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Fundraising at a glance

A guide for members of the public



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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, specifically aimed at members of the public, 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 key resources. It also includes a glossary of definitions and descriptions that you might find useful when reading this bitesize guidance.

Charities play a vital role in our society, strengthening communities and providing critical services to those in need. Fundraising is a key source of income for many charities. For some, it is their sole source of income, enabling them to fulfil their charitable purposes. Donating to a charity should be a positive experience. This guidance provides an overview of the standards of practice you can expect from charities engaged in fundraising and information on the various bodies with whom you can raise a concern when standards are not met. It includes:

- Key issues to consider before making a donation
- Who you can complain to should you be concerned about a fundraising activity or a charity's fundraising practice
- What you can complain about
- How to register a complaint.

Key terms

The following are some key terms that it will be useful to understand when reading this guidance:

Fundraising practice: The act of raising money by requesting gifts, donations, pledges, sponsorship, or legacies including land or property, by directly or indirectly engaging with members of the public and organisations such as trusts, foundations or private corporations, through a fundraising activity or professional fundraiser. This can include face to face, or contact via telephone, text, postal services, advertising, social media or the internet.

Personal data: Defined under the Data Protection Act 1998 as any information relating to and identifying a living individual. The United Kingdom General Data Protection Regulation (UK GDPR) which came into operation on 25 May 2018, defines personal data in more detail and makes it clear that information such as an online identifier (IP address), may be regarded as personal data.

How is fundraising regulated and why are standards important?

In Northern Ireland fundraising is guided by both legal and good practice requirements, under the oversight of the Fundraising Regulator (FR). Charities and other fundraising organisations are expected to adhere to a set of standards which have been developed to ensure that fundraising is open, transparent and accountable. These standards are set out in *The Code of Fundraising Practice* (the Code) and form a key part of the framework of legislation and self-regulation that governs fundraising in Northern Ireland.

The generosity of the public reflects its trust and confidence in charities. This confidence may be lost if members of the public believe that monies are not being used to advance charitable purposes, and trust can be damaged, when donors feel taken for granted as a result of poor fundraising practice.

The Code establishes a set of key principles and behaviours that charities are expected to apply to their fundraising practice. It is supported by a number of *legal Appendices* which outline key legal requirements for each UK jurisdiction. Legislation relevant to certain fundraising activities in NI is regulated by the Police Service of Northern Ireland (PSNI). For example, street collections, house to house fundraising and the use of raffles and lotteries. Other legislation relevant to fundraising such as the Data Protection Act 2018, United Kingdom General Data Protection Regulation (UK GDPR) and the Privacy and Electronic Communications Regulations 2003 (PECR) are regulated by the Information Commissioner's Office (ICO).

What are the key issues to consider before making a donation?

It is a criminal offence for an organisation to call itself a charity if it is not a charity. The Commission encourages members of the public to check whether an organisation asking for donations and claiming to be a charity is registered with the Commission or appears on the Commission's [list of registration applications in progress](#). Once registered, important information on a charity's purposes, public benefit and who its charity trustees are, can be accessed via the public [register of charities](#).

Members of the public are often asked to donate cash or goods on the doorstep, from answering the door to someone with a collecting tin, receiving envelopes for cash, to having plastic bags posted through the letterbox asking for donations of goods such as clothes for collection. House to house clothing collections which benefit a charity require a licence, obtained from the PSNI. The collector should have a formal written agreement with the charity, stating specifically which charity will benefit and how much of each donation will reach it directly. If in doubt, contact the charity to check that it is a legitimate collection. Where no licence is found to have been granted or where the charity is unaware

of a collection being undertaken in its name, it is important to report details of the collection to the PSNI.

Charities should provide clear information to the public when running a fundraising campaign to include information on:

- who the charity is
- what it does
- what the funds raised are for
- how they will be used
- how to donate, and
- what deductions will be made in relation to third party fundraising costs.

The public should be confident that all donations are collected, counted, banked and recorded in line with established policies, procedures and best practice and that monies raised are spent as advertised.

[Street collections](#), require a separate permit which must be sought from the local PSNI station in the area where a street collection is to take place. The legislation on lotteries makes provision for the registration and running of small, private and societies' lotteries. NI Lotteries are regulated by the PSNI. A societies' lottery must be registered with the district council in whose area the charity's office or head office is situated. Further information on Lotteries and the law is outlined in [information leaflet SL4](#), produced by the Department for Communities.

Although online giving platforms have the potential to provide great benefits for charities, there are some aspects of [online giving](#) and crowdfunding that prospective donors need to consider. The public should be clear in the first instance about how much of their donation will actually go to the charity or charitable purpose they wish to support.

Some fundraising campaigns are built on reaching a particular target, for example, the purchase of a critical piece of equipment or travel costs associated with an exchange programme for children and young people. You may wish to clarify with the charity what will happen to the money raised where the fundraising campaign falls short of its target or exceeds it. Contact the charity directly if you are unsure. Professional digital fundraising and crowdfunding platforms must register with the [Financial Conduct Authority](#) (FCA), which is responsible for their regulation.

