The following article appeared in Third Sector magazine in January 2021: <u>https://www.thirdsector.co.uk</u>

Consider charging for your services, charities urged

28 January 2021 by Andy Ricketts

A paper from the research consultancy nfpSynergy says that although it is a potentially controversial subject, it can help improve outcomes



Charities that have seen their income levels fall should consider the idea of charging their service users, according to a new report.

<u>A paper</u> published by the research consultancy nfpSynergy says charities offer a diverse range of services and therefore the potential implications of charging for the work they do vary enormously.

It says that although deciding to introduce a charge "can elicit strong views, even outside of a pandemic", evidence suggests there can be significant benefits of doing so.

It says that legally, charities are allowed to charge their service users and that outcomes might sometimes be improved if people are asked for a fee. One example given is from a 2018 study in Uganda which showed that anti-malaria bed nets that were paid for were more likely to be used correctly than those obtained for free.

The report says there is no doubt that charging is an issue that charities should be looking at with great thought and care.

Ethical issues that charities would need to consider include concerns about reputation and the relationships they have with the people that use their services, particularly for those organisations working in areas such as welfare, rights advice, or health and social care advocacy.

Charging could "fundamentally change the nature of the service and the relationship between advocate or adviser and the client, and potentially lead to a breakdown in trust", the report warns.

Charities must also consider issues such as whether charging would help improve their sustainability and what they would do if someone could no longer afford to pay. Pricing is also another problematic issue because the sums charged need to be sufficient to indicate quality, but not so steep that they make services exclusive, the report says.

"Ultimately, if the benefits of a service can continue when otherwise they would not, that in itself can only be good," it says.

It concludes: "Perhaps the most important conclusion is that charging beneficiaries is something that every charity whose income has fallen this year should be looking at more closely.

"It can be an effective way to boost income and, in some cases, increase take-up, revenue, and the perceived value of the service.

"It is a false dichotomy to assume that doing good has to be paid for by somebody other than the recipient of that good.

"Ultimately this is not a black-and-white issue, but charities should not be so quick to dismiss the idea outright as there are undoubtedly some benefits to this approach."

The original article can be found here: <u>https://www.thirdsector.co.uk/consider-charging-services-charities-urged/management/article/1705831</u>