?

Base: All respondents knowing nothing at all about requirement – 282



7. Overall Attitudes

So that the Charity Commission can gain an overall picture of current trustee opinion towards, and experience of, the public benefit requirement, a series of general questions were asked to trustees about the requirement.

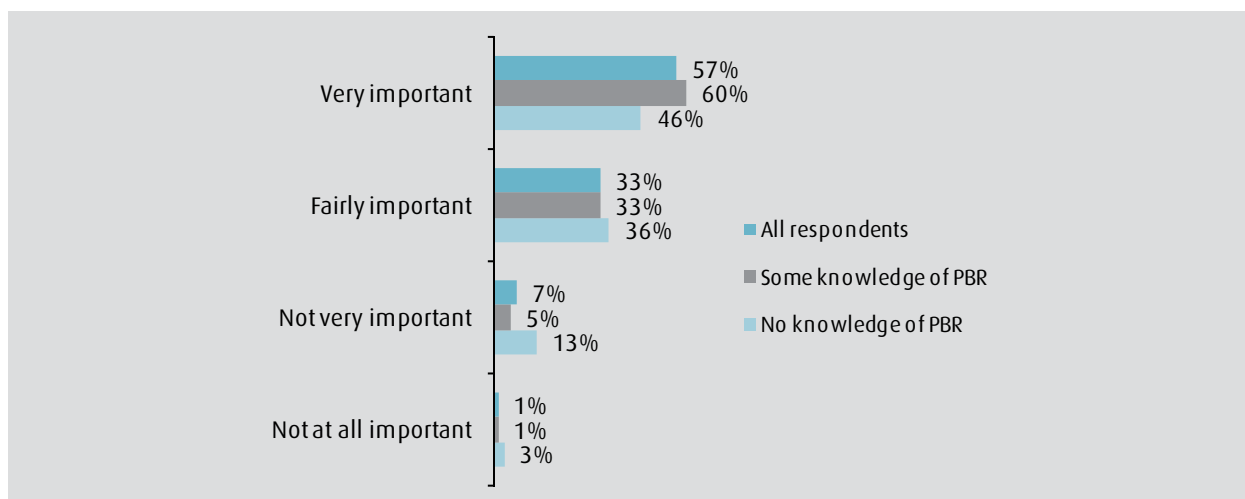
Importance of requirement

The majority of trustees believe that it is important to be aware of the requirement (90%). Those with no knowledge of the requirement are less likely to think it is important, with 82% saying it is important in comparison with 93% of those with at least some awareness.

Chart 25

Q34/40 How important do you think it is for you/your charity to be aware of the public benefit requirement?

Base: All respondents 1,483; All respondents knowing at least something about the PBR – 1,201; All respondents knowing nothing about the PBR – 282



Whilst the proportion of charities, of all incomes, saying that awareness is either very or fairly important is similar, larger charities with an income of over £500,000 are more likely to say it is very important (80%) in comparison with smaller charities with an income of less than £25,000 (55%)).

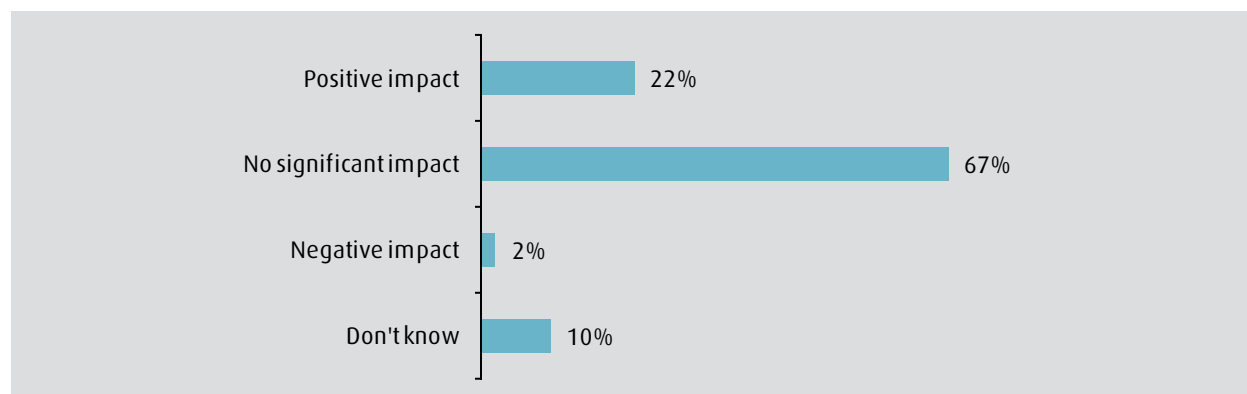
Overall Impact

Two-thirds of trustees (67%) with some awareness of the public benefit requirement say that it has had no significant impact on the way the charity delivers its aims. This increases to 73% of trustees of charities in existence for over 20 years. Respondents are more likely to say that the requirement has had a positive impact than a negative.

Chart 26

Q35 Overall, what type of impact would you say that the public benefit requirement has had on the way the charity delivers its aims?

Base: All respondents knowing at least something about the PBR – 1,201



General perceptions

All trustees were asked for their general opinions of the requirement and its influence on their charity through statements with which they could agree or disagree.

The majority of trustees do not view meeting the public benefit requirement as a burden to their charity, particularly those who know at least something about it. Nearly six in ten of these trustees disagree that the requirement has been or will be a burden (57%) compared with 38% of those with no knowledge.

Complying with the requirement is also more likely to be viewed as a priority for those more informed, with over half agreeing with this statement compared with 43% of trustees with no knowledge of the requirement.

