



Direct Mail

Code of Fundraising Practice

Check-list: key questions to ask

- Does the mailing comply with the CAP Code? (3.0)
- Does the mailing contain any potentially offensive material? Could this be defended? (3.1)
- Is the mailing clear and not misleading? (3.2)
- Are any case studies used truthful and, where real, have subjects given their permission? (3.2)
- If making claims in the mailing, can they all be substantiated? (3.2, 3.4, 5.1)
- Is it clear how money could be used? (3.3)
- Are there any shocking images in the mailing? (3.5)
- Do any enclosures enhance the message of the mailing and are they safe? (4.6)
- Are data protection requirements met? (3.2, 4.1)
- Can the recipient be mailed? (4.1)
- Is the mailing targeted? (4.1, 4.2)
- Are donors' wishes respected? (4.2)
- Who will be mailed and can their age be determined? (5.2)
- Have the implications of unaddressed mail been considered? (4.6)
- Does the recipient have any control over the mailings they receive? (4.2)
- Are statements of registered status included? (4.3)
- Have environmental issues been considered? (5.1)
- Has the mail been reviewed, taking into account the recipient's potential reaction? (3.1)
- Are you capturing data from surveys? (4.4)
- Will you be undertaking a reciprocal mailing and if so, have you complied with data protection regulations? (4.5)
- Do you have an effective complaints procedure in place? (5.3)
- Will service user requests be dealt with effectively? (5.4)
- If using an agency, does it abide by this Code? (3.0)

April 2008

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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 Direct Mail Definition

Throughout this Code, Direct Mail is defined as any print-based fundraising material delivered primarily through the letterbox and encompasses mail (both solicited and unsolicited), door-drops and inserts delivered within a third-party publication or piece of Direct Mail. The intention of the document is to provide readily accessible guidelines for fundraising organisations and people using, or thinking of using, Direct Mail as a means of fundraising.

3.0 Fundamental Marketing Principles

- Fundraising organisations **OUGHT** to comply with the CAP (Committee of Advertising Practice) Code (www.cap.org.uk/cap/codes/cap_code/).

The essence of the CAP Code is that all advertisements must be legal, decent, honest and truthful and the CAP Code expands on these principles. Although the CAP Code is part of a self-regulatory system and compliance is not a legal requirement, failure to comply can lead to complaints being upheld by the Advertising Standards Authority (ASA).

CAP runs a free, confidential Copy Advice Service which can check the intended content of Direct Mail packs and answer questions about data use. Call 020 7492 2100 to speak to an adviser or email copyadvice@cap.org.uk. Clearance is not a guarantee against an adverse ruling by the ASA but is nevertheless advisable in all cases of doubt.

- Where fundraising organisations enter a relationship with an agency sending Direct Mail on their behalf, fundraising organisations **OUGHT** to ensure that the agency follows this Code of Fundraising Practice and appropriate agreements are made in terms of Direct Mail volume, frequency and content.

3.1 Decency

The fact that a particular issue may be offensive to some people is not sufficient grounds for objecting to its inclusion in Direct Mail.

- Fundraising organisations and fundraisers **OUGHT** to consider public sensitivities before using potentially offensive or distasteful material.
- Fundraising communications **OUGHT** to contain nothing that is likely to cause serious or widespread offence.
- Particular care **OUGHT** to be taken to avoid causing offence on the grounds of race, age, religion, sex, sexual orientation or disability. Compliance with the Code will be judged on the context, medium, audience, product and prevailing standards of decency.

- When fundraising organisations deal with subjects that might cause offence, they **OUGHT** to be able to defend their actions. Fundraising communications may be distasteful without necessarily conflicting with this point.

It is a criminal offence under the Malicious Communications Act 1988 to send a communication that is indecent or grossly offensive if the sender intends that it should cause distress or anxiety.

- Fundraising organisations **SHOULD** create mechanisms to ensure that potentially controversial Direct Mail is reviewed at an early stage of development by an experienced person, tasked to consider the communication from the point of view of supporters, beneficiaries and recipients.

