

Fundraising Regulator

Market Inquiry

Subcontracting in face-to-face fundraising:
Post-workshop report

March 2024

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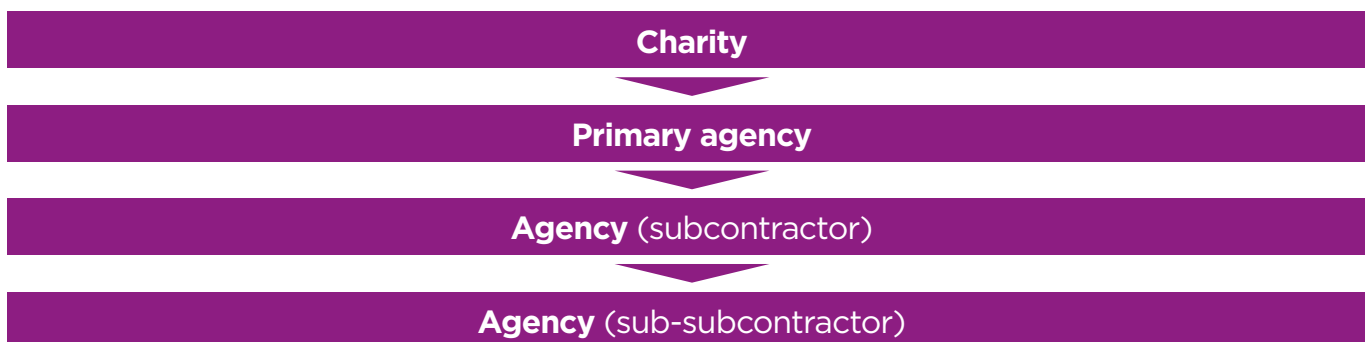
FUNDRAISING
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Glossary of terms

Subcontracting model



Charity – In this report, “charity” can be considered shorthand for any type of charitable institution that acts as a contracting organisation and engages agencies to carry out fundraising on its behalf.

Agency – A [third-party fundraiser](#) organisation that a charity has authorised (by contract) to fundraise on its behalf. An agency could be contracted by the charity directly (primary agency) or by an agency working on behalf of the charity (subcontracting).

Primary agency – An agency that holds a direct contract with the charity.

Agency (subcontractor) – An agency that does not hold a direct contract with the charity, but with the primary agency.

Agency (sub-subcontractor) – An agency which does not hold a direct contract with the charity or the primary agency, but with a subcontracted agency.

Supply chain/chain – The network of organisations involved in the delivery of a fundraising contract. It includes the charity, the agencies (the primary agency and any subcontractors and sub-subcontractors) and the individual fundraisers themselves.

Agency network/closed agency network – A group of sub-agencies a primary agency engages by subcontract to carry out a fundraising contract. A closed network is an established group of sub-agencies that can be defined at the time of the initial contract with the charity. If, however, a primary agency is permitted to subcontract to new and distinct third-party sub-agencies, this would be an open network.

Code of Fundraising Practice (the code) – [The Code of Fundraising Practice](#) sets the standards that apply to charitable fundraising carried out by all charitable institutions and third-party fundraisers in the UK. The code is owned and administered by the Fundraising Regulator.

Face-to-face fundraising – Asking people for a commitment to [donate](#) by direct debit or standing order, or collecting personal data so people can make donations at a future date. Fundraisers using this method of fundraising speak to people face-to-face on the street, by knocking on people’s doors (door-to-door), or on private land which the public has access to, such as in shopping centres. This report applies to all types of [face-to-face fundraising](#).

Glossary of organisations

Fundraising Regulator – [The Fundraising Regulator](#) is the independent regulator of charitable fundraising in England, Wales and Northern Ireland.

Chartered Institute of Fundraising (CioF) – [CioF](#) is the membership body for UK fundraising. It is a charity which represents and champions the fundraising profession, and supports fundraisers with career development and training.

Charity Commission for England and Wales – [The Charity Commission for England and Wales](#) is the regulator of charities in England and Wales. It is an independent, non-ministerial government department accountable to Parliament, and maintains the [charity register](#). The Charity Commission for England and Wales also issues guidance to charities (for example, [Charity fundraising: a guide to trustee duties \(CC20\)](#)) and ensures compliance with charity law (which includes the [Charities \(Protection and Social Investment\) Act 2016](#), as referenced in this report).

Charity Commission for Northern Ireland – The [Charity Commission for Northern Ireland](#) is the independent regulator of charities in Northern Ireland. It [registers](#) and regulates charities operating in Northern Ireland.

Office of the Scottish Charity Regulator (OSCR) – [OSCR](#) is the independent regulator and [registrar](#) for Scottish charities.

Executive summary

On 12 October 2023, the Fundraising Regulator announced its first market inquiry into the use of subcontracting in face-to-face fundraising by charities and agencies. This followed intelligence from complaints, [self-reports](#) and in the press about poor fundraising practice by subcontracted agencies. Examples of poor behaviour included reports that fundraisers applied excessive pressure to donate and failed to identify or respect potential donor vulnerabilities. Intelligence also indicated inadequate training and monitoring by charities and agencies, which enabled such behaviour.

Separate and independent to the market inquiry, our casework team opened an investigation into the charities and agencies highlighted in the initial press report. The casework team has since opened a second investigation following subsequent stories in the press about other charities and agencies that had reportedly engaged in similar practices.

We followed desk research and engagement with charity regulators and sector bodies with a series of five fact-finding workshops. The workshops were attended by senior representatives from charities and fundraising agencies. This report evaluates feedback from the workshops, analyses workshop discussions and outlines our proposed next steps. For the avoidance of doubt, this report considers face-to-face fundraising carried out by workers engaged by agencies. It does not directly consider campaigns carried out by volunteers.

Workshop participants agreed that good face-to-face fundraising relationships need:

- a spirit of partnership between charities and agencies that champions positive behaviour;

- a good workplace culture; and
- oversight of the subcontracting chain.

Although there were many examples of good practice, and a widespread willingness to do the right thing, both charities and agencies need to tighten their contracts and focus more on due diligence and contract management. Charity trustees should be assured by their executive teams that any fundraising partnerships entered into comply with the Code of Fundraising Practice and reflect the values of their charity.

Some workshop participants commented that compliance problems have only materialised in a small number of agencies. Even so, we know that poor donor experiences in face-to-face fundraising can have an adverse impact on overall trust.

Every charity and agency that engages in face-to-face fundraising should review their processes and take action to mitigate risks of poor practice. Training and monitoring should not be sacrificed or stretched for commercial considerations. Charities and agencies should ensure that they can train fundraisers and manage their campaigns to a level that minimises the risk of poor behaviour and non-compliance with the

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code. Robust monitoring is essential, and should be at a level that both charity and agency partners can be reassured that fundraising is being carried out safely and in line with the contract.