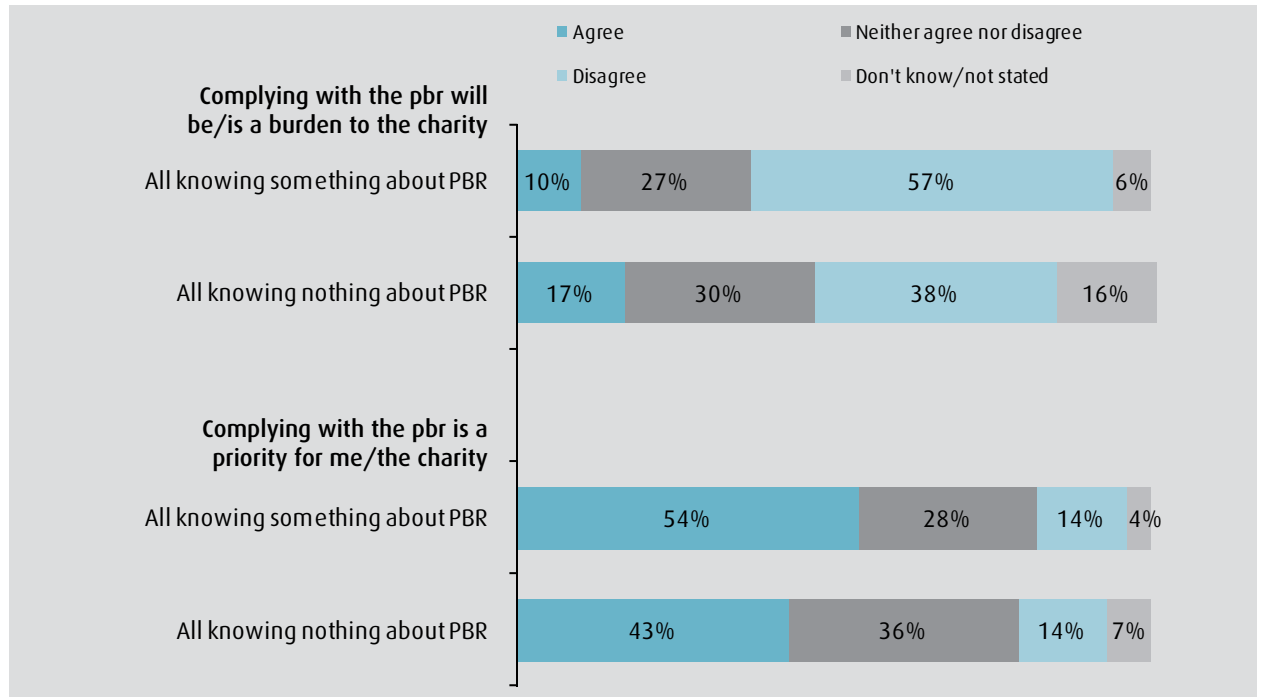
It is interesting to note that among those at least somewhat aware of the requirement, those who are trustees of larger charities (with an income of greater than £500,000) are more likely to say that the legislation is a burden to the charity (14%) but also more likely to say complying with it is a priority for them (63%) in comparison with trustees of charities with lower incomes.

This is, to some extent, an understandable finding reflecting the size of such charities and therefore the corresponding pressure to show transparency in all their dealings and compliance with charity regulation.

Chart 27

Q36b/d & Q49f/h To what extent do you agree or disagree with the following statements:

Base: All respondents knowing at least something about the PBR – 1,201; All respondents knowing nothing at all about requirement – 282



Charity Commission support for charities

As reported within the communications section, an important role for the Charity Commission is ensuring that charities have effective and relevant support to enable them to comply with the public benefit requirement. While views on the current communications available, both in terms of provision and content, are positive, trustees were asked to suggest any improvements which the Charity Commission should consider. When asked over three-quarters of respondents (78%) did not make any recommendations at all. Amongst those who did make suggestions, the most commonly cited included:

- Providing clearer guidance to/more communication with trustees;
- Keeping trustees updated; and
- Having less red tape/regulation

8. Initial Analysis from the Charity Commission

Charities are more than just ‘a good thing’ and, as their supporters recognise, are special. Not all organisations can be charities. Whilst the charitable sector is enormous and very diverse, the aims of each and every charity, whatever their size, must be for public benefit. Public benefit is therefore central to the work of all charities, and trustees of all charities should be familiar with, and understand, our public benefit guidance. The public benefit requirement, and annual public benefit reporting, is an excellent opportunity for trustees to reflect upon and promote the benefits their charity brings to those it serves.

- FDS’s report provides the Charity Commission with a clear baseline of the existing levels of awareness, understanding and attitudes towards the public benefit requirement amongst charity trustees.
- Since the Charities Act 2006 was passed in November 2006 the Commission has been keeping charities informed about the public benefit requirement primarily through our website and through the newsletters which we send to all registered charities. Given that the requirement is still relatively new, we are encouraged that there are high levels of awareness of public benefit amongst many trustees and groups of charities, with three quarters of trustees saying that they know something about the public benefit requirement.
- Awareness varied according to the size of charities, and was highest amongst charities with an income of £500,000 and above (three quarters of these respondents knew either a fair amount or a great deal). This is, perhaps, indicative of larger charities being more likely to be widely networked and connected with sector or membership organisations, as well as having resources available to disseminate information to trustees. It is encouraging that amongst those charity trustees who had higher levels of awareness, they were also more likely to view compliance with the requirement as a priority, and to have used the Charity Commission’s website or literature to obtain more information.
- However, the research also highlights those areas where more work is needed, as a quarter of trustees responding say that they know nothing at all about the requirement. It also shows that whilst levels of awareness are high, levels of understanding, and in particular in-depth understanding, of what the legal requirement means in practice are not as high.
- As part of our next steps we will therefore continue to promote awareness and understanding of the public benefit requirement through our website, through publicising the findings of the public benefit assessments we have carried out, and through organising seminars targeted at specific groups of charities. We will use the research findings to target our work to those groups of charities where there are currently lower levels of awareness. Specifically, we will be focusing on how to increase levels of awareness amongst smaller charities, and charities with sport/recreation as their main activity.
- We are pleased that the majority of trustees who had used the Charity Commission’s guidance had found it either very useful or fairly useful, and we will continue to explain why it is important that charity trustees are familiar with the Commission’s guidance on public benefit.
- For some charities, the requirement has already acted as a catalyst for trustees reviewing their charities’ aims; with nearly a quarter of respondents, with at least some awareness of the requirement, saying that their charity had done so in response to the requirement being introduced. This is something the Commission recommends that all charities do on a regular basis, and we will continue to promote the benefits of charities doing this.

- Nearly half of trustees who are aware of the requirement state that they are unlikely to take specific actions to comply with the public benefit requirement as, in many cases, they said their charity already believes they are offering a public benefit. We anticipate that more charity trustees will take action over time as they develop greater levels of understanding and awareness of the requirement. We will be seeking to influence this by providing case study examples of good practice that demonstrate the ways in which some charities are already responding to the public benefit requirement.
- While we are pleased that charity regulation is not seen as a significant burden on charities, we will continue to review our regulation to ensure that it does not constitute an undue burden on charities. We publish an annual Simplification Plan which reports against our targets for reducing the administration burden on charities.
- Having established this useful benchmark, we will also look at the extent to which the charity trustees are reflecting the new legal requirement to report on their charity's public benefit in their Trustees' Annual Reports. These reports are publicly available. We will report on this in due course.

