

Fundraising Aide Memoire

Effective from: 23 April 2018

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Fundraising standards are recognised as an important issue within the charity sector. These standards must balance the charity's duties to raise money, properly and sensitively, for its beneficiaries, while ensuring the public and/or donors do not experience any undue pressure or interference. They must balance properly and sensitively the commitment and respect of those who support charities through funding from the public whilst avoiding undue interference and intrusion to donors.

Cobseo Members have a responsibility to uphold these standards and advocate the integrity of the military charities sector. To aid this, Cobseo have produced the following Aide Memoire on Fundraising. The aim is that this Aide Memoire highlights to the Cobseo Membership, who fundraise as an active element of their financial operations, the various standards that must be implemented within their organisation. It must be noted that this document does not replace the need to understand Fundraising law and its regulatory requirements. This document is intended to assist Members to understand how to comply with the requirements and gives an indication of the measures Members must be achieving or aspiring to achieve to maintain good Fundraising standards within their organisations.

The Aide Memoire details on:

- [Fundraising Policy](#) and provides a direction to Members on regulatory bodies and the implementation of policy
- [Fundraising Ethics](#), including a description of the standards Cobseo expects from its Members
- [Advice, Assistance and Training](#) on the sources available to Members to help ensure that the highest of standards are maintained

Cobseo will update this Aide Memoire as appropriate in line with changes to relevant regulations and expectations within the charity sector.

Reviewed by the Fundraising Regulator

Cobseo Fundraising Policy

Trustees of charities (or for charities without a Trustee Board, those who serve on its governing body) must have regard to UK and, where relevant, home nation guidance and regulations overseeing the fundraising activities by their charity and any third parties fundraising on the charity's behalf.

Cobseo requires all Member organisations, full or associate, engaged in fundraising publicly to be registered with the [Fundraising Regulator](#) and, where appropriate, the relevant home nation fundraising regulatory or oversight body. This requirement does not apply to Member organisations who undertake no fundraising directly or through third parties from any source regulated by a regulatory body.

Membership of the [Institute of Fundraising](#) by charities engaged in fundraising is regarded as best practice and is recommended, though not mandated, to Cobseo Member organisations.

It is also recommended, that Member organisations develop and implement their own Fundraising policy, specific to their needs and activities. It is advised that this policy is reviewed frequently, made available online and/or through the relevant publications and understood by the organisation's colleagues and third-party staff working on behalf of the charity. More information on how to prepare your own policy can be found in the [Advice, Assistance and Training](#) section of this Aide Memoire.

Fundraising Ethics

For the Member organisations of Cobseo, in keeping with the Confederation's values, the work of all Members will be **legal, open, honest** and **respectful** and in full compliance with fundraising legislation and standards. This supports the building of trust and support from regulators and the public, particularly from potential or existing donors.

For organisations registered in England, Wales and Northern Ireland (and Scotland if they fundraise in one or more of the other home nations), the requirements of the Fundraising Regulator, laid down in its [Code of Fundraising Practice](#) and successor publications, are to be followed.

Fundraising by charities registered in Scotland that only operating in Scotland are still required to maintain full compliance with the Fundraising Regulator's Code but will have complaints against the charity investigated by the Scottish Fundraising Standards Panel, rather than the Fundraising Regulator. These charities are also obliged to comply, in addition to the Code, with other requirements of Scottish charity law and the system of self-regulated fundraising through the Scottish Fundraising Standards Panel and their [Fundraising Guarantee Statement](#).

The following details measures of good practice when it comes to fundraising.

Member organisations must:

