Institute of Fundraising Compliance Rule Book

Private Site (direct debit and lottery) Fundraising
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1 How to use the IoF Compliance Rule Book

The Fundraising Regulator and Gambling Commission

The rules in this IoF Compliance Rule Book include standards taken from the Fundraising Regulator Code of Fundraising Practice (the Code) and requirements from the Gambling Commission Licence Conditions and Codes of Practice (LCCP) that fundraisers carrying out direct debit and lottery fundraising on private sites must comply with. All relevant standards and requirements included in the Code and LCCP are binding on all IoF members.

Referencing within the rules

To allow easy cross referencing, rules are marked indicating whether they include standards taken from the Code, Gambling Commission LCCP requirements or IoF Compliance requirements.

Penalties and sanctions

The IoF Compliance Rule Book is enforced through penalties and sanctions. These are designed to encourage best practice and raise standards within face-to-face fundraising.

Employers or contractors of fundraisers accrue penalty points if a rule is broken. Each point accrued has an equivalent value of £1. A monetary bill will be issued when an organisation’s annual points total equals or exceeds 1000 points. Revenue incurred from financial penalties at the end of each financial year is re-invested by IoF Compliance into training and development to improve standards within face-to-face fundraising.

The size of the penalty is dependent on the severity of the indiscretion.

In addition, penalty points will be multiplied for repeat violations of the same rule. In any rolling 4 week period, every third repeat infringement of the same rule will incur a penalty which is twice the normal sum, so long as the third offence does not occur within 1 week of notification of the first offence. Where a fundraiser has made multiple rule transgressions of different severities during one observation by any of the nominated persons set out below, each breach will be included as a separate transgression.

To impose penalties the IoF Compliance team will use the civil standard of proof (i.e. on a balance of probabilities, or “more probable than not”).

Who can report a rule breach?

Penalty points are issued when reported via:

IoF Compliance staff
Mystery shopping agents
Site Management Agreement Gatekeepers
Verified Member Reports
Substantiated public complaints.

Legal requirements

You are responsible for making sure that you get the advice you need to meet the requirements you have to meet by law. If there is a difference between the code and the relevant legislation or regulations, you must follow the law rather than the code. It is the duty of individual members to ensure that any organisations they sub-contract are compliant with the law. Latest guidance on current legislation can be found at www.institute-of-fundraising.org.uk
2 Rules for Fundraisers

FR1: Commencement of Work

8.4.22 in the Code of Fundraising Practice Whenever possible, before beginning work you must introduce yourself to the relevant member of staff responsible for the private site.

Sanction
The penalty is 50 points per incident

FR2: Best Behaviour

8.1.1 in the Code of Fundraising Practice While fundraising, you must not:

• Act in any way that might reasonably cause members of the public to be or become startled or anxious;

• Act dishonestly or manipulatively, or deliberately try to make a potential donor feel guilty; or

• Act in any other way that a reasonable person might consider would damage the charitable institution’s reputation. This includes:
  • Smoking or drinking alcohol while wearing clothing that contains a charitable institution’s branding;
  • Taking or being under the influence of illegal drugs;
  • Lewd or aggressive behaviour, including swearing, while wearing clothing that contains a charitable institution’s branding;
  • Putting undue pressure on members of the public to donate;
  • Exploiting your position for personal gain (for example, asking for a job, asking someone for a date, or asking for a discount on goods or services); or
  • Any other behaviour that harms the reputation of the fundraising profession or the charitable institution you are representing.

Sanction
The penalty is 100 points per incident

FR3: Informing Donors and Treating People Fairly

1.3.1 in the Code of Fundraising Practice You and the fundraising materials you use must not mislead anyone, or be likely to mislead anyone, either by leaving out information or by being inaccurate or ambiguous or by exaggerating details.

1.3.9 in the Code of Fundraising Practice You must not take a donation if you know, or have good reason to believe, that a person lacks capacity to make a decision to donate, or is in vulnerable circumstances which mean they may not be able to make an informed decision. Among other things, you should consider:

• Any physical or mental-health condition the person may have;

• Any disability the person may have;

• Any learning difficulties the person may have;
• Whether the person is facing times of stress or anxiety (for example, following the death of a loved one or redundancy);

• Whether a donation is likely to affect the person’s ability to sufficiently care for themselves or leave them in financial hardship;

• How well the person can speak and understand English;

• Whether the person is under the influence of alcohol or drugs; and

• The person’s age.