Following this report, we will work with and support CloF to produce new or updated advice about due diligence, training, monitoring, contractual standards and how accountability applies across the subcontracting chain. This advice will support charities and agencies. It will also help to protect potential donors and face-to-face fundraisers themselves. We will follow the advice with a programme of events and webinars as demand and resources permit. We will collaborate with CloF where appropriate, and recommend they carry out compliance monitoring in respect of the subcontracting rule in their Compliance Rulebooks as soon as reasonably possible.

We will also work with the Charity Commission for England and Wales. Charities that produce an annual report should include key statements on specific areas of their fundraising in their annual reports. We consider that charities that engage in face-to-face fundraising should provide detail in these key statements, particularly in respect of their subcontracted face-to-face fundraising.

We will amend our advice to charities ([The Charities \(Protection and Social Investment\) Act 2016: Fundraising reporting requirements guidance](#)) accordingly. We intend to work with the Charity Commission for England and Wales to continue to monitor submitted reports for adequate completion of these statements. We will explore with the Charity Commission for England and Wales how to feed these recommendations into the Charities Statement of Recommended Practice (SORP) for accounting and reporting. We will also examine if the [Charity fundraising: a guide to trustee duties \(CC20\)](#) guidance and any other relevant guidance should be updated. We will also work with the OSCR and the Charity Commission for Northern Ireland.

Part one: Background

The vision and purpose of the Fundraising Regulator is laid out in our [Strategic Plan 2022-27](#). Through innovative, proactive, intelligent and collaborative regulation, we aim to foster a society in which people have confidence and trust in fundraising and charitable fundraising thrives. Face-to-face fundraising, be it door-to-door, on-street or private site, is successful. [CloF research](#), for example, showed a 62% increase in door-to-door fundraising sign-ups from 2019 to 2022. It can be an extremely effective way to raise funds and make a human connection with donors. We want this good work to flourish.

The direct face-to-face approach which brings success, however, can also bring risks. Soon-to-be-published research commissioned by the Fundraising Regulator will show that the public generally trusts charities, but that this can be affected by bad experiences. Trust is delicate, particularly when it comes to face-to-face fundraising, where a bad experience can considerably damage trust in both this method of fundraising and in charitable fundraising as a whole.

The Fundraising Regulator received intelligence from complaints, [self-reports](#) and in the press about poor fundraising practice by subcontracted agencies. Examples included reports that fundraisers applied excessive pressure to donate and failed to identify or respect potential donor vulnerabilities. Intelligence also indicated inadequate training and monitoring by charities and agencies, which enabled such behaviour.

This report summarises the intelligence gathered by the market inquiry and outlines proposed next steps for the Fundraising Regulator and other sector bodies. For the avoidance of doubt, this report considers

face-to-face fundraising carried out by workers engaged by agencies. It does not directly consider campaigns carried out by volunteers. The scope of the market inquiry is limited to the procedures, contracts and implementation of the setting up, delivery and monitoring of subcontracted face-to-face fundraising campaigns, insofar as they relate to the Code of Fundraising Practice. It does not consider other issues that may arise from such campaigns – for example, licensing requirements or matters of employment or criminal law.

These next steps focus on the provision of informed and targeted support to fundraisers and agencies to help them comply with the Code of Fundraising Practice. The findings from the market inquiry will be taken into account in the ongoing [Code review 2022-25](#).

Please note that code standards referenced in this report may change following the code review. Code standards in this report should be considered “current” standards as they apply on the date of publication. Further information and guidance will be provided to the sector as part of the code review process.

After desk research and engagement with charity regulators and sector bodies, we held a series of fact-finding workshops with senior representatives from charities and fundraising agencies. The rest of this report evaluates these workshops and outlines our proposed next steps.

Part two: Workshops

Workshop overview

In late October 2023, we sent invitations for expressions of interest to join a fact-finding workshop to the 7,000 contacts on our mailing list. This was amplified on our website and social media channels, and publicly promoted by sector organisations, which we thank again for their support. In response to the expressions of interest, we arranged and carried out five fact-finding workshops in late November and December 2023.

Two were in-person, hosted by CloF in London: one for charity representatives and one for agency representatives.

Three were online: one each for charity fundraising team representatives, charity compliance team representatives and fundraising agency representatives.

Each workshop followed the same format. The discrete groups were arranged to explore different perspectives on aspects of the subcontracting process from the charities and fundraising agencies, which could be collated and analysed afterwards.

All the workshops were well attended. There were 78 participants across the workshops: 53 from charities and 25 from agencies. These came from 36 charities and 18 agencies.

Workshop analysis

The workshops, in conjunction with the prior desk research, identified the following themes and points of discussion in relation to subcontracting and the face-to-face fundraising process:

- Principles of responsible subcontracting in face-to-face fundraising
- Background – why issues have arisen and what is broadly needed
- Planning face-to-face campaigns (charities and agencies)
- Writing and managing contracts
- Training and standards
- Monitoring

These will be considered in turn.

Principles of responsible subcontracting in face-to-face fundraising

Both charity and agency workshop groups generally agreed that charities and agencies share responsibility for fundraising campaigns. From the public's perspective, a potential donor is being asked to support a charity, whether that campaign is delivered by an agency (directly or through subcontractors) or the charity itself.

Both charities and agencies (primary agencies and subcontractors) should take time to proactively review partnerships and contracts and foster a culture of transparency and learning.

Charities:

- The [Charity Commission expects](#) charities that fundraise to do so in a way that protects their charity's reputation and encourages public trust and confidence in their charity. The Fundraising Regulator expects all organisations that carry out fundraising to comply with the Code of Fundraising Practice.
- A charity is ultimately responsible for fundraising campaigns carried out in its name. Ultimate responsibility cannot be delegated or subcontracted. This means that charities are responsible for the actions of all third parties they use to

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- fundraise at each level of the supply chain.
- Operational requirements and duties for compliance and monitoring with agencies should be specified in contracts, and periodically reviewed.

Agencies:

- Agencies must ensure their fundraising complies with the code. Fundraising activity should be agreed with the charity, and agencies should encourage an open-door policy where charities are free and encouraged to shadow or visit sites and oversee fundraising.
- Subcontracting (and the terms on which it is to be carried out) needs to be expressly authorised by the charity and carried out transparently in accordance with the contract between the primary agency and the charity (the primary contract).
- Agencies should be transparent and proactive in passing on complaints and feedback to the charity and adopt a culture where the values and ethos of the charity are reflected in the campaigns and behaviour of the fundraising team.

