

# PRINCIPLES PAPER

## ImpACT Coalition - 'Improving Accountability, Clarity and Transparency' to improve the transparency and accountability of the voluntary sector

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Voluntary action relies on public support, people's willingness to give time and money to causes they care about, as well as their tacit goodwill towards our sector as a whole.

People's trust and confidence in voluntary organisations is vital to the health of the sector; the more that can be done to increase trust, the healthier it will be. This trust can also be augmented with evidence that our sector and our organisations do good work. This means showing that we can be trusted to make a difference, not only delivering value-for-money but also adding value and being open about the investment, rather than defensively hiding costs.

This Coalition of voluntary organisations recognises that organisations must individually strive to be accountable and transparent. We also recognise that there is a limit to what a single organisation can do on its own and that we can achieve much more by acting in concert; taking the facts to the public and the media.

To this end, we are starting this Coalition with the aim of engaging organisations across the whole sector to work together to underpin the trust and confidence that the ever more scrutinising and sophisticated public has in us, by becoming even more transparent and accountable in what we do. We are not setting benchmarks or criteria for joining, but believe that the following principles and pledges will be those that every organisation will want to sign up to and support. We aim to be accountable to each other as we move forward.

This Coalition of charities will work to the following principles:

### **1. Increase public understanding of our work and values**

As an organisation, we believe that it is critical that organisations should work collectively to enhance the public's understanding of our sector;

### **2. Communicating with clarity and openness**

We believe that charities must strive to be open, clear and transparent in communications with all their stakeholders.

As part of this Coalition we will strive to fulfil these pledges:

### **1. Explaining our work and our approach**

As an organisation, we will be transparent about how much we invest in raising money and how this helps us to meet the needs of our beneficiaries. We will generate greater public awareness and understanding of how such investments enable voluntary organisations to achieve their mission more effectively. Ways to do this include:

- a. Using fundraising material to discuss investment;
- b. Sharing examples of good practice on how to calculate and communicate investment in our organisations.

**2. Collaborating in sector-wide initiatives**

We will participate in and actively promote a series of initiatives aimed at enhancing donor understanding, providing reassurance and confidence that we operate openly, honestly and effectively. Such as:

- a. The Self Regulation of Fundraising scheme;
- b. Guidestar;
- c. The Governance Code;
- d. Increasing awareness and understanding of the voluntary sector in the media
- e. [www.charityfacts.org](http://www.charityfacts.org)

**3. Reporting on successes, achievements and setbacks**

We will work together to set new standards of transparency in reporting by providing reflective accounts of progress, assessing challenges and setbacks as well as achievements, opportunities and impact (positive and negative) through;

- a. Peer working and benchmarking to help assess impact;
- b. Using Standard Information Return trustee reports and annual accounts to assess our achievements and failures.

**4. Long-term commitment**

We will continue to work together to develop projects and methods of working that underpin these principles and monitor our success against clearly defined criteria:

- a. We will use our membership of this Coalition to constantly test our organisation;
- b. We will evaluate how our systems and communications ensure that we are maximising our accountability and our transparency.