



## **ETHICAL FUNDRAISING AND DONATIONS POLICY**

**Ownership.** This Policy is owned by the Board of RMA – The Royal Marines Charity.

### **THE LAW**

1. Charities Act 2016.
2. The law on the acceptance of donations and sponsorship is influenced by the Proceeds of Crime Act 2002.
3. It is further informed by GDPR, UK Tax and Gift Aid legislation, Fundraising Code of Practice and Charity Commission guidance (CC20).

### **POLICY STATEMENT**

4. The Charity upholds the highest standard of fundraising practice and abides by the Fundraising Regulator's key principles and behaviours of a fundraising organisation to be legal, honest, open and respectful (**See Appendix 1**).
5. The charity will consider all donations and sponsorships from key principles on a case-by-case basis, to include, but not limited to ensuring:
  - a) They support our charitable objectives and beneficiaries
  - b) The reputation of the Charity and the Royal Marines are protected
  - c) The provision of support to beneficiaries is not unduly influenced
  - d) They reflect and respect the integrity of RMA-The Royal Marines Charity
  - e) They do not infringe the MoD or Royal Navy business rules
6. Criteria for review and acceptance/rejection of donations and sponsorships (**see Appendix 2**):
  - a) Ownership
  - b) Products and services of the company or individual
  - c) Legal and regulatory status of the company or individual
  - d) Public and reputational status of the company or individual
  - e) Diversity and inclusion

### **PRINCIPLES**

7. The Charity will not maintain a specific list of requirements and exclusions, but will assess all donations and sponsorships against the criteria above.
8. The Charity is registered with the Fundraising Regulator (FR) and contributes to the FR levy on fundraising charities according to its income, adhering to the FR Code of Practice and to Charity Commission guidelines, particularly CC20 (Charity fundraising: a guide to trustee duties). Trustees

are aware of the Commission's six fundraising principles and ensure adherence by charity staff through the oversight of a Fundraising sub-committee of the board: effective planning; supervision of fundraisers; protection of charity reputation, money and other assets; ensuring compliance with laws and regulations; following recognised standards; openness and accountability.

9. Fundraising practices are monitored and reviewed through a designated trustee engaging in weekly oversight of the Charity's Directors of Development and Fundraising, a formal quarterly sub-committee meeting and quarterly board reporting. Failures to comply will be reported to the FR if they occur, as will complaints, for which there is a process to follow if received.

10. The Charity only fundraises and promotes support to the Charity from individuals and companies following explicit written ('opt in') consent from potential donors. Trustees and staff are aware of the need to protect the public, and especially vulnerable people, hence no cold call, telephone or street ('chugging') fundraising is carried out, and no bonuses or inducements are made to staff or volunteers. No professional fundraisers or commercial participators carry out any fundraising activities on behalf of the charity.

#### **LEAD STAFF MEMBERS**

11. The Fundraising and Communications Director is responsible for ensuring that all proactive fundraising is compliant.

12. The Development Director is responsible for ensuring donations and sponsorships are monitored as they are received.

#### **TRAINING**

13. The CE, Dir Dev and Dir FR&C are to update as the law and regulatory framework evolves.

#### **RECORD KEEPING**

14. Information on all communications with existing and potential donors and sponsors will be collated by the F&C and Dev teams and kept on the CRM database.

15. If the Board ultimately decide to refuse a donation or sponsorship, a record of the Board's decision, and the reason for it, must be kept.

#### **REVIEW**

16. This Policy is to be reviewed biennially or soon should the law, or Charity Commission/ Companies House/Fundraising Regulator/Information Commissioner guidance change.

Signed 

Dated 19 October 2021

## Appendix 1:

### General Principles of Fundraising – Fundraising Code of Practice, issued by The Fundraising Regulator, effective October 2019

#### Behaviour when fundraising

In this section, 'you' means a charitable institution or third-party fundraiser. **MUST** and **MUST NOT** in bold means it is a legal requirement and not just a regulatory requirement.

#### 1.1 General behaviour

1.1.1 Your fundraising **MUST** be legal and must be open, honest and respectful.

1.1.2 You must be polite to people at all times.

1.1.3 You must not unfairly criticise or insult other people or organisations.

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

#### 1.2. Asking for support

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

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

#### 1.3. Informing donors and treating people fairly

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

1.3.2 Before you make any direct or implied claim in your fundraising which is likely to be taken literally, you must make sure that there is evidence to prove the claim.

1.3.3 You must not take advantage of mistakes made by a donor.

1.3.4 When talking about finances and financial benefits, you must tell donors that you are not in a position to offer formal financial advice.

1.3.5 Your fundraising **MUST** meet equality law as it applies in England, Wales, Scotland and Northern Ireland. You **MUST NOT** discriminate against people with characteristics protected under the law of these countries. You can get more information from the Equality and Human Rights Commission and the Equality Commission for Northern Ireland.

1.3.6 You must take all reasonable steps to treat a donor fairly, so that they can make an informed decision about any donation.

#### Part 1 – Standards which apply to all fundraising, effective October 2019

1.3.7 You must take into account the needs of any possible donor who may be in vulnerable circumstances or need extra care and support to make an informed decision.

1.3.8 You must not exploit the trust, lack of knowledge, apparent need for care and support or vulnerable circumstance of any donor at any time.

