



# The Management of Static Collection Points

## Code of Fundraising Practice

### Check-list: key questions to ask

- Does the fundraising organisation have sufficient control over boxes and their use? (3.1)
- Is a chief promoter responsible for the collection who will ensure the security of funds? (3.1)
- Are appropriate collection boxes used? (3.2)
- Are collection boxes properly labeled? (3.2)
- Is a statement of registered status included, where needed? (5.0)
- Is written permission for boxes obtained from site holders? (4.1)
- Are sufficient details shared with the site holder about the collection? (4.1)
- Are appropriate collectors recruited? (4.2)
- Is a certificate of authority shown to site holders? (4.2)
- Do collectors behave in an appropriate manner? (4.2)
- Are all parties aware of their responsibilities under charity law? (5.0)
- Are boxes emptied and the proceeds counted in accordance with an agreed procedure? (3.2, 3.3)
- Are boxes checked for evidence of tampering before opening? (3.2)
- Are procedures in place to count collection proceeds where the authorised collector is not available? (3.2)
- Does the promoter ensure boxes are emptied regularly and collectors' expenses are checked and paid accordingly? (3.2)
- Is an official receipt issued that includes specified information? (3.2)
- Are procedures in place for the remittance of funds to the fundraising organisation? (3.3)
- Does the promoter maintain a full list of box details? (3.2)
- Are all proceeds properly recorded? (3.4)

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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.

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## 2.0 Introduction

Public collections undertaken for, or on behalf of, fundraising organisations in places to which the public have general access are regulated by law. Collections undertaken on private premises, to which the public is not afforded general access, are generally not regulated by law.

Many collections held on private premises to which the public do not have general access are the concern of only a small number of individuals, each of whom are known to one another - members of a family, an association, club, group or small voluntary community.

- In these circumstances, you **SHOULD** comply with this Code to a proportional and practical approach.

If you intend to engage in a collecting activity for, or on behalf of, a fundraising organisation, always ensure that the collecting activity is undertaken within the requirements of the law.

Where any appeal for money or property on behalf of charities or other voluntary organisations is made to a wider public, it is in the interests of everyone involved in fundraising to ensure that the trust and the integrity of the voluntary giving is maintained.

The most common form of collection appeals undertaken outside the requirements of existing legislation governing public collecting activity are appeals involving the use of static collecting boxes - either floor standing or on counters in shops, pubs, hotels, hospitals, reception areas etc. Static collecting boxes are amongst the most effective and efficient forms of fundraising, especially when voluntary workers are employed in their siting and servicing. They also provide visible evidence of a fundraising organisation's presence and acceptance by the community.

It is important that the authorities and the general public alike retain confidence in such a valuable source of charitable funds. This Code is designed to ensure the proper management and use of static collection boxes and to safeguard the public interest in their use.

## 3.0 Preparation & Procedure

### 3.1 General Provisions

- The fundraising organisation using static collection boxes **OUGHT** to ensure that it has sufficient control over the boxes and their use.
- The fundraising organisation **OUGHT** to appoint a chief promoter (and delegates where appropriate) to be responsible for the collection.

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- The chief promoter **SHOULD** be an official of the fundraising organisation.
- The promoter **SHOULD** monitor performance of all collection boxes on a regular basis and **OUGHT** to ensure that the funds in them are secured for the fundraising organisation.
- The fundraising organisation **SHOULD**
  - issue certificates of authority and identity badges to collectors who are to site and service boxes;
  - maintain records of where boxes are sited and how much money is collected in each box; and
  - keep separate accounting records showing money raised through static collecting boxes and any direct expenses incurred in administering them.

### 3.2 Servicing the Boxes

- Collecting boxes used for static collections **SHOULD** be made of a durable material such as metal, wood or plastic.

Cardboard or other paper products are not normally adequate for this purpose.

- All collecting boxes **MUST** be properly labelled (see Section 5.0), **SHOULD** be numbered and sealed and **SHOULD** bear the name, address and registered number of the fundraising organisation that is to benefit.

The seal on the collecting box may be a lock, self-adhesive paper, or some other device provided that any attempt to tamper with or break the seal can easily be detected. A lock on its own can usually be opened and closed without detection and it is consequently advisable to use some other form of device, which can guarantee evidence of tampering.

