



## Committed Giving in the Workplace Code of Fundraising Practice

### Check-list: key questions to ask

- Has the employer been researched? (3.0, 5.1, 6.0)
- Is the employer approached in an appropriate manner, having obtained necessary permissions? (3.0, 5.1, 6.0)
- Is all contact with employers carried out in a professional manner? (5.1)
- Are employers influenced over their choice of PGA(s)? (5.1)
- Has a suitable Payroll Giving Agency been selected by the employer in consultation with employees? (3.0)
- Are appropriate contracts in place? (5.2, 6.0, 8.1)
- Is there a commitment to the scheme from the employer's senior management?
- Has written consent to approach employees been received from the employer? (5.1)
- Has a promotion plan been agreed with the employer? (5.1)
- Do all communications and materials abide by the terms agreed with the employer? (5.2)
- Is a PGA agreement in place for pre-tax Payroll Giving? (3.1)
- Are fundraisers' identity badges visible? (5.2)
- Do professional fundraisers make appropriate solicitation statements? (5.2)
- Can employees support any fundraising organisation if using pre-tax Payroll Giving and is this made clear? (3.1)
- Where Gift Aid is claimed, are full declarations obtained? (3.3, 3.5)
- If using post-tax deduction round-down schemes, is there a fundraising agreement in place between the employer and the fundraising organisation? (3.4, 8.1)
- Are safeguards in place to ensure undue pressure is not put on potential donors? (5.2)
- Are all communications honest and not misleading? (5.2)
- Do procedures ensure donors are not encouraged to change existing donations? (5.2)
- Will all materials be held securely? (5.2)
- Does the activity comply with charity law? (5.2, 6.0, 7.0, 8.2.1)
- Is the Data Protection Act complied with? (5.2, 6.0, 7.0, 8.3)
- Are details of any complainant passed to the fundraising organisation? (5.2)
- Are donations processed swiftly? (5.2)
- Is money paid within defined time frames? (5.2, 8.1)
- Is there an audit trail in existence?

For the fundraising organisation:

- Is a contract in place between the fundraising organisation and PFO, where appropriate? (6.0)
- Is an active relationship maintained with the PFO? (6.0)
- Do procedures protect the reputation of the fundraising organisation? (6.0)
- Are the terms of all contracts fulfilled? (6.0)
- Are those representing the fundraising organisation fully trained and kept up to date with issues affecting the organisation? (6.0)
- Have all necessary materials been supplied to fulfill the contract? (6.0)
- Are donors thanked in a timely manner? (6.0)

For the PGA:

- Is the PGA a charity registered with HMRC? (7.0)
- Are donations and data processed securely and in a timely manner? (7.0)
- Are donors' wishes respected in terms of use of their data? (7.0)
- Is relevant statistical and financial data provided? (7.0)
- Are donor details transferred in an appropriate manner? (7.0)
- Are processes in place for situations where a donation cannot be paid to the chosen organisation? (8.1)
- Do contracts limit organisations' ability to work with other PGAs? (7.0)
- Are vouchers honoured appropriately? (8.1)

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## 1.0 The Codes of Fundraising Practice Explained

The Institute of Fundraising's **Codes of Fundraising Practice** are structured in order to highlight what is mandatory at law, what the Institute regards as a mandatory requirement for its members and what constitutes advice on best practice.

In this Code a phrase where the word:

**MUST** is in bold indicates a requirement that is mandatory at law.

**OUGHT** in bold indicates a requirement that is mandatory for members and affiliated organisations of the Institute.

**SHOULD** in bold indicates a course of action that is recommended as best practice.

Organisations engaged in fundraising **SHOULD** join the Fundraising Standards Board and **SHOULD** follow their complaints procedure.

This **Code of Fundraising Practice** is

intended to address fundraising activity throughout the UK. Legal requirements can vary between different jurisdictions (England & Wales; Northern Ireland; Scotland).

In this Code, **MUST\*** in bold indicates a legal requirement within one jurisdiction but not in others.

The Institute recommends that organisations adhere to the most rigorous interpretation of the law applicable to an activity.

Users should be aware that this Code addresses the law as it stands at the date of publication throughout the UK.