1.3.11 in the Code of Fundraising Practice You must take all reasonable steps to avoid asking for regular donations (for example, by direct debit) from anyone aged under 18. Young people aged between 16 and 18 can take part in charity lotteries, but if you receive money for a lottery from a child or young person aged under 16 you must return the money.

Gambling Commission LCCP If a member of the public has indicated that they would like to discuss self-exclusion from participation in gambling, arrangements should be made for them to speak to someone appropriate as soon as possible. If a member of the public is certain that they wish to self-exclude and does not wish to wait until they have spoken to a suitably trained and experienced member of staff, then they should be able to do so at once. In these circumstances the fundraiser must not sign them up for any lottery products and must take the appropriate action to assist them to self-exclude.

Guidance can be found here

https://www.institute-of-fundraising.org.uk/library/treatingdonorsfairly/

Also see Gambling Commission LCCP


Sanction
The penalty is 100 points per incident

FR4: Solicitation Statements

2.6.1, 7.4.2, 7.4.3, 7.4.4, 7.4.10, 7.4.11, 7.4.12 in the Code of Fundraising Practice Fundraisers must make legally compliant solicitation statements. In all cases, the solicitation statement must be made before any financial details relevant to the transaction are requested by the fundraiser.

Sanction
The penalty is 200 points per incident
**FR5: The Three Step Rule**

8.4.28 in the Code of Fundraising Practice  If you have approached a member of the public, you must meet the ‘three-step’ rule.

- You must not take more than three steps alongside the person or to follow them, even if they ask you to.
- If the member of the public has not come to a stop within the three steps allowed, you must end your attempt to talk to them.

If you have successfully started a conversation with a person, you can take more than three steps to escort them to a promotional stand, or to a different part of a promotional stand.

**Sanction**
The penalty is 100 points per fundraiser, per incident

**FR6: Fundraiser Positioning**

8.4.24 in the Code of Fundraising Practice  You must not work outside the boundaries of the private site as explained by the site owner and, in any case, you must work within sight of the promotional stand, if there is one.

8.4.25 in the Code of Fundraising Practice  When working at high-street locations:

- You must work within one metre of the promotional stand (or equivalent) which must be no more than one metre away from the shopfront, and
- Your position and the stand must not affect other businesses. If this standard contradicts or conflicts with any conditions included in an agreement with the relevant site owner or manager, the site agreement will apply.

**Sanction**
The penalty is 100 points per fundraiser, per incident

**FR7: Deliberate Obstruction**

8.1.2 in the Code of Fundraising Practice  You must avoid causing an obstruction, congestion and nuisance to the public. You must not deliberately block the path of members of the public.

**Sanction**
The penalty is 100 points per fundraiser, per incident

**FR8: Consent for Future Contact**

3.5.2 in the Code of Fundraising Practice  If you use, or plan to use, consent as a lawful basis for processing personal data in order to send direct marketing communications, the consent must:

- Be a freely given, specific, informed and unambiguous indication of the person’s wishes;
- Be given through a clear positive action from the person concerned to show they have given consent (for example, using active methods, such as ticking an unticked opt-in box or answering ‘yes’ to a question);
- Give options for different levels of consent for different types of processing if you plan to process the person’s data for more than one purpose;
• Be separate from your other terms and conditions and not be something the person has to give when signing up to a service (unless you need the consent to be able to provide that service);

• Name your organisation and any others who will be relying on the consent;

• Tell people about their right to withdraw their consent and make it as easy for them to withdraw consent as it is to give it; and

• Be recorded in a way that allows your organisation to show who gave consent, when they gave consent, how they gave consent, and what they were told in connection with giving consent.

Sanction
The penalty is 100 points per incident

FR9: Asking for Support

1.1.4 in the Code of Fundraising Practice You must not encourage a donor to cancel or change an existing donation in favour of a donation to another charitable institution.

1.2.1 in the Code of Fundraising Practice While reasonable persuasion is allowed, you must not fundraise in a way which is an unreasonable intrusion on a person’s privacy, is unreasonably persistent or places undue pressure on a person to donate.

1.2.2 in the Code of Fundraising Practice You must not continue to ask a person for support if that person clearly indicates – by word or gesture – that they do not want to continue to speak to you. You must end the conversation in a polite way.

