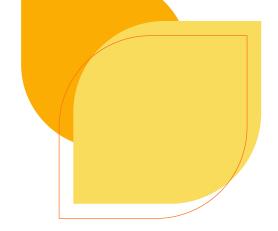


Annual Complaints Report

2022/2023



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INTRODUCTION

About the Fundraising Regulator

The Fundraising Regulator is the independent regulator of charitable fundraising in England, Wales and Northern Ireland. We also regulate fundraising in Scotland where it is carried out by charitable institutions where the lead regulator is the Charity Commission for England and Wales or Northern Ireland. Fundraising by charitable institutions registered only in Scotland is regulated by the Scottish Fundraising Adjudication Panel.

We consider complaints about charitable fundraising where these cannot be resolved by the organisations themselves. We also proactively investigate where fundraising has caused, or has the potential to cause, harm.



Visit <u>www.fundraisingregulator.</u> <u>org.uk/more-from-us/about-us</u> to learn more about us and the scope of our regulation.

EXECUTIVE SUMMARY

In this report, we present insights from the Fundraising Regulator's casework (see part one, pages 12-14) alongside complaints reported by a sample of the UK's largest fundraising charities (see part two, pages 29-33) for the period 1 April 2022 to 31 March 2023.

This data is analysed in the context of a cost-of-living crisis and in the wake of the pandemic, as well as in comparison to previous years' reporting.

Part one

In part one of this report, we focus on three key themes: fundraising purposes and restricted funds; door-to-door collections and deliveries; and public perceptions and fraud protection. These are some of the areas that have received more complaints than in previous years, or which are particularly impactful for charities. It is essential for both charities and their donors that fundraising is always legal, open, honest and respectful. This report highlights fundraising methods and practices that might lead to complaints, and offers advice on how to mitigate this risk.

We conclude that proper safeguards, diligent processes and clear messaging are essential to developing and maintaining donor trust.

Part two

In part two of this report, we look at the various fundraising methods and complaints relating to them as received by charities. Sample charities have completed a survey and included details about the complaints. We compare this year to previous reporting years and highlight the relationship between the prevalence of a method and the number of complaints around that method.

We conclude that there is evidence to suggest that the pandemic has changed public attitudes to certain forms of fundraising. Door-to-door fundraising is now the biggest driver of complaints, possibly owing to more people working from home. The other major reason for complaints is frequency of contact – this is true across a range of fundraising methods and suggests that scheduling and messaging could be improved.

FOREWORD

By Jenny WilliamsChair, Complaints and Investigations Committee



Throughout 2022/23, the sector has continued to fundraise and innovate. This has been set against the backdrop of a cost-of-living crisis, a continued recovery from the pandemic, and some significant global events that have ongoing ramifications for us all.

This report sets out the learning and data from the Fundraising Regulator's caseload during this period, as well as fundraising complaints data reported to us by over 50 of the UK's largest fundraising charities. As always, considerable thanks are due to those charities for the time and effort involved in collating and providing their complaints data.

An increase in complaints about door-to-door fundraising is the most notable finding from the 2022/23 data.

For the first time ever, this method generated more complaints than any other method both to the Fundraising Regulator and the reporting charities. We know that this activity has resumed at scale post-pandemic and is a hugely important source of income for many charities across the UK. It helps charities connect members of the public to causes they may wish to support.

Nevertheless, our data shows that door-to-door fundraising remains an activity of higher risk for charities and that it is more disliked by members of the public than other fundraising methods. Within this report, there are some important reminders about how to mitigate the associated risks.

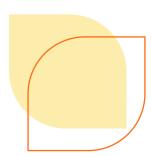
Online/digital fundraising and addressed mail were two methods that also generated a significant number of complaints to both us and the reporting charities.

Considerable thanks are due to those charities for the time and effort involved in collating and providing their complaints data.