Reviews of the law relating to fundraising and fundraising activities, governance and charitable status are ongoing in Scotland, England and Wales.

This **Code** will be revised to take into account any developments or changes in the law that may result from these initiatives.

## 2.0 Introduction

### 2.1 Committed Giving in the Workplace

Fundraising within the workplace is varied in form and is subject to both direct legislation and self-regulation. This Code specifically addresses the interests of donors, employees, employers, fundraising organisations, Professional Fundraising Organisations (PFOs), other fundraisers (volunteers and employees) and Payroll Giving Agencies (PGAs) in relation to the recruitment of donors using committed giving in the workplace.

Committed givers in the workplace are able to set their donations up using the payment methods of:

- Payroll Giving, a tax effective scheme whereby the donation is taken from an employee's pay before tax is deducted;
- direct debits, standing order or authorisation of credit card mandate. These regular donations can be supported by Gift Aid, a post-tax method of tax-efficient giving; or
- donations deducted from employees' post-tax pay including post-tax 'round-down' schemes where employees' donations come from rounding down the 'odd pennies' from their post-tax pay.

This Code does not address other forms of fundraising in the workplace such as cash collections. For definitions of terms used in this Code please refer to the glossary (see Section 9.2).

### 2.2 Committed Giving in the Workplace in Context

Fundraising in the workplace can play an important role in developing a sense of common purpose in employees and encouraging them to identify with the corporate ethos of the organisation for which they work.

Committed giving schemes can help to develop relationships between fundraising organisations and employers and represent an opportunity for fundraising organisations to develop committed support from employers as well as from individuals.

Setting up an employee fundraising scheme shows staff that their employer is committed to working in partnership with the community by making it easy for employees to give to the fundraising organisation of their choice. Evidence shows that corporate social responsibility (CSR) programmes build employee loyalty and can be attractive to potential recruits. Both employers and employees expect clear, simple and accurate information in relation to charitable giving and expect approaches to be made in an appropriate manner.

### 3.0 Methods Common to Payroll Giving, Donations Under the Gift Aid Scheme and Post-Tax Schemes

- Fundraisers **OUGHT** to research the employer and **OUGHT** to approach the employer via the appropriate access point.
- Written permission **OUGHT** to be obtained prior to fundraising in the workplace.
- The selection of suitable agencies or suitable PGAs **OUGHT** to be carried out by the employer in consultation with employees or their representatives.
- Management time **SHOULD** be devoted to strategic planning if the employer wishes to undertake this activity as part of an overarching CSR strategy.
- Promotion of the scheme can be managed internally, through a PFO, or in conjunction with one or more fundraising organisations or, in the case of post-tax payroll giving, with the fundraising organisation and the employer.
- The fundraising organisation **SHOULD** agree with the employer a plan of promotion of the scheme to employees, including:
  - agreeing a date for the scheme to start;
  - agreeing how the scheme might fit into any overarching CSR strategy;
  - promotional material for creating awareness of the scheme, to be used both in hardcopy and electronically where appropriate;
  - involvement of fundraising organisations in promoting the scheme to staff if applicable;
  - design of consent form, for both hard copy/electronic usages. This should clearly name the benefiting fundraising organisations as well as give the donor, if a taxpayer, the opportunity for Gift Aid to be reclaimed if it is a Gift Aid scheme;
  - highlighting the scheme arrangement in the staff handbook and induction pack for new employees; and
  - the provision of regular feedback from fundraising organisations to the employer on the use of funds donated.
- The fundraising organisation **SHOULD** ensure that an audit trail is in existence and is made available to the various parties.

#### 3.1 Pre-Tax Payroll Giving

- If a PGA agreement is not in place with the employer then one **MUST** be set up. Such promotions can be undertaken either on behalf of single causes or through the services of a PFO fundraising for a range of charitable causes. Some employers may find that an approach that includes raising money for a

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range of charitable causes in agreed promotional campaign activities much more effective than promotions for a single fundraising organisation. These may be referred to as 'single' or 'basket' style fundraising organisation promotions.