Background – why issues have arisen and what is broadly needed

Reasons

The workshop groups were asked why the subcontracting issue has arisen, and why it has arisen now. In response, they identified the following:

- The scale of face-to-face fundraising: an increase in demand for face-to-face fundraisers has outstripped the supply of established agencies with in-house fundraising teams, so new subcontractors have entered the market quickly.
- Distance between organisations (“long chains”): a longer supply chain can restrict charity oversight, with the risk that the campaign message gets diluted and fundraisers on the ground feel less of an attachment to the charity and its purpose.
- Change in the employment pool of fundraisers: as commercial businesses, particularly those in the energy sector, have decreased their demand for door-to-door staff, demand in the fundraising sector has risen. This has resulted in an increase in staff being trained in a more transactional, sales-oriented approach, and being given less of a grounding in a charitable message.
- Recruitment post-pandemic: a large number of face-to-face fundraisers and managers moved out of the sector due to lockdown and have not returned to fill the rapid growth in demand since restrictions eased. The management gap in particular has increased the risk of bad practice.
- Charity resources: some charities see the success of face-to-face fundraising and start campaigns without sufficient due diligence or oversight. They may place their trust in a lead agency without mutual responsibilities and checks being agreed and lack resources to monitor the full supply chain. Workshop participants emphasised, however, that face-to-face fundraising should be financially accessible to charities of different sizes.
- Pressure on fundraisers: fundraisers on the ground are required to meet both agency and charity targets, which can risk bad practice if poorly managed.
- Video doorbells and working from home: the increase in social media, video doorbells and working from home have contributed to a rise in complaints because residents are increasingly aware of fundraisers coming to their doors, which would not have been the case previously.
- Increased media interest: some participants thought an increase in media interest had triggered more scrutiny of face-to-face fundraising as a fundraising method. They commented that the ratio of complaints to interactions is low and any issues are caused by a small minority. These participants, however, acknowledged that there is value in working to improve clarity and standards for all.

What is needed to make face-to-face fundraising subcontracts work?

Both charity and agency workshops highlighted that good face-to-face fundraising relationships need a spirit of partnership between charities and agencies that champions positive behaviour, a good workplace culture and oversight of the subcontracting chain. These interlinking values were said to help ensure a positive environment for successful and safe fundraising to thrive.

1. Partnership between organisations

A successful partnership between a charity and agencies needs a positive culture and a commitment to transparency.

A positive culture treats fundraising agencies as the charity's partners. This can encourage more productive and less transactional relationships.

A transparent culture between charities and agencies involves:

- Sharing information and feedback from supporters, both negative and positive.
- Scheduling regular communication between the charity and agency contract managers and all those who carry out training. Without this, it can be easy for charities to lose touch with agency trainers and training materials and become detached from the employment pool from which the agencies are recruiting (see "Training and standards" on [page 26](#)).
- Engaging and encouraging regular monitoring, shadowing and mystery shopping. Partnership and accountability between charities and agencies will help make sure monitoring and oversight is completed at every level.
- Jointly outlining the terms to be agreed, which includes (but is not exhaustive to) monitoring procedures, liability, complaint thresholds, exit clauses and rights to cancel the contract.
- Adopting an open-door policy, where charities are free and encouraged

to shadow or visit sites and oversee fundraising. Charities should be willing and able to visit agencies (including subcontractors) as much as possible, to see the team on the ground and spread the charity's mission and ethos. For charities unable to regularly visit agencies, the minimum requirements agencies need to meet should be established through due diligence and expressed in each contract in the chain.

- Regularly reviewing what has been agreed in the contracts.
- Creating a network with other charities or agencies to share information and experiences (as far as lawfully permitted, for example, in respect of data protection and employment law) about where they operate and any challenges they have encountered.

2. Championing positive behaviour and a good workplace culture

The spirit of partnership should be harnessed to promote positive behaviour at every step in the fundraising chain. The following factors should be considered:

- This might require a culture shift at each level. Charities should emphasise to agencies their work culture and ethos, and these values and behaviours should be aligned across each organisation in the delivery process.
- Fundraisers should be recognised as "brand ambassadors" for the charity and should be trained to ensure their behaviour and language reflects this role.
- When an agency or agency office has breached the charity's values, charities should take steps to remedy this, which can include removal from the campaign.
- To minimise the risk of bad behaviour, regular and constructive communication is essential. A culture of speaking up and openness towards poor behaviour should be encouraged, alongside ongoing training and monitoring.

3. Oversight of the subcontracting chain

When a charity, or lead agency, loses oversight of a subcontracting chain, the risk of poor practice increases. The following factors should be considered:

- Charities must know who is fundraising on their behalf. Contracts at each stage of the subcontracting chain should expressly state if subcontracting is permitted and how training, operations and monitoring will be conducted.
- Transparency and communication are essential. Agencies should not fear reporting complaints or bad practice but should use these to show how any poor behaviour will be remedied.
- Responsibilities for compliance and monitoring must be outlined at the due diligence stage, and laid out in the contracts, at each level of the subcontracting process. These responsibilities should be enforced by all parties.

We agree that these values are an essential foundation for safe and effective partnerships in fundraising. Charities and agencies should be satisfied that any potential partner shares and can demonstrate these values before they engage further. If a prospective charity or agency partner cannot commit to these values, a responsible charity or agency should not take the relationship further.

What charities and agencies have requested from the Fundraising Regulator

Participants at the workshops outlined a number of requests to help them comply with the code. Some of these requests will help shape our future guidance (see “Part three: Next steps”). Other requests are not in our purview but we will respond to them in turn.

Guidance on expectations and responsibilities for charities and agencies:

- Some participants asked for further advice about due diligence, training, monitoring, contractual obligations and how accountability applies across the subcontracting chain.
 - We intend to provide further guidance, proposals for which are detailed in the “Next steps” section of this report.
 - Although we will provide help and support, a charity retains ultimate responsibility to manage relationships and the training of those who fundraise on their behalf.
- Some participants asked for a more prescriptive set of requirements about which responsibilities must be for charities, and which are for agencies. Some participants asked for template contracts.
 - Although we intend to provide both charity-focused and agency-focused advice, we are conscious that there should not be a one-size-fits-all approach and compliant relationships can work in different ways.
 - As the regulator, we do not propose to create contract templates but will work with CloF to help support the sector. This is discussed further in the “Writing and managing contracts” section on [page 19](#) and the “Responsibilities of each organisation in contracts” section on [page 24](#).
 - In respect of requirements for charities and agencies, this is being considered more broadly in the ongoing [code review](#).
- Some participants asked for a free resource, such as online training modules, for agencies and fundraising staff.
 - We will aim to make our guidance as accessible as possible, and to facilitate events and webinars where possible. However, we are not considering, nor are resourced to provide, e-learning at this time.