Appendix A: Qualitative Research Discussion Guide

Charity Commission – the public benefit requirement

Stage I – Qualitative work with charity trustees Discussion guide FINAL

Introduction

- Reiterate purpose of research and the role of the Charity Commission (as the regulator and registrar of charities in England and Wales, they want to review charity trustees' awareness, understanding and attitudes towards aspects of charity regulation)
- Stress that interview is not an assessment of what they themselves know, but rather how effective the Charity Commission is in providing information and support to charities
- Explain who FDS are and how research will be used
- Provide reassurance that there are no right/wrong answers
- Permission to record, confidentiality

Background

- To start with, can you tell me a bit about your charity?
 - What are the core aims of the charity? What is the size of the charity (number of employees, number of supporters/customers/service users/beneficiaries?) How long has the charity been in existence?
- What proportion of your time is spent looking at/dealing with charity regulation?
 - Do you consider there to be too much, too little, or about the right amount of regulation placed on charities?
- What impact does regulation have on your charity?
 - How easy or difficult do you/your charity find it to comply with regulations?
 - How easy is it to understand your responsibilities in complying with regulation as a trustee? And as a charity?
- What regulations, or aspects of regulation, do you find it difficult to comply with?
 - Why do you say that?

Knowledge and understanding of the public benefit requirement

- Did the Charities Act 2006 have an impact on you and/or your charity?
 - IF YES: In what way?
- Are you aware of the public benefit requirement which is mentioned in the Charities Act 2006?
 - IF YES: What does it mean to you?
 - How were you made aware of the public benefit requirement?
 - What do you think are the key points regarding this requirement?

Note to moderator: Please take note of whether respondents are, or are not, aware of the public benefit requirement. We would like to put numbers against this question

Remind all: The Charities Act 2006 defines a charity as an institution that is established for charitable purposes only and defines a 'charitable purpose' as one which falls within the descriptions of purposes listed in the Act AND which is for the *public benefit*

- How confident are you in your understanding of the public benefit requirement?
- Why do you say that?

Note to moderator: If respondent really knows nothing about the public benefit requirement then skip this section and continue from "The role of charity trustees"

Very briefly, given your understanding of the public benefit requirement, which of the following statements do you think are accurate?

Note to moderator: Please give reassurance to the respondent that this is not a test of their knowledge and their answers do not reflect upon themselves or their charity, but rather it is an assessment of current levels of awareness and understanding

Please inform the respondent that you will let them know which statements are accurate once you have gone through them

A selection of 3 correct, and 2 incorrect, statements are to be used in each interview

CORRECT

- 1 Charities must be able to demonstrate that their aims are for the public benefit
- 2 Only benefits that are related to a charity's stated aims count when assessing public benefit
- 3 Benefit can be restricted to a section of the public, provided that who can benefit is not unreasonably restricted (by geographical or other reasons, or by an ability to pay any fees charged)
- 4 Charity trustees must report on their charity's public benefit in their Trustees' Annual Report
- 5 Charity trustees must ensure they carry out their charity's aims for the public benefit
- 6 The public benefit requirement is a legal requirement that applies to all charities
- 7 Public opinion cannot decide what is, and is not, for the public benefit
- 8 Benefits must be clear and identifiable but do not have to be quantifiable; intangible and non-quantifiable benefits can count
- 9 If a charity has more than one aim, each of the aims must be for the public benefit
- 10 Benefits must be balanced against any detriment or harm
- 11 People in poverty must not be excluded from the opportunity to benefit
- 12 The public benefit of one of a charity's aims cannot be used to off-set the lack of public benefit of another
- 13 Any private benefits (to people other than the beneficiaries) must be incidental
- 14 Charities can charge high fees for the services or facilities they provide, provided that people who cannot afford the fees have the opportunity to benefit in a material way that is related to the charity's aims

INCORRECT (explanation of why statements are incorrect is given in moderator guidance)

- 1 The public benefit requirement is a new requirement for charities introduced by the Charities Act 2006
 - 2 Where a charity has more than one aim, as long as one of the aims meets the public benefit requirement, it does not matter if the others do not
 - 3 The public benefit provisions of the Charities Act 2006 only apply to charities registered after the passing of the Act
 - 4 Benefits that are not related to a charity's aims still count towards a public benefit assessment
 - 5 Charities that charge high fees can show that people who cannot afford those fees have the opportunity to benefit because the charity relieves the taxpayer by providing that service
 - 6 Charities registered in England and Wales must benefit people in the UK; they cannot just benefit people overseas
 - 7 A charity can be set up to assist named individuals; such as a charity to help a named child with a disability
 - 8 The public benefit requirement does not apply to charities that relieve poverty, or advance education or religion
- Does thinking about these statements change how confident you are in your understanding of the public benefit requirement?
 - IF YES: How?
 - Could you put a figure on your confidence in your understanding of the public benefit requirement, if for example 0 represents not at all confident, and 10 completely confident?

The role of charity trustees (ASK ALL)

- Are you aware of the responsibilities of charity trustees with regards to the public benefit requirement?
- IF YES: What do you know these responsibilities to be?

Remind all: Trustees should:-

- **Understand what is required for their charity to meet the public benefit requirement**
- **Understand the criteria the Charity Commission will use to assess whether or not charities are meeting the public benefit requirement**
- **Show awareness of guidance issued by the Charity Commission regarding the requirement**
- **Report on the charity's public benefit in the Trustees' Annual Report**
- Were you aware of all of the above responsibilities?
- What do you think of these responsibilities?
 - Do you think that compliance with them is achievable or not? Why do you say that?
 - Which element is the most difficulty to comply with?
- Do you feel there is enough guidance available for you to meet these responsibilities?
 - Why do you say that?

- Where would you look to find guidance on the public benefit requirement?
 - Are you confident in your ability to find guidance on it?
- Are you aware of the public benefit requirement in the media?
 - How much attention do you pay to this coverage?