- Employees **MUST** be permitted to support any fundraising organisation through their employer's Payroll Giving scheme.
- One option for approaching pre-tax Payroll Giving is through 'one-to-one' promotions to individual employees (in the workplace). These can be undertaken in a variety of forms and **SHOULD** be discussed and agreed with employers before the start of any campaign.
- Under Payroll Giving, deductions are made from an employee's salary before the deduction of tax at the highest rate the employee pays (20%\* if the employee is a basic rate tax payer and 40%\* if they are a higher rate tax payer).

If an employee pays basic rate tax (20%\*) and they donate £1 to the fundraising organisation it will cost them 80p under Payroll Giving. For a higher rate tax payer (40%\*) a £1 donation will only cost them 60 pence.

*\* These figures are correct at the time of publishing but may be subject to change.*

### 3.2 Post-tax Payroll Giving

- Donors may make regular donations out of their post-tax pay by completing a form to instruct the payroll department to make a deduction after tax has been deducted. These payments will be processed by the PFO or by the fundraising organisation. In some cases the donor will nominate which fundraising organisation(s) they wish to support. In other cases, donors may donate to a central fund from which donations are made to fundraising organisations decided upon by the employer's 'charity committee'.

### 3.3 Post-tax Payroll Giving with Gift Aid

- An extension of the above scheme enables post-tax donations to be made with Gift Aid. Individuals complete a form to give authority for post-tax deductions, as above, and also complete a Gift Aid declaration for their chosen fundraising organisation. This declaration **MUST** state that the donor is a UK taxpayer and has paid an amount of income or capital gains tax that is greater than the amount of Gift Aid that the fundraising organisation will claim. The forms are then sent to the specified fundraising organisation(s), enabling Gift Aid to be claimed on the correct donation.

For every £1 donated that is eligible for Gift Aid the fundraising organisation will currently be able to reclaim 28p (25p representing the 20% basic tax rate that the

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employee will have paid on each £1.25 that they earn and 3p representing Gift Aid Transitional Relief, a sum paid by the Government to help fundraising organisations following the reduction in basic rate tax from 22% to 20%. *This relief will be paid on donations made between 6 April 2008 and 5 April 2011).*

When an employee who is a higher rate taxpayer completes their tax returns they will be able to reclaim 25p for every £1 they donate under the Gift Aid scheme.

Under Gift Aid, therefore, it would presently cost a basic rate taxpayer £1 for the fundraising organisation to receive £1.28 and it would cost a higher rate taxpayer £1 for the fundraising organisation to receive just under £1.71.

Therefore, until the Government stops paying transitional relief on Gift Aid donations in 2011, the gross value of donations under Gift Aid is greater than the gross value of donations under Payroll Giving at a similar cost to the donor.

### 3.4 Post-Tax Payroll Deduction Round-down Schemes

An employer may decide to offer its employees an alternative method to give to fundraising organisations by deducting a donation from their post-tax pay, for example by rounding down the 'odd pennies' from their pay.

- A fundraising agreement **MUST** be set up between the employer and the fundraising organisation. This **SHOULD** clearly set out both the services being provided by the fundraising organisation as well as any obligations of either party to the agreement.

The employer, normally in conjunction with the consultation of staff, will agree one or a 'basket' of benefiting fundraising organisations. This could, if appropriate, be the fundraising organisation of the year, which would then provide a further employee incentive for support as well as fostering closer relationships between the fundraising organisation and the employer and its employees.

The funds collected each month will be sent to the scheme distribution vehicle for onward distribution to the benefiting fundraising organisations.

### 3.5 Committed Giving Through Direct Debit with Gift Aid

- In some cases fundraising organisations may ask employees to donate by completing a Standing Order or Direct Debit form. These donations are not made directed from the payroll. If Gift Aid is to be claimed, a Gift Aid declaration **MUST** be completed, stating that the donor is a UK taxpayer and has paid an amount of income or capital gains tax that is greater than the amount of Gift Aid that the fundraising organisation will claim.