Concerns about misleading fundraising remain a theme of our caseload - indeed, misleading fundraising features in complaints across a wide range of fundraising methods. This report picks up on that theme and includes some advice for charities on how to avoid this when planning fundraising activities. We have also included some reflections on ongoing public concern about fraud and what legitimate fundraising organisations can do to help donors give with confidence.

2022/23 marked the first year of our self-reporting pathway, enabling fundraising organisations to proactively report compliance concerns to us. We report back here on the use of that pathway and the types of cases we have seen. We recognise the continued commitment to good fundraising practice from our levy-payers and those who choose to voluntarily register with us. This helps create and sustain an environment in which the public can have confidence in charitable giving and where the charitable fundraising sector can thrive. We were delighted to receive over 400 responses to our survey earlier this year about how the sector would like to receive information about our casework and charities' fundraising complaints. We are analysing these responses and will report on our plans in the coming months.

We recognise the continued commitment to good fundraising practice from our levy-payers and those who choose to voluntarily register with us.



CONTEXT FOR FUNDRAISING

In this report, where possible, we compare data from 2019 through to 2023, to demonstrate changes to fundraising activity and complaints levels in the context of before, during and in the aftermath of the coronavirus pandemic.



Guidance for the cost-of-living

Charity Commission for England and Wales <u>Manage financial difficulties</u> in your charity arising from cost-of-living pressures

Guidance for emergency fundraising

Charity Commission for England and Wales Charity emergency appeals: starting, running and supporting charitable emergency appeals (CC40)

Fraud Advisory Panel An introduction to fundraising in an emergency

COST-OF-LIVING

In the aftermath of the pandemic, there was an increase in Consumer Price Index (CPI) inflation, and Russia's invasion of Ukraine further worsened global prices.¹ CPI rose by 8.9% in the 12 months to March 2023.² Research from multiple sources indicates that charities are facing higher costs and more demand, with less income.

For example, the Charities Aid Foundation (CAF) estimated that, in 2022, the total given in the UK was £12.7 billion. This was an increase on the £10.7 billion given in 2021, but it was due to people donating more on average – such as to Ukraine appeals – rather than an increase in the overall number of donors. CAF found that 24% of people had made, or were considering making, changes to charitable behaviours. This included reducing or cancelling regular donations or choosing not to make one-off donations.³

EMERGENCY APPEALS

People across the UK gave generously in the wake of several international emergencies. One year after the Russian invasion of Ukraine, donations to the Disasters Emergency Committee (DEC) Ukraine Humanitarian Appeal reached more than £400 million. The DEC Pakistan Floods Appeal raised more than £30 million in one month and the Turkey-Syria Earthquake Appeal has raised over £150 million.

- 1 Exchange of letters between the Governor and the Chancellor regarding CPI Inflation March 2023; Bank of England; www.bankofengland.co.uk
- 2 Consumer price inflation, UK: March 2023; Office for National Statistics; www.ons.gov.uk/economy
- 3 UK Giving Report 2023; Charities Aid Foundation; www.cafonline.org

INCREASED RISK OF FRAUD

The pandemic accelerated the use of online platforms for work and everyday life, and fraudsters quickly adapted their techniques accordingly. They also took advantage of the cost-of-living crisis and emergency appeals, with their techniques becoming increasingly sophisticated.⁴

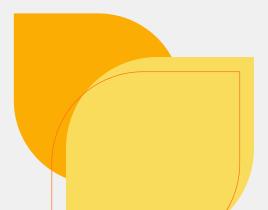
For example, alleged scammers used the Turkey-Syria earthquakes to try to trick people into donating to fake causes using Al-generated images, social media videos, PayPal accounts and cryptocurrencies.⁵

- 4 Press release dated 16 Dec 22; Action Fraud; www.actionfraud.police.uk
- 5 Scammers profit from Turkey-Syria earthquake; BBC; www.bbc.co.uk/news/world europe-64599553

Fraud pledge

Charities are encouraged to sign up to the charity fraud pledge published by the Fraud Advisory Panel. This sets out six basic steps that all organisations can take to show that they are actively working to prevent fraud.

