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Fundraising at a glance

A guide for charity trustees



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Introduction

The Commission has produced detailed guidance designed to support charity trustees in their governance role and inform members of the public, as potential donors and charity stakeholders. The following bitesize guidance, aimed at charity trustees, is not intended to replace this detailed guidance. *Fundraising for charities, a guide for charity trustees and the public* provides further information, examples and signposting to other key resources. It also provides definitions and descriptions of some key terms that you might find useful when reading this bitesize guidance.

Why is good fundraising practice important?

Fundraising is an opportunity for charities to engage with members of the public on issues they care about. Donating to a charity should be a positive experience. The generosity of the public reflects its trust and confidence in charities. This can be damaged or lost through poor fundraising practice.

Charity trustees have overall responsibility and accountability for their charity and must at all times act in the best interests of the charity. They are responsible for setting the charity's overall strategy, for upholding its values and protecting its reputation. All fundraising demands careful consideration, planning, oversight and accountability. Charities should put in place the necessary checks and balances required to ensure that fundraising standards are met and public trust and confidence is maintained. The approach that individual charities take to making this happen will vary, depending on the size of the charity and the type of funding required. A basic fundraising practice checklist for charity trustees is included as **Appendix 1**.

Figure 1: The figure below sets out the regulation of fundraising in Northern Ireland moving from self-regulation to statutory regulation.

Charities

- Self-regulation by charity trustees following the Code of Fundraising practice.



- Serious breach of trust by charity trustees
- Misappropriation of charity funds
- Mismanagement & misconduct
- Damage to public trust and confidence
- Beneficiary harm



- Supervises compliance with the Code of Fundraising Practice
- Manages the Fundraising Preference Service



- House to house collections
- Street collections
- Raffles and lotteries
- Criminal activity, injury, theft and fraud



- Data protection legislation & breaches
- The General Data Protection Regulation
- Privacy and Electronic Communications Regulations

Who regulates fundraising in Northern Ireland?

In Northern Ireland fundraising is largely a self-regulated activity, guided by both legal and good practice requirements and overseen by the *Fundraising Regulator* (FR). Charities and other fundraising organisations are expected to adhere to legislative requirements and best practice standards, developed to ensure that fundraising is open, transparent and accountable. Standards for fundraising are set out in *The Code of Fundraising Practice* (the Code) and its associated rulebooks. The Code establishes a set of key principles and behaviours for fundraising practice. Not all sections of the Code may be relevant to your charity, relevance will depend on the nature and extent of fundraising activities undertaken:

- *Key principles and behaviours*
- *Working with volunteers*
- *Working with children*
- *Working with third parties*
- *Personal information and fundraising*
- *Content of fundraising communications*
- *Mail*
- *Telephone*
- *Digital Media*
- *Trusts*
- *Major donors*
- *Corporate partnerships*
- *Raffles and lotteries*
- *Fundraising through payroll giving*
- *Events*
- *Public collections*
- *Static collections*
- *Legacies*
- *Payment of Fundraisers*
- *Handling of donations*

Despite the FR not having any statutory powers to sanction fundraising organisations, even those charities which decide not to register with the FR are expected to comply with the Code when fundraising or employing professional fundraisers.

The law in Northern Ireland in relation to street collections, house to house fundraising and the use of raffles and lotteries differs from the rest of the United Kingdom (UK). Charity trustees must be mindful of the various restrictions and permissions required under these specific pieces of legislation, which are regulated by the Police Service of Northern Ireland (PSNI). The Code is supported by a number of *legal Appendices* which outline key legal requirements for each UK jurisdiction including Northern Ireland. Further information and guidance on street collections, house to house fundraising and the use of raffles and lotteries can be found under section 4 of the Commission's *Fundraising for charities – a guide for charity trustees and the public*.

Charity trustees, employees and volunteers must also be aware of and comply with data protection law when fundraising. Data protection principles apply to **all** organisations which process personal data, regardless of size or income and

regardless of how they record and store personal information, including paper records.

New rules introduced through [The United Kingdom General Data Protection Regulation](#) (UK GDPR) and the [Data Protection Act 2018](#) enhance the information you must give donors, including the fact that they have the right to complain to the [Information Commissioner's Office](#) (ICO) if they think there is a problem with the way you are handling their data. Charity trustees also need to be aware of the Privacy and Electronic Communications Regulations 2003 (PECR) which cover the sending of unsolicited (unrequested) marketing messages electronically. More information on these regulations can be found in the ICO's [Guide to PECR](#).

How does self-regulation work?

Self-regulation operates on the basis of cooperation between charities and the Fundraising Regulator. Adherence to the Code is fundamental to the principle of self-regulation. If a donor or member of the public believes that a charity's fundraising practices are contrary to the Code, they are expected, in the first instance, to raise these concerns with the charity trustees. Should this prove unsatisfactory, they are encouraged to report their concerns to the FR. Intervention by the FR in relation to poor fundraising practice is not limited to charities [registered with the FR](#).