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	<b>Payroll Giving</b>	<b>Post-tax Payroll Giving</b>	<b>Post-tax Round-down Schemes</b>	<b>Post-tax Payroll Giving with Gift Aid</b>	<b>Direct Debit Donation</b>
<b>Pre or post-tax donation</b>	Pre-tax	Post-tax	Post-tax	Post-tax	Post-tax
<b>Party responsible for getting tax back for fundraising organisation</b>	N/A	N/A	N/A	Fundraising organisation	Fundraising organisation
<b>Who processes donations</b>	Employer (payroll department or bureau) PGA	Fundraising organisation or PFO	Employer (payroll department or bureau)	Employer (payroll department of bureau)	Fundraising organisation or PFO
<b>Option of anonymous donations</b>	Yes	No	Yes	Yes	No
<b>Choice of fundraising organisation</b>	Any	Any	Employer chooses the fundraising organisation (but employee chooses whether to participate)	Employer	Any

The above table compares the three schemes.

## 4.0 Best Practice for Employers

### 4.1 Best Practice for Employers

- Commitment from the top will make a big difference to the success of a fundraising campaign, so employers and fundraising organisations **SHOULD** consider:
  - involving senior management;
  - committing sufficient resources to manage and promote the programme;
  - involving company community affairs specialists where appropriate;
  - choosing an approach that matches the employer’s culture;

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- ensuring that a clearly stated company policy in relation to all fundraising programmes, covering all fundraising approaches, is developed and clearly communicated to all management and branches;
- taking a strategic approach to promotion and communication, using a wide range of communication methods, including face-to-face presentations and promoting awareness of additional government financial support or tax benefits;
- matching money raised through Payroll Giving as this is a real incentive to staff to join schemes. Employers may wish to consider capping their annual budget for matched gifts. If so, they **SHOULD** ensure this decision is made clear to staff at the time of the promotion, in order to avoid any future confusion; and
- providing clear support to employees in making a scheme available.

## 5.0 Best Practice for PFOs, Fundraising Organisations and Fundraisers Involved in Promoting Committed Giving in the Workplace

### 5.1 Beginning the Fundraising Relationship

*PFOs and fundraising organisations:*

- **OUGHT** to research prospective employers fully. As part of this research, fundraisers **OUGHT**, as best practice, to find out the employer's preferred point of contact;
- **OUGHT** to ensure that all contact with employers is carried out in a professional manner;
- **OUGHT** to ensure that no approach is made to employees without the written consent of the employer and that approaches are made to the appropriate authority.

However, in the case of a fundraising organisation that has a unique link with an employee, for example an occupational benevolent fund, a relationship may already be established and therefore written consent would not be required;

- **OUGHT** to ensure that employers are not influenced regarding their choice of PGA(s); and
- **OUGHT** to agree the conditions of access with employers before any approaches are made to employees.

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## 5.2 Providing the Fundraising Activity in the Workplace

*PFOs and fundraising organisations:*

- **MUST** adhere at all times to the legal requirements of the Charities Act 1992 (in England and Wales) and the Charities and Trustee Investment Act (Scotland) 2005 and any amendments made to them. They **MUST** ensure that equivalent fundraising activities carried out in Northern Ireland are managed in the same manner;
- **MUST** provide clear and adequate, written or verbal, information to the public about possible follow-up, including any applicable telephone procedures or other contact details as required by the Data Protection Act 1998 and comply with other provisions of the Data Protection Act 1998;
- **MUST** ensure that all materials, especially completed donor forms, are held securely as these will contain information of a sensitive nature;
- **MUST** ensure that photo identity badges provided by the organiser of the activity, or the fundraising organisation(s) are worn in a visible place at all times;
- **MUST NOT** exert pressure on potential donors to make a donation;
- **MUST** act honestly and in a manner that does not mislead and **MUST NOT** knowingly or recklessly disseminate false or misleading information in the course of their fundraising duties, nor permit others to do so;
- **OUGHT** to work within the time and location agreed with the employer, or whoever the relevant access authority might be;
- **OUGHT** never to go beyond the content agreed before the start of fundraising activities, by either the employer or the fundraising organisation(s);
- **OUGHT NOT** to utilise support or materials other than those agreed previously with the fundraising organisation(s);
- **OUGHT** to ensure that fundraising is undertaken in such a manner that both the organiser of the fundraising activity and (where different) the fundraising organisation(s) are confident that sufficient safeguards exist and are followed throughout the solicitation process to avoid the application of pressure on potential donors to donate;
- **OUGHT** to ensure that in the event of a complaint, a record of the name, address and telephone number of the complainant is made and the complainant is referred immediately to the organiser of the activity and to the fundraising organisation;

