



FUNDRAISING
REGULATOR

Fundraising Regulator's Annual Event

8 February 2021

Transcript

This is a verbatim transcription, with minor corrections of grammatical errors.

00:00 – 00:35: Opening video

00:35 – 03:05: Welcome from Sacha Deshmukh, Board Member of the Fundraising Regulator

Sacha: Good morning everyone, and welcome to the Fundraising Regulator’s annual event.

My name is Sacha Deshmukh and I am a member of the Fundraising Regulator’s board. But this morning I will also be your virtual host for this meeting. I will be popping up on your screen from time to time to introduce our two opening presentations and later to facilitate questions from you to our panel, which is made up of five of our board members.

The Fundraising Regulator holds an event like this every year so that our work is transparent and that our stakeholders can hold us to account for our decision making. This event is your opportunity to hear about the Fundraising Regulator’s key achievements in the last 12 months.

This year’s event takes a different format to previous years, as the ongoing impact of the pandemic means that we’re unable to meet in person for the time being. We have worked hard though to ensure that this new virtual format offers the same benefits as meeting in person. When planning this event, we wanted to make sure you are able to engage directly with us, as you would in a traditional event format.

So, in our Q&A session, which will start from around 10:20 am, you can use the app Slido to submit questions live to our panel. You will find further information about Slido on the webpage for this event.

Behind the scenes, our team will be moderating the questions that you submit to us but only to make sure that the most popular questions are answered, and we

don’t answer the same question twice. Some of you may already have submitted a question in advance of this meeting if you filled out our RSVP form. We will kick off our panel session with a few of these. Please bear in mind that we may not be able to answer all the questions during the live event, but we will try to respond to them in due course through the year through our different forms of communication.

Finally, I hope you will bear with us should we encounter any technical issues along the way – the transition to digital events has been a learning curve for us all!

Now I am going to hand over to Chair of the Fundraising Regulator, Lord Toby Harris, who will reflect on fundraising over the past year and how the sector responded to the pandemic.

03:05 – 09:54: Speech by Lord Toby Harris, Chair of the Fundraising Regulator

Lord Toby: Good morning everyone and thank you all for joining us today.

I’d first like to thank the team at the Fundraising Regulator for putting together this event today, amid the logistical challenges we all face as we continue to work remotely. And I am particularly pleased to see that so many of you are attending – far more than we could have accommodated had we been meeting physically. You are all very welcome.

It is my view that, as an independent regulator funded largely by the annual levy on charities, we must always ensure our stakeholders have the means to hold us to account in a public forum. And I hope that many of you will participate today by putting questions to us using the Slido app. If, like me, you find the technology somewhat alien, you can find information on how to use Slido on the

event webpage. I've had a go myself, and it's quite seamless, so don't let it put you off.

So, turning our attention to the past year, I think we can all agree it has been like no other. But challenges aside, it was a year in which we saw true innovation from fundraisers. Restrictions to social contact meant that many charities took to digital fundraising for the first time. Others increased their use of it or completely overhauled how they interacted with people when fundraising in public.

Charities up and down the country, large and small, showed just how adaptable they could be when faced with monumental challenges. The London Marathon was postponed with runners later taking part remotely, Macmillan's Coffee Morning went virtual, and Comic Relief and BBC Children in Need joined forces for the Big Night In. And many smaller charities turned their attention to fundraising online and to lotteries.

We saw incredible uptake from fundraisers for our Coronavirus guidance series and many utilised our dedicated enquiries service to ask us questions on implementing it, to make sure they got it right.

And get it right they have. We've seen many instances of charities and third-party fundraisers going above and beyond to not only meet but exceed what is expected of them in terms of public safety. Changes to ways of working which might have taken some industries decades to affect became firmly embedded in fundraising in just six months. And that has meant that we at the regulator have had to respond at pace as well.

What pleases me is that fundraisers have ensured public protection is at the forefront of their activity. Indeed, the sector should be incredibly proud of its

achievements. I firmly believe that this proactive and pragmatic response to the challenges posed by the pandemic will go a long way to protecting public trust in fundraising, that public trust that you have all worked so hard to build.

But it would be remiss to underestimate the scale of the challenges charities are facing today. We know that many had to cut their operations because of reduced income at a time when services are in high demand and some, sadly, have had to close. These funding challenges have been raised frequently in Parliament over the last ten months – indeed there was a full debate in the House of Lords at the end of April when I for one spoke about the two-way squeeze facing the sector.

The grim reality is that the pandemic is continuing to bite. We will no doubt remain in lockdown for several more months, although perhaps there is hope that the future will be brighter. Many organisations now have the protocols in place to fundraise safely and there are resources available to help guide organisations in the months ahead. However, while the future remains so uncertain, it is imperative that every charity builds flexibility into their planning.