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Guidance about how to conduct an agency and subcontractor approval process:

- We will work with and support CloF to produce advice insofar as it relates to compliance with the code in respect of due diligence.
- Broader advice about planning, selecting and establishing terms with fundraising partners was covered in detail in CloF's [Successful partnerships for sustainable fundraising: a practical guide for charities working with agencies](#). CloF aims to update and reissue this guidance.

Help to facilitate convening opportunities for agencies and charities that engage in face-to-face fundraising:

- Both charities and agencies welcomed the opportunity to meet and discuss this issue and share experiences.
 - Although the provision of networking opportunities is not one of the primary purposes of the Fundraising Regulator, we recognise the benefits of peer discussion in relation to sectoral compliance, and will aim to incorporate elements of industry workshopping in future proactive projects.
- CloF has set up meetings for their members to discuss issues in public fundraising. The **Public Fundraising Operational Management Panel** is a meeting for agencies and organisational members that have in-house fundraising teams and the **Public Fundraising Organisational Users Forum** is aimed at organisation members that work with agencies and those that have in-house fundraising teams. Any fundraisers interested in joining these meetings can contact CloF.

The set up of a licensing or accreditation model for face-to-face fundraisers:

- Many participants said we should encourage agencies at all stages of the subcontracting chain to register with the Fundraising Regulator and CloF, to show their commitment to and support for the Code of Fundraising Practice and good fundraising behaviour.
 - We agree. Charities should insist that all agencies involved in the fundraising process can demonstrate a commitment to, and support for, the code and good fundraising behaviour.
 - [Section 13 of the Charities \(Protection and Social Investment\) Act 2016](#) requires charities in England and Wales with an income of over £1 million to provide statements on specific areas of their fundraising in their annual report, which is submitted to the Charity Commission for England and Wales. These statements cover key aspects of a charity's fundraising activity, and include a statement about whether the charity is subject to any voluntary regulation.
 - We recommend, as good practice, that all charities which produce an annual report disclose in their annual report all agencies (including subcontractors) that fundraise on their behalf, and their status in respect of registration with the Fundraising Regulator (see "Next steps" on [page 33](#)).
 - Some participants advised that CloF previously ran a Certification Programme for public fundraising organisations, which participants wished to be reinstated.
 - We understand that CloF does not currently intend to reintroduce this programme in its most recent form. A 2020 review of the programme concluded that it had become an ineffective tick-box exercise. If it were to be reintroduced, an auditing process would most likely be necessary, which would require additional resources.

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- As the regulator, although we note these comments, we do not consider a supplementary Fundraising Regulator registration scheme necessary because the commitment to comply with the code is already a condition of registration.
 - Some participants suggested a “CORGI”-style registration scheme for fundraisers as a way to ensure high standards.
 - Although we understand the potential benefits of this approach, we consider the administration costs and barriers to entry to the market would be disproportionate to the likely benefits.
 - We consider that good practice does not depend on this type of individual registration. Robust training and monitoring of individuals, and good practice at the governance and organisational level by charities and agencies, should be an effective, proportionate and achievable route to a high level of compliance in the sector.
- A definition of the subcontracting sector and current payment models in the market:
- Some participants asked for definitions of the types of agencies in the face-to-face fundraising sector. Participants also asked for definitions of the different payment models offered to fundraisers.
 - As the regulator, our focus is on the outcomes of charity and agency decisions and how these affect compliance with the code.
 - We do not think a set of definitions of agency structures or roles would necessarily clarify matters of compliance because all types of agencies should comply with the code.
 - We do not take a view on whether any particular agency structure or fundraiser payment model is more or less inherently compliant. Although we recognise that some payment models may be more prone to the risk of bad practice, no payment model is necessarily non-compliant in itself: the wider context and culture of an organisation is important.
 - We consider that our advice is neutral and should be applied to all models. Our priority is the practice of fundraising, rather than the business model itself.
 - We will, however, consider payment models and the responsibilities of agencies insofar as they relate to compliance with the code in the next part of this report, and in the next steps. We will also consult with CloF to explore if further guidance or definitions would be beneficial.
 - In this vein, CloF will update and reissue its Procedure and payment mechanisms (2017) advice, which summarised the various fundraiser payment models used in the sector.

Planning face-to-face campaigns (charities and agencies)

The workshops highlighted the following issues to consider when planning face-to-face campaigns:

- Due diligence
- Fundraiser payment models
- Registration with the Fundraising Regulator and CloF
- Licensing, DBS checks and accreditation of fundraisers or agencies

This is not an exhaustive list of points to consider but a summary of workshop talking points.

Due diligence

Standard 7.1.1 of the Code of Fundraising Practice currently states:

7.1.1: Before entering into an agreement with a professional fundraiser or a commercial partner you must carry out appropriate checks on them (including on their financial standing and reputation) to make sure you can be confident that they are able to do what you expect them to do and that your relationship with them will not damage your reputation. This is especially important when working with organisations that are not based in the UK.

The Charity Commission's [Charity fundraising: a guide to trustee duties \(CC20\)](#) and CloF's [Successful partnerships for sustainable fundraising: a practical guide for charities working with agencies](#) both contain useful advice about due diligence and planning face-to-face fundraising campaigns.

The workshops did not discuss the specific requirements of due diligence in detail but many participants asked for updated advice to help them select and establish terms with potential partners. Workshop participants observed that the same high standard of due diligence should apply to any subcontractors as they would to the primary agency, and this should be made clear in contracts at each level.

Fundraising Regulator response

We will work with CloF to update existing guidance and provide more help in relation to best practice due diligence.

We will also work with the Charity Commission for England and Wales to examine if the [Charity fundraising: a guide to trustee duties \(CC20\)](#) guidance should be updated. We will liaise with The Charity Commission for Northern Ireland and the OSCR.

Fundraiser payment models

All five workshops discussed fundraiser payment models and the effect, if any, these might have on fundraiser behaviour and compliance.

Standard 2.5.4 of the Code of Fundraising Practice currently states:

2.5.4: You must not use commission payments unless:

- you have explored and exhausted all other sources of [fundraising](#) investment;
- you (or senior executives, if you have delegated power to them) approve any payments; and
- there are measures in place to make sure excessive payments are not allowed.

This standard partly stems from the perception that fundraisers motivated by commission-based payment models, when combined with poor or insufficient training, are more likely to engage in high-pressure sales tactics which run a higher risk of non-compliance with the code.

Some workshop participants advocated that performance-related pay does not in itself lead to bad practice. This is particularly so when other performance indicators are used alongside sign-ups, such as feedback from donors and attrition rates. The essential factors are the standard of training, monitoring and the overall organisational culture. If these are robust, performance-related pay can be a success both financially and in regard to compliance.

