

## THE SELF-REGULATION OF FUNDRAISING: NEW PROPOSALS RELEASED BY THE VOLUNTARY SECTOR TODAY

**Embargoed until 00:01, 12 January 2005**

Today, the Self-Regulation Steering Committee, comprising senior representatives from many voluntary organisations, is releasing proposals for a new self-regulatory scheme covering charitable fundraising.

Simon Hebditch, Chair of the Steering Committee and Executive Director (External Affairs) at CAF (Charities Aid Foundation), comments:-

*"In order for self-regulation to succeed, it is vital that the scheme engages fundraisers and fundraising organisations across the sector. But, at the same time, it must be a robust regulatory scheme with real penalties attached - not just a paper exercise. The public must be confident that any complaints they have will be dealt with swiftly and fairly. The complaints procedures and processes need to be firm enough to instil the highest standards in fundraising practice.*

*"As with many other specialist trades, from the media to the medical profession, self-regulation gives us the opportunity to harness the expertise of people who work in fundraising to regulate the profession that they know so much about. Self-regulation is an opportunity for the sector to establish best practice in fundraising and, with time, to make real headway in increasing public confidence in charities even further."*

The introduction of self-regulation will change the way fundraising organisations operate, the standards they aim for and, with time, the public image of the profession.

The Self-Regulation scheme or Regulation of Fundraising Scheme ('RFS') will comprise three elements:

- **Administration and control** - An independent, dedicated team - the Regulation of Fundraising Unit (RFU) - will administer the scheme, operating as a discrete division within the office of the Institute of Fundraising. An independent Council, comprising representatives from within the sector, members of the public and other independent experts, will be responsible for overseeing the development of fundraising standards and the management of the complaints procedures.

- **Membership scheme and complaints procedures** - A membership scheme open to organisations seeking to raise funds, those advising them and professional fundraisers under which they agree to adhere to the highest standards of fundraising, to promote the scheme and to submit to its complaints handling regime. Membership will not be restricted to, or linked with, membership of any other membership body.
- **Standards** - The adoption, development and dissemination of the Codes of Fundraising Practice and a Donors' Charter. It is anticipated that there will be a single set of standards for the whole of the UK. The current Codes of Fundraising Practice, produced by the Institute of Fundraising, will be recognised by the regulatory scheme, but the Codes are likely to be adapted and added to in an ongoing effort to drive up standards.

### **What does it mean for fundraisers and fundraising organisations?**

Organisations that sign up as members of the self-regulation scheme will gain a number of benefits, including:

- The right to use the logo and to be recognised as a member organisation;
- Help and guidance from the RFU in the form of toolkits and telephone advice;
- Access to an independent, donor-focused complaints structure.

Members will be required to:

- Adhere to all applicable Codes of Fundraising Practice ('Codes');
- Use the logo on all fundraising materials and their website (transitional arrangements will be made to allow smaller organisations to comply with these requirements);
- Provide donors with access to hard copies of the Donors' Charter, details of the scheme and complaints procedures;
- Put in place an annual audit and procedures to monitor adherence to the Codes;
- Establish an internal complaints handling procedure;
- Submit an annual return to the scheme;
- Agree to be monitored by the scheme to abide by decisions made by the Council in response to complaints;
- Pay the appropriate membership fee.

### **What is the complaints process?**

In the instance where a complaint addresses a breach of the approved Codes or Donors' Charter by a scheme member, it can be dealt with by the RFS. The complaints process is:

1. Complaints are made to the charity for which funds are being raised or, if relating to a fundraising consultant, to the management of that organisation.
2. If the complainant is not satisfied with the way that complaint is handled, a written claim should be submitted to the RFU. If the complaint does not relate to the RFS or a member in terms of fundraising practice or procedures, the complainant will be informed of this

and advised of any alternative avenues to consider. Eligible complaints will be assessed by the RFU and complainants will be informed, in writing, of the outcome and any further action of sanction.

3. If the complainant remains dissatisfied, complaints can be referred to an Independent Complaints Reviewer (ICR) who will review the case, call forward any additional evidence needed and prepare a report for the Council making recommendations for further action if required.
4. The Council will respond to the ICR's report and this is the final stage of the complaints process. A summary will be sent to the complainant and to the body or person complained about. It will also be published on the RFS website.

Proposals for the scheme are further detailed within 'The Self-Regulation of Fundraising' - a paper put together by the Steering Committee and available from CAF.

The Institute of Fundraising has commissioned a business plan outlining how much charities will need to pay to sign up, when the scheme is likely to break even and how much financial support will be required from the Government. The Home Office is currently reviewing both documents to confirm the level of funding that will be provided.