HaysMac

20 November 2026

Social Purpose eNews



Autumn Budget leaves charities wanting more

Charity umbrella bodies say the Autumn Budget delivered on 28 October 2026, the first from chancellor John Healey, offered little direct help for the voluntary sector.

Charity leaders welcomed cost-of-living measures, including energy bill support, help for carers and minimum wage increases. However, concerns remain over rising costs, growing demand and stagnant or falling income across the charity sector.

NCVO and the Charity Finance Group (CFG) had called for action on long-term charity funding, but no additional support was announced. Sector representatives warned that investment in public services must be matched by funding for the charities delivering them.

There were some positives, with Charity Tax Group welcoming VAT reform for social housing and NAVCA supporting the decision to retain Healthwatch. Bond also called for the government to meet its 0.3% aid commitment and set out a path back to 0.7%.

You can read our **full Budget summary here** to understand how the changes may affect you.

Trustees' Week 2026: Celebrating the contribution of charity trustees

Trustees' Week which took place last week, celebrated the contribution of charity trustees and the time, commitment and expertise they bring to the sector.

It was an opportunity to recognise the importance of ongoing support and development to help trustees carry out their roles with confidence.

To support trustees, we run a number of Trustee training sessions covering key accounting, investment and legal updates, alongside Farrer & Co, and Cazenove Capital, helping boards stay informed and understand the issues affecting their organisations.

You can watch our latest training session which took place in September, **here.**



MPs call for wider review of the Charity Commission

A cross-party committee of MPs has called for a wide-ranging review of the Charity Commission's powers and culture in a recent report, describing reform as long overdue.

The Public Administration and Constitutional Affairs Committee (PACAC) welcomed **the Government's consultation** on tackling extremist abuse but called for a broader review of how effectively the regulator uses its existing powers. This follows criticism of the commission's handling of sexual abuse complaints and its subsequent apology after being found in contempt of Parliament.

The commission has accepted the committee's recommendations and is already making changes to its approach. Any changes to its powers or enforcement could have significant implications for charity trustees and compliance teams across the sector.

Higher inflation to erode £125m from regular giving

Rising inflation could cut the real value of regular donations to charities by £125m over the next three years, according to analysis by Pro Bono Economics (PBE) and CAF Bank.

The warning follows the **Office for Budget Responsibility's budget-day forecasts**, which raised expected inflation for 2027 from 2% to 3.4%. The OBR attributed the rise largely to higher energy costs linked to the ongoing conflict in the Middle East. CAF estimates that around £2.89bn of charity income came from direct debits and standing orders in 2025.

With many donations fixed through direct debits and standing orders, rising costs will reduce their purchasing power. Charities are also facing increased demand and limited scope to absorb higher costs, with concerns that staff pay will continue to fall behind inflation. The report highlights the growing financial pressures on the sector.

It did however welcome new budget funding for charities tackling homelessness and violence against women and girls. But PBE Co-Chief Executive Jon Franklin said the Government will eventually face hard choices on tax or spending, and either will affect the sector.



Regulator warns of 'earthquake' as support bodies collapse

The chair of the Charity Commission has warned that the loss of the organisations that support charities could be the first tremor of a far larger collapse, and has urged funders and the Government to act.

Speaking at the commission's annual public meeting, chair Dame Julia Unwin highlighted the closure of the Directory of Social Change and several other infrastructure organisations, calling for funders, the Government and charities to invest in the services that provide vital training, advice and support.

There was some positive news, with Reach Volunteering securing funding until at least 2028. The Charity Commission also confirmed its own funding will increase by around 25% a year on average over the next three years, amid rising demand for registration and compliance work.

Government consults on banning trustees convicted of hate crimes

The government has launched a 10-week consultation on proposals to give the Charity Commission stronger powers to disqualify individuals who use charities to promote hatred or violence. **The consultation** closes on 23 December 2026. Proposals include automatic disqualification for those convicted of specified hate-related offences, alongside new powers to remove individuals where there is evidence of promoting violence or racial or religious hatred, even without a conviction.

The Government, Charity Commission and Civil Society Minister Vicky Foxcroft stressed that the vast majority of charities are well run and that legitimate campaigning and free speech must be protected. Charities, trustees and sector bodies are invited to respond to the consultation. Trustee boards may also wish to review their recruitment and due diligence processes. The consultation specifically asks how the powers can work without chilling freedom of expression.



New guidance on fundraising from donors in vulnerable circumstances

The Chartered Institute of Fundraising (CIOF) has updated its Treating Donors Fairly guidance for the first time in five years, **setting out how charities can better support donors** in vulnerable circumstances.

The revised guidance reflects changes in fundraising practice, law and regulation, including new advice on digital fundraising, data protection and electronic marketing. It highlights the importance of recognising when donors may need additional support, adapting fundraising approaches and knowing when to pause or stop and ask.