Other participants said that a salaried model, or at least a mixed model with a base wage, was essential to protect the reputation of the sector and make sure all fundraisers (whether employed or self-employed) received a living wage. These participants acknowledged that training, monitoring and culture were vital, but that performance-related payment models could inherently encourage more high-pressure sales behaviour. A base living wage, in their view, should be a priority.

Other participants thought that a mixed pay model can be beneficial, and all models have their advantages and disadvantages. These participants thought there is no singular best model for the sector and the most important factor is that charities and agencies can oversee whatever model they use with robust training and complaints processes, which are monitored and regularly reviewed.

Fundraising Regulator response

Charities should ensure that all fundraisers collecting on their behalf are remunerated in a way that reflects their skillsets and the values of the charity.

Although we are not prescriptive about payment models, and respect that commercial decisions are not one-size-fits-all, we think that, whatever the model, fundraisers should receive a living wage for their work. Charity trustees should assure themselves that the payment model(s) for all those who fundraise on their behalf aligns with the values and ethos of their charity.

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We also agree with the following advice from CloF in their [Successful partnerships for sustainable fundraising: a practical guide for charities working with agencies](#) guidance:

Remuneration and employment of staff: Although third party agencies are independent companies who will determine pay arrangements, processes, and contracts with staff, charities can ask legitimate questions of the terms and fairness of an agency's employment and remuneration policies as part of the selection and due diligence process to determine who they are happy to work with. Terms of remuneration, contractual arrangements, bonuses and rewards, training and employment conditions can reflect on your charity too – are you happy with the way an agency employs, trains and rewards staff? You should ascertain relevant details about terms of employment that you will want to consider to ensure that you are comfortable and confident in working with that agency.

As advised above, CloF aims to update and reissue this guidance.

CloF will also update and reissue its Procedure and payment mechanisms (2017) advice, which summarises the various fundraiser payment models used in the sector.

Registration with the Fundraising Regulator and CloF

Workshop participants generally agreed that all agencies in the subcontracting chain should be registered with the Fundraising Regulator and CloF. Membership of CloF helps to demonstrate an agency's commitment to best practice in fundraising. Registration with the Fundraising Regulator shows commitment to compliance with the code. Charity and agency participants agreed that they would feel more confident about entering a partnership with a registered agency.

Some participants thought the Fundraising Regulator should more actively promote the benefits of registration with agencies, particularly smaller agencies. Other participants thought the Fundraising Regulator and CloF should adopt a more robust registration process so the sector can have confidence that registered agencies are likely to exhibit good behaviour.

Fundraising Regulator response

We agree that it is best practice for all agencies in the subcontracting chain to be registered with the Fundraising Regulator and CloF. We would expect responsible charity trustees to require all partner fundraising agencies to be registered with us. This should be checked in the due diligence stage and set out in contracts. See also "Next steps" on [page 33](#) for our recommendations in respect of the [Charities \(Protection and Social Investment\) Act 2016](#).

We also agree that we should continue to promote the benefits of registration with agencies, and the merits of the Fundraising Badge.

In respect of our registration process, applicants must commit to compliance with the code and our [registration terms and conditions for non-charities \(and meet our eligibility criteria\)](#). Successful registration is not guaranteed. In 2023, we refused registration to over 40% of new non-charity applicants. Reasons for refusal included insufficient evidence of fundraising, inadequate references and no record of the organisation on Companies House. If charities or agencies have comments or concerns about the robustness of our registration process, we would [welcome your feedback](#).

Licensing, DBS checks and accreditation of fundraisers or agencies

Some workshop participants favoured a licensing or accreditation scheme for agencies or individual fundraisers. These were considered above in the “What charities and agencies have requested from the Fundraising Regulator” section.

Alongside the discussion of licensing individual fundraisers, workshop participants raised the practice of DBS checks for fundraisers.

Some agency participants said they routinely required DBS checks for all fundraisers. Some said DBS checks were required only for team leaders. Others said they did not require DBS checks, largely due to this being a cost barrier for recruitment.

Fundraising Regulator response

We consider that there is not currently sufficient evidence to propose mandatory DBS checks for all face-to-face fundraisers.

Charity trustees should be satisfied, however, that all those who fundraise on their behalf have passed the pre-employment checks they consider necessary for safe fundraising. DBS checks can be part of a wider suite of measures charities and agencies can consider in their recruitment processes. Essential requirements may differ depending on potential risk. For example, unsupervised door-to-door fundraising would need more risk mitigation than supervised on-street campaigns.

Charities may, however, consider that the reassurance of DBS checks may help mitigate the risk to vulnerable people (and children) and of reputational damage to the charity if there were to be an incident which involved a fundraiser with a criminal history. Although DBS checks are not mandatory and may not be proportionate in all circumstances, charities are entitled and encouraged to request DBS checks for all supervisors or for those who fundraise unsupervised on their behalf.

We would consider this a reasonable and best-practice requirement for charities to include in their due diligence process.

Writing and managing contracts

The workshops highlighted the following issues to consider:

- Contract requirements
- Service Level Agreements
- Payment models and conditions of employment
- Responsibilities of each organisation in contracts
- Exit clauses and penalties

Workshop participants affirmed that it is essential to agree a robust and comprehensive contract at each level of the subcontracting chain.

Charity participants observed that their reliance on contracts to monitor and oversee agencies can be ineffectual if the primary contract is insufficiently robust. This can happen when the focus of contracts is geared towards financial success rather than fundraising standards. Some participants, in both charity and agency workshops, asked the Fundraising Regulator to provide contract templates which charities and agencies would complete to ensure compliant contracts. Other charity and agency participants asked for support to establish the minimum requirements of an agency contract.

Participants commented that a contract is only as good as the efforts to enforce it. Contracts should be regularly referred to and managed, particularly by the charity and primary agency.

Fundraising Regulator response

Although we understand the reasoning behind the request from some workshop participants to provide prescriptive templates, we will not produce templates because we are not best placed to offer contractual advice beyond our remit.

We would like to support both charities and agencies as much as we can, however, and will aim to provide advice about key requirements for an agency contract.

We will work with and support CloF to provide targeted advice to the sector about the agreement and management of contracts.

Contract requirements

Standard 7.2.9 of the Code of Fundraising Practice (in respect of England and Wales) reflects requirements in the Charities Act 2016. It currently states:

7.2.9: Fundraising agreements between charitable institutions established in England and Wales and professional fundraisers **must** also include:

- details of any voluntary regulatory fundraising scheme or standard that the professional fundraiser has agreed to keep to
- details of how the commercial organisation will protect the public from unreasonable intrusion on a person's privacy, unreasonably persistent approaches or undue pressure to donate; and
- details of how the charitable institution will monitor the professional fundraiser to make sure it is keeping to the agreement, as set out in section 59 of the Charities Act 1992 as amended.