It's also important to recognise that members of the public may still feel anxious about interacting with fundraisers for some time, even after restrictions eventually ease. Amid the pandemic and beyond, our role as a regulator continues to be to support the sector to fundraise according to the standards as set out in the Code of Fundraising Practice.

We will continue to partner with other regulators and industry bodies to make sure our message is clear, consistent and easily understood.

Our joint guidance series with the Chartered Institute of Fundraising marked

a step forward, not only in a closer working relationship with them, but also colleagues at DCMS, as well as Public Health England, the Health and Safety Executive and the Cabinet Office. Our regulation is endorsed at the very heart of government, even though we are not a statutory body – and with that, we have a significant role to play in supporting the sector to overcome any future obstacles it may face.

As the Fundraising Regulator, we mark our fifth anniversary this year. And it is with pleasure – without wanting to be complacent in any way – that I can say that the issues which so badly affected and harmed fundraising in 2015 no longer hang over the sector. Our regime of fundraising self-regulation continues to be widely supported across the sector – from small fundraising charities and community groups through to universities, theatres, galleries and large household names.

We are also pleased to see the growing presence of the Fundraising Badge – the logo that shows that charities are registered with us – we see it on charity fundraising materials, as more organisations recognise the importance of demonstrating to the public and to donors that they are committed to high standards of fundraising.

Looking ahead, I am confident that the fundraising sector's proven agility and willingness to evolve will enable us to approach the next five years with resilience, for the benefit of the whole of society. Thank you.

09:23 – 09:54: Sacha Deshmukh, Board Member

Sacha: Thank you Toby and in particular thank you for highlighting some of the ways that the sector and the Regulator have tried to address some of the challenges of this quite extraordinary last 12 months.

You'll now going to hear from Gerald Oppenheim, Chief Executive of the Fundraising Regulator, who will talk in a little bit more detail about our work over the last year.

09:54 – 25:12: Speech by Gerald Oppenheim, Chief Executive of the Fundraising Regulator

Gerald: Thank you, Sacha. And to echo some of Toby's opening remarks, please use Slido to ask us questions directly in our question-and-answer session – we will do our best to answer as many as possible.

This year's event is different from our previous in-person events. However, the upside of technology is that it allows many more of us to come together. And we've been delighted that more than 1,000 people replied to attend today's event.

Some of you may have already read our latest annual report, published last week, which covers the period 1 September 2019 to 31 August 2020. I will now share with you some of the highlights but please look at the report on our website for more detail.

Our reporting period was a tale of two halves – it falls six months before the Coronavirus pandemic began, and six months into it.

Let's start by looking at the work we've done on standards. Perhaps the most significant achievement of [the year], was

the relaunch of the Code of Fundraising Practice on 1 October 2019. This was the most comprehensive overhaul of the fundraising standards in more than a decade in Plain English with a Crystal Mark. The changes are designed to make it easier for fundraisers to understand the standards expected of them when fundraising and to make navigation through the Code more intuitive. In our first survey of registered organisations – published early in 2020 – we asked whether our aim of improving the navigation through the code had been achieved – and 75% agreed that it had.

One of our core aims is to provide support to organisations, so that they can meet the standards in the code. We launched our first series of code webinars to help fundraisers familiarise themselves with the standards, and please use these as part of your training for new fundraisers. Our work to help organisations meet the standards was refocused as the year progressed and we adapted to working from home.

We turned our attention to guiding organisations through the immediate challenges facing them during the pandemic. The uncertain operating context meant it was essential that we worked with central Government, health authorities, other regulators, sector bodies and local councils across the country to give clear regulatory guidance to fundraising organisations. We also worked closely with the devolved nations to ensure our guidance accurately reflected the restrictions across the UK.

For the first time in the regulator's history, we had a Northern Ireland manager in post throughout the year, to work on initiatives with colleagues there and be a focus for our work. Through this position, we continue to raise our profile in Northern Ireland, and forge relationships with key stakeholders.

It's great to see that several charities in Northern Ireland have joined today's event.

Let's look now at enquiries. One of our main functions is to provide a dedicated enquiries service to help fundraising organisations and members of the public. This is a key part of our regulatory service provision and ensures that individuals receive advice about fundraising standards that is specific to their circumstances. The service provides us with insight into the types of questions frequently asked about fundraising and it helps us monitor emerging areas where fundraisers may need additional support, or where we may need to develop the code.

This year we received 1,143 enquires. Nearly half of all enquiries came from charities or their trustees (45%) and a significant proportion (31%) came from members of the public. The most frequent theme across the year was further questions or clarification about the code or our guidance (26%). We also see many enquiries from members of the public, who are seeking general advice on fundraising and need help to navigate the relevant regulations.