Sanction
The penalty is 100 points per incident

FR10: Committed Giving

8.1.5 in the Code of Fundraising Practice When asking for a regular gift, you must not suggest to any member of the public that it is ‘without commitment’.

Sanction
The penalty is 50 points per incident

FR11: Financial Ask Transparency

8.1.4 in the Code of Fundraising Practice You must not suggest to any member of the public that the conversation you are attempting to start is not about money or that you are ‘not fundraising’.

Sanction
The penalty is 50 points per incident
**FR12: I.D. Visibility**

8.4.27 in the Code of Fundraising Practice  You must wear an ID badge, that:

- includes your identity as a fundraiser, who you work for and a phone number for the relevant charitable institution or third party fundraiser;
- is clearly displayed and has not been tampered with;
- is in the form of a badge fixed to the upper front part of your body;
- is at least the size of a credit card;
- is signed or authorised in some other way (for example, with a company seal or stamp) by the employing agency or the charity you are collecting on behalf of (or both); and
- is accessible for people with sight difficulties (for example, the information on the ID badge could be available in large print).

**Sanction**
The penalty is 50 points per fundraiser, per day

**FR13: Fundraiser Visibility**

8.4.26 in the Code of Fundraising Practice You must wear charity-branded clothing if you do not have a promotional stand. Charity branded clothing:

- Must be visible and identifiable;
- Must not be tied around your waist or covered by non-charity branded clothing or other property, or be in any way obscured; and
- Must be clean and in good condition to make sure the brand can be seen and to protect its reputation.

**Sanction**
The penalty is 50 points per fundraiser, per day

**FR14: Members of the Public who are ‘on duty’**

8.1.7 in the Code of Fundraising Practice  You must not knowingly approach people who are carrying out official duties, such as uniformed officials while they are on duty or people who are clearly working.

**Sanction**
The penalty is 50 points per incident

**FR15: Seated or Queueing Members of the Public**

8.1.6 in the Code of Fundraising Practice  Unless this is authorised under an agreement with a private site, you must not approach members of the public who are:

- seated, unless the seating is part of a charitable institution’s promotional stand; or
- in queues, unless the queue is directly related to the fundraising activity.

**Sanction**
The penalty is 50 points per incident
FR16: **Respect for Local Businesses**

8.1.8 in the Code of Fundraising Practice You must not obstruct, interfere with or disrespect members of staff from local businesses.

*Sanction*
The penalty is 50 points **per incident**

FR17: **Location Changes**

8.4.23 in the Code of Fundraising Practice If the venue or location changes, you must tell the person responsible for your operations before beginning work.

*Sanction*
The penalty is 50 points **per incident**

FR18: **General Behaviour**

1.1.1 in the Code of Fundraising Practice Your fundraising must be legal and must be open, honest and respectful.

1.1.2 in the Code of Fundraising Practice You must be polite to people at all times.

1.1.3 in the Code of Fundraising Practice You must not unfairly criticise or insult other people or organisations.

*Sanction*
The penalty is 100 points **per incident**

FR19: **Lottery Explanation**

Gambling Commission LCCP When signing up members of the public for lottery products, fundraisers must explain which charity(s) will benefit from the activity, the amount and frequency of payments, when lottery draws take place and how winners are notified.

*Sanction*
The penalty is 100 points **per incident**
3 Rules for Operational Staff

**RULE Op1: Private Site Bookings**

8.4.21 in the Code of Fundraising Practice  You must record all bookings and include the full name of the person you made the booking with, the dates that were agreed and the type of activity that was agreed. You must keep these records for at least 28 days.

Sanction
The penalty is 50 points per incident.

**RULE Op2: Permission**

8.4.20 in the Code of Fundraising Practice  You must have permission from the property owner or manager to collect and must keep to the dates, times and areas allowed for collecting.

Sanction
The penalty is 100 points per fundraiser, per incident.

**RULE Op3: Solicitation statement submission**

IoF Compliance  Before commencement of a new campaign, members must submit their planned solicitation statement (including the notifiable amount) to the IoF Compliance team who will review the statement and confirm that it is legally compliant or provide feedback on the statement within 1 working day of receiving it. Solicitation statements must also be submitted to IoF Compliance for review annually if used in a rolling campaign and whenever the wording is updated.

