

THE CABINET OFFICE NEW GUIDANCE ON NATIONAL EXEMPTION ORDERS (NEOs)

HOME Fundraising Policy Statement

On the 31st December 2015 the Cabinet Office (CO) published new guidance for charities who hold National Exemption Orders (NEOs). The purpose of the guidance is to outline all exempt organisations' responsibilities under the scheme. In addition to clarifying the existing requirements, the CO introduced additional directions to charities including a new collection returns form for Door-to-Door direct debit fundraising (D2D). Given that the new guidance came into effect at the point of publishing, we were disappointed that the CO did not consult with the sector on these crucial matters in advance. HOME have subsequently engaged with the Public Fundraising Regulatory Association (PFRA) and charity compliance managers, and together we have ensured that the appropriate consultation has now taken place.

In terms of the issues themselves, we understand the concerns many charities have expressed about the reporting aspects of the new guidance. While the desire may be to ensure that charities are transparent with the proceeds of any collection in terms of deductions and income, given that the return on investment from regular giving campaigns is measured over a number of years, accurate accounts would be difficult to produce through the current reporting format. We also expressed concerns over the unclear wording around remuneration and that fundraising costs could be misrepresented, appearing excessive. Given that there was no clarification within the guidance on what might constitute excessive fundraising costs, we feel that this aspect increases the risk of a prohibition on fundraising, particularly if such subjectivity could be applied to a request to fundraise by a Local Authority (LA), for example, making access conditional on undefined terms.

Since the guidelines were published, the PFRA have written to the Charities Minister, Rob Wilson to outline our concerns and subsequently the CO met with the PFRA and Institute of Fundraising (IoF), charities and HOME to form a proper consultation process. The last round of feedback was sent to the CO on the 11th March which included further comment on the reporting aspect of the guidance. We collectively feel that great care should be taken around the publication of collection accounts, particularly for D2D fundraising, given the particulars of our method. We believe that publication should be delayed until we have developed a means by which an accurate, long term projection of income can be devised. In addition to this we feel that once the methodology behind collection returns has been defined, such accounts should be only published on a trial basis and subject to an annual review. We also seek clarification on how the returns information will be published. We would like to see some sort of request process for sensitive commercial information (costs & returns for example) rather than a blanket posting of all the information on the CO website.

There is a risk that rather than improving transparency and accountability to the regulators and the general public, ill-conceived reporting could actually misrepresent fundraising activity through D2D. In light of this we are awaiting feedback on the latest correspondence sent by the PFRA to the CO and while we understand there is potentially some pressure on them to deploy an active means of reporting as soon as possible, it is vital that the guidance is fit for purpose. We will continue to work with all NEO-holding clients and the PFRA to ensure that the requirements for NEO holders are appropriate and proportionate. We welcome the fact that the CO recognises that many LA's do not have the time and resource to manage an active dialogue with fundraising agencies or charities and that they consider the required certificate of authorisation could be incorporated into the existing fundraiser ID badges.

ENDS

About HOME

HOME Fundraising is more than a fundraising company. As part of an international group that includes HOME India, we have a unique leadership model and unparalleled operational infrastructure that has employed, developed and trained over 20,000 fundraisers, recruited over 1 million regular donors, and raised over half a billion pounds over the last 13 years, working with a range of over 40 different charities.

HOME is now the largest professional fundraising company of its type in Europe growing from 1% of the UK market share in 2002 to 35% today in 2015.

HOME's output is essentially an inspiring conversation between two individuals, a HOME fundraiser and a potential donor. Sitting behind this is a unique business model and fundraising operation geared towards understanding group dynamics and how individuals influence the teams and departments they lead.

HOME's extensive network of 16 regional offices across the UK, offers national reach providing clients with a unique offering in door to door acquisition.

HOME does not employ subcontractors or operate commission-only payment structures.

The HOME approach is successful and award-winning – our campaigns have won the Institute of Fundraising 'Best Use of Face to Face' award three times, and in 2014 HOME were awarded a Silver for Innovation by the Institute of Fundraising's Insight in Fundraising Awards.

You Can't Plant A Tree in Space the book written by Neil Hope and Dominic Will, joint managing directors of HOME Fundraising, relates to leadership principles and setting the conditions for sustainable business (published by Pighog Press in May 2014).

In December 2014 HOME fundraising was awarded the ISO 9001:2008 Quality Management System accreditation by BSI for the recruitment of new regular donors on the doorstep.

HOME Fundraising has an active voice on regulatory matters and are members of the Public Fundraising Regulatory Association (PFRA), the Institute of Fundraising (IoF) and Fundraising Standards Board (FRSB), and are bound by the IoF Code of Fundraising Practice.

For more information please contact:

Russ Peterken
Head of Standards, Policy and Access
HOME Fundraising Ltd
russ.peterken@homefundraising.com