When the pandemic hit in March, we saw a slight decrease in enquiries – probably reflecting that organisations paused fundraising activities. However, those we did receive from fundraisers were Coronavirus-related questions about when and how to safely return to fundraising. This was our evidence base for the areas in which we needed to produce Coronavirus guidance.

Turning to research. Our regulation is not just about rules, it's fundamentally about raising standards and the 'right touch', and the only way to do that is to identify where improvements can be made and give people the support to make them.

This year saw our second analysis of annual reports to understand the extent to which charities are meeting the fundraising reporting requirements in the Charities (Protection and Social Investment) Act 2016. We found that many charities were not reporting comprehensively on fundraising activities and we issued practical guidance to help organisations report in a more complete way.

While these requirements in law only apply to larger organisations in England and Wales, we believe there are principles that all charities should follow when reporting on fundraising. We will conduct this review again in future years to track whether compliance is improving.

Turning now to complaints; this was also the year in which we began to name organisations in our published summaries of our investigations. In the past, we anonymised them. The board took this decision to support a culture of ethical fundraising and to allow the public to make informed decisions when they donate to charity, as well as for wider learning. We published 25 investigation summaries on our website this year, and I am pleased to report that all of the organisations we investigated agreed to implement our recommendations for improvement.

Much to their credit, charities continued to engage with our complaints process and respond to our recommendations positively despite the pandemic pressures. Our complaints team received 836 complaints in total, a 13% increase on the number received in the previous year. It looks like numbers are increasing again this year, despite the lockdown and effect on fundraising.

The most complained about methods of fundraising were charity bags, online fundraising and face-to-face fundraising, which largely reflects common areas

of complaints seen in previous years. Our Annual Complaints Report contains further detail on the complaints we handled throughout the year, as well as those received by a sample of larger charities – and again, you can find the report on our website.

As we continue to grow as a regulator, we learn from our experiences of handling casework and continue to refine our process to ensure we are proportionate and consistent in our decision making.

Let's look now at the Fundraising Preference Service. This year we reviewed the effectiveness of the Fundraising Preference Service, the free service that allows members of the public to manage the fundraising contact they receive from charities.

In the three years that the service has been in operation, over 12,000 people have used it, making over 37,000 suppression requests. A third of these suppressions were made on behalf of someone else. In the last year 725 charities received suppression requests. We know that usage of the FPS has gone down by 37% on the figures reported last year, but this is not surprising as we halted all marketing of the service when the pandemic began.

Since the FPS was launched in 2017, we know that it has provided a way for people to opt-out of receiving communications from multiple charities. And importantly it has protected people in vulnerable circumstances from receiving unwanted charity marketing. But to make sure that the FPS achieves its original aims effectively, we committed to independently evaluating the service after a few years of operation.

The independent review found that while the FPS remains an important tool for people to manage unwanted direct marketing from charities, awareness

amongst members of the public is low and there is a cost to running it. The review recommended that we develop a more cost-effective solution that focuses on providing a convenient way for people in vulnerable circumstances, or individuals on their behalf, to opt-out of receiving charity direct marketing.

We have valued this opportunity to understand how we can improve the service. We are looking at how we can take the recommendations forward and make changes in the next year. That said, this year we did make some cost savings on operating the service. We moved the phone service in-house from an external call centre to make a cost saving of just under £14,000.

Let's now look at the levy and registration. This year we saw increasing support for our regulation from fundraising organisations. 1,877 charities paid the levy in the year ending 31 August 2020 and there were another 2,412 charities outside the levy registered with us, making a total of 4,289 registered organisations. This is a near 20% increase in total on the previous year. We saw smaller fundraising charities increasingly recognise the value of voluntary independent regulation and there were increases in registrations from Wales and Northern Ireland.

I am pleased to report that this year we saw the highest payment rate of our annual Fundraising Levy in our history, with over 97% of the total being collected. For the most recent 2020/21 levy starting on 1 September 2020, I am pleased to report that so far, we have collected 95% of it from over 1,850 charities, despite the challenges faced by the sector this year.

The levy is our primary funding for running our core services, which include: operating our enquires service and the Fundraising Preference Service; handling

and investigating complaints; producing guidance and resources and maintaining the Code of Fundraising Practice.

Our income totalled £2.39 million in the year ending 31 August 2020 – that is comprised of income from the levy of £2.16 million and £229,000 from the registration of smaller fundraising charities and commercial organisations engaged in fundraising. We incurred expenses of £1.92 million throughout the year and we achieved a surplus of £470,000. This has been taken to reserves in line with our policy to have six month's operating costs in reserve, the target set by the board in 2016.

We are committed to achieving value for money to those organisations that continue to support voluntary regulation throughout these challenging times.

