<u>Press release: Commission receives</u> <u>annual £5m interim funding boost</u>

The Charity Commission has been awarded funding from the Government of £5 million per year to help it respond to significant increases in demand on its core regulatory functions, including registration and compliance.

This funding has been awarded as a interim solution, while the Commission considers longer term, more sustainable funding models.

This includes the regulator consulting on whether the largest charities should make a modest contribution to the Commission's enabling work, aimed at helping over half a million trustees across England and Wales manage their charities effectively and efficiently. The Commission now plans to launch a formal consultation later in the year.

Tracey Crouch MP, Minister for Sport and Civil Society, says

The Charity Commission does vital work regulating this vibrant sector and ensuring the public can support charities with confidence.

I am delighted that this funding will mean the Commission can meet the increasing demands for its services and help charities continue to improve lives up and down the country. It is important that the sector continues to innovate, and this includes the Commission considering a range of funding models for the future.

William Shawcross, Chairman of the Charity Commission, says:

I am pleased that the additional transitional funding from Government acknowledges the unprecedented rise in demand on the Commission's services in recent years. The new money will help us continue to increase the effectiveness of our core regulatory functions in the short term, as we explore this longer term solutions.

It is right that we consider whether those in the sector with the broadest shoulders should make a contribution towards aspects of our work, and I am pleased that we will shortly be publishing a consultation on whether and how we do this. We would plan to use these funds to increase and improve the services and support we offer and want to encourage charities to step forward and feed in their thoughts.

The Commission is now working on detailed proposals, including whether to

charge large charities. It expects to launch a consultation that will ask for charities' views on:

• The practicalities and implications of a system for charging the largest charities.

The details are under consideration by the Commission, but it expects to consult on proposals that would see it receiving around £7.5million a year through contributions from the 2,000 largest charities on the register, namely those with annual incomes of over £5million.

• The enabling work charities and trustees would like to see the Commission expanding or developing.

The Commission will be keen to hear from charities of all sizes and types about their current and future needs for support and enabling work from the Commission. This element of the consultation is likely to focus in particular on smaller charities. Recent research revealed that 80% of trustees are responsible for charities that do not have paid staff; they consequently look to the Commission for authoritative advice and guidance on managing their charities effectively and efficiently.

Ends

Notes to Editors

- The Charity Commission is the regulator of charities in England and Wales. To find out more about our work, see the <u>about us</u> page on GOV.UK.
- 2. Search for charities on our <u>check charity</u> tool.