

Q2 For which types of payment currently made by cheque do new alternatives need to be introduced?

Please bear in mind the needs of voluntary organisations and registered charities, especially smaller ones.

Last year, for example, we raised c£240,000 in order to build a new therapy centre in Cornwall for people with MS. Of the 1,273 payments received, 25% were paid direct (e.g. via standing orders), and 9% were made by cash but 65% were made by cheque (including 1% via Charities Aid Foundation cheques). However, the 65% of payments made by cheque accounted for 82% of our total income. The 25% direct payments accounted for only 13% of our income.

The consultation exercise focuses rightly on the overall needs of the economy and the requirements of business. However, for those organisations that rely heavily on donations, especially those without the resources to use electronic payment systems, the demise of the personal cheque, without an adequate substitute, could be devastating. The voluntary and charitable sector does an enormous amount of good work and its needs should not be overlooked.

We already use standing orders and some electronic payment systems, e.g. PayPal for merchandise bought on our website and www.justgiving.co.uk for sponsored events, but these do not address the issue of how individual donors, many of whom do not have ready access to computers, might transfer money safely to us without the use of cheques.

I presume you will have consulted the Charity Commission, the National Council of Voluntary Organisations and other representative bodies on this.

Colin Bridges

Trustee and company secretary

The Cornwall Multiple Sclerosis Therapy Centre Ltd (The Merlin Project)
Registered charity no. 1093691, registered company no. 04460611