

Distribution of Funds by Christian Charitable Trusts **Stuart Barnes, The Sycamore Project**

The geographic distribution of funds has over recent years caught the public attention, not least due to media coverage of the “post code lottery” of health service funding for various treatments. Within the voluntary sector it is also of growing importance as government initiatives make more funds available to the sector, for work in targeted areas of deprivation. Mocroft and Zimmeck¹ (2004:7), however state that central government per capita funding figures for voluntary and community organisations suggest an unequal distribution. They also refer to a similar conclusion reached by the Centre for Urban and Regional Development Studies at the University of Newcastle-upon-Tyne, which analysed funding provided for the alleviation of deprivation by central government departments, SRB, National Lottery, European Union and grant-making trusts. In 2000 Pharoah and Vincent² surveyed grants made by charitable trusts within England and concluded that the findings also point to some clear imbalances in the distribution of funding, in particular biased towards southern regions.

It was unclear however, how Christian charitable trusts specifically, distribute funding geographically. The support of the poor and the needy is an intrinsic value within Christianity and it could be expected, that at the very least they would therefore demonstrate a tendency to support the most deprived areas. As director of a smallish Christian youth charity based in a disadvantaged area of the North West of England I had over several years of tireless fundraising formed the view, however, that our geographical location was a disadvantage with regard to income generation from Christian sources. Through my dissertation for the MSc in Voluntary Sector Management I therefore sought to investigate the geographic distribution of Christian funding. Initially hoping to consider all sources, including churches and individuals, the focus was eventually narrowed to charitable trusts with the aim of establishing whether there is evidence of a fair level of support to the more deprived areas.

Literature was reviewed relating to the following subjects; Christian giving, Christian statistics, categorisation, geographic deprivation and grant-making and geography. No other work related to Christian charitable trusts was discovered but key findings, which informed or influenced either the study or the subsequent recommendations included:

- Giving is a Biblical practice with clear instruction to direct it to the poor. Advocation of giving is present within literature but with little reference to the poor or how to give to them effectively.
- Sources of information about other Christian giving have been identified, raising understanding of other potential funds and subsequent need within different areas.
- Other research, creating a broad map of distribution by charitable trusts generally and by central government to the voluntary sector provides a framework for the structure and style of this project. Simultaneously this offers data for comparison and ideas for comparisons within the project, enhancing the analysis. Relating results to geographic deprivation indicators has not been done, so this research adds a new dimension to the mapping of grants.
- Literature about grant-making is focused on effectiveness above need. Some writers introduce geography as a relevant factor but with little guidance on how to incorporate it within decision-making.
- The complexity of fairness emerges clearly and influences the many suggestions for further research. This ensures that this project does not make simplistic and idealistic recommendations based upon statistics alone but recognises surrounding issues.
- Collaboration and policies emerge as key tools to fair and effective funding

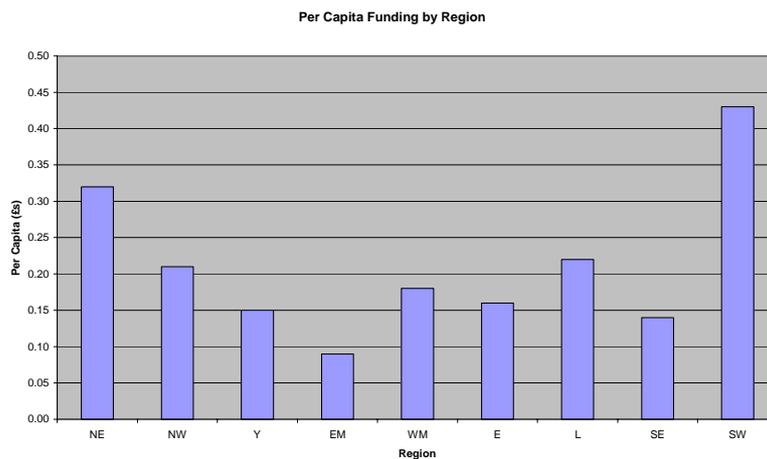
¹ MOCROFT, I. & ZIMMECK, M. (2004) Central government funding of voluntary and community organisations 1982/3 to 2001.02. (London: Home Office)

² PHAROAH, C. & VINCENT, J. (2000) Patterns of independent grant-making in the UK (West Malling: Charities Aid Foundation)

In the first instance two hundred and eleven charitable trusts were identified, located in England, and which specifically indicated that they support Christian activity, projects and organisations. The decision was taken to obtain their accounts and annual reports as the primary source of information, this approach being justified by the Charity Commission's requirement upon charities to both include details of grants made and to make their annual report and accounts available to everyone on request.

Only thirty percent of trusts actually supplied accounts upon request and such a large degree of non-compliance does reflect badly upon the Christian trusts as a group. Eventually, however, more accounts were obtained from the Charity Commission and over eighty five percent of trusts could be included in the research with these constituting ninety seven percent of available funds. In total 6,193 grants were considered with 1,825, having a combined value of just in excess of £10m subsequently identified as meeting the research criteria of being grants made to churches or other Christian organisations specifically for work within one of the English regions. Surprisingly, from nearly every perspective the South West fared best. Figure 1 below illustrates the per capita funding within each region.