- Review regularly the ethics of their fundraising methods
 - (a) ensure all requests for funds are truthful and accurately describe the charity's work and the intended uses and destinations of the donation
 - (b) ensure donations are used to support the published purposes of the charity and are in line with the purpose for which they are solicited
 - (c) ensure a clear explanation is given on how potential and existing donors can make, change or stop a gift or donation
 - (d) have a clear and publicly available complaints procedure and respond to complaints fairly, proportionately and appropriately, avoiding undue delay
- Keep spending on fundraising and administration as low as is cost-effective for sustainable and accountable operations, including reputational risk
- Comply with the highest legal, accounting and ethical standards and be fully transparent
 - (a) Member organisations must regularly report on their financial activities, publishing all accounts with notes annually on their website
 - (b) this report must make clear the percentage of income spent on raising funds and the percentage of income spent on administration
- Ensure all requests for funds respect the dignity and privacy of those who may benefit from the donation and the dignity and privacy of potential donors, including respecting the decision of those who wish to cease giving
- If utilising commission-based fundraisers, it must be made clear to a potential donor whether the fundraiser will benefit personally from any funds raised and to what extent (the Fundraising Regulator has advised it does not encourage commission-based fundraising arrangements except as a last resort where other sources of fundraising investment have been explored and exhausted. Where these services are used, the Fundraising Regulator advises that various safeguards must be in place to avoid excessive remuneration. Further details can be found in the Code in the section on [payment of fundraisers.](#))
- Disclose any conflicts of interest that may arise whilst fundraising
- Ensure all Trustees, staff, contractors and volunteers involved in fundraising receive appropriate training and written instructions on the acceptable approaches to fundraising that are consistent with the requirements of the regulatory bodies

- Have a fundraising procedure in place for dealing with people who may be in vulnerable circumstances
- Comply with legal requirements regarding the processing of personal data

Member organisations must not:

- Exaggerate facts relating to a potential and existing beneficiary
- Encourage unrealistic expectations of what a gift to the organisation will achieve
- Be over-persistent or place undue pressure on potential and/or existing donors when fundraising
- Denigrate other individuals or organisations whilst fundraising
- Claim an activity is solely theirs if another charity has contributed – any assisting charity **must** receive acknowledgement
- Sell lists of donors
- Exploit the naivety, lack of knowledge, apparent need for support or vulnerable circumstance of any existing or potential donor at any time
- Accept donations from a source that is said to be ethically dubious, or whose behaviour is inconsistent with the aims of the charity (the Fundraising Regulator advises that charities must have a clear policy for identifying cases where accepting the gift could present a reputational risk to the organisation.)

Advice, Assistance and Training

The [Fundraising Regulator](#) provides advice on regulatory compliance, and enforces good compliance for the charity sector in England, Wales and Northern Ireland and cross-nation fundraising for charities registered in Scotland. This [introduction to the Fundraising Regulator video](#) is a great starting point to those new to fundraising.

The [Charity Commission](#) offers advice and guidance for charities registered in England and Wales in its [Code of Governance](#). The [‘Charity Fundraising: a guide to trustee duties \(CC20\)’](#), also produced by the Charity Commission, must be noted by those Trustees who work for organisations who actively fundraise as an active element of their financial operations. The Charity Commission have further specialist guidance for Trustees in the [Essential Trustee Guide](#)

[\(CC3\)](#). Alternatively, see the New Philanthropy Capital for their [Best Practice in Fundraising](#) manual for Trustees.

The Institute of Fundraising has a [summary of principles](#) that underpin the Fundraising Regulator's Code.

For Charities registered in Scotland, the following OSCR guidance provides information on the legal requirements of Scottish charity law in relation to fundraising and charity Trustee duties:

- [Fundraising Guidance](#)
- [Guidance and Good Practice for Charity Trustees](#)

For Charities registered in Northern Ireland, the [Code of Good Governance](#) and the Charity Commission for Northern Ireland's "[Running your Charity](#)" guidance sets out the principles and key elements of good governance for the boards of voluntary and community organisations. The Northern Ireland Council for Voluntary Action (NICVA) also hold some useful information in their [resource hub on fundraising](#); from material on finding grants to tax effective giving.

For producing your own Fundraising policy consider using the following as an example: [SSAFA](#) and [Stoll's](#) Fundraising Promise detail what these military charities pledge to do for the public and their donors.

The Fundraising Regulator's [Complaints Handling guidance for charities](#) may also come in use.

Cobseo is a Confederation that actively shares knowledge and activities for the benefit of the Armed Forces community. Cobseo funded training events, reinforced by Members' events, are made available annually for staff, Executives and Trustees. A diary of training events is published on the [Cobseo website](#).

Members organisations who have had notable success or difficulty with fundraising are free to submit advice and tips to Cobseo for future dissemination to other Members.

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