Where necessary, the FR will work in conjunction with statutory regulators such as the PSNI, the Charity Commission for Northern Ireland (the Commission) and the ICO. It is the responsibility of charity trustees to ensure that they understand their obligations and put arrangements in place to make sure their fundraising complies with all relevant legal requirements and standards.

The FR is also responsible for managing the [Fundraising Preference Service](#) (FPS). This service is designed to give the public greater control over the communications they receive from charities.

What is the Commission's role in relation to fundraising?

The Commission is tasked with increasing public trust and confidence in charities, promoting compliance by charity trustees with their legal obligations, and promoting the effective use of charitable resources.

The Commission does not have responsibility for the day-to-day regulation of charity fundraising. Its regulatory concern is normally limited to serious or persistent failures in fundraising which may represent wider governance failures, such as misappropriation of funds or non-compliance by charity trustees with their legal duties and responsibilities. Charity trustees who repeatedly fail to adhere to the Code are failing in their duty to act in the best interests of the

charity, by failing to safeguard the charity's assets and reputation. For more information on trustee duties and responsibilities see the Commission's [Running your charity](#) guidance. For a fuller understanding of your obligations in relation to fundraising see [Fundraising for charities, a guide for charity trustees and the public](#).

The Commission has also produced a *Thematic report: Concerns about charity fundraising*. This report is intended to help charity trustees, volunteers and supporters to avoid common fundraising pitfalls and so protect public trust and confidence in charities and their fundraising. In this report you will find some case studies and some lessons we have learned about fundraising, there are also examples of how the vigilance of the public plays a key role in regulating charities and securing public trust.

The Fundraising Regulator also publishes [summaries of its investigations](#) to share learning with the sector and to enable the public to make informed decisions when they donate to charity.

Where can I find more information?

The ICO has also produced a package of tools aimed at smaller organisations, including [charities](#). The FR has produced [Personal Information and Fundraising: Consent, Purpose and Transparency](#) guidance to support fundraising organisations to meet their responsibilities in relation to data protection. The FR has also worked with the Institute of Fundraising (IoF) to produce six '[bitesize](#)' [guides](#) specifically designed to be accessible and relevant to fundraisers.

The Northern Ireland Council for Voluntary Action (NICVA) has developed a [Data Protection Toolkit](#) which provides practical advice and guidance on how to implement GDPR regulations. They also provide detailed guidance on [street and house to house collections](#), along with key information on the restrictions and exemptions that apply to [running a lottery](#). Further information on lotteries and the law and in particular, societies' lotteries, is outlined in [information leaflet SL4](#), produced by the Department for Communities.

The [Chartered Institute of Fundraising \(CioF\)](#) also provides a range of resources to support charity trustees and fundraisers to include:

- [GDPR: The essentials](#)
- [Trustees and fundraising: a practical handbook](#)

Appendix 1: Checklist for trustees

The checklist below sets out some questions to prompt charity trustees, volunteers and employees, responsible for fundraising. It may be useful to print the checklist and use it to identify information, materials or documents needed. The text in italics is for guidance purposes only.

	Yes	No	Examples
Have I considered what fundraising approach best suits my charity's particular needs and values?			<i>For example:</i> <ul style="list-style-type: none"> • Understand your charities financial needs • Think about your fundraising proposal from a donor/beneficiary/funders point of view • Be open and accountable • Respect the rights of your donor
Have I checked that I am complying with the Code and any legislation relevant to my fundraising proposals?			<i>For example:</i> <ul style="list-style-type: none"> • Third party fundraising agreements • Working with children • Data protection legislation • Street collections, House to house or Lotteries legislation
Have I considered what resources are needed to ensure that my fundraising is effective and well managed?			<i>For example:</i> <ul style="list-style-type: none"> • Skills, training, monitoring & supervision • Guidance for staff/volunteers on what must be reported back to the Board • Complaints procedure
What are the risks associated with my fundraising proposal?			<i>For example:</i> <ul style="list-style-type: none"> • Health & Safety considerations • Financial costs – staff time, additional insurance, third party fundraiser costs • Adequate financial controls over resources used and raised.
What information should I provide to donors and members of the public when fundraising?			<i>For example:</i> <ul style="list-style-type: none"> • Who you are, what you do, what funds raised are for, how funds will be used • What deductions will be made from donations to cover costs • How you intend to use personal information obtained through fundraising.
In the event that an appeal does not raise sufficient funds, have I made provision for returning all funds raised or applying them to a different purpose?			<i>For example:</i> <ul style="list-style-type: none"> • Identify appropriate secondary purpose for the appeal and make this clear to the public • See Commission's requesting a scheme guidance for permission to reallocate funds raised to a different charitable purpose. • See IoF: Practical guide to dealing with donations

Further information

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