In our next financial year, we will build on the successful relationships with the fundraising sector, government and stakeholder bodies to meet the challenges that undoubtedly lie ahead of us during the continuing lockdown and once restrictions ease.

I would like to thank colleagues at these organisations that you can see on your screen for partnering with us on our Coronavirus guidance and publicity campaigns to spread the message about safe and responsible fundraising.

This year was certainly a year to remember. A year of upheaval, but one which led us to reflect on how we carry out our work. I'd like to thank the team at the Fundraising Regulator for working so hard to maintain the quality, reliable services the fundraising sector has come to expect from us. I'd also like to thank charities and other fundraising organisations for their continued support for independent self-regulation.

And finally, I'd like to thank the board, the external members of our committees and observers on those committees who add their expertise and advise us on what we do and how we do it.

25:12 - 01:03:30: Q&A

Sacha: Thank you Gerald for that comprehensive walkthrough of the year. It's now time for our Q&A session where you are going to have the opportunity to ask our panel your questions about the year to date and our work more broadly.

I'd like to introduce our panel. Today we have Margaret Moore, who is the Vice Chair of the Fundraising Regulator board; Jenny Williams, a board member and Chair of the Complaints and Investigations Committee; Jill Thompson, a board member and Chair of the Finance and Risk Committee; and Suzanne McCarthy, a board member and Chair of the Standards Committee. Joining them will also be Lord Toby Harris, Chair of the Fundraising Regulator board and Gerald Oppenheim the Chief Executive, both of whom you have just heard from.

Please submit your questions via Slido using the event code below. Please bear in mind that our session will end at around 11 o'clock so we are unlikely to be able to get through all of the questions you might ask. But we will make sure that we address questions that come in through our communications throughout the year.

I'm going to kick off the session though with a few questions that were submitted to us in advance of the event. So, our first question is to Suzanne McCarthy, and it's a question from John Green of Jesuits in Britain. The question Suzanne is: are there any plans to review or revise the Code of Fundraising Practice?

Suzanne: Thank you very much Sacha for that question and I would like to reassure the questioner that the code is always kept under review and that we continue to ensure that it is proportionate and relevant to the work being done by charities and fundraisers throughout the UK. You have heard reference to the guidance that we produced during the pandemic, working with others, and we are working to consider if any further guidance is required. So, it is a matter of keeping the code under review to ensure that the guidance helps charities and being able to answer their personal queries if they have them. Thank you.

Sacha: Thank you Suzanne, the second question I have is one that I am going to address to Margaret Moore. Margaret, Brian Bennett from Spurgeons Children's Charity has asked that he's keen to understand if there is still a genuine need for the Fundraising Preference Service (FPS) being continued?

Margaret: Thank you Sacha and thank you Brian for your question. As Gerald mentioned earlier, we commissioned an independent review of the FPS to answer just this question and we published the report in November [2020]. The review made a number of very helpful recommendations, all of which we've accepted, and provided us with a significant evidence base from which we can make changes and improvements to the service. The review team spoke to a number of charities and key sector bodies. For the first time we also heard directly from people who had actually used the service and the feedback was extremely positive.

The review found that the FPS does remain an important part of the support structure for managing direct fundraising communications from charities and there is still a genuine need for it, particularly from those who are vulnerable and can often find direct marketing distressing

and confusing, and for their families and carers who are able to make suppressions on their behalf.

We were very pleased to see that the FPS does remain a valuable support service for the public but we recognise the concerns that were expressed, particularly about value for money. The recommendation in the review that we find a way of significantly reducing the cost of the service is an important area of focus for us. We think there are clear cost savings to be achieved by making changes to better reflect how the FPS is actually being used and we are already working on this.

We are also making progress on the other recommendations, in particular improving the visibility of the service through targeted marketing, and through more information on our website. I see that one of the questions is on the usage of FPS and is it declining so I hope I have addressed these points. Thank you, Sacha.

Sacha: Thank you very much Margaret. I've now got a question for Jenny Williams. Jenny, the question comes from Conor McGale of the Rural Community Network. Conor asks that he would like you to please talk a little bit about the number of complaints made by members of the public from Northern Ireland.

Jenny: Thank you Sacha. In fact, we had no [in-remit fundraising] complaints about charities registered in Northern Ireland last year. Just over 1% of the over 800 complaints we did get last year came from people living in Northern Ireland but about charities registered elsewhere in the United Kingdom. Thanks.

Sacha: Thank you. I think this next question I'm going to ask Gerald to take please. Gerald, this question is that in light of the recent NCVO report into oppression, racism, homophobia etc.

what can the Fundraising Regulator do to ensure members are operating within the standards expected of them?

