



# Good Practice Guidance

## Working with multiple charities

## **Key Principles: Sensitivity, Transparency, Collaboration**

Many of our charitable donors often support a number of different charities during their lifetime. This support may transcend into legacies dedicated to multiple charities in their Wills.

It can speed up the administration of an estate and reduce costs for charities to work together. In this context, applying the Principle of Sensitivity means being supportive and respectful of others involved in legacies, which include colleagues in other charities, solicitors and other professionals. In turn, we display the Principles of Transparency by being open with fellow charities, solicitors and other stakeholders about our responsibilities and goals, and Collaboration by working positively with these partners.

## **Things to think about**

### **Effective collaboration to best support executors and solicitors**

Working together effectively can help executors, who may feel overwhelmed by communicating with many individual and charitable beneficiaries. Charities can help by:

- sharing useful information on the administration of estates with its charitable co-beneficiaries and, occasionally, offering a lead charity contact (see discussion below on being a lead charity)
- building relationships with external stakeholders, such as solicitors, stockbrokers, surveyors, and providing a coherent and consistent approach to safeguard charity and legacy professionals' reputations.

By working together we can assist the executor and solicitors to:

- understand the reasons behind the charities' requests for information from the estate
- focus their time and efforts on finalising the administration instead of providing regular updates to the beneficiaries, minimising costs
- access charitable tax savings

### **Considering the opportunities and drawbacks of a lead charity role**

Effective Collaboration may include all charities involved agreeing a lead charity who has primary contact with the executor or solicitor, passes information to other charities, and collates responses. It has been a convention that the residuary charity beneficiary first named in the Will may be the initial volunteer for this role. However, this cannot be assumed, and may not always be appropriate (for example, if that charity has the smallest share of the estate, or limited resources).

Acting as lead charity can be an opportunity. Although it can mean more work for the lead charity on occasion, this is a case which that charity would have been handling anyway, at least in part. This can be far more cost effective and therefore can increase the amount of residue available for all partners, meaning that this creates a better opportunity to fulfil the wishes of the donor. Acting as a lead charity is also a good way to be a part of the ILM community and learn from our peers. If we are acting as lead, we have the opportunity to ask for help and support of the other charities involved.

However, potential drawbacks of being the lead charity can include the increased workload. We need to consider whether we have the capacity to act as 'lead charity' before taking this responsibility on. This will depend on our specific circumstances. For instance, legacy professionals

at larger charities will often have much larger caseloads, but may be better equipped to respond to complex or contentious matters and administer estates; while professionals at smaller charities often have a much more diverse role of which legacies may be but one part. In addition, it's worth considering that different charities may have different ways of handling situations, which may require some work to reconcile.

### **Is a lead charity needed?**

It's often useful to ask ourselves whether this specific legacy's administration actually needs a lead charity.

- What would happen if there was no lead charity appointed? Would this lead to increased costs or other drawbacks?
- Could the same effect be achieved in a different way? For example, can we informally share updates / consult with our co-beneficiaries on queries to save costs?
- Conversely, do the issues involved require a more formal agreement between the charities?

### **Acting as lead charity**

Everyone has the ability to act as lead charity. But being the lead charity doesn't mean we have to know all the answers, nor that we should be doing all the work. Below are some practical tips for acting as a lead charity.

- It's important that we are clear on our responsibilities as lead charity. Are we acting as a post box to share information or co-ordinating responses? We can then share our expectations with the executor and our co-beneficiaries
- We can think about how many co-beneficiaries we can effectively co-ordinate. Is it worth us sharing lead responsibility with the executor or another charity?
- We should not be afraid to ask for help from our co-beneficiaries; if we're unsure on the next steps, then we can discuss this with our colleagues
- When communicating with other charities, solicitors and executors, it's useful to be clear on the responses needed. We can help other stakeholders, particularly our co-beneficiaries to make their decisions quickly and easily by anticipating questions and providing relevant information in advance, such as estate agent recommendation letters
- It's useful to set a deadline for when we need important responses (e.g. accepting house price). However, it's important for us to be realistic; setting time limits, and being considerate of other co-beneficiaries' working hours (particularly part-time professionals). To that end, it's useful to only use emails marked 'high importance' sparingly
- If appropriate (and this information can't be sourced in another way), we can ask the executor to send us a list of co-beneficiaries' contact details to help us coordinate activity (e.g. charity name, case handler name, email address and telephone number)

### **Acting as a supportive co-beneficiary**

If another charity has taken on the lead role, we will similarly work with them in a sensitive, transparent and collaborative way. Below are some practical tips for working well with the lead charity:

- We make sure we don't volunteer other charities to be lead unless we would be happy for them to reciprocate with our details

- It's useful to ensure our current contact details are on the ILM website, so other co-beneficiaries can find and contact us easily
- If another charity is acting as lead, we should feel free to proactively offer support where needed
- We can let the lead charity know:
  - our working hours
  - who to correspond with if we are on leave or have moved on from our charity. Have we set an out-of-office with our return date, or a contact who has authority to make decisions in our absence?
- It's helpful to be thoughtful about the communications we send both to the lead charity and/or the co-beneficiaries. For example:
  - Do we need to copy all co-beneficiaries into our response to an update from the lead charity?
  - Is the information we want to ask the lead charity for urgent, necessary and proportionate? Would we have requested this information if we were writing to the executor ourselves? Have we given the lead charity sufficient time (according to agreed timelines) to respond or provide this information to us?
  - What is the value of us communicating about decisions? Is it helpful to respond to all parties that we agree with the majority? Is it reasonable for the lead charity to consider no response from us as our assent to a decision, or if not, have we discussed our views with the lead charity?

### **Planning for, and reconciling differences of charities' opinion on approach and delivery**

Charities have different policies and procedures in place and may vary in how they handle situations. Working with multiple charities does not mean everyone has to agree – it offers the opportunity to hear different views and work collaboratively. Certainly, it's better to address any reasons for differences in opinion early on to increase the chances of resolving the issue. Where that is not possible, there are a number of options:

- the lead charity (or nominated charity, if a lead has not been established) could set out the different opinions to the executor
- a 'lead arrangement' could come to an end, in favour of the charities acting on their own. However, it's vital to be mindful of the potential impacts on the external stakeholders including the executor and solicitor if ending a lead charity arrangement, and working to minimise any negative results

Whatever the outcome, if we act in accordance with the ILM's Principles of Sensitivity, Transparency and Collaboration, then we increase the chances of working well together over the course of a legacy administration process.

### **Further reading and useful links**

The ILM Membership database can help charities find other organisations mentioned in a Will and aid Collaboration - See **ILM Member Toolkit**

See **Member Toolkit** for an example of being a lead charity.