- Collectors **SHOULD** ensure that boxes are in a good state of repair; that they are clean and function correctly.

Collecting boxes may be repaired or cleaned on site by the collector or may be exchanged for a new collecting box with the knowledge and the agreement of the promoter.

- Boxes **OUGHT** to be emptied and the proceeds counted in accordance with a regular, pre-determined schedule provided by the promoter to the collector and the siteholder.
- Before opening the box the collector **OUGHT** to check for evidence of tampering and after emptying, ensure the box is securely sealed again before re-siting it.

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- Unless boxes are collected by an authorised collector and counted at the fundraising organisation's office, they **OUGHT** to be opened and the contents counted by an authorised collector in the presence of the siteholder or their representative.
- Where it is not practical for the collecting box to be opened and the contents counted by an authorised collector the following procedures **OUGHT** to be adhered to:
  - the promoter **OUGHT** to provide the siteholder with the necessary materials to open, record and bank the proceeds of the box at pre-determined, regular intervals;
  - individually coded paying-in slips **OUGHT** to be sent to the siteholder with written instructions to open the box and count the proceeds only in the presence of an independent witness;
  - the siteholder **OUGHT** to take the counted proceeds and completed paying-in slip to the nearest branch of a (designated) bank and pay them in;
  - a counterfoil **SHOULD** be returned to the promoter as proof of counting and banking of proceeds;
  - a further counterfoil **OUGHT** to be retained by the siteholder as a receipt;
  - all proceeds from all boxes **OUGHT** to be banked within a specified period of time, not exceeding one month after the previously agreed dates for the collection. If no money is banked within this period of time, the promoter **OUGHT** to make the necessary enquiries and take appropriate action;
  - on receipt of the counterfoil, the promoter **OUGHT** to send an official receipt, dated and stating the amount banked to the siteholder for display; and
  - the siteholder **OUGHT** to be provided with the necessary materials to re-seal and secure the box.
- The collector **SHOULD**, unless otherwise agreed, give an official receipt signed by them and by the siteholder, to the siteholder with a copy of the same to the promoter.
- The collector **SHOULD** retain a further copy of the official receipt for their own records.
- The official receipt **OUGHT** to show the address of the site, the box number, the date and the amount taken from the box.

For further information regarding best practice in the processing of proceeds from collections, see the Institute of Fundraising House-to-House Collections Code of Fundraising Practice.

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### 3.3 Remitting the Proceeds of the Collection to the Charity or Fund that is to Benefit

- The collector **SHOULD** remit to the promoter the full sum of all monies taken from all boxes without deduction of expenses or fees.
- Any remittance **SHOULD** be paid within a given time period specified by the charity or fund that is to benefit from the collection.

This period shall not be more than one month from the date of the collection.

- The form of remittance may be decided by the fundraising organisation that is to benefit from the collection, but **SHOULD** be accompanied by relevant official receipts.
- Any expenses incurred in servicing the boxes **SHOULD** be submitted by the collector separately, and refunded by the fundraising organisation that benefits from the collection, according to the terms of agreement between the fundraising organisation and the collector.
- The promoter **OUGHT** to maintain a full list of numbered boxes, and details of the corresponding sites with a record against each box of the amounts remitted.
- The promoter **OUGHT** to also ensure that boxes are emptied regularly and that collectors' expenses are checked and paid accordingly.

### 3.4 Maintenance of Proper Accounts

- All proceeds from static box collections **OUGHT** to be properly recorded in conformity with best accounting practice.
- Proceeds from static box collections **OUGHT** to be separately available and **OUGHT** to detail gross income for the year, direct expenses incurred and all fees paid in connection with collections.

It is the responsibility of the chief promoter to maintain accurate, up to date records so that income from individual boxes can be traced and direct expenses and fees identified.

- These records **SHOULD** be certified annually.

There is no legal time limit to static box collections undertaken on private premises. Many of these collections are of an ongoing nature and may be undertaken over a number of years. However, there is a legal requirement to include income from static collection box activity for the year in question in the annual return required by the Charity Commission in respect of registered charities.

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## 4.0 Relations with Stakeholders

### 4.1 Relations with Site Holders

- The promoter **MUST** obtain written permission of site holders to collect on the premises.
- Ideally, this permission **SHOULD** be in writing.
- An agreement **SHOULD** be made in writing between the site holder (owner, manager or occupier of the premises) and the promoter.