Gerald: Thanks Sacha. The standards around fundraising, very clearly set out in the code and the guidance that we issue, require fundraisers to respect the people they are fundraising from. Equally, that must read across into those organisations - the charities and the fundraising agencies that they may be using to help them raise money. We would expect everybody to be properly respected, and if there are issues that arise, the charities that have contracts with agencies, -and obviously have responsibility for managing their own staff properly - take action if those issues are raised with them. We would raise those matters with charities were we to get complaints, particularly from members of the public, about what might have happened.

Sacha: Thank you Gerald. The next question I'll direct to Jill and the question is: can you please explain why the levy was underspent last year?

Jill: Thanks Sacha. In fact, it's a very simple answer in that we had budgeted for fairly significant marketing of our services and organisation, and with the impact of COVID that was something that we were unable to do, but we very much hope that going forward, if restrictions ease, that we will be able to do that this year.

Sacha: Thank you Jill. The next question maybe Gerald could take. Gerald, the question is: 'the webinars on the code are a great tool for fundraisers, however, there only appears to be the one webinar, does the Fundraising Regulator have plans to do more?' That's an anonymous question, Gerald, if you could please address it.

Gerald: Sure, thanks Sacha. We've actually done three webinars so I'm not sure why only one may be found at the moment, but we certainly have plans to roll out a number. We have done a webinar for example about the code, we've done a webinar on the importance of trustees taking responsibility for fundraising standards within that. As we develop our code and guidance over time, we will be doing more of them because we recognise that they are a really valuable way of reaching a larger number of people online and they can use the webinars as and when they want to. Thanks Sacha.

Sacha: Thank you, the next question I'm going to address to Toby. Toby, the question is: 'how can the Fundraising Regulator help raise the profile of the work that charities do and charity values, and indeed the challenges that they face during the time of COVID?'

Toby: Thanks Sacha and I think it's an important question. What we try and do is that in all our public statements we acknowledge the extraordinary work that charities do, we acknowledge that they are working under extremely difficult conditions at the present time and how they have worked very much to ensure they can continue to function and abide by the appropriate standards. But I think that the most important contribution we can make is by providing trust and reassurance to the public about the work of charities; that fundraising is done to a high standard, meets what everyone would accept is good, proper practice and in so doing I hope that that will support the work of all individual charities of all sizes.

Sacha: Thank you Toby. The next question I am going to address to Jenny. Jenny, are there any changes planned to the Annual Complaints Return categories?

Jenny: Thanks Sacha, we've been doing some work on the Annual Complaints Report, consulting the 50 or so larger charities that contribute to the second part of it, and we are going to be incorporating feedback into the next report. We're currently engaged in a wider exercise going out to the other charities and stakeholders with a view to making it more useful. That will include looking at the categories, because one of the factors that came back to us in the feedback was that there is still some variation in the way in which people categorise [complaints], and the categorisation can be made more useful. We'll incorporate what we can in the next report and we hope to have a more wide-ranging revamp of the Annual Complaints Report the following year. Thanks.

Sacha: Thank you Jenny. And I am going to stay with you Jenny for a few moments longer because the next question relates to complaints: 'what kind of complaints did the Fundraising Regulator receive about online fundraising?'

Jenny: 'Online' refers to emails, website and pop-up banners; the main source of complaint there was about misleading information.

Sacha: Thank you Jenny. The next question I think I will direct to Margaret. Margaret, the question comes from Hilary Hesbrook of the Royal Navy and Royal Marines Charity. Hilary asks: 'could you please talk about the reasoning for the ceasing of marketing for the Fundraising Preference Service during the pandemic, as this is the time when some isolated people may have been feeling more vulnerable?'

Margaret: Thank you Sacha and thank you Hilary, very good question. We were looking at the results of the independent assessment of the FPS at the time and working out how best to target our marketing. But perhaps Gerald you'd like to add to what I'm saying?

Gerald: Yes, one of those difficult decisions I think about what you can do during a pandemic when people are locked down and you're not sure quite how well your messaging and your work is being picked up. We took a view to halt it because the marketing is often done through other agencies taking advertising space and so on, so the decision was to halt it during the pandemic. We have started it up again and with some effect at the end of last year when we used a number of the routes to advertise the existence of FPS and did see a pickup in the number of suppressions that were being made on the system. So we are picking it up again, it's a great question to have asked us, thanks.

Sacha: Thank you Gerald. Gerald, I'm going to stay with you for the next question, which comes from an anonymous questioner. The Fundraising Regulator has looked at online crowdfunding –so that's when they are private or personal causes which don't have the status of a registered charity – do you want to give any update on the progress or views having looked at online crowdfunding?

