



Chartered  
Institute of  
Fundraising



# Essential Fundraising for Small Charities

## Fundraising Regulations

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# WHY IS EXCELLENT FUNDRAISING IMPORTANT?



# Excellent fundraising...

## 63%

TOOK ADDITIONAL POSITIVE ACTIONS

## 81%

GAVE A DONATION HAVING BEEN ASKED RATHER THAN IT BEING A SPONTANEOUS DECISION

- Inspires community action
- Gives us a sense of solidarity, togetherness
- Gives a sense of doing good at a time where things are so challenging, being part of the solution
- Provides people opportunities to get involved, campaigns and volunteering, activities for home-schooling
- Makes us feel better – more positive at a time of stress and isolation

# What makes for excellent fundraising?

- Inspirational and creative
- Honest and accurate
- Polite and treating people with respect
- Not causing offence
- Saying thank you for donations and support
- Following your promises on what you'll do with the money
- Finding out more about the supporter to give them a great experience and tailor communications
- .....And lots more!

# **POLL: WHAT'S MOST IMPORTANT FOR EXCELLENT FUNDRAISING?**

1. The values of our organisation
2. The behaviours of our fundraisers
3. Following the rules and complying with regulation

# Four walls to build the fundraising roof on

1. Rules you need to follow because of the activity – apply to all (e.g., lotteries, or data protection, Advertising Standards Authority, safeguarding)
2. Rules you have to follow because you're a charity (e.g., acceptance and refusal of donations, excessive payments of fundraisers or fundraising)
3. Fundraising standards set through independent fundraising regulation
4. Your own values, ethical approach, behaviours, policies



# What makes for excellent fundraising

- Inspirational and creative (**your values and approach – not regulatory**)
- Honest and accurate (**set by Fundraising Regulator**)
- Following your promises on what you'll do with the money (**Charity law – regulated by Charity Commission**)
- Polite and treating people with respect (**set by Fundraising Regulator**)
- Not causing offence (**Fundraising Regulator**) – portraying and using your beneficiaries in a sensitive way (**your values and approach**)
- Saying thank you for donations and support (**your values and approach**)
- Finding out more about the supporter to give them a great experience and tailor communications (**your values and approach**)
- .....And lots more!

# Who sets the rules?

## Who does it in Scotland?



Scottish Charity Regulator

Scotland's independent Regulator and registrar for Scotland's charities.



S.F.S.P.

Oversees fundraising standards in Scotland and fundraising complaints about charities registered solely in Scotland.

## Who does it in the rest of the UK?



Charity Commissions

The Charity Commission for England and Wales and the Charity Commission for Northern Ireland register and regulate charities in their countries.



Fundraising Regulator

The Fundraising Regulator holds the Code of Fundraising Practice for the UK and deals with fundraising complaints about charities not solely registered in Scotland.

# Who else sets the rules?

- Data protection
- Advertising standards
- Licences and permission
- Gambling legislation
- Safeguarding
- TV and radio





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# Code of Fundraising Practice

Effective October 2019

## Layout for the new code



# WHERE TO START?

# WHY DOES FUNDRAISING NEED ITS OWN RULES?

Different from commercial  
transactions

Common standards and behaviours

Public trust and confidence

# Three examples (n.b bold!)

- **1.1.4.** You must not encourage a donor to cancel or change an existing donation in favour of a donation to another charitable institution
- **1.3.1.** You and the fundraising materials you use must not mislead anyone, or be likely to mislead anyone, either by leaving out information or by being inaccurate or ambiguous or by exaggerating details
- **3.5.1.** You **must** have a lawful basis for processing personal data in order to send direct marketing communications to people

# Key questions

- Do we know all the rules for the fundraising activity we need to do? (e.g., telephone fundraising, lotteries, legacies)
- Are our fundraisers, volunteers, or partners trained and up to speed?
- Are we registered with the Fundraising Regulator?
- Do we have the right policies in place (e.g. gift acceptance policy)?
- Are we giving people the best experience of fundraising that will lead to long-term support?

*To do excellent fundraising you need to follow the rules, but following the rules doesn't make your fundraising excellent!*

# What the rules can't tell you

- How often to contact a supporter
- The images to use or the way you make your case
- How much to spend on fundraising materials and activities
- What fundraising activities to do (face-to-face, lotteries etc)
- Who to work with – corporates or celebrities/ambassadors
- When not to accept a donation

# USEFUL POLICIES TO HAVE IN PLACE

- Complaints
- Acceptance/refusal of donations
- Working with vulnerable people
- Working with third parties
- Data protection and privacy

# In tricky situations...

- Check the Code of Fundraising Practice
- Take a look at Chartered Institute guidance and help
- Decide about the best approach for YOUR organisation – it's not a one size fits all. What's right for you might not be right for another organisation.
- Have as much set out and agreed in advance through organisational policies
- Also prepare about how you make decisions – what's the process? When to escalate it to the Board?

# Breakout discussion

Three months ago you received a significant donation from an individual in memory of his wife, who had used your charity's services.

He has now got in touch with you saying that his wife's estate is not as big as he thought it was going to be and he is going to struggle with money. He would like you to return the donation. He also said at the time of making the donation he was suffering from grief and depression and that we would not have normally made such a large donation. He also has questioned whether it was right for the charity to send him materials about supporting the organisation and making a donation so soon after his wife's death.

- Do you give the donation back?
- What are the key steps you'd take in responding?
- What might you do following this situation to prepare for the future?

**POLL:  
WOULD YOU HAVE  
RETURNED THE  
DONATION?**

Yes

No

# Breakout: key considerations

## Returning donation

Default is not to, but Charity Commission allows 'ex gratia payments' if there's a moral obligation.

## Grief and depression

Were there signs the supporter was in a vulnerable circumstance? Did he have capacity to make the decision? Did the organisation respond appropriately?

## Sending fundraising materials

Was it appropriate and in line with the organisation's approach? Could it have constituted 'undue pressure'?

# QUESTIONS AND DISCUSSIONS



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# Follow up resources and further reading

## Suggested next steps:

Read the [Code of Fundraising Practice](#) - where could your organisation improve? Share your findings with your colleagues and/or board.

## Chartered Institute of Fundraising guidance:

- [Accepting, Returning and Refusing Donations](#)
- [Fundraising with Donors in Vulnerable Circumstances](#)
- [GDPR - The Essentials](#)
- [Covid-19 and Fundraising – Guidance Hub](#)
- [Working with third parties/agencies](#)
- [Trustees and fundraising](#)

You can also find local support or specialist subject advice through the [Chartered Institute's groups](#). These are spread right across the UK, and are here to support fundraisers in organisations big and small. Find out more on [our website](#).

# Follow up resources and further reading

## Other guidance:

- Fundraising Regulator
  - [Complaints Handling Guide](#)
  - [Investigated Complaints Summaries](#)
- Charity Commission
  - [Campaigning and political activity guidance for charities](#)
  - [Due diligence, monitoring and verifying the end use of charitable funds](#)
  - [Conflicts of Interest](#)
- Government advice
  - [Whistleblowing](#)
  - [Reporting wrongdoing in a charity](#)

# Template or sample policies

- Your local community and voluntary support body will likely have sample documents you can use – find your nearest organisation on our [Sector Support Map](#).
- Ask your peers at other similar organisations if you can see what they use
- - Some good examples
    - [Merton Voluntary Services Council](#)
    - [Voluntary Action Islington](#)



Resources and further guidance on this topic,  
plus details of other events, can be found at  
[bit.ly/ciofsmall](https://bit.ly/ciofsmall)

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