

Face-to-face fundraising



What is face-to-face fundraising?

Charities, or fundraisers employed on behalf of a charity, sometimes undertake street or house to house collections where they ask people to sign up to regular direct debit rather than a cash donation. This is commonly known as face-to-face fundraising. This form of fundraising is legal and can be a highly profitable way of securing long term funding for a charity. However, some members of the public do not like this form of fundraising as it makes them feel uncomfortable. In view of some of the negative reaction to this method of fundraising it has been referred to as 'chugging' (charity mugging).

What rules are there for face-to-face fundraisers?

The current law on face-to-face fundraising is unclear and can be inconsistently applied. Local authorities have the power to create licensing schemes for street and house to house collections but there is uncertainty as to whether this includes face-to-face fundraisers. This area of law will be clarified, and all face-to-face fundraisers will need to secure a license, when the public charitable collections provisions in the Charities Act come into force in 2009.

The Office of the Third Sector has issued some guidance on fundraising and so has the Charity Commission (CC20 *Charities and Fundraising*).

Professional fundraisers, operating on behalf of charities, are required by law to make a solicitation statement that makes it clear that they are a professional fundraiser and how much of the appeal will go toward paying for the fundraising. Collectors from such a company should have written evidence of their agreement with the charity which they can present when requested. This provision will come into force in April 2008.

What is the Charity Commission's position with regard to face-to-face fundraisers?

Trustees of charities do have a great deal of independence and autonomy in deciding how funds should be raised for their charities. It is important, however, that they consider any potential risks to their reputation. The Charity Commission is aware that this method of fundraising is controversial and that some people strongly object to it. However, the Charity Commission does not have any general power to dictate fundraising methods to charities. We encourage the general public to ask questions when they give to charity, including signing up to a direct debit commitment, to ensure that they can make an informed choice. Where individuals are being asked to make long term financial commitments they must not feel pressured into making on the spot decisions. For these reasons we expect charities to approach the public with sensitivity, to refrain from putting pressure on people and to follow the industry's best practice, including advice as to what people can do if they change their mind and decide that they want to retract their decision to sign up to give

What if my constituent is still suspicious?

Your constituent can check that the charity is registered and legitimate, either online at www.charitycommission.gov.uk or by calling 0845 300 0218. Alternatively, if they are convinced that a collector is not legitimate they should contact the relevant authority. If a person is specifically claiming to be collecting on behalf of a charity when they are not then they are breaking the law and the police and the relevant charity should be notified immediately. If, however, they do not specifically claim to be collecting for charity, but give the impression that this is what they are doing, they should be reported to the local trading standards office. In either case you or your constituent should also alert the Charity Commission so that we can gather intelligence on offenders and improve our response to possible scams.

What if the face-to-face collector is working for a genuine charity but my constituent disapproves of this method of fundraising?

Face-to-face fundraising whilst controversial, is a legitimate fundraising practice. If you're constituent feels that this form of fundraising is an inappropriate activity for a charity or have concerns about the conduct of a collector they should complain to that charity directly and highlight their concerns. If your constituent has already taken up a complaint or raised a concern with a charity about their method of fundraising and has not had a satisfactory response, then they can bring the matter up with the Fundraising Standards Board (FRSB) or if the complaint relates to the behaviour of the collector, the Public Fundraising Regulatory Association.

Contact details:

Fundraising Standards Board
Hampton House
20 Albert Embankment
London SE1 7TJ
Telephone: 0845 4025442
Email: info@frsb.org.uk

Public Fundraising Regulatory Association
Unit 11
Europoint,
5-11 Lavington Street
London SE1 0NZ
Telephone: 020 7401 8452
Email: info@pfra.org.uk

Does the Charities Act say anything about face to face fundraising?

The Charities Act 2006 provides for a new system of licensing collections in public places and on the doorstep.

Currently professional fundraisers fundraising for charities must have a written agreement with the charity, and must make a statement telling potential donors that they are getting paid when they ask for money. This is so that potential donors can make an informed choice about giving.

The Act makes two main changes to these 'solicitation statements':

- They will have to include the amount the professional fundraiser will be paid for fundraising for the appeal, or if the specific amount isn't known, to give a reasonably accurate estimate of what they'll receive.
- Slightly different statements will also have to be made by employees, officers and trustees of charities who act as collectors. This doesn't apply to volunteers.

The Act provides for a new role for the Commission. It proposes that we should become responsible for checking whether charities, other organisations and individuals are fit and proper to carry out public collections. Where we are satisfied that they are bona fide, we would be responsible for issuing public collections certificates. We need to develop the right regulations and guidance so that we can take on this new role, and we need the right level of resources to set up the new system so that it will enable effective fundraising, whilst also acting as a deterrent for bogus fundraisers. Therefore this new licensing system won't come into force until 2009 at the earliest. Local authorities will remain responsible for ensuring that there are not too many collections happening at the same time in the same place, to avoid public nuisance.