3.2 Honesty

- Fundraising Direct Mail **OUGHT** to be accountable and transparent and fundraising organisations **OUGHT** to be able to provide answers if and/or when questions are asked of them.
- No fundraising communication **OUGHT** to mislead, or be clearly likely to mislead, by inaccuracy, ambiguity, exaggeration, omission or otherwise.
- Fundraisers **OUGHT NOT** to exploit the credulity, lack of knowledge or inexperience of the recipient.
- Fundraising organisations **MUST** ensure that any case studies accurately portray the truth of the situation, the experiences of those who are helped by the fundraising organisation and the effect of the fundraising organisation's work on beneficiaries.
- If using real case studies, fundraising organisations **MUST** comply with the requirements of the Data Protection Act and their common law duties of confidentiality. These are likely to require that permission is granted by the individual(s) in question.
- To comply with best practice, even if not required by law, fundraising organisations **SHOULD** seek to obtain permission for case studies, where practical. However, provided it is made clear, it is reasonable for fundraising organisations to change names and locations and use models in photography to protect the identity of beneficiaries.

It is also reasonable for fundraising organisations to create a composite case study, so long as this can be supported by real examples and does not exaggerate or dishonestly misrepresent the fundraising organisation's work.

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- If case studies do not depict real individuals but are based on real lives, fundraising organisations **OUGHT** to make this clear.

3.3 Transparency

- Unless it is clearly stated otherwise, fundraising organisations **MUST** use funds for the purpose stated in the fundraising material.
- If fundraising organisations wish to be able to use donations for purposes other than the principal purpose for which they were given, the other potential uses (e.g. for the general purposes of the fundraising organisation) **MUST** be made clear when seeking the donations.

Fundraising organisations need to understand the consequences of raising funds for particular purposes, i.e. where it is *not* stated that funds may be used for the organisation's general purposes. These consequences are such that it is important with all general appeals, where donors may not later be identifiable, to state that funds may be used for general purposes if too little or too much money is raised. Further information is available in the Institute's 'Advice on Appeals for Specific Purposes' guidance.

- When collecting for general funds, fundraising organisations **OUGHT** to make it clear that the case for support is an example of the work for which a donation may be used.

3.4 Substantiation

- Before distribution of Direct Mail, fundraisers **OUGHT** to be able to ensure that there is evidence to prove all claims, whether direct or implied, that are capable of objective substantiation.

3.5 Shock tactics

- Fundraising organisations **OUGHT** to be able to justify images or text that may shock or offend some sections of the public and ensure that they accurately portray the truth of the situation.
- Fundraising organisations **OUGHT** to exercise particular care when using potentially shocking images. Any gratuitous exaggeration or dishonesty may undermine both the fundraising organisation and the sector.
- Fundraising organisations **OUGHT** to be particularly sensitive when using shocking messages or images in cold acquisition appeals, as the recipient is not expecting the fundraising organisation appeal.
- Shocking images on outer envelopes **OUGHT NOT** to be used, and warnings **OUGHT** to be given on outer envelopes if the contents are shocking.

4.0 Fundamentals Specific to Direct Mail

4.1 Data

- Fundraising organisations using Direct Mail for fundraising will usually need to be registered under the Data Protection Act 1998 with which they **MUST** always comply. See the Institute of Fundraising 'Data Protection' Code of Fundraising Practice.
- In addition, all the necessary steps **OUGHT** to be taken to ensure that:
 - Direct Mail is suitable for those targeted;
 - Direct Mail is not sent unsolicited to consumers if explicit consent is required;
 - data bases are accurate and up-to-date and, if rented, bought etc., have been run against the most relevant suppression file operated by the Mailing Preference Service;
 - anyone who has been notified as deceased is not mailed again;
 - data has been run against MORTA screen lists in order to remove deceased supporters; and
 - data has been screened against in-house suppression files.