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- **OUGHT NOT** to directly encourage existing donors in any way to change an existing charitable donation to another fundraising organization;
- **SHOULD** communicate clearly and transparently with the employer and employees;
- **SHOULD** use a courteous manner that will not bring the organiser of the activity, or fundraising organisation(s) into disrepute;
- **SHOULD** ensure that donors are aware that committed giving schemes are intended for long-term donations; that the donor has the right to terminate the agreement at any point; and that fundraising organisations' needs may be better served by a one-off donation if the donor does not feel able to undertake a long term commitment;
- **SHOULD** terminate any contact politely and immediately upon request;
- **SHOULD** ensure that donors are aware that they are free to elect to give to any fundraising organisation following a Payroll Giving promotion, even if it is a fundraising organisation that the fundraiser is not directly representing, unless the charity is promoting post-tax Payroll Giving;
- **SHOULD** mark pledge forms for Payroll Giving promotions to show where an employee wishes to remain anonymous, or does not wish to receive literature or information; and
- **SHOULD** issue a copy of this full Code of Fundraising Practice to their fundraisers.

#### Fundraisers employed by PFOs:

- **MUST** comply with the Charities Act 1992 (in England and Wales) and the Charities and Benevolent Fundraising (Scotland) Regulations 2009 (in Scotland) requirement to state how much the PFO expects to be paid for working on the appeal and how their remuneration is calculated. More details of the requirements that such 'solicitation statements' **MUST** fulfil may be found online (see Section 9.1).

#### Fundraisers and PFOs:

- **MUST** undertake all promotional activities subject to an appropriate contract with fundraising organisations (see the Best Practice for Fundraising Contracts Code of Fundraising Practice);
- **OUGHT** to agree all procedures, including statements and fundraising materials, with fundraising organisation clients;

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- **OUGHT** to process donations as swiftly as possible and ensure that information relating to new donors is passed to the beneficiary as soon as possible;
- **SHOULD** ensure that where the fundraiser, or the organiser of the fundraising activity, is acting simultaneously on behalf of multiple fundraising organisations, that such multiple approaches are managed in an entirely neutral manner; and
- **SHOULD** ensure that fundraisers are appropriately trained, not only on all aspects of Payroll Giving and Gift Aid administration, but also on the specific fundraising organisations they represent

## 6.0 Best Practice for Fundraising Organisations

- Fundraising organisations **MUST** ensure that a relationship with a PFO or other professional fundraiser is governed by a contract as set out in Part II of the Charities Act 1992 and The Charitable Institutions (Fund-Raising) Regulations 1994 (in England and Wales) and the Charity and Trustee Investment (Scotland) Act 2005 (in Scotland). Further information about such agreements may be found in the Institute's 'Best Practice for Fundraising Contracts' Code of Fundraising Practice.
- Fundraising organisations **MUST**, as part of any risk management, ensure that they maintain an active relationship with PFOs working on their behalf.
- Fundraising organisations **MUST** ensure that the terms of all contracts are fulfilled (see the Best Practice for Fundraising Contracts Code of Fundraising Practice).
- Fundraising organisations **OUGHT** to be aware that the further any fundraising activity undertaken on their behalf is distanced from the fundraising organisation, the greater the risk that messages may be inappropriately or not clearly delivered. Clear guidelines **OUGHT** to be established to protect the reputation of the fundraising organisation at all times.
- Fundraising organisations **SHOULD** research the employer, the market place, commercial imperatives and the employer's policy in giving access to fundraisers.
- Fundraising organisations **OUGHT** to ensure that approaches are made in a manner that is acceptable to the employer.

