HaysMac

13 August 2026

Social Purpose eNews

Charity Commission publishes research on public trust in charities

The Charity Commission has surveyed public attitudes to charities for over 20 years, and recently published **the latest research into public trust** in charities alongside research into trustees' opinions of their role and the regulator.

Public trust is one of the sector's most valuable assets, and 57% of respondents reported high trust in charities. The primary reason for people not donating to charities is financial pressure, but there is also a theme of donors wanting to make a difference in their local areas and to personally relevant causes.

Trustees research highlights some knowledge gaps in governance expectations and the underuse of the Charity Commission resources that are available.

Key findings included:

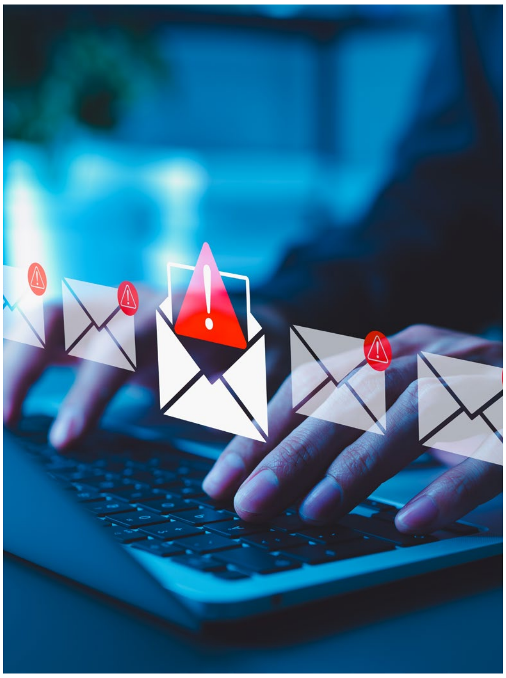
- Trustees remain highly confident overall
- Knowledge gaps persist around conflicts of interest
- Knowledge of financial controls is weaker than expected
- Confidence in financial management has declined since 2025
- Trustees who regularly use Charity Commission guidance perform better on governance measures

Sector assesses implications of the new UK Government

The Directory of Social Change's July policy round-up highlighted the implications of the new government led by Prime Minister Andy Burnham. Early priorities include devolution, place-based policymaking and working more closely with civil society.

It's important that charities consider how these approaches will affect the sector, as there could be a significant impact in the opportunities available to charities. Burnham has stated he will be putting forward measures to help with the cost of living, including the cut to VAT on energy bills later in 2026, which impacts both the population's personal energy costs as well as charities who are suffering with high energy bills.

The policy of devolution means that decision-making and accountability may become more localised. This could change the way the charities influence policy at a local and national level and how they apply for project funding.



Growing concern over cyber resilience in the charity sector

Beacon CRM warned charities that data may have been copied following a cybersecurity incident. Charities working with Beacon CRM have been urged to consider making reports to the Information Commissioner's Office (ICO).

CAF Bank had also paused its online services for 10 days following an 'attempted fraud'. Services have now been resumed but there may be limitations on traffic to the service.

Charities over the last few years have fallen foul of fraud through cyber attacks and phishing emails, and in some cases have lost charitable funds through them. With so much data being held on online banking systems and CRMs, it's important the charities consider their policies relating to cybersecurity.

Trustees are reminded of their responsibilities in ensuring good charity governance, of which cybersecurity is an important part. **Specific guidance** on this was published by the Charity Commission in 2024.

Fundraisers report concerns about AI's impact on the profession

The Voices of Fundraising 2026 report has been published, and a key concern amongst fundraisers is the impact of AI and automation. There were benefits raised including more potential time to focus on the relational side of fundraising, as trust, connection and communication are things that AI can't yet replicate. This comes almost a year after a report was published highlighting the ways that AI could maximise donor retention.

Charities are using AI within their practices more and more, and there are tangible benefits that can be found from its use. However, it's important to understand the risks involved and to implement appropriate policies for data protection purposes.

Charity shops and their position in society

Over the last year, large charities such as the British Heart Foundation and Cancer Research UK have **announced large scale closures of their charity shops.** These closures have been driven by higher operating costs, business rates, national insurance increases for staff and competition from online resale platforms.

In addition, social media trends have shown a spike in recent times of thrifting and reselling, where creators identify potential high value items within charity shops and resell them on online platforms for their own profit.

Oxfam have recently launched a pilot scheme, where customers can rent higher-end donated clothing for 14 days. Oxfam say this is to increase access to people who may only want the item for a short time, and it will be interesting to see whether this pilot is successful and rolled out further.

Changes in social value weighting in government procurement

The Cabinet Office has revealed plans to remove the social value weighting for all contracts under £1m and increase the score from 10% to 20% for tenders £5m or more.

