

Fundraising Across the Nations:

A Best Practice Guide to Cross-Border Fundraising

Who is this for?

This guide is intended for charities conducting their fundraising activity across one nation,¹ or set of nations, with sister organisations doing the same in another nation, both with the same beneficiary groups. These organisations will often share the same basic missions and equivalent charitable purposes as well as similar names. The guide can be used by UK-wide charities operating satellite offices across the nations. It will not reach its potential benefit if adopted by one organisation only.

Introduction

Fundraising across the UK's nations can be a complex matter for the hundreds of charities operating across one nation when sister organisations, with the same types of beneficiaries, and often almost identical missions, operate in a neighbouring nation. Broadcast television and much of the print media can take a charity's message, or fundraising ask, beyond their area of operation and the huge rise of the internet stretches these boundaries even further. At the same time, the establishment of the devolved political structure means many campaigning activities and searches for funders become far more oriented towards a charity's local Parliament or Assembly.

This guide seeks to set out some key points of good practice which, when followed, can ensure that sister organisations across the nations can operate effectively within these complex boundaries. Much of the guide centres on matters of good communication and whilst setting up protocols agreements on cross-border issues is recommended as best practice, the vital component of their success is following them through with good communication at all stages.

The UK fundraising environment

At the time of writing the self-regulatory scheme is still bedding in with the FRSB having published adjudications on its first complaints taken to the final stage. The scheme offers a robust complaints process for the public and is in the growing spirit of transparency and accountability within the sector. It is recommended that all fundraising organisations join the scheme and also use the Institute of Fundraising Code of Practice on Transparency and Accountability. Successful cross-border working is predicated on the public and donors being fully aware of where their donations will be spent. The ImpACT coalition, set up to promote understanding of how charities work and the benefits they bring, is reinforcing this point and it is recommended that charities join the coalition.

It is vital to maintain constant awareness of public and donors' expectations on where their money is spent. This guide offers direction on how best to communicate this and it is imperative that this principle of making donors best placed to understand where their donations will be spent is maintained throughout.

¹ In this guide the term nation will be used to describe the four constituent nations of the United Kingdom: England, Scotland, Wales and Northern Ireland. Any derived form of nation used thereafter, will remain consistent with this definition. For clarity, national will in this instance not be used to encompass all four and terms such as UK-wide will instead be employed.

There are no hard and fast rules on when it is best to campaign nationally or jointly across the UK. There is certainly no reason to assume that either one will be automatically better or worse. Often economies of scale justify joint working, but national constraints are not always immediately apparent and where these do exist it may be best to work on a national basis. Decisions on joint working must be made on a case by case basis with common aims established early on and all parties should be engaged from this stage if joint working does take place.

Fundamentals in Cross-border working

- Donors must know where their donation will be spent. This information must be explicit.
- Charities must be sensitive to donor expectations of where their money will be spent
- Charities receiving donations from a donor that resides outside their area of operation must make them aware of services offered by any sister organisations offering equivalent services there.
- Where joint working is undertaken it is vital that all parties are involved from the earliest stages and throughout.
- All organisations must operate in a transparent and accountable manner, following the Code on Accountability and Transparency.
- Any agreements or protocols between sister organisations must be endorsed by all high level stakeholders, particularly CEOs and Trustees. Inductions for new staff ought to include guidance on these agreements.
- The clear nature of the agreement between cross border charities as well as where each charity operates must be made explicitly clear in all information and publicity materials

TRUSTS/ FOUNDATIONS/ STATUTORY

Many grant givers based in one nation may employ criteria which allow applications from charities based in another. Charities may approach any grant-giver if they feel they meet their criteria and in instances where this may impact on the work of a sister organisation, this should be communicated to them in advance of the application.

INDIVIDUAL GIVING

Donations received from outside a charity's operating area should assume the donor's intention to give to them must accept these as given.

In addition, the charity receiving the donation must make the donor aware of any sister organisations operating in their nation to make sure the donor is making an informed choice. This addresses the frequent concerns that donors often give to causes not working in their nation, when that may not have been their intention.