Gerald: Thanks Sacha and again this is a really good and very important question, seeing how much online fundraising has taken off, not just during the pandemic where it's clearly received a boost because it's one way of raising money [under restrictions]. The problem is that if someone raises money for their own or their family's particular needs, that's outside charitable fundraising. That's personal fundraising for private benefit rather than public benefit. Our role is to regulate charity fundraising rather than personal fundraising through crowdfunding. It's become clear that that end of it isn't regulated by anyone and it's something we want to take up with colleagues at DCMS to look at this gap in regulation. It would certainly be a very large thing for anyone to take

on and at the moment we're not in a place to take that on because we are funded by charities to regulate charitable fundraising, as opposed to individual members of the public for non-charitable causes

Sacha: Thank you Gerald. I'm going to take the next question which again comes from an anonymous questioner and ask Suzanne if she can address it. Suzanne, the question is: 'is there concern about agencies turning to a telephone payments by results or commission model increasingly?' The question is asked particularly in the context of the events that led up to the Etherington review.

Suzanne: Thank you very much Sacha. If we actually saw complaints coming in with regard to this – and at the Standards Committee we do get a complaints information report which tells us what is bubbling up in terms of concerns – that may need to have a review in terms of the code, then we would look at the code to see if it was sufficient to regulate those particular areas. At the moment we haven't seen anything that makes us think that the code is not adequate to deal with these matters. But should that become apparent then we would obviously have to take action, which could lead to code changes, which would require consultation and also possible additional guidance. So it's a matter that we always keep under review.

Sacha: Thank you Suzanne. The next question I'm going to address to Margaret. This question again comes from an anonymous questioner. They are at a charity where they have received two FPS suppressions but from people who weren't actually on their system, so they can't and don't want to keep their data. The question is: 'is the FR looking at refining the FPS' (which I think you discussed a little earlier) but do you want to address the question of the situation

where a charity has received an FPS suppression from someone who actually wasn't on their system?

Margaret: Thank you Sacha, and another very good question. The short answer is yes. As I mentioned earlier, the review gave us a number of very helpful recommendations and a number of queries came up as part of the conversations with charities during the review, including this question. We are looking at all aspects of the FPS as part of our implementation of the recommendations. Thank you.

Sacha: Thank you. The next question I'm going to address to Gerald, although Toby may also want to come in –please feel welcome Toby as well. The question is from an anonymous questioner which is: 'what are the plans to improve diversity at the Fundraising Regulator itself?'

Gerald: Thanks Sacha, I think in common with so many organisations over the last year we became aware we need to do more and should do more to look at the diversity of our board, our staff team and those that we may bring into committees to provide us with expert advice. It's something that we're dealing with actively at the moment and we've certainly taken steps in our recent recruitment to do that, to make sure that we bring more people onto the board from different backgrounds, as well as into the small staff team that we have. But there's a way to go and we will be reporting to the board on this in 2021. I don't know Toby if you want to add anything to that.

Toby: Speaking personally, I take this extremely seriously so I thought that it was important when recruiting our recent batch of new board members that we should engage with an agency which would specifically reach out to different communities to try and ensure we had

a diverse shortlist which would enable to us to improve the diversity of the board itself. It is something which is also taken seriously when recruiting staff and we spent quite a lot of time at our last board meeting discussing precisely these issues because what we want to make sure is that as an organisation we are an exemplar in this area. We've still got some way to go but I think that it's something that both Gerald and I and the entire board see as our responsibilities.

Sacha: Thank you Gerald and Toby. The next question I'm going to address to Jill and it comes from an anonymous questioner who has been looking at the surplus in the most recent annual accounts of the Fundraising Regulator. They ask, in light of that surplus, do we believe that we should be looking again at the levy?

Jill: Thanks Sacha. The answer on the levy is that we look at it very carefully every year that we set the level. We were concerned earlier in the year that charities might struggle to pay our levy and we had a lot of quite heated discussions about at what level we would set it. You'll have seen that we maintained the level from last year and we've been extremely pleased with the response so far. As Gerald pointed out, we've already reached 95% of the absolute amount [for 2020/21] which indicates that charities do believe that we are asking them to pay a very reasonable amount to maintain the reliability and the reputation of the sector.

That said, if during the course of this year, we start to believe we are asking for a payment that is not sustainable in the light of what might happen to charities funding then we will look again and make a very sensible and correct decision on what amount to ask. The reason for the underspend this year is, as I said earlier, due to being unable to carry out some marketing and publicity work due to COVID restrictions. We do believe that

work is important, and we have budgeted to do that this year. We believe that it's essential that our name is known far more widely amongst the general public in order to continue with the work that we do to maintain the reputation of the sector. So in summary; we're maintaining a watching brief; we hope that we will be able to maintain the level at the current levy and if there are reasons not to do that we will think again; and we will make that decision towards the end of our financial year.

Sacha: Thanks Jill. I'm going to address the next question to Toby. It's a broad question from an anonymous questioner: 'where does the Charity Commission's [for England and Wales] work stop and the Fundraising Regulator's work start, what are the boundaries and are there any crossovers?'