The social value element of these procured contracts need to be measured, reported and adhered to from the application to delivery stage of a contract. Smaller organisations such as those within the Social Purpose sector may not have historically had the resources to provide the information required to apply successfully for these contracts. The removal of this element may permit many more smaller organisations to access these contracts.

In addition, the larger contracts will now need to demonstrate a greater level of social value, which will be positive for the sector and society as a whole.

Regulatory action by the Charity Commission

In the most recent Charity Commission Annual Report and accounts, there were some interesting statistics regarding regulatory activities. There was an increase of 18% in regulatory concern cases, with this rise driven by increased complaints received about charities. The Commission's regulatory action powers were used 19% more than previous years, in line with the increased cases. Statutory enquiries have increased by 25% and just under 60% more inquiry powers used when compared to the prior year.

Whilst the regulator is there to protect the sector and charity stakeholders, regulatory action by the Commission can have a number of negative consequences for charities. These include:

- The time required to respond to enquiries
- The cost involved with enquiries, especially where professional advice is needed
- Reputational impact of enquiries, even if no issues are found
- Staffing impacts
- Fines and penalties

Common themes on investigations are governance, safeguarding, conflicts of interest and trustees acting outside of their charity's purposes. Where charities operate in higher risk areas, such as countries at war or with corruption issues, the controls in place to mitigate arising issues are vital. Where a charity is dependent on the work of the trustees, there may become issues with oversight and monitoring which could adversely impact the charity.

It's therefore essential that charities have appropriate policies and formal delegated authorities in place, so that staff and trustees alike are aware of their responsibilities.

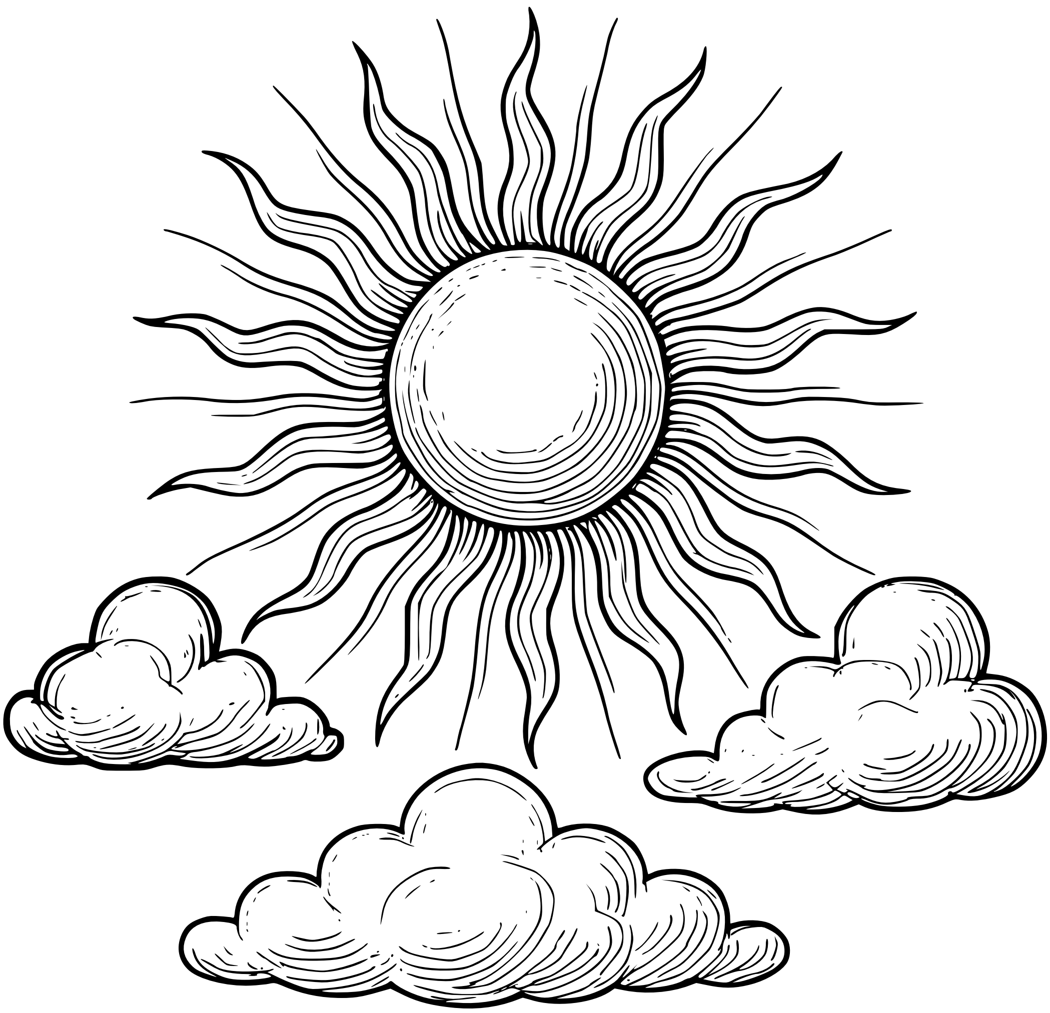
Mastering the New SORP – Webinar Series Returns This Autumn