This may include the monitoring measures set out in 7.3 Monitoring that fundraisers are meeting the code. The terms of the agreement should allow you to read and, where necessary, review any relevant policies and procedures that the professional fundraiser has in place which are relevant to protecting the public. This may include policies on people in vulnerable circumstances, handling complaints and whistleblowing, training materials, and the staff code of conduct.

In relation to requirements in a contract, the workshops discussed the following, which will be summarised in turn:

- Sub-subcontracting
- Service Level Agreements (SLAs)
- Payment models and conditions of employment
- Responsibilities of each organisation in contracts
- Exit clauses and penalties

Sub-subcontracting

Both charity and agency workshop participants observed that effective monitoring and oversight becomes more difficult with each level of subcontracting.

Charity and agency workshop groups agreed that a new subcontracting partnership must always require written permission from all organisations in the chain.

Part two: Workshops

The workshop groups noted that CloF's [Door to Door](#), [Private Site](#) and [Street Fundraising \(regular giving\)](#) rulebooks require the following:

Sub-contractors

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 subcontractor 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.

Fundraising Regulator response

Charities and the primary agency should discuss whether subcontracting will be permitted in their campaigns.

If not, this should be expressly prohibited in the primary contract.

If subcontracting is permitted, this should be stated in the primary contract. The primary contract, and any subsequent subcontract, should require express written permission for a new subcontracting arrangement from all organisations in the chain.

We would expect that subcontractors would be subject to the same obligations that would apply if the campaign were carried out by the primary agency itself. In other words, the terms of the subcontracts should mirror those of the primary contract.

If a primary agency subcontracts to an established network of legally distinct field offices, or sub-agencies, these should be expressly listed in the primary contract, and permission for new offices or sub-agencies to deliver fundraising should be expressly required in the primary and subsequent contracts.

Charities should be entitled and encouraged to request details of the relationships between primary agencies and the network organisations which may fundraise on their behalf. Charity trustees should be reassured that these relationships are appropriate and that the field office or sub-agency is best placed to deliver the fundraising campaign they need.

We will provide further guidance to follow this report.

We also propose that CloF carries out compliance monitoring in respect of the subcontracting rule in their rulebooks as soon as reasonably possible.

Service Level Agreements

The workshop groups touched upon the need for clear and comprehensive Service Level Agreements (SLAs) which are agreed by the charity and primary agency and should be reflected in any subsequent subcontracts. Expected standards need to be established at the start of the partnership and laid out clearly in contracts.

Fundraising Regulator response

Standards in an SLA which could relate to compliance and vulnerable people are discussed elsewhere in this report.

SLAs should be regularly monitored by all parties.

More detailed help is laid out in CloF's [Successful partnerships for sustainable fundraising: a practical guide for charities working with agencies](#), which advises:

Be mindful that the roles and responsibilities need to be clearly defined within the agreement so that it is clear where different obligations lie, who the key points of contact between the two organisations are and the processes to resolve any issues.

As mentioned above, CloF aims to update and reissue this guidance.

Payment models and conditions of employment

Workshop discussion about fundraiser payment models is summarised above at “Fundraiser payment models” on [page 15](#).

Fundraising Regulator response

The charity’s acceptable payment model(s) should be agreed and stated in the primary contract and reflected in any subcontracts.

Some charity workshop participants asked for advice about requirements for agencies to request and disclose if a fundraiser was previously dismissed from a fundraising job for gross misconduct or possessed a criminal record.

If charities and agencies are concerned about such terms, they are advised to seek independent legal advice.

In general, however, we consider it reasonable for charities and appropriate for agencies to request such information from prospective candidates, particularly if they could face-to-face fundraise with vulnerable people. This may take the form of a declaration at the recruitment stage.

Responsibilities of each organisation in contracts

Both charity and agency workshop participants agreed that overall responsibility for managing contracts and conducting due diligence rests with the charity and primary agency.

Some workshop participants wanted the Fundraising Regulator to provide draft templates to outline the basic requirements a contract must cover. Other participants reflected that draft templates would not work because each contract is different and relationships and expectations vary between organisations and campaigns.

Fundraising Regulator response

We agreed that the primary contractors (the charity and primary agency) must have oversight and responsibility for due diligence and contract management, although every subcontracted party involved in a fundraising campaign shares responsibility in line with their contract.

Controls should be put in place to ensure that any subcontracted services are provided to a standard which is no less than that agreed in the primary contract (and that suitable remedies are available if this contractual term is breached).

In respect of templates, we agree that a single template is not the best way to support each type of organisation and relationship in the sector. We will, however, work with and support CloF to provide targeted advice to the sector about the agreement and management of contracts.

Exit clauses and penalties

CloF, in their [Successful partnerships for sustainable fundraising: a practical guide for charities working with agencies](#) guidance, states:

You need to consider in advance how you will deal with failure should a situation arise – it may become necessary to terminate a contract or the situation may be forced upon you by a supplier going out of business. Termination and suspension clauses should be clear and agreed in advance in the contract, as well as terms covering how data will be returned and any campaign material (e.g. call recordings). Thinking in advance about the impact of any third-party supplier not being able to deliver your fundraising programme and having plans to deal with this will help greatly should the situation arise.

The need for and use of exit clauses was discussed in most detail in charity workshop groups, which agreed that strict exit clauses are essential in contracts. The groups commented that, on some occasions, the terms of exit clauses can be difficult to negotiate, and potentially stall agreements, but it is important to have safeguards in place.

Charities said an exit clause should be available for any breach of agreed terms. Exit clauses could also be invoked for poor performance or compliance issues, as defined in the contracts. Some said they included an exit clause for circumstances which could risk reputational damage to the charity.

Some workshop participants observed that it can be difficult to pull out of a contract, particularly when resources have been spent on setting up and maintaining the relationship. Participants commented that an alternative could be to cancel or suspend a partnership with a particular agency office, if problems arose from one agency office but not others. The groups emphasised the importance of collaboration and said the exercise of an exit clause does not have to be the only option, and parties should in most cases seek to learn and work out issues together.

Fundraising Regulator response

As far as the issue of exit clauses and penalties aligns with our remit, we agree that contracts should have provision for termination for good reason. Both charities and agencies should consider and be willing to use exit clauses and penalties where appropriate as part of their ongoing contract management.

Training and standards

All workshop groups agreed that rigorous training of fundraisers is essential, with important and ongoing roles for both the charity and primary agency. These roles should be agreed in advance and laid out in the primary contract. Many participants thought that the quality and breadth of training is the biggest factor in fundraiser behaviour, with some commenting that training has more of an impact on fundraiser behaviour than the fundraiser payment model.