Visit <u>preventcharityfraud.</u> <u>org.uk/fraud pledge</u> for more information.



PART ONE

Complaints received by the Fundraising Regulator

1 April 2022 - 31 March 2023

INTRODUCTION

The purpose of part one is to share learning from our casework that is relevant to the wider fundraising sector.

We focus on the complaints that are both about charitable fundraising and within the scope of our regulation.

To understand how we define this, see the methodology (page 69).

Key findings

- Misleading information is a recurring theme in the complaints that we receive and is a common cause for complaints across different types of fundraising. It was the single most complained about theme both this year and last year (12% in 2022/23 and 18% in 2021/22). As in previous years, these complaints highlight the need for clear, considered wording in materials and scripts.
- Door-to-door fundraising has resumed at scale post-pandemic and the increase in activity has led to an associated increase in complaints. Although this method is a positive way for charities to interact with the public and generate income, it is also unpopular, with many complainants expressing a dislike for the method. Agency use of subcontractors and sub-subcontractors can make it more challenging for charities to retain appropriate oversight and control of compliance with the relevant standards.
- Charities using door-to-door fundraising must ensure that fundraisers have proper training and well-developed scripts. It is important that systems designed to protect the vulnerable do not fail.
- Fraud accounts for over 40% of crime and is high on the UK Government agenda. Action Fraud received 477 reports of charity fraud between 1 April 2022 and 31 March 2023. Fraud is a serious issue for charities; reputational damage and loss of donor trust can be as detrimental as financial loss. Although cases involving fraud are outside of our remit, we work closely with charities, other regulators and key stakeholders to raise awareness of the risks of fraud and provide advice to mitigate them.

OVERVIEW OF OUR CASEWORK DATA

In 2022/23, we received 1,147 incoming cases overall – a 6% increase on 2021/22 (1,080 cases). We closed 1,145 cases in this reporting period (of which 57 were received in 2021/22).

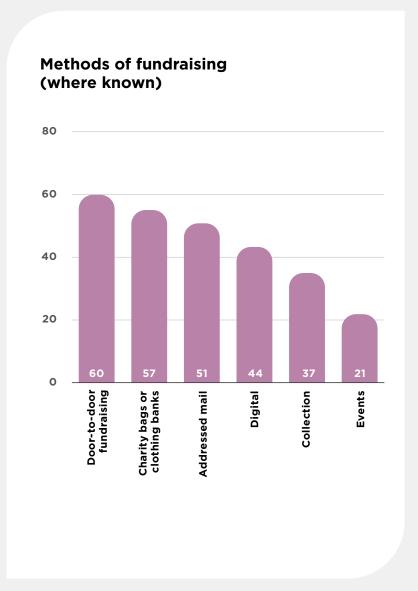
Of the closed cases, we identified 399 complaints that were both about charitable fundraising and within the scope of our regulatory remit.

Most of the remaining cases were outside the scope of our regulation, raising concerns on topics including potential fraud and charity governance – for more information, see the methodology (page 69)

Methods and Themes

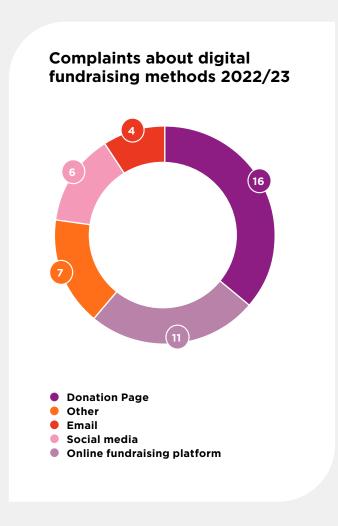
In 2022/23, the methods that generated the most concerns were door-to-door fundraising (60 of 399); charity bags or clothing banks (57); addressed mail (51); digital (44); and collections (37). These five methods accounted for more than half of the complaints within our regulatory scope (62%).

