

AVOCADO Lite - Foundation Series

Delivering operational excellence and funding success for small charities

“Growing the Seed”



Fundraising Regulation

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Top 5 things to know about Fundraising Regulation

1. How is Fundraising Regulated?
2. What does the Fundraising Regulator do?
3. Who/What do they Regulate?
4. The Fundraising Preference Service (FPS)
5. The Code of Fundraising Practice

How is Fundraising Regulated?

- Fundraising by charities is largely regulated by the sector itself, aka 'self-regulation'.
- Under self-regulation, individual charities are the first point of call for any complaints about fundraising practices. If a charity is unable to resolve the complaint, the complainant can escalate it to one of the following:
 - In Scotland, the **Scottish Fundraising Standards Panel**
 - In England, Wales and Northern Ireland, the independent **Fundraising Regulator**, established in February 2016.
- The Fundraising Regulator sets and maintains the standards for charitable fundraising and their mission is to ensure that fundraising is **respectful, open, honest** and **accountable** to the public.
- The standards for fundraising are outlined out in the **Code of Fundraising Practice**

What does the Fundraising Regulator do?



- Sets and promotes standards for fundraising practice (**'the code' and associated rulebooks**).
- Investigates cases where fundraising practices have led to significant public concern.
- Adjudicates complaints from the public about fundraising practice.
- Operates a **fundraising preference service** to enable individuals manage their contact with charities.
- Recommends best practice guidance and takes proportionate remedial action, where poor fundraising practice is judged to have taken place.

Who/What do they Regulate?



ALL fundraising by or on behalf of** charitable, philanthropic and benevolent organisations in England, Wales and Northern Ireland, including:

- Charities registered with the Charity Commission
- Exempt Charities
- Other organisations with entirely or predominantly charitable, philanthropic and benevolent objectives, and:
 - open membership (if there are members)
 - not-for-profit structure
 - an acceptable dissolution clause

**Where fundraising is carried out in aid of an organisation, but no authority has been given by the charity to act in its name, the Fundraising Regulator will assess on a case by case basis whether any responsibility can reasonably be assigned to the charity in respect of the activity concerned.

Fundraising Preference Service (FPS)

- AKA Etherington's '**Reset**' button, this web-based service was launched on 6th July 2017. Telephone helpline service available for those without access to a computer or who need help to complete online form.
- Set up and overseen by the Fundraising Regulator, this allows the public to **opt out of charity/ies fundraising communications** (email, telephone calls, addressed post and/or text messages).
- Once all details have been provided and the request submitted, the FPS will send an automatic email to the charity/ies, with a **28 day deadline** to remove the details from their marketing lists.
- Charities spending more than £100,000 on public fundraising have been invited to enrol on the FPS. Smaller charities that spend less will be set up on the FPS when/if they receive an FPS request from a member of the public.

Code of Fundraising Practice

- Outlines the standards expected of all charitable fundraising organisations across the UK:
 - “**MUST***” and “**MUST NOT***” where there is a legal requirement
 - “**MUST**” and “**MUST NOT**”(no asterisk) is a professional standard.

For example:

Organisations **MUST NOT** use **commission payments** unless:

1. other sources of fundraising investment have been explored and exhausted;
2. payments are subject to approval by the fundraising organisation’s trustees, or senior executives when power has been delegated; and
3. safeguards are in place to ensure excessive remuneration is not permitted.

All funds raised for a particular cause **MUST*** be used for that particular cause.

DATA: Charities are banned from selling supporters' data to third parties for commercial gain. They can share data with third parties for fundraising communications only if the person concerned has provided express consent

Organisations **MUST NOT** engage in fundraising which IS an unreasonable intrusion on a person’s privacy, unreasonably persistent or places undue pressure on a person to donate.

Sources of information

Institute of Fundraising - <http://www.institute-of-fundraising.org.uk/regulation-and-compliance/>

Fundraising Regulator - <https://www.fundraisingregulator.org.uk>

OSCR (Scottish Charity Regulator) - <http://www.oscr.org.uk/charities/managing-your-charity/fundraising>

NCVO Review of Fundraising Self-Regulation - <https://www.ncvo.org.uk/fundraisingreview>

Fundraising Preference Service - <https://www.fundraisingregulator.org.uk/the-fundraising-preference-service/>

Code of Fundraising Practice - <https://www.fundraisingregulator.org.uk/wp-content/uploads/2016/06/Code-of-Fundraising-Practice-v1.3-11.pdf>

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- **Recruiting Trustees and their Responsibilities**
- **Financial Management and Accountability**
- **Data Protection and GDPR**

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