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- Fundraising organisations **OUGHT** to ensure that the work of their volunteers or PFOs is managed appropriately and that PFOs and other fundraisers (including volunteers) are properly trained, kept up-to-date with current issues affecting the fundraising organisation and are aware of the fundraising organisation's objectives.
- Fundraising organisations **SHOULD** ensure that information supplied is both clear and accurate.
- Fundraising organisations **OUGHT** to ensure that PFOs are equipped with necessary materials to fulfill the contract effectively.
- Fundraising organisations **SHOULD** ensure that good donor tracking systems are in place and **OUGHT** to thank donors promptly, preferably no later than seven days from notification of the donor's details.
- Fundraising organisations **MUST** ensure that all data protection requirements are fully implemented. (See the Data Protection Code of Fundraising Practice.)
- Fundraising organisations **MUST** comply with the requirements contained in The Charitable Deductions (Approved Schemes) Regulations 1986 (see Section 8.1)

## 7.0 Best Practice for PGAs

The primary purpose of PGAs is to provide a service for employee donors, allowing them to make tax-effective donations from their pre-tax pay to one or more fundraising organisations. PGAs receive employees' donations, which have been deducted by the employer from the payroll, and distribute these donations timely and efficiently to the relevant fundraising organisations.

*PGAs:*

- **MUST** be a registered charity and approved by HM Revenue and Customs as required by Statutory Instrument 1986 No.2211 (The Charitable Deductions (Approved Schemes) Regulations 1986) and subsequent amendments;
- **MUST** comply fully with all of the requirements of the Income and Corporation Taxes Act 1988, Section 202, and any other related or relevant legislation;
- **MUST** comply fully with the requirements of the Data Protection Act 1998;
- **OUGHT** to process donations and related data in a secure and timely manner;

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- **OUGHT** to act in accordance with donor wishes, especially in respect of confidentiality and the processing of anonymous donations;
- **OUGHT** to provide relevant statistical and financial data regarding the processing of donations to measure, track and improve the performance and effectiveness of Payroll Giving;
- **OUGHT** to give full co-operation in transferring details of donors and fundraising organisations between PGAs when an employer or employee moves from one PGA to another, subject to data protection requirements;
- **OUGHT NOT** to act in such a way as to limit employee choice or restrict competition between PGAs by, for example, entering into exclusive contracts; and
- **SHOULD** follow the best practice technical and administrative guidelines given in the Payroll Giving section of the tax-effective giving website (see Section 9.1).

## 8.0 Key Legal and Tax Points

- All parties **MUST** be aware of, and comply with, the relevant legislation referred to throughout this Code of Fundraising Practice. The following subsections provide guidance regarding specific areas of legislation. *However, there are some general areas that require constant vigilance.*

*Record keeping* – The relevant legislation defines in detail what records are to be kept. In general, however, the minimum requirement is to maintain records that establish a complete audit trail from the donor to the fundraising organisation. In practice these records will have to be kept for a minimum of 3 years in either paper or electronic form.

*Eligibility for Gift Aid* – Only fundraising organisations registered with HMRC for tax-effective giving are eligible to receive tax-effective donations via Gift Aid or Payroll Giving. Further information about eligibility for Gift Aid may be found on the websites listed in Section 8.1.

*Gift Aid Claims* – Fundraising organisations need to ensure that systems are in place to prevent Gift Aid claims being inadvertently made on donations, such as Pre-Tax Payroll Giving donations, which have already benefited from tax relief. This could potentially happen when a fundraising organisation holds a Gift Aid declaration in respect of a donor who is also a Pre-Tax payroll donor.

*Donor Benefits* – It is important for fundraising organisation to ensure that donor benefits do not exceed the levels defined in the relevant legislation.

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### 8.1 Charitable Deductions Regulations

The Charitable Deductions (Approved Schemes) Regulations 1986 have been amended twice, once on the 6th April 2000 and the second time on 21st August 2000. The wording given reflects the situation at the date when the Code of Fundraising Practice was produced. The regulations stipulate:

