Top Tips

Understanding Your Legal Requirements
Governance

This guide will be useful for: community transport organisations who want to ensure they adhere to all relevant fundraising standards when raising money for their services.

What you want to achieve:

Your organisation is aware of, and adheres to, any legal requirements relating to fundraising and data protection.

What you'll need:

Notepad and pen

Time to check out Fundraising Standards / Code of Practice

How you'll do it:

- **Check the details in your Memorandum and Articles of Association or other founding document,** depending on your organisation, to make sure that it has specific powers to raise funds from the general public.

- **Are there any ethical considerations to think about,** for example, if raising money from local businesses or national companies (such as through their charitable trust) are there some companies you would rather not be associated with?

- There are many different types of fundraising activities, but there are some general principles and legal requirements that apply across all fundraising activities. **A key principle is to ensure that fundraising materials and literature are clear about the activities of the organisation, and the purpose of the fundraising activity.**

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- If you fundraise for something in particular such as for a new minibus or a specific project, then any money raised should be put into a *'restricted'* fund and used only for that purpose. If you have a fundraising target for that particular project and more (or less) money is raised, make sure that the fundraising materials state that funds will be used for general charitable purposes if targets are not met, or are exceeded. **Organisations should also state if they are a registered charity,** usually complied with by including their registration number on all fundraising materials.

- There is no requirement to state the costs of fundraising on literature or during an event or fundraising activity if the charity is undertaking the activity. However, if another organisation is being paid to conduct the activity, or a participant is taking part in an activity where the charity is covering some of the costs (e.g. a parachute jump) then **fundraising literature should state the arrangements.**

- Due to the wide range of activities that fundraising can include, an array of laws can apply. The Fundraising Regulator www.fundraisingregulator.org.uk has a **Code of Fundraising Practice** to help charities ensure that fundraising activities are legal and carried out to the highest standards. **The Fundraising Regulator** is an independent regulator of charities in England, Wales and Northern Ireland. *"We stand up for best practice in fundraising in order to protect donors and support the vital work of fundraisers. We work in partnership with other regulators and representative bodies in the charitable and fundraising sectors to build public confidence and ensure consistent fundraising standards across the UK."*

- The Charity Commission for England and Wales have powers to investigate the activities of charities and this includes fundraising activities. They can provide you with advice regarding **legal requirements for both charitable and fundraising activities.**

- Charities have to comply with data protection regulations. To check whether your organisation needs to register, contact the Information Commissioner's Office. The ICO is an independent authority set up to uphold information rights in the public interest, promoting openness by public bodies and data privacy for individuals. **You may need to register if you intend to hold information on your donors or beneficiaries, either in a database or file system.** You are also required to include a statement about the processing of information on marketing materials. Please see www.ico.gov.uk for more information.

- When charities communicate with donors and potential donors, be it via post, email and phone, you should provide donors with the opportunity to opt-out, or choose not to hear from your charity again, either by a particular method (e.g. email) or at all. This doesn't mean that the charity should delete the donor's details entirely from the record but instead should record the request of the donor so that their wished can be complied with. **Try to keep donor details in one central database so it's easier to find and make the best use of donor information.**

- Individuals may register their details on a variety of preference services, which include the mailing preference service www.mpsonline.org.uk and the telephone preference service www.tpsonline.org.uk. These preference services log that an individual does not want to receive communications that they have not requested. If you have a historical list of donors within your organisation, **you may need to check any lists of individuals against these preference services if you are not sure whether the individual wishes to be contacted.** Regular donors will not need to be checked as they have indicated that they are happy to be contacted by the charity by donating to it, unless they have told your organisation otherwise.

- **Remember to ask donors how they would like to be communicated with.** Preferences can change over time, so it's good practice to check this.

Connecting Communities in Wales

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