The role of the Charity Commission

- What role do you think the Charity Commission has in relation to the public benefit requirement?
 - To what extent are they fulfilling this role?
- What, if any, guidance about the public benefit requirement are you aware that the Charity Commission provides?
- How often have you used this guidance?
- How, if at all, has this guidance been useful to your charity?
- What do you think of this guidance?
 - Why do you say that?
- Is it easy/difficult to understand?
- What, if anything, does it lack?
 - How could the guidance be improved?
- What improvements, if any, can the Charity Commission make in helping charities and trustees to comply with the public benefit requirement?

Actions

- How easy or difficult is it to understand what your particular charity needs to do to comply with the public benefit requirement?
 - Why do you say that?
- How confident are you that as a charity you can demonstrate the public benefit in your work?
 - Why do you say that?
- What actions if any, has your charity taken to comply with the public benefit requirement?
 - How easy/difficult were those to implement?
 - Was it clear what steps your charity had to make in order to comply?
- Do you expect your charity will take further actions in the future to comply with the public benefit requirement?
- What help will you need in achieving these steps?
- Would you turn to the Charity Commission for help and guidance? Why/why not?
- Do you know how your charity could be assessed with regards to the public benefit requirement?
- How easy or difficult does your charity find it to comply with the public benefit requirement generally?
 - Why do you say that?
- What, if any, effect has the public benefit requirement had on your charity?

Attitudes towards the public benefit requirement

- How clear do you think the purpose of, or reason for, the public benefit requirement is?
- In your own words, what would you say the main purpose or reason for the public benefit requirement is?
- What, if any, benefits do you think your charity gets from the public benefit requirement?
- What benefits does the charity sector as a whole get from the public benefit requirement?
 - Can you see the advantages of the public benefit requirement?
- Has the new public benefit requirement provisions in the Charity Act 2006 caused you to revisit your original aims as a charity?
 - Was this a useful exercise?
 - Has it helped you to focus on your aims more?
- Is it burdensome to comply with the public benefit requirement?
 - IF YES: in what way?
 - Could the Charity Commission do more to highlight the worthwhile nature of this requirement?
- So do you agree with the principle of the public benefit requirement?
 - Why do you say that?
- And do you agree with the changes made in the Charities Act 2006 which removed the presumption that certain charities were for the public benefit, and introduced the requirement that they must explicitly demonstrate their public benefit?
 - Why do you say that?
- Overall, what are your views on the Charities Act 2006? Is there anything else you would like to add?

Sum up and close

- Do you have any further feedback on the public benefit requirement?
 - And/or the Charity Commission's work to promote awareness of it?
- Are there any further comments you would like to make?
- Who in your charity is likely to know the most about charity legislation?
- Would you, or they, be willing to partake in an online survey on the same subject?
- Thank participant

Appendix B: Survey Marked-up Questionnaire

CHARITY COMMISSION – SURVEY OF CHARITY TRUSTEES 2009

THE PUBLIC BENEFIT REQUIREMENT

Topline Findings: FINAL

Project Technical Details

- 1483 interviews conducted with charity trustees across the UK
 - 964 of these were completed online
 - 519 of these were completed as postal surveys
- Fieldwork was conducted from the 28th August to the 25th September 2009
- These data are weighted by charity income
- Where figures do not add up to 100% this is due to computer rounding, the exclusion of don't know/not stated/refused categories, or multiple responses
- Where bases are less than 30, unweighted numbers (N) are given rather than percentages
- An asterisk (*) denotes a finding of less than 0.5% but greater than zero

CHARITY PROFILES

Taken from sample data

Charity activity

Base: All respondents

	Charity trustees (1,483) %
Education/training	56
General charitable purposes	26
Arts/culture	21
Sport/recreation	20
Medical/health/sickness	18
Relief of poverty	18
Disability	14
Economic/community development/employment	14
Environment/conservation/heritage	13
Religious activities	12
Accommodation/housing	6
Overseas aid/famine relief	6
Animals	2
Other charitable purposes	3
Not available	2

Charity income

Base: All respondents

	Charity trustees (1,483) %
<£25k	64
£25k - £500k	29
£500k+	6
Not stated	1

Location

Base: All respondents

	Charity trustees (1,483) %
England only	72
England and Wales	14
Outside of England and Wales	10
Wales only	3
Not available	2

Audience

Base: All respondents

	Charity trustees (1,483) %
Chair of trustees	61
Trustee	38
Not stated	1

BACKGROUND

Q1 Firstly, how long has your charity been in operation (including before registration)?

Base: All respondents

	Charity trustees (1,483) %
Less than a year	1
1-3 years	5
4-5 years	5
6-20 years	39
More than 20 years	47
Don't know	4

Q2 How many trustees of the charity are there?

Base: All respondents

	Charity trustees (1,483) %
0-5	45
6-10	40
11-15	10
16+	3
Don't know	2

Q3a Who does your charity primarily help or provide benefit to?

Please think about your beneficiaries in terms of the people your charity may directly, or indirectly, help.

Base: All respondents

	Charity trustees (1,483) %
The general public/mankind	38
Children/younger people	24
People with disabilities	7
Elderly/older people	6
Other charities/voluntary groups	5
People of a particular ethnic or racial origin	3
Local residents	3
Church/religion	2
Education/academia	2
People with/relations of people with long term health conditions	2
Those in vulnerable/hard-to-reach groups	2
Women	1
Servicemen/women & ex servicemen/women	1
Other†	3
Don't know	*

† Breakdown of other responses lower than 1%, provided on computer tabulations

Q3b Which one of the following factors currently presents the greatest challenge to your charity?

Base: All respondents

	Charity trustees (1,483) %
Attracting revenue/raising funds	45
Attracting/retaining supports	20
Meeting demand for services	9
Promoting the charity	6
Complying with charity regulation	4
Staff recruitment and retention	3
Financial difficulties due to economic climate	1
Finding/recruiting volunteers	1
Identifying recipients	1
Operational issues	1
Future development	1
Staff redundancies	*
Other	3†
None	1
Don't know	3

† Breakdown of other responses lower than 1%, provided on computer tabulations

Q4 On average, how often does your charity deal with matters relating to charity regulation?

By charity regulation, we mean the requirements of charity law, including the requirements of the Charity Commission.

Base: All respondents

	Charity trustees (1,483) %
At least once a week	3
Every fortnight	1
Every month	9
A few times a year	50
Once a year	26
Less often	5
Not at all	2
Don't know	5

Q5a There are other areas of regulation which affect charities. Examples include regulation by Companies House and the Health and Safety Executive. Thinking about these other areas of regulation, as well as Charity Commission requirements, do you think there is too much, too little or about the right amount of regulation placed on charities?