How does Data protection legislation apply to 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. UK GDPR enhances the rights and preferences of members of the public in relation to how their personal data is held and processed by organisations, including charities. Charity trustees, employees and volunteers must be aware of and comply with data protection law when fundraising. This includes face to face, online, direct mail, events, broadcast and telephone fundraising which involves handling personal details such as names, contact details and credit or debit card details.

Under current data protection legislation, charities are required to explain to prospective donors who they are and how they intend to use personal information obtained through fundraising. They must also explain the legal basis for using such data, how long they intend to keep this data, and the fact that donors have the right to complain to the ICO if they think there is a problem in the way charities are handling their data.

Who can I complain to about poor fundraising practice?

Charity donors should be confident that their donation is furthering a charitable purpose and that their trust is not being abused. Members of the public concerned about a fundraising activity, or a charity's approach to donors, should raise their concerns in the first instance, with the charity's trustees. It is important that charities are given the opportunity to address issues as they arise. This can lead to a much quicker resolution for the complainant and limit any potential damage to the charity's reputation. All charities should have in place effective procedures for dealing with complaints to include fundraising. The FR is content to be contacted if the matter has not been resolved within four weeks.

By registering with the FR, charities make a public commitment to implement high standards of fundraising practice and to being clear, honest, open, respectful and reasonable in their engagement with donors and members of the public, as set out in the [Fundraising Promise](#). The Commission encourages all charities that undertake or coordinate regular or substantive fundraising activities, to register with the FR as a sign of their commitment to good fundraising practice.

If, due to the nature of the complaint, it is not sufficient to register your complaint with the FR, you may raise a concern with one or more of the following statutory bodies:

- The Information Commissioner's Office (ICO)
- The Charity Commission for Northern Ireland (the Commission)
- The Police Service of Northern Ireland (PSNI)

The infographic below sets out the regulation of fundraising in Northern Ireland.

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

Fundraising Regulator (FR)

The *Fundraising Regulator* (FR) is an independent body established for the purposes of strengthening the system of charity regulation and restoring public trust and confidence in fundraising. The FR seeks to resolve and adjudicate on issues that arise between members of the public and fundraising organisations.

Its role is to:

- set and promote the standards for fundraising practice.
- investigate cases where fundraising practices have led to significant public concern.
- adjudicate complaints from the public about fundraising practice, where these cannot be resolved by the charities themselves.
- operate a fundraising preference service to enable individuals to manage their contact with charities.
- where poor fundraising practice is judged to have taken place, recommend best practice guidance and take proportionate remedial action.

The types of fundraising complaint the FR will deal with include complaints about:

- How a charity collects or solicits property, money or the promise of money from people. This may include, misleading or excessive requests by post, over the telephone, face to face on the street or at the door.
- A charity's relationship with donors. This may include disrespectful, misleading or otherwise unreasonable engagement once a charity has gained an individual's support.
- How a charity works with others to raise money. This may include instances where the relationship between a third party working on a charity's behalf and the charity is not made sufficiently clear.
- A fundraising charity's complaints-handling process. For example, a complainant may not have been treated with due courtesy or respect, or not received a response to a fundraising concern within four weeks of the complaint being made.
- Issues related to the management of an individual's contact preferences with a fundraising charity. This may include instances where an individual has been contacted by a particular charity despite their express wish that this should not happen.

For information on how to submit a complaint see FR [Complaints](#).

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. A supporting helpline is available to help those who cannot access the service online: 0300 3033 517. By entering relevant details on the FPS website, or by calling the helpline members of the

public can choose to stop email, telephone calls, postal and/or text messages directed to them personally from a selected charity or charities.

If, after 28 days, an individual receives further communication from the charity, they can revisit the FPS website and send a 'follow up' request in the first instance. Should the organisation continue to communicate with them, they can [submit a complaint](#) to the FR.

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.

Information Commissioner's Office (ICO)

The [Information Commissioner's Office](#) (ICO) is the UK's independent authority set up to uphold information rights in the public interest, promoting openness by public bodies and data privacy for individuals. All fundraising that involves recording or taking down personal details is subject to data protection laws. The ICO have also produced comprehensive guidance on [direct marketing](#) to include a [checklist](#) for organisations, which members of the public may find useful as a guide to what they should expect from charities contacting them in relation to fundraising.

Members of the public may [raise a concern](#) with the ICO if they have received unwanted direct marketing, have had a problem accessing their information from a charity or are concerned about how a charity has handled their information as part of a charity fundraising campaign (or more generally). Complaints about how a charity has handled personal information should be raised with the charity in the first instance. If, after 28 days, the charity does not deal with the complaint or resolve the matter to the satisfaction of the complainant, they can raise their complaint with the [ICO](#) directly.

Charity Commission for Northern Ireland (the Commission)

[The Charities Act \(Northern Ireland\) 2008](#), which establishes the Charity Commission for Northern Ireland, has several provisions relating to fundraising, but not all are currently in operation.