Figure 1

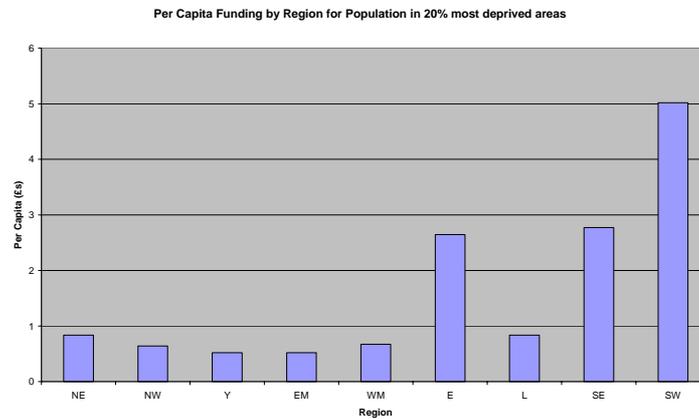


If true fairness is to be attained however, then achieving equality in per capita levels alone is not enough. A second objective therefore, was to introduce deprivation indicators to the results.

Analysing the data in this way clearly showed that the three least deprived regions in England (South East, East and South West) benefit most from Christian charitable trusts. Again results were calculated from a variety of perspectives and figure 2 below clearly shows the vast difference between these regions and the others.



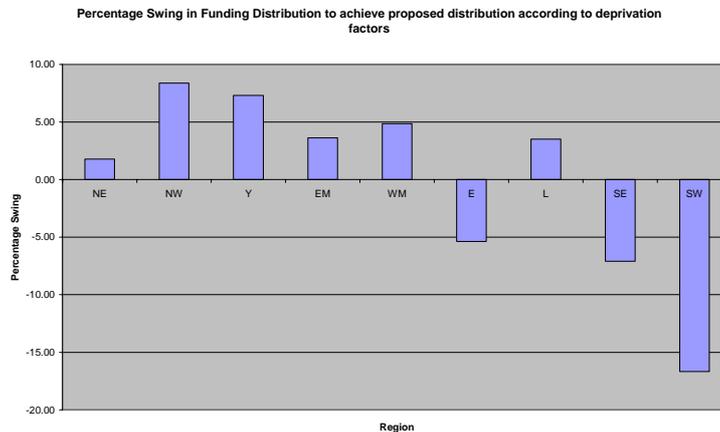
Figure 2



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The following figure illustrates changes in distribution of funding if a “fair” distribution were to be made based upon the deprivation statistics.

Figure 3



The North West is the most deprived region within England and this figure reveals that it is still in need of the most additional funding to achieve “fairness”, a position, which was not clear from the results before a deprivation factor was introduced.

Questionnaires revealed that most respondents did not consider it to be the responsibility of trusts to prioritise deprived areas and very few agreed that trusts should collaborate or work together in pursuit of more equitable distribution.

It would be easy to make an idealistic recommendation that trusts simply adjust the distribution of grants by the percentages identified in order to ensure a fair distribution. Whilst this would probably have a positive effect on the statistics, there is no guarantee of fairer funding. As expected more questions were asked than answered and as such numerous suggestions were made for further research, which would provide better information enabling more prescriptive recommendations.

It is recognised that the project asked many more questions than it answered but at this stage some recommendations can be made. The number and range of suggestions for further research demonstrate the complexity and enormity of bringing about fairer funding. This is exaggerated by the reluctance of many trusts to participate and the resistance indicated to collaboration. The first recommendation is therefore simplistic, being to seek all available avenues for raising awareness of the findings and communicating them effectively, encouraging trusts to consider their own response. It is acknowledged that this does not facilitate a strategic response but could result in small steps being taken to initiate changes. More importantly this could contribute towards a culture change in which, future, more prescriptive recommendations can be made and be readily embraced.

The literature highlights a fear of policies, with trusts wary of increasing volumes of applications as a result, although the likelihood of this is questioned. Doven and Ellis³ (1994:4) state: "By simply hoping to treat everyone the same without making proper plans and guidelines, a trust will probably end up reflecting ingrained prejudices and structural inequalities." A recommendation would therefore, be the development and testing of a sample policy for geographic distribution of funds.

- Flexibility for trusts to remain responsive to God's leading.
- A moral statement against which decisions could be measured.
- Acknowledgment that spiritual need is not necessarily affected by location but an organisation's capacity to raise funds may be.
- Recognition of each trust's independence and freedom
- A clear statement of purpose
- A mechanism for monitoring and evaluation
- Recognition of varying capacity to implement.

The project succeeded in painting a big picture of the geographic spread of funds, revealing various degrees of inequality, particularly to the detriment of the most deprived areas, which does seem to contradict the values of the faith in which name the funds are given. There is recognition that equitable distribution of funding is part of the much wider and more complex concept of fairness and that more work is required to create a more accurate picture of distribution. Despite the difficulties in doing this and the seemingly impossibility of achieving fairness there is nevertheless a challenge and encouragement for trusts and indeed church congregations and individuals to respond, to review their giving and to make a start at painting a new picture.

A final thought. According to the United Nations Development Programme; "A quarter of the world's population, 1.3 billion people, live in severe poverty." In light of this should Christians and Christian charitable trusts even be distributing grants in England at all? This question must however, form the basis of a separate study!

This article is necessarily a very short piece highlighting key points from a considerably larger document. If you would like to read the full report please do contact me;

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³ DOVEN, R. & ELLIS, F. (1985) Fairness in funding. (London: Association of Charitable Foundations)