Base: All respondents

	Charity trustees (1,483) %
Too much	24
Too little	2
Right amount	58
Don't know	17

Q5ax Which aspect of regulation do you feel is too much?

Base: All respondents who feel there is too much regulation placed on charities

	Charity trustees (369) %
Regulatory requirements of the Charity Commission	15
Other regulatory requirements (Companies House/HSE)	50
Both of the above	29
Don't know	7

Q5b Why do you say this?

Base: All respondents who feel there is too much regulation placed on charities

	Charity trustees (369) %
Too many regulations/continuous assessments	40
Regulations are over the top	19
Difficult to understand regulations	16
It is time consuming/deters from real charity work	14
Lack of staff to deal with regulation	12
Too much redundant/repetitive information collected	6
Should be easier for smaller charities	5
Complying wastes charitable money	4
Too many different reporting procedures	4
Cannot see how legislation evokes action	1
Tax issues	1
Other	5
Not stated	11

AWARENESS AND UNDERSTANDING OF THE PUBLIC BENEFIT REQUIREMENT

Q6 How much if anything do you know about the public benefit requirement?

Base: All respondents

	Charity trustees (1,483) %
A great deal	6
A fair amount	35
Not very much	35
Nothing at all	24

Q7 How did you become aware of the public benefit requirement?

Base: All respondents excluding those who know nothing at all about the PBR

	Charity trustees (1,201) %
From Charity Commission literature	36
On the Charity Commission website	32
In the media	21
Through another trustee/staff at charity	20
Through lawyers/advisors	15
Through sector/membership organisation	13
Through sector magazine/directory	7
Through a charity employee	4
Own research	2
Through trustee/staff at another charity	2
Training course	1
Respondent is lawyer/professional	*
Other	2
Don't know/can't remember	11

Q8 How confident are you in your understanding of the public benefit requirement?

Base: All respondents excluding those who know nothing at all about the PBR

	Charity trustees (1,201) %
Very confident	11
Fairly confident	49
Not very confident	33
Not at all confident	7

Q9 In relation to the public benefit requirement, which of the following statements do you think are true and which are false?

Base: All respondents excluding those who know nothing at all about the PBR

	Correct %	Incorrect %	Don't know %
1. Organisation x applies to register as a charity with two aims. Although its first aim clearly satisfies the public benefit requirement its second aim does not and so its registration application is unsuccessful - TRUE (Base: 599)	33	36	31
2. Charities that relieve poverty or advance education or religion are automatically presumed to be for the public benefit – FALSE (Base: 607)	61	27	12
3. Charity trustees have to report on their charity's public benefit in their Trustees' Annual Report – TRUE (Base: 608)	74	12	14
4. The public benefit requirement is a new requirement for charities introduced by the Charities Act 2006 – FALSE (Base: 631)	15	60	25
5. Charity x has aims to promote amateur sport by running a community amateur sports club. The club's members raise money for victims of a natural disaster. The benefit of that fund-raising activity counts towards its public benefit - FALSE (Base: 579)	53	27	20
6. Organisation x provides free treatment for members of the community at a local health centre. The organisation does not ensure that all the practitioners are suitably qualified to provide treatment. The risks to public health from receiving treatment by people who are not suitably qualified outweigh the general benefits of providing a treatment centre and so the organisation does not satisfy the public benefit requirement - TRUE (Base: 604)	56	19	25
7. A charity can be set up to assist named individuals; such as a charity to help a named child with a disability - FALSE (Base: 588)	45	28	27
8. Charity x has aims for the advancement of men's health and so can restrict its beneficiaries to men only - TRUE (Base: 594)	52	29	19
9. A medical research charity carries out research into a very rare disease that only affects a very small number of people. The organisation cannot be a charity because it does not benefit a large enough section of the public - FALSE (Base: 597)	85	4	12
10. Charities registered in England and Wales must benefit people in the UK; they cannot just benefit people overseas -FALSE (Base: 598)	60	25	15
11. Charity x charges high fees (which many people could not afford) for the services it provides. It offers a range of discounts on fees for students, senior citizens and the unwaged and also works in partnership with local organisations to provide a range of free services that are related to its aims. This enables it to satisfy the public benefit requirement - TRUE (Base: 592)	44	30	26
12. Charity x runs an animal sanctuary. It pays professional veterinary fees for the treatment of animals at the sanctuary. The private benefits to the vet are necessary and incidental and so do not affect the charity's public benefit - TRUE (Base: 603)	69	11	20

Q9x Accuracy of responses to true/false PBR statements

Base: All respondents excluding those who know nothing at all about the PBR

	Charity trustees (1,201) %
0/6 correct	5
1/6 correct	7
2/6 correct	19
3/6 correct	26
4/6 correct	22
5/6 correct	16
6/6 correct	5

MEETING THE REQUIREMENT

Q10 How confident are you that as a charity, you can demonstrate the public benefit in your work?

Base: All respondents excluding those who know nothing at all about the PBR

	Charity trustees (1,201) %
Very confident	73
Fairly confident	25
Not very confident	2
Not at all confident	*

Q11 Since the introduction of the Charity Act 2006, has the public benefit requirement made you/your charity revisit the original aims of the charity?

Base: All respondents excluding those who know nothing at all about the PBR

	Charity trustees (1,201) %
Yes	22
No	71
Don't know	7

Q12 How useful has this been?

Base: All respondents who have revisited the aims of their charity

	Charity trustees (321) %
Very useful	33
Fairly useful	56
Not very useful	11
Not at all useful	1

Q13 Since the introduction of the Charities Act 2006, has your charity taken any actions to comply with the public benefit requirement?

Base: All respondents excluding those who know nothing at all about the PBR

	Charity trustees (1,201) %
Yes	27
No	55
Don't know	18

Q14 Please briefly state what these actions have been?