Toby: Well, the first to say is that our remit is restricted to fundraising, it's what it says on the tin, it's the name of the regulator. Quite clearly in the event of serious complaints there may be an issue which raises issues about the governance of a particular charity, and we would then liaise very closely with the Charity Commission on that issue in the same way that we would liaise closely with the Information Commissioner's Office if there was a crossover in that direction.

We liaise with the Charity Commission on a regular routine basis; I've certainly had meetings during my tenure with the outgoing chair of the Charity Commission, Gerald meets the chief executive regularly and then there is staff liaison, particularly around the issues of complaints. But clearly the Charity Commission's responsibility is one of regulating the entire sector, there's a particular focus on overall on governance and propriety in those terms. Our focus is on fundraising and making sure that meets the high standards that everyone expects. What we want to make sure

is that we've got the informal links so if there are issues where there is a crossover or we need to act jointly, we're able to do so.

Sacha: Thank you Toby. The next question I'm going to address to Gerald. Gerald, a question again from an anonymous questioner is: 'please can you signpost or link to the guidance for better fundraising reporting in annual reports?'

Gerald: Thanks Sacha. In the last couple of years, we've looked at how charities report on their fundraising. In England and Wales if you're a charity with a turnover of more than £1 million a year, under the Charities (Protection and Social Investment Act) 2016 there are a number of things you have to include in the trustee's annual report about your fundraising, including your approach to dealing with complaints and your approach to dealing with vulnerable people, as two examples. We've published a couple of reports and we'll be doing another in due course. You can find them through our website, and we'll make sure after the meeting that we make clear where the links are. Thanks Sacha.

Sacha: Thank you Gerald. The next question, Suzanne I'm going to ask you if you can please address; it's from an anonymous questioner: 'there are a high number of virtual fundraising events being advertised at the moment, are there particular guidelines relating to virtual fundraising events?'

Suzanne: Thank you Sacha. There are a number of regulators besides ourselves that are interested in advertising and I would particularly reference the Advertising Standards Authority, which would be concerned if the advertising for the virtual event was misleading or factually incorrect. Obviously our code contains requirements regarding how you engage with potential donors and all that would apply to anything that was

advertised to obtain funds from people. I have to say that again, I mention the work that was done that Gerald talked about with guidance; we are going to publish further guidance for the sector and, if necessary, also guidance for the public. If we feel there needs to be a reference in that guidance to how virtual events are advertised, we will consider that and include it in the next guidance. Thank you, Sacha.

Sacha: Thanks Suzanne, the next question I'm going to address to Jill. It is from an anonymous questioner: 'will the Fundraising Regulator be offering a reduced fee this year given the challenges faced by many registered organisations?'

Jill: Thanks Sacha, at the moment there is no plan to do this. But, as I said earlier, we are keeping a close eye on the environment that our charities are operating in and during the course of the year we will assess whether we believe that the current fee that we are asking, the current levy rates we are asking, are reasonable in the context of the overall environment that charities are currently operating in. So, I can only reiterate that no, not at the moment, and that we were very pleased to see the level of payments that we have received, indicating that charities believe we are asking a fair amount for the work that we do. But if circumstances change then we will re-evaluate. I don't know if Gerald would like to add anything about particular charities?

Gerald: The levy is based on the spend that charities have on fundraising, so if you spend over £100,000 a year on fundraising then you are covered by the levy. Obviously, we'll take a very close look, as Jill has been saying, at what the levy in September 2021 might look like, both in light of the budget that we need to have to do our work as well those wider concerns about what charities are able to afford and what they're spending

on fundraising. So there will be a variety of things to take into account and we'll be discussing these with the board during the summer.

Sacha: Thank you Jill and Gerald. Margaret, I've got a question which I think follows on from some of the points you were making earlier about the Fundraising Preference Service. It's from Louise and she's asked if you could clarify the point about low awareness about the Fundraising Preference Service amongst the public and does this mean that people are not actually using the service? And maybe also just say a little bit more about the review of the FPS.

Margaret: Thank you Sacha and thank you Louise. The independent review we commissioned did reveal we've got work to do to improve the awareness of the FPS and, as I said earlier, we will be working on that. It's particularly useful for those who are more vulnerable and their families and carers, so we will be focusing our marketing on the people who we know use it and would find it extremely valuable. And we are doing a holistic review of the FPS based on the evidence base which we've got now, of how it is actually used, because it was designed at a time when there was huge spotlight on fundraising practices, and it was designed to deal with the worst-case scenario of demand and we're looking at ways of rationalising it and focusing it. Thank you.