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When a charity knows a donation was received as a result of a UK wide campaign and receives monies from outside their operating area, they must make the donor aware of the local sister organisation, its mission, and operating area.

CORPORATE/ EVENTS

Where sister organisations engage in a corporate partnership across the UK, if monies received are traceable they should be split between the national charities according to their origins.

If not, the distribution of monies raised should be made on a predetermined formula based on ratios agreed between the charities. This can be based on:

- The populations of the respective nations, as indicated by the last census.²
- Ratios used between the national and devolved governments³
- The number of staff employed by the company in each nation
- Or, ideally, on a calculation according to proportions of beneficiaries between each nation.

Whichever ratio is employed, it must be agreed and be clear to all parties before the partnership begins.

It is normal practice where one charity absorbs a good majority of administrative work relating to the campaign and processing of donations, to levy a reasonable management fee as part of the distribution. It is unlikely that should a fee be levied that it be above the level of 10%. Again, this should be agreed before the partnership begins.

It is worth noting that many companies may only be willing or able to facilitate the use of one charity's branding in a UK-wide campaign and what this means for all parties must be discussed and agreed at the earliest possible stage.

For those corporate partnerships within one nation, charities should approach only those organisations with national and head offices in that nation. Where a company has offices/ plants/ works in bordering nations, the sister charity working in that area must be informed before any approach is made.

MEDIA

Charities should be very conscious of their geographic remit when engaging with the media and not make use of local/ national media outwith their operating area. Some media make national differentiation impossible, examples of which include UK Broadcast television, the internet and UK-wide publications. It should be noted that many UK wide-publications that produce national editions will still only sell advertising space on a UK-wide basis.

² For instance, in a corporate partnership run across England and Scotland, looking to the 2001 Census indicates populations of 49.14 million and 5.06 million respectively. In percentage terms England therefore represents 93.37% of the total population concerned so the charity operating in this nation receives 93.37p for every pound raised (excluding any management and administration fees).

³ At the time of writing this varies between 8 and 12% depending on department or spending issue
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Charities should not use terminology such as “UK-wide” if their geographical remit does not cover all 4 constituent nations.

In producing press releases charities should include a regular note to editors indicating which nation(s) they operate in. Where a charity provides a range of services in one nation, and a narrower range of services in another, this should be explained in full.

The above paragraph should also apply to any campaign where it is likely that it may have significant presence outside a charities operating area- (e.g. TV, radio, internet, UK-wide publications).

CROSS-BORDER AGREEMENTS

Written agreements between sister organisations addressing the above areas should be formed as best practice. Any such agreements should serve to make clear how monies are divided and where fundraising activity may take place. It will not be a legal document, but one of best practice. Any new staff joining a fundraising department should have the agreements included in any induction training.

Any disputes arising relating to agreements should be discussed between the organisations concerned only, and if it proves necessary, with the help of a specifically appointed third party arbiter.

CHARITY COMMISSION AND OFFICE OF THE SCOTTISH CHARITY REGULATOR (OSCR)

Any charity in England and/or Wales established for exclusively charitable purposes; and with an income exceeding £5000 per annum; and either: a company incorporated in England and Wales; or the majority of its trustees live in England and Wales; and/or the majority of its assets are in England and Wales, must register with the Charity Commission.

Further guidance on this can be found here: <http://www.charity-commission.gov.uk/registration/faqpage.asp#9>

Any charity falling in to the above category and with a significant presence in Scotland will also have to register with OSCR. Guidance on this can be found here. <http://www.oscr.org.uk/PublicationItem.aspx?id=2eccea3a-fc40-486f-8095-2c8b35cd3130>

Charities so registering should also be aware of OSCR Regulations pertaining to Scotland, particularly the Charity References in Documents (Scotland) Regulations which make requirements for the display of registered charity numbers on a wide-range of charity communications. Guidance on this can be found here: <http://www.oscr.org.uk/publicationitem.aspx?id=1157b4f7-7236-4264-b1d2-e95e0f3b61c7>

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