Base: All respondents who have taken actions to comply with PBR

	Charity trustees (353) %
Continuously review/made a KPI	27
Explanation of actions in annual report/meeting Charity Commission criteria	17
Altered/refined charity's objectives	11
Increase awareness in what we do	11
Increased service provision/benefit provided to more people	10
Continue with current actions to meet PBR	7
Make sure we comply/meet the criteria	5
Greater access to/publication of events related to charity's objectives	3
Improving qualifications/training of staff	2
Broaden membership	2
Ensure we can explain our actions	2
Explanation of actions in audited accounts	2
Discussion/meetings	1
Advertise benefits the charity provides	1
Taken professional advice	1
Already comply with PBR	1
Trustee review of PBR requirement	*
Not yet willing to reveal actions to Charity Commission	*
Other	4
Don't know	*

Q15 And how easy or difficult has it been to implement these actions?

Base: All respondents who have taken actions to comply with the PBR

	Charity trustees (353) %
Very easy	23
Fairly easy	42
Neither easy nor difficult	24
Fairly difficult	11
Very difficult	1

Q16 Do you expect your charity to take any actions to comply with the public benefit requirement in the future?

Base: All respondents excluding those who know nothing at all about the PBR

	Charity trustees (1,201) %
Yes	30
No	45
Don't know	25

Q17 Please briefly state what you expect these actions to be?

Base: All respondents who expect to take actions to comply with PBR

	Charity trustees (391) %
Continuously review/act if failings identified	21
Review services/general development	19
Revisit charity's objectives	9
Continue with current actions to meet PBR	8
Broaden activities of the charity	8
Further advertise benefits charity provides	8
Ensuring maintenance of public benefit if/when regulations change	7
Ensure that we comply	6
Widen charity's audience	5
To confirm compliance with PBR/if required	4
Improving qualifications/training of staff	3
Discussion/meetings	3
Explanation of actions in annual report/meeting Charity Commission criteria	3
Greater trustee responsibility	3
Already comply with PBR	2
Other†	3
Don't know	7
Not stated	3

† Breakdown of other responses lower than 1%, provided on computer tabulations

Q18 And how easy or difficult do you expect it to be to implement these actions?

Base: All respondents who expect to take actions to comply with the PBR

	Charity trustees (391) %
Very easy	14
Fairly easy	40
Neither easy nor difficult	30
Fairly difficult	12
Very difficult	2

LEARNING ABOUT THE REQUIREMENT

Q19 Are you aware of any of the following actions by the Charity Commission in relation to the public benefit requirement?

Base: All respondents excluding those who know nothing at all about the PBR (1,201)

	Yes %	No %
a) That they have published guidance on the public benefit requirement	73	27
b) That they have held seminars on the public benefit requirement	27	73
c) That they have provided information/support/advice if requested	70	30

Q20 And have you used this guidance?

Base: All respondents aware of PBR published guidance

	Charity trustees (913) %
Yes	49
No	51

Q21 How easy or difficult was the guidance to understand?

Base: All respondents aware of PBR published guidance and have used it

	Charity trustees (477) %
Very easy	13
Fairly easy	53
Neither easy nor difficult	24
Fairly difficult	7
Very difficult	2

Q22 How useful was the guidance in helping your/your charity's understanding of the public benefit requirement?

Base: All respondents aware of PBR published guidance and have used it

	Charity trustees (477) %
Very useful	31
Fairly useful	61
Not very useful	6
Not at all useful	1

Q23 Why was the guidance not useful in helping your/your charity's understanding of the public benefit requirement?

Base: All respondents using PBR guidance who did not think it was useful

	Charity trustees (39) %
Interpretation of general advice difficult	28
Examples were not helpful	18
It is already clear how we meet the PBR	11
Does not apply to our charity	7
Difficulty reconciling membership and public benefit	5
Knew information already	5
The area remains untested by case law	3
The information is not specific just judgemental	3
The problem stems from definition of PBR	3
Fellow trustees not interested in following Charity Commission regulations	1
The purpose of the charity is public benefit	1
Don't know/unsure	6
Not stated	7

Q24 In what ways, if any, could the Charity Commission guidance on the public benefit requirement be improved?

Base: All respondents aware of PBR published guidance and have used it

	Charity trustees (477) %
Using clearer language	8
More communication	7
More detailed/specific advice	7
Making publications shorter/more accessible	6
Provide case studies/examples across the charity sector	5
Send guidance regularly to all trustees	4
More seminars	1
Continue to use easy to understand language	1
Make clear what benefit to public should be	1
Provide advice line of professionals	*
Other	1
No improvements needed/was clear and useful	24
Don't know	16
Not stated	22

Q25 Have you needed guidance to help your/your charity's understanding of the public benefit requirement?

Base: All respondents not aware of PBR published guidance (excluding those who know nothing at all about the PBR)

	Charity trustees (287) %
Yes	23
No	76
Not stated	1

Q26a Did you look for guidance from other sources than the Charity Commission?

Base: All respondents not aware of, but needing/not using, PBR published guidance (excluding those who know nothing at all about the PBR)

	Charity trustees (507) %
Yes	26
No	73
Not stated	1

Q26b Where did you look?

Base: All respondents not aware of, but needing/not using, PBR published guidance and using other sources (excluding those who know nothing at all about the PBR)

	Charity trustees (151) %
Other charities	28
From professionals (eg lawyers/accountants)	26
Other bodies/associations	16
Management/employees of charity	8
Other trustees	7
Internet search engine	4
Industry sector/journal	4
Other advisors	4
Government sources (eg HMRC)	2
Local support agencies	2
Various sources	2
Local voluntary service/group	1
Trainer employed	1
Other	1
Not stated	3

Q27 How useful was this guidance in helping your/your charity's understanding of the public benefit requirement?

Base: All respondents not aware of, but needing/not using, PBR published guidance and using other sources (excluding those who know nothing at all about the PBR)

	Charity trustees (151) %
Very useful	34
Fairly useful	56
Not very useful	3
Not at all useful	1
No guidance found elsewhere	5

Q28 Have you attended a Charity Commission seminar on the public benefit requirement?

Base: All respondents aware of seminars (excluding those who know nothing at all about the PBR)

	Charity trustees (387) %
Yes	5
No	95

Q29 How useful was the seminar in helping your/your charity's understanding of the public benefit requirement?

Base: All respondents who have attended PBR seminar

	Charity trustees (25) N
Very useful	11
Fairly useful	11
Not very useful	2
Not at all useful	0
Not stated	1

Q30 Why was the seminar not useful in helping your/your charity's understanding of the public benefit requirement?

