

Public sector pays charities to push its causes

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CHARITIES are receiving billions of pounds in funding from the government, local authorities and the European Union to push causes favoured by the public sector, a new study warns.

The report by the Institute of Economic Affairs (IEA), a free-market think tank, claims that "government lobbying government" results in some causes receiving far more money than justified by their level of public support.

According to the research, to be released tomorrow, charities are increasingly complaining about pressure from their funders to "toe the government's line".

It cites the example of War on Want, the anti-poverty charity, which refused to co-operate with a campaign set up to lobby the coalition to spend 0.7% of GDP on foreign aid. At the time the charity said it had been told that "if we joined the campaign we

couldn't be critical of the government".

Charities with high levels of public sector funding include the Catholic Agency for Overseas Development, which received £9m from the state last year, 18.5% of its income. Cafod said:

"Regardless of the government funding, we've been at the forefront of campaigns against government action that hurts the poorest people in the world."

The Association of Chief Executives of Voluntary Organisations, which represents charity bosses, receives 21% of its funding from the government.

Asheem Singh, its policy director, said: "Consider the extent to which our sector has come together to agitate against the attempt to muzzle charities and campaign groups during the passage of the lobbying bill and you'll see . . . we are uncompromising in protecting our independence."