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

- any physical or mental-health condition the person may have;

- any disability the person may have;
- any learning difficulties the person may have;
- whether the person is facing times of stress or anxiety (for example, following the death of a loved one or redundancy);
- whether a donation is likely to affect the person's ability to sufficiently care for themselves or leave them in financial hardship;
- how well the person can communicate and understand what they are being told;
- whether the person is under the influence of alcohol or drugs; and
- the person's age.

1.3.10 If a donor makes a donation whilst they do not have the capacity to make an informed decision, you must return the money to them.

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

The full Fundraising Code of Practice can be found here and has been read and understood by all members of staff and trustees of RMA-The Royal Marines Charity:

<https://www.fundraisingregulator.org.uk/sites/default/files/fr-code/Code%20Fundraising%20Practice%20October%202019.PDF>

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## Appendix 2:

### Donation and Sponsorship Due Diligence Checklist

Score	Level of Impact	Action Required
1 - Insignificant	No impact on reputation Complaints unlikely	Low risk. Mitigation procedure followed.
2 – Minor	Slight impact on reputation Complaint possible	Accept risk. To be managed at the activity level. Follow mitigation procedure.
3 – Moderate	Potential for adverse publicity – avoidable with careful handling Complaint probable	Management action required to reduce risk level to low.
4 – Significant	Adverse publicity not avoidable (local media) Complaint probable Increased reputational risk Potential loss of supporters and donations	Significant risk. Management action and Trustee support required to approve pursuit or acceptance of donations.
5 – Major	Major adverse publicity unavoidable Major reputational risk Widespread loss of beneficiary confidence Highly likely loss of supporters and donations	Major risk. Do not pursue.

All companies should be risk assessed including linked Trusts/Foundation. By following mitigations, a company risk should fall to a lower level. This risk register is constantly reviewed and monitored. If risk level 3 or higher, discussion required at management level and may require Trustees' approval.

#### Key risk factors:

- Adverse publicity through media
- Legal Proceedings
- Conflicts of interest
- Complaints
- Trust/Foundation without separate board of trustees
- Giving not publicised
- No UK HQ Address: Legal and Regulatory status
- Company or industry/products at odds with charitable objectives?
- Company status, including parent company
- Financially sound with audited accounts
- Diversity and Inclusivity

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**Factors that reduce risk:**

- Separate trust/foundation, with separate board
- Grants for restricted Charity delivery programmes
- Giving history is clear with charities supported clearly published
- Staff nominations
- Linked to a one-off event or programme
- Clear published CSR policy values which align very closely to those of charity
- Values and ethics align with those of charity
- Board or Fundraising Committee approval
- Clear and sound motives for relationship
- Due diligence carried out
- Do we have clear comms and marketing plans?

These are based on industry only. An individual company risk score may rise or fall depending on research and mitigation. Please use this as a starting point only. Those companies working in industries at 5 should be logged and avoided. Those at 4 should be followed with caution and rigorous due diligence.

Company Industry	Risk Score	Risk notes
Arms and Defence	3	
Aerospace/ Airlines	3	Connections to Arms and Defence
Adult entertainment	5	
Automotive/ Auto Dealers	3	Connection to Arms and Defence
Alcoholic Beverages	4	Conflict with welfare support and campaigns
Agriculture	2	
Banks	3	Includes mortgage, commercial, private, saving and loans
Bars and Restaurants	2	
Books, Magazines & Newspapers	3	
Broadcasters, Radio/TV	2	Excludes BBC (taxpayer funded)
Building Services and construction	2	
Cable & Satellite TV Production & Distribution including Streaming	2	
Casinos / Gambling	4	Potential conflict of interest, due to addiction
Clothing Manufacturing	3	Dependent on supply chain
Communications/Electronics	2	
Consumer goods	3	Connections to pharmaceuticals
Construction	3	
Cruise Ships & Lines	3	Connections to Arms and Defence
Drug Manufacturers	3	Conflict with welfare support and campaigns
Energy non-Renewables	4	
Energy Renewables	3	
Entertainment Industry	4	Links to adult entertainment, or gambling

Food & Beverage	3	Connections to Alcoholic beverages
Flowers and plants	2	
Funeral Services	3	
Gaming	4	Connections to violence and gun games, connections to gambling or addictive games
Health	3	Connections to pharmaceuticals
Hedge Fund	3	
Health Care Services	3	
Hotels and Holiday	2	
Hygiene (including personal)	3	Connections to pharmaceuticals
Internet Providers	3	
Insurance	3	
International Trade	3	Dependent on what is being traded and where
Investments	3	
Law Firms	3	
Loans Companies	5	Payday lenders
Manufacturing and production	3	Dependent on what is being manufactured
Meat and livestock	3	
Motion Picture Production & Distribution	3	Links to adult entertainment
Music Production	2	
Pharmaceuticals / Health Products	3	Conflict with welfare support and campaigns
Political	5	
Pensions	3	
Phone Companies	2	
Retailers	2	Dependent on what is being sold
Sports	2	
Security	3	Connections to Arms and Defence
Supermarkets	3	
Tobacco including e-cigarettes	5	
Transport	3	
Technology	3	
Unions	5	Political connections
Vegetables and Fruits	2	
Waste Management	3	

End.