Base: All respondents attending PBR seminar who did not think it was useful

	Charity trustees (2) N
Not very professional/poor level of staff	1
Too many generalisations	1

REQUESTED INFORMATION, SUPPORT AND/OR ADVICE

Q31 Have you contacted the Charity Commission for information/support and/or advice about the public benefit requirement or in relation to other matters where the subject of public benefit has come up?

Base: All respondents aware of CC information/support/advice (excluding those who know nothing at all about the PBR)

	Charity trustees (877) %
Yes	13
No	87

Q32 How useful was the information, support and/or advice in helping your/your charity's understanding of the public benefit requirement?

Base: All respondents aware of CC information/support/advice and requesting it

	Charity trustees (118) %
Very useful	59
Fairly useful	34
Not very useful	4
Not at all useful	1

Q33 Why was the information/support/advice not useful in helping your/your charity's understanding of the public benefit requirement?

Base: All respondents using PBR information/support/advice who did not think it was useful

	Charity trustees (9) N
Did not get help with public benefit aspect/found them unhelpful	2
Language too complicated	2
More precise information needed	2
Telephone advice line difficult to access	1
Person was inexperienced	1
Not stated	1

Q34 and Q40 How important do you think it is for you/your charity to be aware of the public benefit requirement?

Base: All respondents, including comparison between those aware and those not aware of PBR

	All respondents (1483) %	Those aware of the PBR (Q34) (1201) %	Those with no knowledge of the PBR (Q40) (282) %
Very important	57	60	46
Fairly important	33	33	36
Not very important	7	5	13
Not at all important	1	1	3

OVERALL ATTITUDES TOWARDS THE PUBLIC BENEFIT REQUIREMENT

Q35 Overall, what type of impact would you say that the public benefit requirement has had on the way the charity delivers its aims?

Base: All respondents excluding those who know nothing at all about the PBR

	Charity trustees (1,201) %
Positive impact	22
Negative impact	2
No significant impact	67
Don't know	10

Q36 To what extent, do you agree or disagree with the following statements?

Base: All respondents excluding those who know nothing at all about the PBR (1,201)

	Strongly agree	Tend to agree	Neither agree nor disagree	Tend to disagree	Strongly disagree	Don't know
	%	%	%	%	%	%
a) The public benefit requirement has made me/the charity think about the benefits it has for the public	14	34	32	9	6	5
b) Complying with the public benefit requirement will be/is a burden to the charity	2	8	27	27	30	6
c) Revisiting the charity's aims to ensure they comply with the public benefit requirement will be/has been positive for the charity and its supporters	8	30	41	8	6	7
d) Complying with the public benefit requirement is a priority for me/the charity	21	33	28	9	5	4

THE PUBLIC BENEFIT REQUIREMENT (FOR THOSE LESS AWARE)

Q41 If you were to search for more information on the public benefit requirement, which sources would you turn to?

Base: All respondents who know nothing at all about the PBR

	Charity trustees (282) %
The Charity Commission website	89
Charity Commission literature	25
Another trustee	12
Lawyers/advisors	8
Charity employee	4
Industry/membership organisation	4
The media	4
Industry magazine/directory	1
Other	13
Don't know	4

Q42 Do you intend to find out more about complying with the public benefit requirement in the future?

Base: All respondents who know nothing at all about the PBR

	Charity trustees (282) %
Yes	75
No	24
Not stated	1

Q43 Why would you choose not to find out more about the public benefit requirement?

Base: All respondents who know nothing at all about the PBR

	Charity trustees (69) %
I am confident my charity can demonstrate its public benefit	78
I have not been informed of this requirement by the Charity Commission	25
It is not of interest to me	15
I find such legislation difficult to comprehend	11
It does not affect my charity	8
I would not know where to look for information	4
There is limited information available to me	2
I do not have/use a computer	0
Other	9
Don't know	0

Q44 How do you normally find out information about charity legislation (not specific to the public benefit requirement)?

Base: All respondents who know nothing at all about the PBR

	Charity trustees (282) %
On the Charity Commission website	74
From Charity Commission literature	33
Through another trustee	19
Through sector/membership organisation	10
In the media	7
Through a charity employee	6
Through lawyers/advisors	6
Through sector magazine/directory	2
Other	10
I never seek such information	8

Q45 Do you feel guidance regarding charity legislation generally is readily available?

Base: All respondents who know nothing at all about the PBR

	Charity trustees (282) %
Yes	81
No	18
Not stated	1

Q46 Why do you say that?

Base: All respondents who know nothing at all about the PBR and feel guidance not readily available

	Charity trustees (50) %
Was not aware of any	26
Have to search for it	13
Material is rarely available to trustees	12
It is too complex	9
Would appreciate more updates	9
Never really looked for it	8
Information does not seem relevant to our charity	5
Previously not aware of the PBR	3
It is not widely advertised	3
Too much reliance is placed on on-line resources/It is no longer as easy to obtain hard copies	3
There is general ignorance about the benefits	1
Don't know	3
Not stated	10

Q47 Have you used Charity Commission guidance regarding any charity legislation?

Base: All respondents who know nothing at all about the PBR

	Charity trustees (282) %
Yes	52
No	47
Not stated	1

Q48 How useful was this guidance in helping your/your charity's understanding of the legislation?

Base: All respondents who know nothing at all about the PBR and who have used guidance

	Charity trustees (142) N
Very useful	36
Fairly useful	58
Not very useful	4
Not at all useful	0
Don't know	2

Q49 To what extent, do you agree or disagree with the following statements?

Base: All respondents who know nothing at all about the PBR (282)

	Strongly agree	Tend to agree	Neither agree nor disagree	Tend to disagree	Strongly disagree	Don't know
	%	%	%	%	%	%
a) The Charity Commission provide enough guidance regarding charity legislation	11	55	19	4	2	9
b) The Charity Commission are proactive in informing charities of their legislative responsibilities	8	38	24	16	5	8
c) I understand the implications of the public benefit requirement for my charity	6	27	25	18	14	9
d) I am concerned that prior to this survey, I was unaware of the public benefit requirement	26	43	17	6	5	2
e) Complying with the public benefit requirement is a reasonable demand on charities	18	43	20	5	3	11
f) Complying with the public benefit requirement is likely to be a burden to the charity	3	14	30	26	12	15
g) Revisiting the charity's aims to ensure they comply with the public benefit requirement will be positive for the charity and its supporters	9	39	29	8	5	9
h) Complying with the public benefit requirement is a priority for me/the charity	8	35	36	8	6	6

Q50 How easy or difficult do you think it would be for you/your charity to comply with the public benefit requirement?