CIOF emphasises that treating donors fairly is an organisational responsibility, not just down to individual fundraisers. Charities should ensure staff and volunteers have the right training, policies and support to respond appropriately, while ensuring people in vulnerable circumstances are not excluded from supporting causes they care about.

Trustees and fundraising leads may wish to review their existing vulnerable-supporter policies in light of the updated guidance.

Procurement guidance recognises charities' 'inherent social value'

New Cabinet Office guidance has formally recognised that charities and other voluntary, community and social enterprise (VCSE) organisations can deliver social value as part of their everyday work, in a first for central Government procurement rules.

The updated guidance, known as PPN 026, also gives greater recognition to VCSEs within public sector supply chains. Their involvement can now contribute to assessments of how bidders create good jobs and address skills shortages.

The changes sit alongside new social value weighting rules, which reduce the standard weighting for contracts under £1m and increase it to 20% for tenders worth £5m or more.

Social Enterprise UK welcomed the recognition but raised concerns that the Government's focus on jobs and skills narrows the definition of social value. For charities, the changes could provide new opportunities to strengthen bids for public contracts or partnerships with larger suppliers.

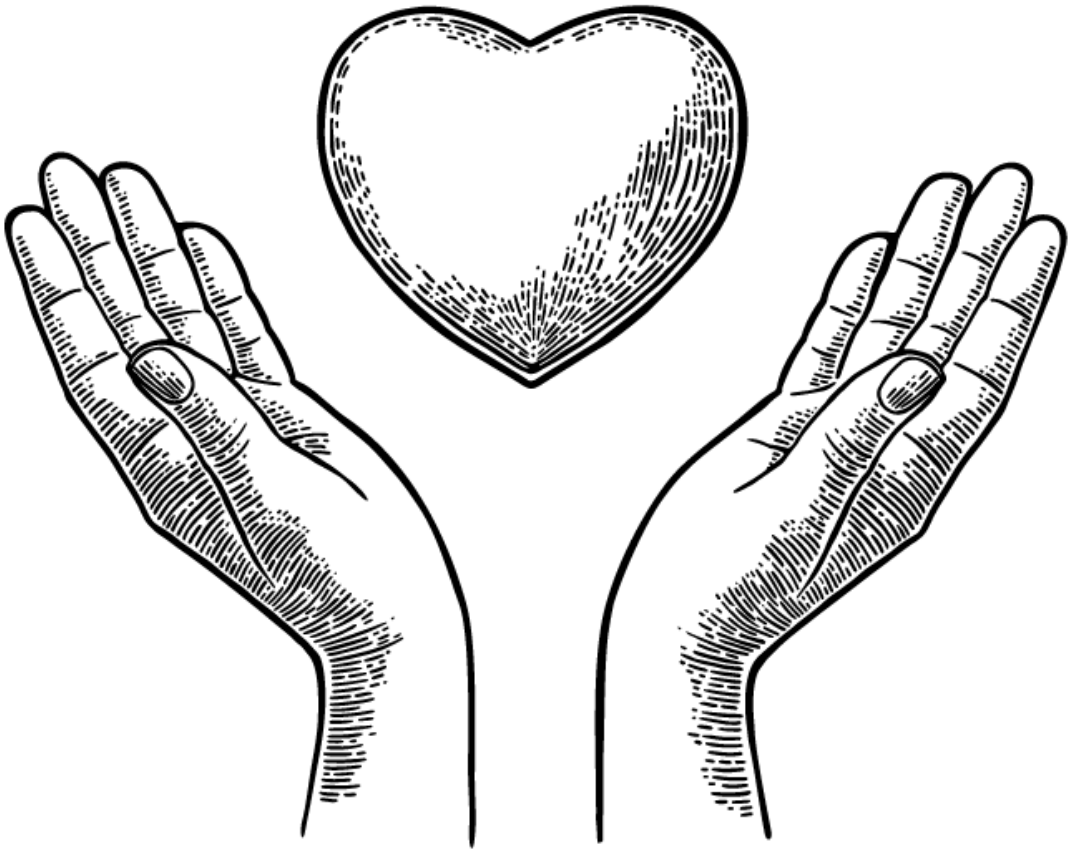


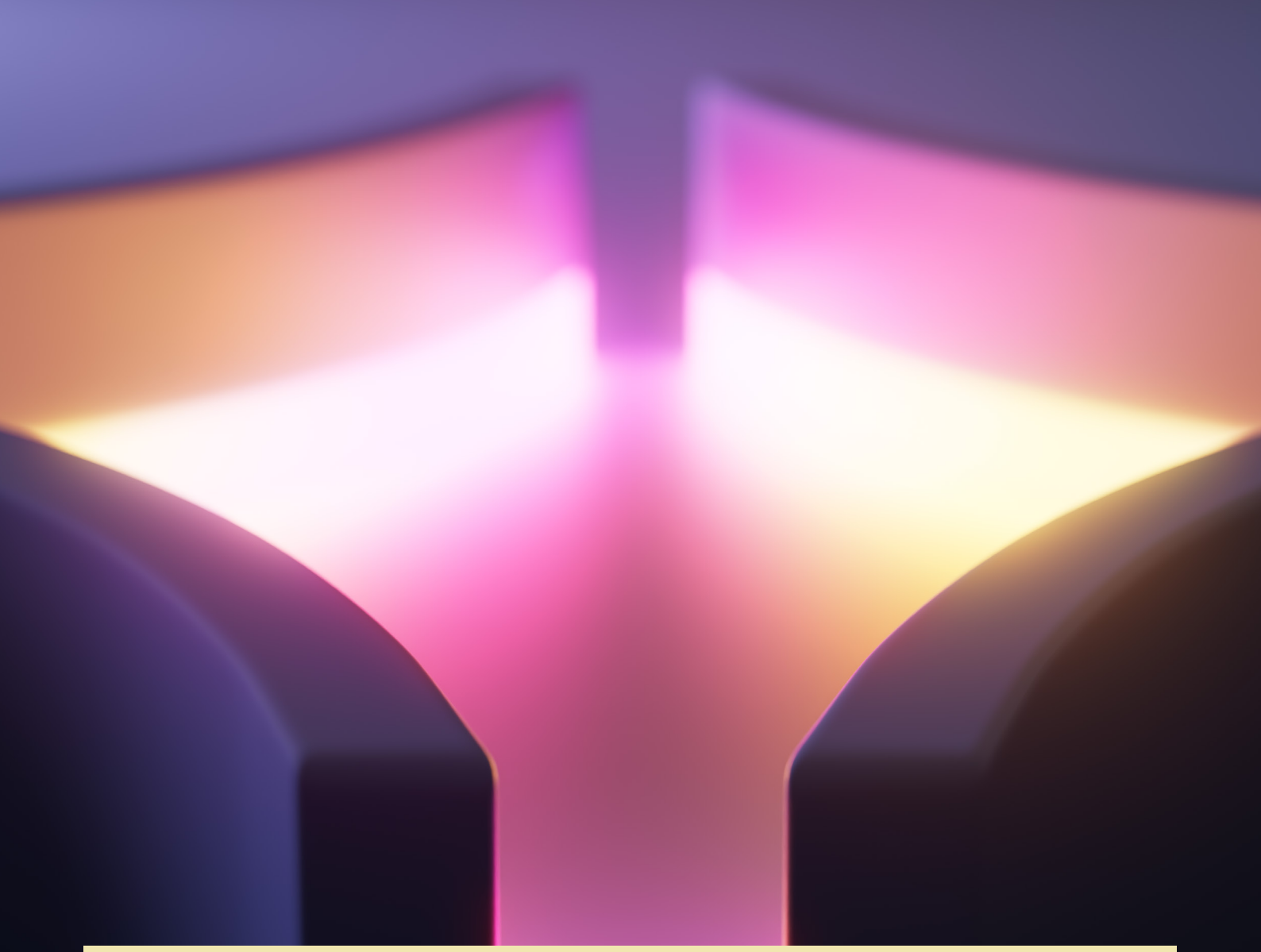
More than £1m distributed to baby banks as demand grows

The Baby Bank Alliance has distributed more than £1m to baby banks across the UK over the past three years, helping local organisations provide essential items to families facing financial hardship.