4.2 Targeting

- To ensure that the communication is targeted and effective, Direct Mailings **SHOULD** be built around knowledge that fundraisers have of the intended audience.
- Fundraising organisations **OUGHT** to be confident that data is obtained from appropriate sources.
- Fundraising organisations **SHOULD** be aware that supporters may be annoyed by frequent, especially untargeted, mailings that do not reflect their propensity to support. This annoyance is likely to damage the relationship between the supporter and the fundraising organisation and, possibly, the public's view of all fundraising organisations.
- The results of past mailing activity **SHOULD** be reviewed closely to determine which supporters may be more or less comfortable with higher mailing frequencies and test excluding/including supporters accordingly.
- Donors **SHOULD** be able to influence the number of mailings that they receive from fundraising organisations.
- Fundraising organisations **SHOULD** consider the needs of their recipients and whether they can access the material.

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- Fundraising organisations **SHOULD** acknowledge donations, unless specified otherwise by the donor.

4.3 Registered Status

In England and Wales:

In England and Wales, if funds are being raised for a registered charity which has a total income of more than £10,000 per year, every written or printed communication encouraging people to give to the charity **MUST*** state that the organisation is a registered charity.

In Scotland:

In Scotland, the Charities References in Documents (Scotland) Regulations 2007 apply. All charities entered in the Scottish Charity Register **MUST*** clearly state specified information on all relevant documents issued or signed on behalf of the charity after 31 March 2008. Further information is available in the 'References Guidance' available on the Office of the Scottish Charity Regulator's (OSCR's) website: <http://www.oscr.org.uk/publicationitem.aspx?id=1157b4f7-7236-4264-b1d2-e95e0f3b61c7>.

4.4 Questionnaires/surveys

- The purpose of the questionnaire/survey **SHOULD** be absolutely clear to recipients and **SHOULD NOT** be misleading.
- Where the questionnaire/survey involves the collection of personal data, the purpose **MUST** be stated clearly in the questionnaire/survey in order to comply with the Data Protection Act 1998.
- Where questionnaires/surveys are being used for research purposes, sufficient numbers **SHOULD** be fully data-captured to provide analysis that is statistically viable, and a summary of the pattern of response to each questionnaire campaign **SHOULD** be made available to anyone who participates in it.

The information on individual supporters that is obtained from donor questionnaires/surveys can be of considerable value in subsequent marketing.

- Fundraising organisations **SHOULD** use this information, subject always to the requirements of the Data Protection Act 1998, in order to make Direct Mail more relevant and appropriate to the recipient.

4.5 Reciprocal mailings

Reciprocal mailings take place when, by mutual agreement, each of two organisations allows a Direct Mail package of the charity to be sent to a previously agreed part of its own supporters' list.

- Fundraising organisations engaged in this activity **MUST** notify under, and otherwise comply with, the Data Protection Act 1998 (see the Institute of Fundraising 'Data Protection' Code of Fundraising Practice).
- Each party **SHOULD** provide the other with a copy of its registration before the mailing takes place. This can be checked with the Information Commissioner's Office at: www.ico.gov.uk.
- There **SHOULD** be a clear understanding of the content and character of the lists to be exchanged in fundraising organisation reciprocal mailings and fundraising organisations **SHOULD** exchange written agreement of the terms and conditions of each mailing. This can be done by the exchange of letters or contracts at the discretion of the parties concerned.

For further information see the Institute of Fundraising 'Reciprocal Charity Mailing' Code of Fundraising Practice.

4.6 Unaddressed mail

- Fundraising organisations **SHOULD** be aware of the potential negative impact of a delivery method that cannot identify current supporters and bypasses safeguards such as the Mailing Preference Service.
- Fundraising organisations **SHOULD** be aware of door-to-door suppression schemes.

