General Election 2017

a manifesto for the UK’s charity shops
Summary

The next government should ...

1) clearly recognise the vital social value that the charity retail sector generates for communities, economies and the environment across the UK

2) introduce a fairer and more cost-effective system of 100 per cent business rate relief for all charity shops

3) ensure that all charity shops are eligible for both rate relief and all support schemes in place to assist small shops with business rate support

4) dedicate itself to creating a volunteering revolution with every public sector employer giving its employees time off to volunteer

5) give official recognition to The Charity Retail Association's volunteering campaign and offer non-financial support by encouraging public sector employees to participate

6) promote the benefits of volunteering in charity shops to young people and the unemployed, particularly through Job Centre Plus

7) assist charity shops in generating stock by allowing them to collect house-to-house at short notice

8) legislate for much greater transparency in the clothing collections market, allowing people to make informed choices about the destination of their donations

9) emphasise to all Councils that waste from unsaleable donations is household waste and should be accepted at refuse sites free of charge

10) incentivise partnerships between charities and Local Authorities to enable collection from household recycling centres

Who We Are

The Charity Retail Association (CRA) is the only body in the UK which represents the interests of charity retailers. We have nearly 400 members representing around 80 per cent of all charity stores in the UK. Our members range from national chains, to individual hospice shops, and everything in between.
Introduction

The forthcoming election will inevitably be dominated by issues surrounding the UK’s withdrawal from the European Union. However, the Government that is in due course elected will obviously have much more than this to deal with – the greater part of day-to-day existence will still be concerned with earning a living, sustaining quality of life and helping others in the community.

Issues surrounding health, wellbeing, social care, international development, animal welfare and environmental concerns will remain just as important post-Brexit. The charities that support these issues will still need to exist, provide services, and raise funds. Because of this, the charity retail sector will still need to provide its vital contribution to charitable fundraising.

Charity shops are a unique and treasured part of British life. There are well over 10,000 charity shops across the UK, a number no other country comes close to matching. These shops make a vital contribution to our communities, economy and environment:

- Charity retail is the biggest source of volunteer opportunities in the UK, with 220,000 people currently volunteering in the sector
- Last year charity retail contributed over £270m to charitable causes
- 22,000 staff are employed in the charity retail sector – stable and sustainable local jobs
- Charity shops help to attract footfall to high streets and keep them thriving.
- As a result of charity retail, 330,000 tonnes of textiles out were kept out of landfill, reducing the UK’s carbon emissions by nearly 7 million tonnes.

Our primary ask in this manifesto is this:

**Ask 1:** Any incoming government should clearly commit to recognising this value and seek to protect the sector as a vital part of British life. Town centre and retail policies should recognise and take into account the crucial and unique part played by charity retail, and should ensure that this sector is allowed to thrive and flourish.

Arising from this primary request are a number of specific asks in four different areas: business rates, volunteering, stock generation, and the environment.
Business Rates

Charity shops currently operate under a postcode lottery when it comes to business rates relief. In common with other charitable property, shops automatically receive an 80 per cent relief on their bill, with the local authority able to give a discretionary reduction of the remaining 20 per cent.

Unfortunately only around 1 in 7 of shops actually receive this additional benefit, and this can lead to anomalous situations where small charity shop chains have shops only streets apart but receive different rates relief - sometimes even within the same borough!

The cost to charities of applying for and appealing discretionary rate relief decisions takes additional funds from their cause, and Local Authorities also have to absorb the cost of administering such a system.

Ask 2: We believe it would be much simpler, fairer and more cost-effective to move to a mandatory system of 100 per cent rate relief for all charity shops, recognising their wide social benefits and enabling them to do even more for good causes across the country.

Many charities prefer to operate their retail chains through a trading subsidiary, seeing this as an efficient means of ring-fencing funds and managing risk. Charity trustees are not always retail experts and many prefer to delegate this responsibility to a suitably skilled board of directors on the subsidiary. In some cases however, Local Authorities see charitable trading companies as commercial enterprises and hence not entitled to rate relief.