Workshop participants considered that good training leads to higher-quality fundraising, which in turn raises the standards of the profession and gives the wider sector and public greater confidence in face-to-face fundraising. This may further encourage potential future fundraisers to be drawn towards fundraising as a career.

Participants also observed that, since fundraisers are in effect an extension of the charity and considered by the public to be representatives of the charity, they should feel engaged with the charity's purpose. Participants generally agreed that there should be some direct training and shadowing of fundraisers from both the charity and primary agency. In practice, this may be difficult to deliver regularly due to scale and distance, but a best-practice approach would involve charities training fundraisers directly about their values and standards.

Participants discussed how training should not be a “tick-box” exercise but an ongoing process, and the charity's role does not end when they have signed an agreement with an agency. Training should be reviewed and refreshed with feedback and input from both the agencies and the charity. Charities should request from agencies proof that training has been carried out and agencies should hold this information.

A charity workshop group asked for more guidance for trainers. They asked for the Fundraising Regulator to collaborate with the sector to draft charity guidance booklets and online resources.

Fundraising Regulator response

We fully agree that good training is essential. The fundraiser training process and the materials used should be decided as part of the initial agreement between the charity and primary agency and reflected in any subsequent subcontracts. Training should always cover the code. It is advisable to make use of the resources available, particularly those from the Fundraising Regulator and CloF.

Training should not be sacrificed or stretched for commercial considerations. Charities and agencies should ensure that they can manage their campaigns to a level that minimises the risk of poor behaviour and non-compliance with the code.

Charities should ensure their values are embodied in their fundraising. They should review all scripts, materials and campaign activity to make sure they align with their standards and values, and agree performance and monitoring criteria so these standards and values are implemented in practice.

Training can be adapted to suit the campaign and resources of the organisations. There can be a place for in-person training, online training and a hybrid model, although some in-person training and monitoring, for example shadowing, is always essential. While it may be impractical for charities to brief all agency fundraisers, charities should ensure they have

Part two: Workshops

meaningful, active and ongoing involvement in briefing and training fundraisers, particularly oversight of scripts and training the trainers.

We welcomed the workshop discussions about the importance of training fundraisers about appropriate behaviour, particularly in relation to vulnerable people. In respect of such training, it is important for the charity and primary agency to have visible policies in place about how to recognise and protect potentially vulnerable donors, and for fundraisers to be trained accordingly. The Code of Fundraising Practice includes standards about [fundraiser behaviour](#) and vulnerability, which can be used as a starting point. Workshop participants also observed that charities and agencies should have policies in place to provide support for fundraisers themselves who may be in vulnerable circumstances, which we would certainly recommend as good practice.

We recognise that relationships and training programmes differ, so a one-size-fits-all template would not be effective. We will, however, work with and support CloF to produce guidance to clarify the essential requirements (for example, vulnerability training, code compliance) which can be tailored to bespoke training programmes.

Monitoring

Both charity and agency workshop participants recognised the importance of monitoring fundraiser performance and behaviour. Participants discussed the elements of a monitoring programme, which included: reports, site visits, shadowing, mystery shopping, complaint logs, supporter feedback and call listening. Many of these are increasingly facilitated with tablets and monitoring software. Participants also explored the challenges and limitations of types of monitoring, particularly door-to-door, and asked for help with how best to manage their resources and the responsibilities of the charity and agencies involved.

Charity workshop participants discussed their perception that subcontracting can risk the dilution of standards of training and monitoring. Some charity workshop participants commented that the primary agency should take responsibility for monitoring subcontractors. Other charity workshop participants and agency workshop participants considered that both charities and agencies needed an active role, which should be laid out in the initial agreement and followed up in line with the contracts.

Workshop groups further commented that it was important for charities to visit fundraising teams routinely, both in-person and remotely. They said charities and agencies should arrange the provision of adequate technology to record and assess sign-ups and allow the precise monitoring of those fundraising on the charity's behalf. Such technology may include GPS tracking, online forms and the use of performance and compliance measurement through fundraisers' tablets.

Most workshop participants said it was essential for the charity to have some degree of direct oversight. While recognising the logistical difficulties of scale, groups thought charities should carry out an agreed number of site visits per campaign to support fundraiser compliance and monitoring.

Workshop participants generally recognised the need for clear monitoring procedures and responsibilities to be agreed and outlined in the primary contract, and for these to be reflected in any subsequent arrangements. A charity workshop group asked for the Fundraising Regulator or CloF to provide minimum expected standards for each organisation in the subcontracting chain.

Workshop groups also discussed the importance and challenges of mystery shopping, particularly in relation to resource and responsibility. A charity workshop group advised that charities should conduct quarterly reviews of monitoring processes and performance to ensure fundraising activities align with the contract and the charity's values. Some workshop participants said comprehensive oversight can mitigate any risks associated with performance-based payment models, as long as the oversight is regular and robust.

Fundraising Regulator response

Although we understand the request for detailed checklists and templates, we will not provide prescriptive standards to allocate responsibilities between charities and agencies because these can reasonably vary depending on the campaign and the organisations involved. Some workshop participants acknowledged, for example, that a single charity compliance checklist template would not be feasible because each charity and agency has different resources.

Part two: Workshops

Monitoring should be at a level in which both charity and agency partners can be reassured that fundraising is being carried out safely and in line with the contract. This level may differ between different agency offices on the same campaign.

Monitoring requirements are currently laid out in standards 7.3.1 and 7.3.2 of the code:

7.3.1: You must make sure that any paid third-party fundraisers or commercial partners you work with to fundraise keep to the code.

7.3.2: You must make all reasonable efforts to monitor whether the paid third-party fundraisers or commercial partners are keeping to the agreement you have with them (including the conditions of the contract which relate to keeping to the code).

The code further states:

For the purpose of this code, making all reasonable efforts means that you must carry out effective and proportionate monitoring. This may include:

- making sure your values are reflected in:
 - the policies, performance objectives and indicators of the paid third-party [fundraiser](#) or [commercial partner](#); and
 - the incentives of the paid third-party [fundraiser](#) or [commercial partner](#), where these apply
- choosing a named person with lead responsibility for monitoring that the requirements of the law and the code are being met
- developing clear reporting requirements with the other organisation and regularly reviewing their progress against agreed targets relating to performance, quality assurance and their responsibilities under the law and the code
- defining how monitoring will be carried out, including how often, based on an assessment of the risk posed by the [fundraising](#) activity
- approving and regularly reviewing training on keeping to the code, including frequently watching this training being delivered
- authorising content and materials for training
- regularly carrying out (and recording the results of) call monitoring, [mystery shopping](#), site visits or shadowing with the other organisation's [fundraisers](#)
- setting out a clear policy for handling complaints and feedback, including the time frames, the procedure for making a complaint internally and taking a complaint further, and the procedure for transferring information between your [charitable institution](#) and the other organisation
- setting out a clear internal procedure for members of staff and [volunteers](#) to report any concerns they have about their organisation's [fundraising](#) practice; and
- agreeing an action plan with the other organisation to deal with any concerns that are identified.