The Commission has a statutory duty to identify and investigate misconduct or mismanagement in the administration of charities. In doing so, the Commission's objective is to stop any abuse or damage and, where something has gone wrong, to take action, protecting the charity, its assets, its beneficiaries, and its reputation. The Commission will typically get involved in a concern about a charity's fundraising only where there are serious issues such as:

- a serious breach of trust by the charity's trustees
- damage to public trust and confidence in the charity or the sector
- harm to the charity's beneficiaries
- mismanagement or misconduct by the charity's trustees in the administration of their charity
- misappropriation of a charity's funds.

Many fundraising concerns can be dealt with in the first instance by the charity itself, and as outlined above, if a concern is not satisfactorily addressed by the charity's trustees after four weeks, the concern may be raised with the FR.

Where an issue connected to charity fundraising is likely to lead to serious harm or damage to the charity, its beneficiaries or the charitable sector more generally, this should be raised directly with the Commission, which may take further action. (For examples of fundraising issues relevant to the Commission, see sections 3 and 4 of *Fundraising for charities, a guide for charity trustees and the public*). To raise a concern directly with the Commission, refer to the Commission's guidance: *how to raise a concern about a charity*.

Police Service of Northern Ireland (PSNI)

Where a fundraising activity is falsely promoted as furthering charitable purposes, members of the public should refer their complaint directly to the PSNI. Examples can include, fundraising:

- undertaken by a sham charity, established for illegal purposes
- undertaken by an individual for the purposes of personal gain
- where one or more persons connected with the charity are suspected of being involved in theft or fraud.

Action Fraud provides a central point of contact for information about fraud and financially motivated internet crime. If a member of the public becomes aware of a charity scam, or is the victim of one, they should [report](#) it. Alternately, they can contact their local police station. Where an individual or individuals connected to a charity, such as a charity trustee, employee, volunteer or their relative, are involved in criminal fraud or are suspected of deliberately misusing charity resources as part of a fundraising campaign, this is also a matter for the Commission and should be reported directly to the Commission.

Suspected breaches of the legislation which governs house to house collections, street collections and charitable lotteries should also be reported to your local police station. Examples of what should be reported can be found in section 3 of *Fundraising for charities, a guide for charity trustees and the public*.

Key support and learning

The Northern Ireland Council for Voluntary Action (NICVA) provides detailed guidance on [street and house to house collections](#), along with key information on the restrictions and exemptions that apply to [running a lottery](#). The ICO provides further information on [fundraising and data protection](#) rights aimed at members of the public. The Commission has also produced a Thematic report: *Concerns about charity fundraising*. This report is designed 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.

Appendix 1: Checklist for members of the public

The checklist below sets out some questions to prompt members of the public who are considering making a donation to a charity. The text in italics is for guidance purposes only.

	Yes	No	Examples
Is the organisation which is seeking my donation and claiming to be a charity, really a charity?			<p><i>For example:</i></p> <ul style="list-style-type: none"> • Does the organisation appear on the public register of charities or on the Commission's list of registration applications in progress ? • If registered, has the organisation included its (NIC) charity number on its fundraising materials?
Where charity staff/volunteers are undertaking a cash collection, is the collector able to provide the required information/ authorisation document when asked?			<p><i>For example:</i></p> <ul style="list-style-type: none"> • Copy of permit and signed letter from the charity to undertake the collection. • Name/address of the collector. • Proof that the collector is over 16 years. • Information regarding the purpose of the collection. • Is the collection box numbered, sealed and clearly showing charity name and registration number, if registered?
Where the charity is using third party fundraisers to collect/raise funds on its behalf, have they made clear what proportion of my donation will go directly to the charity?			<p><i>For example:</i></p> <ul style="list-style-type: none"> • Evidence of licence to collect. • Copy of formal written agreement showing which charity/s will benefit from collection, costs associated with collection. • Have you been provided with information on who the charity is, what it does, what funds raised are for? • Have you contacted the charity directly to ask if it is a genuine collection?
Where the charity is running a lottery (draw, raffle, tombola, sweepstake or ballot) is the charity complying with the necessary legal restrictions?			<p><i>For example:</i></p> <ul style="list-style-type: none"> • Is it a small, private or societies' lottery? • If a societies' lottery, is it registered with the relevant district council office? • Are restrictions e.g. maximum proceeds of sale, the way tickets are sold, proceeds spent and prizes allocated all being met?
When responding to an online fundraising campaign, does the online platform provide me with sufficient information about the fundraising campaign?			<p><i>For example:</i></p> <ul style="list-style-type: none"> • Who the charity is, what they do, what funds raised are for, how funds will be used • What deductions will be made from donations to cover costs • How the charity intends using personal information obtained through fundraising.
In the event that the charity appeal does not raise sufficient funds to achieve its fundraising goal, has the charity been clear about what will happen to my donation?			<p><i>For example:</i></p> <ul style="list-style-type: none"> • Has the charity identified an appropriate secondary purpose for the appeal and made this clear to me?

Further information:

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