The agreement may follow an initial visit to the site by a collector or agent of the fundraising organisation that will benefit from the collection, at which a box may have been shown or left with the siteholder.

- The promoter **SHOULD** write to the siteholder giving details of arrangements for servicing the boxes.
- Where possible, the name of the collector **SHOULD** be given in this communication.
- The promoter **SHOULD** provide an example (overprinted specimen) of the badge of authority carried by the collector.
- Siteholders **SHOULD** be asked to notify the fundraising organisation, preferably in writing, immediately if a box is lost or stolen, or if they wish to end the collection and return the box.

It is the responsibility of the promoter to be satisfied that siteholders will conduct collections honestly.

### 4.2 The Collectors

- Collectors **SHOULD** be 16 years of age or over.
- Collectors **SHOULD** possess a certificate of authority signed by the promoter and bearing the name of the fundraising organisation that will benefit from the collection, together with their own name, address and signature.
- The certificate of authority **MUST** be shown to the siteholder.
- Collectors **SHOULD** at all times undertake their work in a manner which will maintain the high standing of the fundraising organisation for whom they are collecting and which in no way places undue pressure on potential site

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holders or donors to participate in collections.

- Collectors **SHOULD** notify the promoter immediately if they have reason to believe that the contents of boxes are being pilfered or interfered with in any way.
- Collectors **SHOULD** return the certificate of authority to the promoter on ceasing to act as a collector or at any time on demand by the promoter.

It is the responsibility of the promoter to ensure that these conditions are adhered to, that collectors perform their duties honestly and that they conduct collections in a courteous and ethical manner.

## 5.0 Key Legal Points

- Where the management of static collection boxes is undertaken on behalf of charities or other voluntary organisations by third parties who receive reward for this activity and who solicit in connection with it, it is important that all parties concerned with the static collection box activity **MUST** be aware of their responsibilities and obligations under Part II of the Charities Act 1992 (and part III of the Charities Act 2006).
- Section 5 of the Charities Act 1993 requires that all notices, advertisements and other documents issued by, or on behalf of a registered charity with an annual income in excess of £10,000 and which, in any way, seeks support for the registered charity, **MUST** include a statement that the charity is a registered charity.

Failure to comply with this requirement is a criminal offence. Labels placed on static collecting boxes together with literature that might be associated with the collection and all notices informing people of the collection are likely to be caught by this provision.

For further information regarding the nature of the documents caught by this provision and the form and content of appropriate statements, please refer to the Charity Commission, Office of the Scottish Charity Regulator (OSCR) and Office of the Third Sector's websites (see Section 6.3).

## 6.0 Appendices

### 6.1 Relevant Legislation

- Part II Charities Act 1992: Charities Act 1993

### 6.2 Useful contacts

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- **Charity Commission**  
PO Box 1227  
Liverpool  
L69 3UG  
Phone: 0845 3000 218  
Fax: 0151 7031 555  
Website: [www.charitycommission.gov.uk](http://www.charitycommission.gov.uk)
- **Office of the Third Sector**  
2nd Floor  
Admiralty Arch  
South Side  
The Mall  
London  
SW1A 2WH  
Phone: 0207 276 60  
Email: [OTS.info@cabinet-office.x.gsi.gov.uk](mailto:OTS.info@cabinet-office.x.gsi.gov.uk)  
Website: [www.cabinteoffice.gov.uk/third\\_sector](http://www.cabinteoffice.gov.uk/third_sector)
- **Office of the Scottish Charity Regulator (OSCR)**  
2<sup>nd</sup> Floor  
Quadrant House  
9 Riverside Drive  
Dundee  
DD1 4NY  
Phone: 01382 220 446  
Email: [info@oscr.org.uk](mailto:info@oscr.org.uk)  
Website: [www.oscr.org.uk](http://www.oscr.org.uk)

### 6.3 Working Party

- Louise McAllister (Chair)
- Fraser Bacon
- Gillian Greenwood
- Richard Heywood
- Lillian Hodge
- Joanne Horton-Hill
- Lesley Knowles MInstF
- Peter Maple MInstF
- Karen Roberts
- Robin Walters
- Jennie Whiting MInstF
- Jackie Underhill.

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

This Code was revised in December 2008 by the Institute of Fundraising's Legal Review Committee.