Part two: Workshops

Further guidance is set out in CloF's [Successful partnerships for sustainable fundraising: a practical guide for charities working with agencies:](#)

Charities and agencies should schedule time to regularly review their partnerships to ensure relationships are managed proactively rather than reactively if things go wrong.

Charities and primary agencies should collectively undertake to review training materials and agree a programme of monitoring (to include mystery shopping, shadowing, or both) to reassure themselves that the campaign is being delivered effectively and in good compliance. They should review the welcome calls conducted by agencies both as a learning exercise and to check compliance with the code and their contract. Some agency participants said that it would be useful to create a collaborative network between agencies to mystery shop face-to-face fundraisers, which we would support.

Complaints

Workshop participants agreed that it is essential for both the charity and agencies to be swiftly informed and engaged with any complaints received in the course of a campaign.

Participants said complaints can often be received in the spirit of learning. They can act as an effective early warning system and provide an opportunity for charities and agencies to act before poor practice becomes deep-rooted in fundraising teams. Furthermore, fundraising team leaders should be trained and encouraged to proactively look out for any behaviour that could generate complaints, so potential issues can be dealt with before they materialise.

Fundraising Regulator response

Both charities and agencies share responsibility to comply with [section 2.4 of the code](#). A complaints policy should be agreed in the primary contract and reflected in subsequent contracts to ensure all relevant parties are quickly informed. Complaints policies and processes must be robust and transparent.

All complaints should receive an effective and timely response. Serious complaints should be prioritised, escalated where necessary and addressed as a matter of urgency. You should consider if you should [self-report to the Fundraising Regulator](#). The number, theme and severity of complaints should be reviewed as agreed in the contracts and SLAs.

Post-workshop survey

Feedback forms were sent after the workshops. We received 28 responses:

- 26 respondents (93%) said their workshop was somewhat useful or extremely useful. Two respondents (7%) were neutral and none said they were not useful.
- 17 respondents (61%) said the workshops were too short, 11 (39%) said the length was just right, and none said they were too long.
- 100% of respondents said they would come to a similar workshop in future.

The survey also asked participants how they would like to receive the advice and support which would result from the workshops. The most popular preference was for written guidance, often together with webinars or events. Some respondents asked for templates which they could use for procedures and contracts.

Fundraising Regulator response

Although the survey feedback has been positive, there are always learnings to take on board. In particular, we have noted that charities and agencies are willing and eager to participate in more, and longer, workshops, which is welcome.

The next steps in relation to advice and support are outlined in the next section. Our response in regard to templates has been summarised elsewhere in this report.

Part three: Next steps

Further to this report, the Fundraising Regulator will take the following next steps:

- We will take the learnings from the workshops to provide, or support CloF in the production of, new or updated advice about due diligence, training, monitoring, contractual standards and how accountability applies across the subcontracting chain.
 - This will consist of both charity-focused and agency-focused advice.
 - The advice will be published or linked to on a new resource page on the Fundraising Regulator website.
- We will follow the advice with a programme of events and webinars as demand requires, where possible.
- Workshop feedback will be considered where relevant in the ongoing [code review](#) process.

In respect of the above, we will collaborate with CloF to ensure the right organisation gives the right advice.

CloF has agreed to support best practice in fundraising with the following next steps:

- CloF will update and reissue the following advice and guidance:
 - [Successful partnerships for sustainable fundraising: a practical guide for charities working with agencies](#).
 - The Procedure and payment mechanisms (2017) advice, which summarises the various fundraiser payment models used in the sector.
- Carrying out compliance monitoring in respect of the subcontracting rule in their Compliance rulebooks as soon as reasonably possible.

CloF will explore opportunities to build on the new and updated guidance with the production of short on-demand video content.

We have also engaged with the Charity Commission for England and Wales.

[Section 13 of the Charities \(Protection and Social Investment\) Act 2016](#) requires charities in England and Wales with an income of over £1 million to provide statements on specific areas of their fundraising in their annual report, which is submitted to the Charity Commission for England and Wales. These statements cover key aspects of a charity's fundraising activity, including:

- the approach taken to fundraising by the charity or any person on behalf of the charity;
- whether the charity is subject to any voluntary scheme or standard for regulating fundraising and what that scheme or standard is (or failure to comply with it);
- how it monitors fundraisers;
- the number of fundraising complaints received; and
- steps taken to make sure vulnerable people are protected.

All of these points are relevant to working with subcontracted agencies in face-to-face fundraising. We consider that charities that engage in face-to-face fundraising should provide detail in these key statements in respect of their subcontracted face-to-face fundraising.

Charities with an income of below £1 million do not have a legal duty to meet these requirements. However, we consider it good practice for all charities that produce an annual report to include these statements. This promotes openness and transparency and gives assurance to the reader that key issues, such as protecting vulnerable people, are being addressed.

We have previously issued advice to help charities meet this requirement: [The Charities \(Protection and Social Investment\) Act 2016: Fundraising reporting requirements guidance](#).

The Fundraising Regulator and the Charity Commission for England and Wales consider:

- That charities which engage in face-to-face fundraising which produce an annual report should include, as recommended good practice, these statements in their annual reports.
 - We will work together to continue to monitor submitted reports for adequate completion of these statements.
 - We will amend our advice to charities ([The Charities \(Protection and Social Investment\) Act 2016: Fundraising reporting requirements guidance](#)) accordingly.
 - We will explore with the Charity Commission for England and Wales how to feed these recommendations into the Charities Statement of Recommended Practice (SORP) for accounting and reporting.
- The Fundraising Regulator and the Charity Commission for England and Wales will also examine if the [Charity fundraising: a guide to trustee duties \(CC20\)](#) guidance, and any other relevant guidance, should be updated.
 - If we come to a provisional view that CC20 or other guidance should be updated, we will liaise with The Charity Commission for Northern Ireland and the OSCR.

We are confident that these next steps strike the right balance to minimise the risk of harm to potential donors without unnecessary and disproportionate restrictions on the sector. Face-to-face fundraising can be safe and compliant if compliance is treated as a priority by charities and agencies. There is no evidence to suggest there is something fundamentally wrong with the method of face-to-face fundraising but insufficient priority and attention to due diligence and contract management can lead to an unacceptable risk of harm to the public. The learnings from this report are relevant to [charity trustees](#), charity operational teams and agencies. We expect the sector to take this report seriously and positively engage with the next steps in due course.



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