Sacha: Thank you. I'm going to just flag to our panel that we only have a few more minutes left but I want to get in a few more questions so I'll try to get in as many as possible. I think there's a question here for Suzanne, you've touched on it, but I think it's worth me asking it because it's been highlighted by a few people. A few of the people attending the event say they have concerns about the level of regulation of individual fundraising via crowdfunding, particularly as Just Giving are so heavily

promoting it. Would you like to say anything to address their concerns about the importance of this area, Suzanne?

Suzanne: Well, I'd listen to what Gerald said in relation to, I think a similar question, earlier and I would endorse the points that he made. I have to say that as this has come up quite strongly at this conference, at the next Standards Committee, I think we will have a debate and discussion about this so that we can look at this in more detail to see if there's anything specifically the Fundraising Regulator should do either on its own or in consort with others. So, a matter that I think we should take away and have a discussion at the Standards Committee.

Sacha: Thank you and Suzanne while you're with me, the next question relates to the code, so if I may stay with you. It's from an anonymous questioner: 'are there any plans to add to the areas relating to equality, diversity and inclusivity within the code?'

Suzanne: Well, the code does cover how you should treat both donors and people who are actually fundraising, and again if there are issues that it is not sufficient to cover those areas then we would have to expand the code accordingly. Or, possibly more flexible, is to look at the guidance that we may give around the code. I would suspect we would look at guidance first to see whether or not that can expand the understanding of what the code requires in those particular areas.

Sacha: Thank you. We're just in our last few minutes before we round up. I'm going to ask Toby if as Chair you'd like to say anything relating to any of the questions or any points that have occurred to you during the questioning, and Gerald as well. So, perhaps if I begin with Gerald if there are any questions that you want to add any thoughts to and then I'll come to Toby.

Gerald: Thanks Sacha and thanks everyone who asked questions anonymously or by name or having submitted them before the event. It shows the huge range of interest in what the regulator does and what charities do to raise the money they need to bring in, especially at the moment when they've had such a difficult year - and the next few months are certainly not going to be any easier from that point of view.

I think there are a number of challenges there for us to make people much more aware, in the public, about what we are doing and how we can get to them to explain there is a place they can come to if they have concerns; there is a Fundraising Preference Service to help them manage their direct marketing contact with charities. Also, for charities I think there's been an awful lot in the questions for us to reflect on not least, just by way of example, the questions on equality, diversity and inclusion in relation to the code, the code and guidance and what more we can do get that more effectively messaged to charities and to the public. And, as Suzanne was saying, some very good questions about those regulatory gaps between charity fundraising and crowdfunding online we're certainly looking at.

Sacha: Thank you Gerald. Toby, would you like to pick up any of the questions or any final thoughts from yourself on today's event?

Toby: Yes, thank you Sacha. I think it's been extremely helpful, a huge number of questions asked, I hope we've responded adequately but we'll also be going through those we didn't reach during the time to see if there are any particular points that we need to pick up.

There's two points I would like to make in addition. We've extended our strategic plan period to 2022 due to the interruption that has been caused

by the pandemic. We'll be making use of that time to look at our direction of travel, how that works, and we'll be consulting on around some of those issues. There's also another thing that I wanted to mention, which is that we are in the process of reviewing the role of Fundraising Regulator's Badge. I think it's extremely important that people have confidence in that badge but that means also that we need to see how people use it, whether it properly reflects the status of charities and those registered with us, and again that is something we will be consulting about in the months ahead. I do think it's important that people have confidence, and the sector has confidence.

So my final point is, can I thank everyone for participating and can I say we are extremely conscious of the pressures many charities and those within the sector are facing at the moment. What we want to do is continue to get to a position where the public can feel totally confident that the fundraising that is done by the charity sector is properly regulated, meets the best standards that are available, and they can feel comfortable about giving to all of the charities who are represented here and those who register with us in total.

Sacha: Thank you very much Toby and I would like to add my thanks to the panelists today and the speakers today. One of the questions that came in asked whether there would be a recording of today's event, so that those that weren't able to attend live can watch the event. The answer to that is definitely yes, the recording will be on the Fundraising Regulator's website in the next few days.

There's obviously been a lot of questions that we've addressed today and there's been quite a lot of questions that just given timing we haven't been able to address today. We won't be able to provide individual answers to

every person who's asked a question directly, but we will make sure that all the questions that we weren't able to address today, we will not lose them, and we'll make sure that we try and address them in our blogs and our regular communications through the year. So even though we can't send an individual answer to every question, we are going to try and make sure we address those questions through the year so they aren't lost.

The biggest thank you I would like to say is to charity fundraisers for all of your work, and to today everyone who's attended today's event. I've been told that the latest number is around 680 people who attended today's event so thank you very much for taking the time to join us today and thank you for working with us here at the Fundraising Regulator. Thank you.

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