Further information on solicitation statements can be found at www.institute-of-fundraising.org.uk

Sanction
The penalty is 100 points per campaign.

**RULE Op4: Sub-contractors**

IoF Compliance  All agency members that employ limited companies as sub-contractors to deliver any part of their F2F donor volumes must:

- provide IoF Compliance with the name and location of each and every such sub-contractor throughout the entire supply-chain, so that the IoF Compliance team can reliably confirm their status, and refer matters accordingly, in the event of quality comments or complaints

- include in their contractual arrangements a clear requirement for each and every such sub-contractor **throughout the entire supply-chain** to comply with all IoF Compliance rules, in the same manner as if they were the lead member contracting them.

Sanction
The penalty is 100 points per incident.
**RULE Op5: Private Site lists**

**IoF Compliance** Private Site lists must include the name of the venue, the full address and postcode, the name of the charity represented, the type(s) of fundraising due to take place and the specific dates that the venue will be used. All the information contained therein must be accurate.

Private sites lists must be submitted using the generic template provided unless an alternative format has been agreed upon.

Private sites lists must not include venues owned or managed by the charity benefiting from the fundraising activity, ticketed events or any other locations with restricted public access (e.g. employee only venues).

Private Site lists must be submitted by members to IoF Compliance and any relevant IoF mystery shopping partners by 3pm each Friday for the following week’s fundraising activity. While it may not be possible to submit exhaustive lists by this deadline, submissions should be as comprehensive as possible.

*Sanction*

The penalty is 50 points per incident.

**RULE Op6: Private Site changes**

**IoF Compliance** All changes to Private Site lists must be communicated to IoF Compliance and any relevant IoF mystery shopping partners, and to charities where relevant, by 11am on the day of the visit.

When contacted by the IoF Compliance team in order to establish whether or not a Private Site is being used, members must respond within 30 minutes of the initial contact.

*Sanction*

The penalty is 50 points per incident.

**RULE Op7: Lottery Fundraising Operations**

**Gambling Commission LCCP** Lottery fundraising operations must ensure that their activities exclude criminal behaviour, are conducted in a fair and open way; and that children and other vulnerable persons are protected from harm or exploitation from gambling. These operations must also meet all relevant gambling regulations, licence conditions and codes of practice.

*Sanction*

The penalty is 200 points per incident.
4 Guidance

Penalties and sanctions
Employers or contractors of fundraisers will accrue penalty points as rules are broken. Where the employer or contractor is operating on behalf of another fundraising organisation, the member being represented when rules are broken will be notified of the points accrued.

Repeated violations
In addition to the penalty points outlined, penalty points will be multiplied for repeat violations of the same rule. In any given rolling 4 week period, every third repeat infringement will incur a penalty which is twice the normal sum, so long as the third offence does not occur within 1 week of notification of the first offence.

To impose penalties the IoF Compliance team will use the civil standard of proof (i.e. on a balance of probabilities, or “more probable than not”).

Each point accrued has an equivalent value of £1. A monetary bill will only be issued when an organisation’s annual points total reaches or exceeds 1000 points.

Members can view their penalty points data through their Dropbox account.

Appeals Process

Appeals will be heard by:
1. IoF Compliance Head of Standards. If s/he is unable to resolve the appeal to the satisfaction of the appellant, it will be heard by a Penalty Appeals Panel.
2. Penalty Appeals Panel. The Panel will be convened of 3 members of the former IoF Compliance Directorate Oversight Committees (none of whom must have any current contractual relationship with the appellant) to hear the appeal. The findings of that Panel will remain final.

To ensure timely information gathering and appeal processing, appeals must be made within one calendar month of the penalty points being issued.

Year end
At the end of each financial year (31st March) and when their balance for those who have accrued more than 1000 points is cleared, all members’ points will return to zero.

Should a member accrue a yearly total that is less than the 1000 point threshold, their points total will be erased without any payment being required.

Referral to the Fundraising Regulator
In cases where evidence of a severe compliance breach exists, the IoF may refer a case to the Fundraising Regulator. This may include cases where there is a risk of causing significant public harm or detriment, of undermining public confidence in charities beyond the breach itself, or where there is evidence of a sector wide issue that may require changes to the Code of Fundraising Practice or new guidance.
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