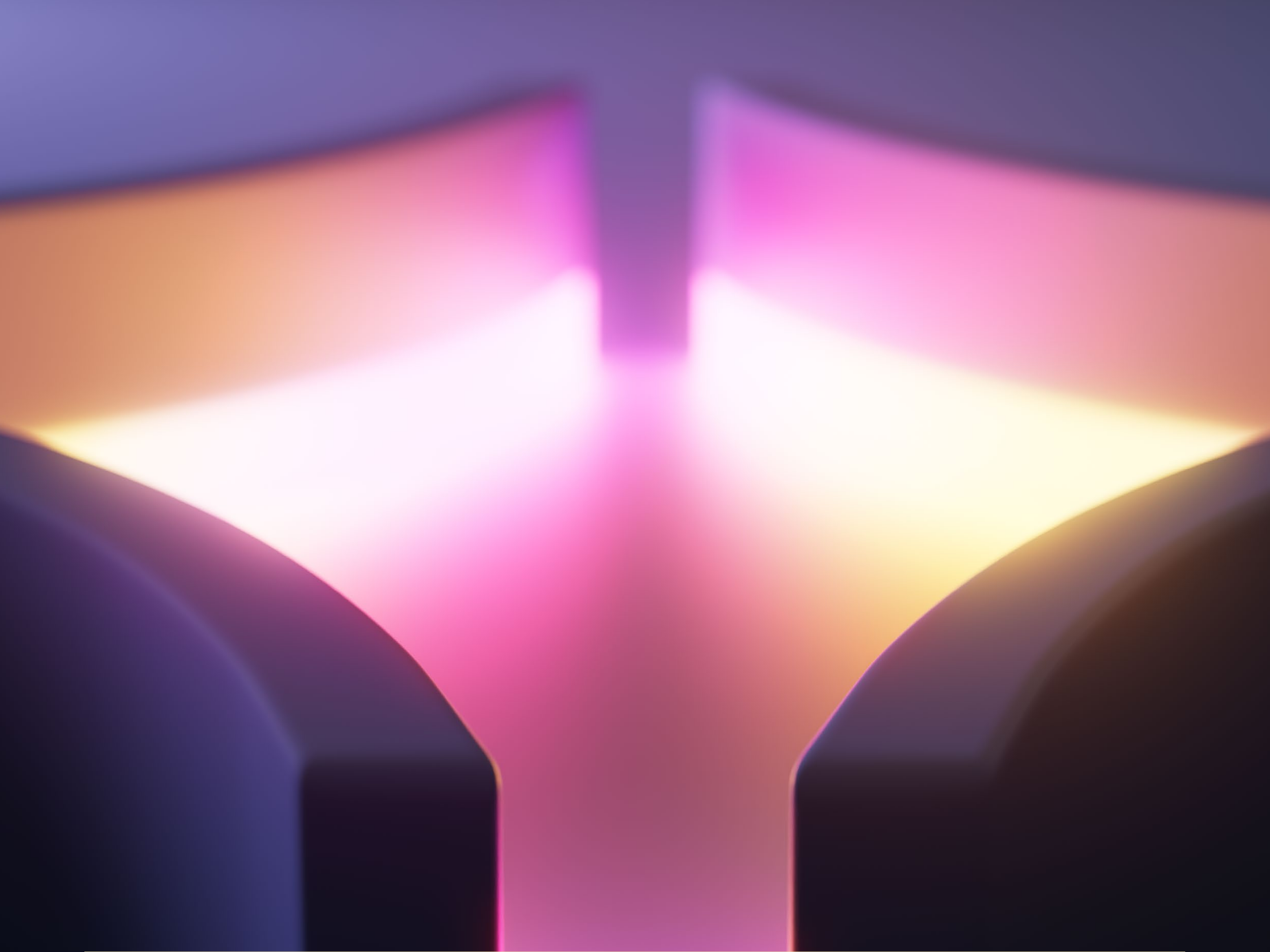
Back by popular demand, our Mastering the New SORP webinar series returns this autumn to help charities and not-for-profit organisations prepare for the new SORP, effective for reporting periods beginning on or after 1 January 2026.

Across eight practical, expert-led sessions, we'll cover key changes, including the new Trustees' Report, leases, income recognition, sector-specific guidance and recap sessions to help bring everything together.

Whether you're a trustee or finance professional, you can join individual webinars or attend the full series to build confidence ahead of your next reporting cycle.

View the full series and register here.





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