- an employer **MUST** have a contract with an approved PGA before making any pre-tax Payroll Giving deduction on behalf of an employee from their emoluments;
- an employer **MUST** pay over to the PGA sums which have been deducted in any income tax month within 14 days of the end of that income tax month;
- under no circumstances can sums deducted and paid over to the PGA be returned to the employer or the employee;
- if it is not possible for the PGA to pay an amount to the fundraising organisation specified by an employee, the PGA **MUST** pay the amount to such other fundraising organisation as it may consider has objects similar to those of the fundraising organisation selected by the employee. The PGA cannot keep the amount for its own funds and **MUST** notify the employee of the destination of the donation;
- if any employee has been provided with a voucher by an PGA and the voucher has not been presented for payment within a prescribed time, the PGA **MUST** pay the amount to such a fundraising organisation as it sees fit. The PGA cannot keep the amount for its own funds and **MUST** notify the employee of the destination of the donation;
- an employee can request the approved PGA to provide them with a certificate at the end of the year, of the amounts which the PGA has received and the maximum time which elapsed between the receipt of the sums from the employer and the payment to the fundraising organisations selected;
- upon leaving the place of employment an employee who has been a Payroll Giver **SHOULD** receive a statement from his employer setting out the total amount deducted from their emoluments in the year in which the employee leaves; and
- the PGA **MUST** distribute the funds to the nominated fundraising organisations not later than 60 days after receiving the donations from the employer or 60 days after being notified of the destination of the amounts received by the PGA from the employer.

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## 8.2 Charity Legislations

### 8.2.1 Charities Act 1992 Part II

*Part II of the Charities Act 1992 and The Charitable Institutions (Fund-Raising) Regulations 1994 (in England and Wales) and Part II of the Charities and Trustee Investment (Scotland) Act 2005 (in Scotland) set out the requirements for the regulation of the relationship between professional fundraisers and fundraising organisations including the requirements for contracts between PFOs and fundraising organisations.*

### 8.3 Data Protection

All parties **MUST** comply with the Data Protection Act 1998. The Act seeks to uphold the rights of the individual in relation to the use that is made of their personal data. The principle that supports this is that the individual **SHOULD** be aware of and consent to the way in which data that they provide for a particular purpose will be processed. Guidance on how the Act may be interpreted in relation to committed giving in the workplace can be found on the Institute's website.

## 9.0 Appendices

### 9.1 Useful websites

- Business in the Community  
[www.bitc.org.uk](http://www.bitc.org.uk)  
(Information on employee community involvement, case studies from the Awards for Excellence and the Cares employee volunteering network.)
- HM Revenue and Customs  
[www.hmrc.gov.uk](http://www.hmrc.gov.uk)  
(Advice for employers, employees, fundraising organisations, PFOs and PGAs involved in tax-effective giving as well as relevant legislation.)
- Information Commissioner's Office  
[www.informationcommissioner.gov.uk](http://www.informationcommissioner.gov.uk)  
(Guidance on the implementation of the Data Protection Act 1998.)
- Charitable Deductions Regulations 2003 (Statutory Instrument)  
[www.legislation.hmso.gov.uk/si/si2003/20031745.htm](http://www.legislation.hmso.gov.uk/si/si2003/20031745.htm)
- Payroll Giving Centre  
[www.payrollgivingcentre.org.uk](http://www.payrollgivingcentre.org.uk)
- Solicitation Statements  
[www.institute-of-fundraising.org.uk/solicitationstatements](http://www.institute-of-fundraising.org.uk/solicitationstatements)  
(Guidance for professional fundraisers.)
- Tax-Effective Giving  
[www.tax-effective-giving.org.uk](http://www.tax-effective-giving.org.uk)

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## 9.2 Glossary of Terms

- **CSR:** Corporate Social Responsibility
- **Gift Aid:** Tax relief claimed back on charitable donations made after the donor has paid income or capital gains tax
- **PGA:** Payroll Giving Agency – charitable body responsible for processing donations made through Payroll Giving
- **Payroll Giving:** Method of giving donations directly from an employee's pre-tax pay packet
- **PFO:** Professional Fundraising Organisation (including individual professional fundraisers)

## 9.3 Working Party

- Bill Giles (Chairman) MInstF(Cert), CiTW
- Eileen Howard MInstF, Board of APGPFO
- Cathy Bauso MInstF, Caring Together
- James Graham, BiTC
- John Denton, Sovereign Giving
- Terri Hathaway, Giving Campaign
- Anthony Law, Pennies from Heaven
- Tina Steele (Secretary) MInstF, Institute of Fundraising Payroll Giving Forum
- Andrew Watt, Institute of Fundraising

This Code was updated in June 2008 with input from:

- Jo Ayley, Civil Service Benevolent Fund
- Tina Steele
- Rachel Wellman, Withers Worldwide

Institute of Fundraising Code Working Parties provide advice and make recommendations to the Institute's Standards Committee in the process of Code development.