

PUBLIC SPENDING CUTS: PROSPECTS FOR CHARITIES

Charities and other not-for-profit organisations are increasingly important providers of public services: both contracting with government as delivery agents and filling the gap left by falling levels of public provision. Yet charities themselves have been hit by public spending cuts. The National Council for Voluntary Organisations predicts that central and local government spending on the voluntary sector will drop from £11.8bn in 2010/11 to £10.89bn in 2015/16. This raises a big question about how easy it is for organisations to raise more money from other sources such as private donations. In the articles that follow, we present new evidence on the key question of whether grant funding “crowds-out”, or “crowds-in”, other income. We also report the results of workplace trials testing innovative ways of encouraging donations.

