The Future of Fundraising: Recent Developments

The summer of 2015 has seen unprecedented attention given to fundraising. The following should provide a quick summary of the recent developments.

Sir Stuart Etherington Review into Fundraising Self-Regulation

NCVO’s chief executive Sir Stuart Etherington has been leading a review into the self-regulatory system of charity fundraising.

The Review is recommending a number of changes to the current regulatory framework, the key ones being:

- The abolition of the FRSB and the establishment of a new Fundraising Regulator, which no longer has a membership structure but universal remit to adjudicate all fundraising complaints and stronger sanctions for non-compliance.
- Adequate resources to reflect the enhanced role of the Fundraising Regulator.
- The move of the Code of Fundraising Practice to a Fundraising Practice Committee hosted by the new Fundraising Regulator.
- A single Code of Practice clearly aligned with the Charity Commission’s guides on charities and fundraising.
- The speedy merger of the IoF and the PFRA into a single organisation. The creation of a registration ‘badge’ which organisations can display as a sign of their commitment to regulation and high standards.
- More focus on best practice and compliance by the new Institute of Fundraising.
- The creation of a ‘fundraising preference service’, which would enable members of the public to prevent the receipt of unsolicited contact by charities and other fundraising organisations.
- A move by fundraising organisations towards adopting a system of ‘opt in’ only in their communications with donors.

Scottish Fundraising Review – SCVO

SCVO have been leading on a review with the purpose “to identify whether the Scottish public, Scottish Government and (Scottish) Parliament can have confidence that the current system of charity fundraising self-regulation is working and, if not, (to) recommend how it can be strengthened in Scotland.”

Recommendations are, in summary, that:

- A ‘fundraising guarantee’ style document should be developed which specifies how the general public can expect to be treated by fundraisers
- Further work is required to establish processes and practices which avoid vulnerable people becoming overly-burdened by fundraising requests
- IoF must take the lead in changing the culture in fundraising
- As the professional body for fundraisers, the IoF take action to ensure fundraising is better aligned with the expectations of the general public and donors
- Trustees should take greater strategic control over fundraising
- A sector-wide initiative is required to train and support trustees to ensure they can exert effective governance over both in-house and sub-contracted fundraising
- Compliance with, and the effectiveness of, the regulatory requirements relating to sub-contracting fundraising should be investigated
- ‘Whistleblowing’ by fundraisers must be enabled and supported
- Complaints processes must be redesigned in order to empower the public and trustees
- New reporting processes are required that deliver greater openness and transparency about the operation of charities.
IoF Review into Fundraising Practice
Following the reporting of the death of Mrs Olive Cooke, a lifelong donor and fundraiser, the Fundraising Standards Board (FRSB) published an interim report highlighting a number of areas that members of the public were raising as concerns around charity fundraising and made a series of recommendations to the Institute of Fundraising (IoF) Standards Committee.

The Institute of Fundraising (IoF) has this week announced a number of measures to strengthen the Code of Fundraising Practice in response to the FRSB Interim Report and as part of ongoing efforts to protect vulnerable donors and restore public trust in fundraising.

These include:
- Every addressed fundraising communication will be required to carry a clear message explaining how donors can easily 'opt-out' of receiving future communications
- Minimum font sizes will be introduced for opt-in and opt-out statements on all printed communication (including newspaper adverts)
- Charities will be banned from selling any individual’s data to a third party
- Charities will only be able to share an individual’s data with third parties for fundraising communications if that individual has ‘opted in’ and provided express consent
- A new clear requirement will be introduced to ensure fundraisers end a telephone call when asked
- All fundraising calls from agencies and call centres will have to be made from an identifiable number
- The current grey area around ‘reasonable persuasion’ in the Code will be replaced with a clear requirement prohibiting intrusive or persistent behaviour that places undue pressure on a person to donate

Implementation
All recommendations agreed by Standards Committee are now being reviewed by lawyers. Guidance will also be developed on a range of these Code changes to support fundraising organisations as they are put into practice and IoF Members will be informed of specific Code changes and implementation dates over the coming weeks.

The IoF has shared these decisions with the FRSB and we hope to work with them to agree appropriate implementation periods for any Code changes ‘going live’ and any transition periods that are needed for charities to comply.

Recent Updates to the Code of Fundraising Practice
- Changes relating to 16.10 on Conduct of Collections on no cold calling stickers
  - (s) Fundraisers MUST NOT knock on any door of a property that displays a sticker or sign which includes the words ‘No Cold Calling’.
- Changes regarding the presentation of the Code to make it clear that all organisations must comply with the Code in its entirety by making all OUGHT requirements MUST
- Changes relating to the Telephone Preference Service (TPS) that makes it clear that organisations MUST NOT* make direct marketing calls to TPS registered numbers unless that person gives express consent to receiving those calls

Please see http://www.institute-of-fundraising.org.uk/code-of-fundraising-practice/code-changes/ for further details