Demand continues to rise, with **baby banks supporting more than 400,000 children** in 2025 – an 11% increase on the previous year. However, funding remains a significant challenge, with three-quarters of baby banks surveyed identifying a lack of sustainable funding as their biggest concern.

In 2026, the Alliance distributed £660,000 to 200 baby banks through unrestricted grants, helping them cover essential items such as nappies, clothing and cots, as well as core running costs. The funding highlights the importance of flexible, sustainable support for charities meeting growing demand.





HaysMac

10 Queen Street Place
London EC4R 1AG

T 020 7969 5500
E marketing@haysmac.com

haysmac.com

© Copyright 2026 HaysMac LLP. All rights reserved.

HaysMac is the trading name of HaysMac LLP, a limited liability partnership. Registered number: OC423459. Registered in England and Wales. Registered to carry on audit work in the UK and regulated for a range of investment business activities by the Institute of Chartered Accountants in England and Wales. A list of members' names is available for inspection at 10 Queen Street Place, London EC4R 1AG. A member of the ICAEW Practice Assurance Scheme.

Disclaimer: This publication has been produced by the partners of HaysMac LLP and is for private circulation only. Whilst every care has been taken in preparation of this document, it may contain errors for which we cannot be held responsible. In the case of a specific problem, it is recommended that professional advice be sought. The material contained in this publication may not be reproduced in whole or in part by any means, without prior permission from HaysMac LLP.

THE SUNDAY TIMES
Best Places to Work 2026
BIG ORGANISATION

BRITISH BUSINESS EXCELLENCE AWARDS
WINNERS 2025
LLOYDS

eprivateclient
Top Accountancy Firms 2025
An eprivateclient top accountancy firm 2025