4.7 Enclosures in Direct Mail packs

Enclosures can take a variety of forms. These can include incentives to encourage donations, inserts that demonstrate the work of the charity or thank you gifts. Used well, they can be a very effective tool for fundraising, awareness-raising and supporter engagement. However, poorly used, they can promote negative feelings, representing a reputational risk to the sector and a perceived careless use of funds.

- Fundraising organisations **OUGHT** to be able to demonstrate that the purpose of the enclosure was to enhance the message and/or the emotional engagement in the cause and not to generate a donation primarily because of financial guilt or to cause embarrassment. In judging this, emphasis will be given to the perception of the recipient.

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- Fundraising organisations **OUGHT NOT** to use unexpected enclosures that might cause inconvenience in achieving delivery.
- Fundraising organisations **OUGHT** to consider the environmental impact of incentives and encourage mailing recipients to recycle where possible.
- Fundraising organisations **MUST** consider the safety of any enclosures.

5.0 Other Issues

5.1 Environmental sourcing

- At a time when environmental issues are widely discussed, with commercial companies taking marketing positions that they describe as 'ethical', fundraising organisations **OUGHT** to consider the impact of their Direct Mail policies on the environment.
- In particular fundraising organisations **OUGHT** to consider their mailing practices and the source of paper used.
- Claims such as 'environmentally friendly' or 'wholly biodegradable' **OUGHT NOT** to be used without justification.
- Where applicable, fundraising organisations **SHOULD** consider using a recycling logo such as 'recycle now'. For further information, see: www.recyclenowpartners.org.uk.

The Institute is working with, and responding to the lead taken by, the Direct Marketing Association in the area of environmental issues. This is a fast developing area and this section of the Code will be amended as best practice is defined.

5.2 Children

For the purposes of the Code, a child is someone under 16.

- Direct Mail **OUGHT NOT** to be sent knowingly to children solely for fundraising purposes.

5.3 Handling complaints

- Complaints about Direct Mail **OUGHT** to be handled in an efficient way in order to maintain support and maximise future donations.
- Complaints **OUGHT** to be acknowledged in writing within 14 days of receipt, and complainants **OUGHT** to be notified of the outcome of the investigation of the complaint within 30 days.

It is advisable to minimise the use of 'standard' reply letters.

5.4 Service user access

- By including details of an organisation's services in a Direct Mail pack, fundraising organisations **SHOULD** be aware that this activity is likely to generate referrals to their services.
- Referrals **SHOULD** be dealt with efficiently. Alternatively, service enquiry line numbers could be provided within mailing packs.

6.0 Appendices

6.1. General payments

Useful sources of information

- Advertising Standards Authority: www.asa.org.uk
- Charity Commission: www.charity-commission.gov.uk
- Committee of Advertising Practice Copy Advice: 020 7492 2100
- Direct Marketing Association: www.dma.org.uk
- Fundraising Standards Board: www.frsb.org.uk
- Institute of Fundraising Accountability and Transparency Code of Fundraising Practice: www.institute-of-fundraising.org.uk/codes
- Institute of Fundraising Data Protection Code of Fundraising Practice: www.institute-of-fundraising.org.uk/codes
- Information Commissioner's Office: www.ico.gov.uk
- OSCR: www.oscr.org.uk
 - OSCR References Guidance: <http://www.oscr.org.uk/publicationitem.aspx?id=1157b4f7-7236-4264-b1d2-e95e0f3b61c7>
- Recycle Now: www.recyclenowpartners.org.uk

6.2 Working party

- Stephen Pidgeon, Target Direct (Chair)
- Nick Brooks, Kingston Smith LLP
- David Burrows, TDA Ltd.
- Caroline Howe, Institute of Fundraising
- Roger Lawson, Cascaid
- Angharad McKenzie, Practical Action
- Megan Pacey, Institute of Fundraising
- Marian Rose, NSPCC
- Clare Routley, WRVS

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- Kathryn Toner, Cancer Research UK
- Liz Williams, British Red Cross
- Catherine Wright, Epilepsy Action

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