This is not at all within the spirit of the rate relief legislation and is an unintended consequence of the trading subsidiary system.

Ask 3: By whichever means a charity shop decides to set up its business model, its primary purpose – to raise money for charity – is the same. The next government should ensure that all charity shops are eligible for rate relief and all support schemes which are in place to assist small shops with business rate support.
Volunteer Opportunities

Volunteering in a charity shop provides huge benefits to both individuals and society. Volunteering helps to combat social isolation and loneliness: 61 per cent of charity shop volunteers believe that volunteering has a positive impact on their physical and mental health and over 80 per cent think it improves their self-esteem and confidence. This is why Community Service Volunteers (CSV) estimate that for every £1 spent on volunteers, £3.38 of value is created including through improved health outcomes.

The Charity Retail Association has recognised the huge benefits of volunteering and will be running a major campaign during 2017/18 to increase the availability and diversity of charity shop volunteers, and we would request the next government to swing behind this campaign in a variety of ways.

Ask 4: The next government should dedicate itself to creating a volunteering revolution. Every public sector employer, and company bidding for government contracts, should be encouraged or even compelled to offer its employees volunteering days.

Ask 5: We would request that the government gives official recognition to CRA’s volunteering campaign and offers its non-financial support by encouraging public sector employees to participate.

Additionally, volunteering in charity shops can help equip young people and the long term unemployed with the skills they need to find full time work not just in the retail sector but in the world of work in general. 80 per cent of charity shop volunteers believe that volunteering has helped them learn new skills and value this process.

Ask 6: The incoming government should do more to promote these benefits to young people and the unemployed, particularly through Job Centre Plus.
Stock Collection

Donations are the life blood of any charity shop, but the licensing regime for collections can reduce flexibility and efficiency for collections. We recognise the need to protect the consumer, but licensing regimes should also be constructed to facilitate short-notice stock generation campaigns.

Ask 7: We would request that the incoming government give charity shops collecting for stock as much leeway as possible by allowing them to collect house-to-house at short notice and adopting a positive attitude to granting National Exemption Orders for large charities.

An especially controversial area is that of house-to-house bag collections. Some commercial collectors only give a small proportion of money generated by selling clothes in bulk overseas, to their charity partner. However, when charity shops collects clothes on the doorstep they are kept in the area and sold in local shops, with all the profit going to charity.

Ask 8: We would support an incoming government to legislate for much greater transparency in the clothing collections market, allowing people to make informed choices about the destination of their donations.

Environment

Charity shops are able to use the vast majority of donated goods, with 95 per cent of donated textiles re-used or recycled. Regulations throughout the UK confirm that the small amount of waste left over should be seen as domestic waste, as it originated from a domestic source and has not been treated in anyway. Therefore it should be accepted for free at Household Recycling Centres. The majority of Local Authorities do just this, but we have noticed an increasing trend for some to put charges or obstacles in the way of shops in their area.

Ask 9: The next government should re-iterate that waste from charity shops is household waste and that the presence of charity shops greatly benefits Local Authorities in this area, for example saving them £27m in Landfill Tax last year alone.
By working in partnership with local authorities, charity shops can do a huge amount to increase recycling and reduce waste going to landfill. Millions of items of saleable quality are needlessly thrown away at Council waste sites every year. A number of charity retailers, however, are working in partnership with Local Authorities and their contractors, and we would like to see more done to encourage this.

Ask 10: To maximise the reduction in items going to landfill, the next government should incentivise partnerships between charities and Local Authorities to enable collection from HRCs, benefitting shops, Councils and most importantly the environment.

Conclusion

Charity retail is not a demanding sector in terms of its asks of government. On the whole we go about our business quietly, efficiently and profitably, providing the benefits mentioned above with little call upon the public purse.

What we do ask, however, is that our beneficial tax regime is preserved and maybe even increased, that unintended consequences of legislation and especially Local Authority policies are minimised, and that the government is overtly supportive and encouraging of this excellent way for charities to generate funds.

That is not a great deal in return for the huge benefits generated for communities and individuals by this unique and important sector.