Base: All respondents who know nothing at all about the PBR

	Charity trustees (282) %
Very easy	27
Fairly easy	28
Neither easy nor difficult	12
Fairly difficult	2
Very difficult	0
Don't know	31

Q51 Would knowing more about the public benefit requirement make you revisit the original aims of your charity?

Base: All respondents who know nothing at all about the PBR

	Charity trustees (282) %
Yes	31
No	39
Don't know	30
Not stated	1

Q37 and Q52 Is there anything else which you think it is important for the Charity Commission to consider in supporting charities to comply with the public benefit requirement?

Base: All respondents

	Charity trustees (1,483) %
Clearer guidance/more communications with trustees	6
More support/information/keep us updated	5
Less red tape/regulation	2
Impossible to lump the diverse aims of all charities under one heading	1
Email regulation updates	1
More common sense/discretion	1
Greater sense of involvement/support from/with Charity Commission	1
Commission just does what Government says	1
Clarification on term 'public'/clearer definition of rules	1
Produce publications for general public explaining regulations on charities	1
More workshops/seminars provided	1
Charity Commission should concentrate on other areas (eg compliance rather than PBR)	1
More objective assessment of charities	*
Keep advice simple/concise	*
Provide more case studies/examples of good practice	*
Commission to conduct mystery shops on charities	*
Provide PBR evaluation form	*
Provide feedback on PBR information provided	*
Review need for PBR	*
Dedicated advice line for smaller charities	*
Other	1
Don't know	2
No suggestions	78

Q38 and Q53 *Is there someone else within the charity who would be likely to know more about the public benefit requirement than yourself?*

Base: All respondents

	Charity trustees (1,483) %
Yes	44
No	56

Q39 and Q54 *For analysis purposes only, what role does this person have?*

Base: All respondents

	Charity trustees (737) %
Trustee	36
Chair of trustees	19
Other employee	11
Chief Executive	10
External consultant (account/legal adviser)	6
Company secretary	3
Treasurer	3
Other	2
Not stated	10

Appendix C: Sample Profile

Sample Profile

As the sample was stratified to enable interviews with larger charities to be completed, weighting was applied to correct for any under- or over- representation. The weighting was applied to reflect the profile of charities within three income bands.

An unweighted and weighted profile of the final sample participating in the research is shown below.

	Unweighted		Weighted	
	N	%	N	%
Total	1,483	100	1,483	100
Audience				
Chair	915	62	898	61
Trustee	564	38	570	38
Income band				
<£25,000	587	40	949	64
£25,000-£500,000	475	32	430	29
£500,000+	417	28	89	6
Region				
England only	998	67	1064	72
Wales only	49	3	47	3
England and Wales	252	17	201	14
Outside England and Wales	174	12	147	10
Charity Activity				
General charitable	378	25	388	26
Education/Training	848	57	828	56
Medical/Health/Sickness	315	21	261	18
Disability	247	17	208	14
Relief of Poverty	277	19	262	18
Overseas Aid/Famine relief	89	6	86	6
Accommodation/Housing	129	9	90	6
Religious Activities	201	14	184	12
Arts/Culture	258	17	312	21
Sport/Recreation	249	17	297	20
Animals	37	2	36	2
Environment/Conservation/Heritage	188	13	197	13
Economic/Community/Development/Employment	227	15	203	14
Other charitable purposes	40	3	45	3

	Unweighted		Weighted	
	N	%	N	%
Total	1,483	100	1,483	100
Length of time in operation				
Less than a year	11	1	9	1
1-3 years	67	5	72	5
4-5 years	70	5	74	5
6-20 years	548	37	574	39
20+ years	736	50	694	47
Number of trustees				
0-5	542	37	668	45
6-10	631	43	591	40
11-15	215	14	151	10
16+	60	4	40	3
Knowledge of Public Benefit Requirement				
A great deal	103	7	88	6
A fair amount	620	42	519	35
Not very much	478	32	525	35
Nothing at all	282	19	350	24
Confidence in understanding of Public Benefit Requirement				
Very/fairly	774	52	677	46
Not very/at all	421	28	453	31
Taken action to comply with Public Benefit Requirement				
Yes	353	24	304	20
No	634	43	619	42

Appendix D: Guide to Statistical Reliability

Guide to Statistical Reliability

The respondents to the survey are only samples of the charity trustee “population”, so we cannot be certain that the figures obtained are exactly those we would have if everybody had taken part (the “true” values). We can, however, predict the variation between the sample results and the “true” values from a knowledge of the size of the samples on which the results are based and the number of times that a particular answer is given. The confidence with which we can make this prediction is usually chosen to be 95% - that is, the chances are 95 in 100 that the “true” value will fall within a specified range. The table below illustrates the predicted ranges for different sample sizes and percentage results at the “95% confidence interval”.

For example, with a sample of 1,483 where 30% give a particular answer, the chances are 19 in 20 that the “true” value (which would have been obtained if the whole population had been interviewed) will fall within the range of plus or minus two percentage points from the sample result.

Approximate sampling tolerances applicable to percentages at or near these levels

Interviews	10% or 90% ±	30% or 70% ±	50% ±
500	3	4	4
1,000	2	3	3
1,483	2	2	3

When results are compared between separate groups within a sample, different results may be obtained. The difference may be “real”, or it may occur by chance (because not everyone in the population has been interviewed). To test if the difference is a real one - ie if it is “statistically significant”, we again have to know the size of the samples, the percentage giving a certain answer and the degree of confidence chosen. If we assume “95% confidence interval”, the differences between the two sample results must be greater than the values given in the table below:

Differences required for significance at or near these percentage levels

Size of the samples compared	10% or 90% ±	30% or 70% ±	50% ±
100 and 100	8	13	14
100 and 250	7	11	12
100 and 500	7	10	11
100 and 1,000	6	10	10
250 and 250	5	8	9
250 and 500	5	7	8
250 and 1,000	4	6	7
500 and 500	4	6	6
500 and 1,000	3	5	5

For example, if 46% of England only charity trustees give a particular answer compared with 54% of England and Wales charity trustees, with sub-samples of around 1,000 and 250 respectively, the chances are 95 in 100 times that this seven percentage point difference is significant (ie greater than 7 points), which could not have happened by chance.

This publication can also be accessed at the Charity Commission's website: www.charitycommission.gov.uk

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