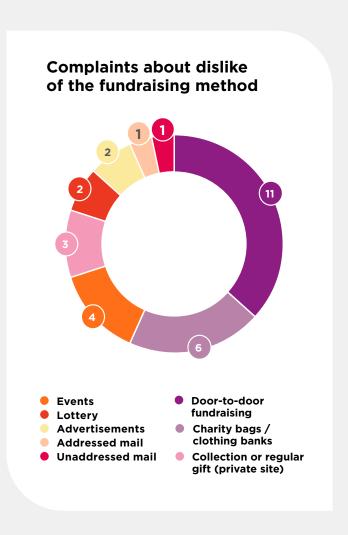
Door-to-door fundraising did not feature in the top five most complained about methods in 2021/22. These were charity bags or clothing banks, digital, collections, addressed mail, and advertisements.

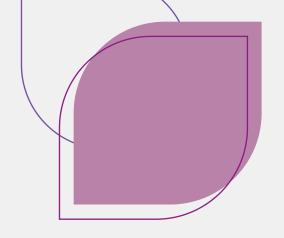


Top five complained about methods 2022/23 vs 2021/22

2022/23	2021/22
1. Door-to-door fundraising	1. Charity bags or clothing banks
2. Charity bags or clothing banks	2. Digital
3. Addressed mail	3. Collection
4. Digital	4. Addressed mail
5. Collection	5. Advertisements







Thematically, most complaints in 2022/23 related to misleading information (49 out of 399), repeated contact (44), fundraiser behaviour (36), a dislike of the fundraising method (33), handling personal data (27), or not respecting a sign on the front door of a household that indicates that the resident does not wish to receive charity bags (27).

Common primary themes of complaints

Misleading information

Repeated contact

Fundraiser behaviour (negative)

Dislike of the fundraising method

Handling personal data

No charity bag sign

Customer service (fundraising)

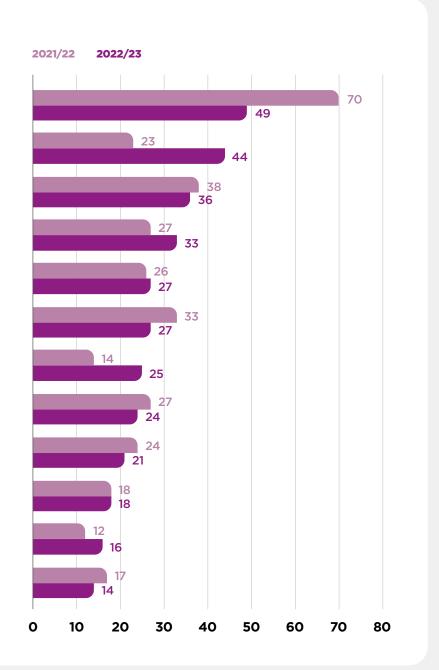
Restricted donation

Charity governance (fundraising)

Pressure to donate

Vulnerable circumstances

Licence and permission



SELF-REPORTING FUNDRAISING INCIDENTS

In March 2022, we launched a new self-reporting pathway for the sector. This enables fundraising organisations to proactively tell us about incidents of code breach that they have identified internally, or been made aware of through a complaint or press enquiry. It is not mandatory for organisations to do this, but it can be a good way to let us know what has happened before a complaint reaches us, and to tell us what they are doing to put it right. We can also provide advice and guidance if it's needed.

Since it launched, 19 organisations have submitted self-reports to us. We did not need to open a formal investigation into any of these, and had constructive dialogues with the organisations in question. The themes of some of these self-reports included mailings sent to incorrect addresses, failure of third-party fundraisers to transfer funds, poor practice of volunteer and paid fundraisers, and third-party fundraisers failing to observe 'no cold calling' instructions.

THEME ONE: FUNDRAISING PURPOSES AND RESTRICTIONS

Misleading information has consistently been a primary theme in our casework, across several years and different types of fundraising methods.

These cases highlight the importance of well-considered wording and good record-keeping in order to be legal, open and honest.

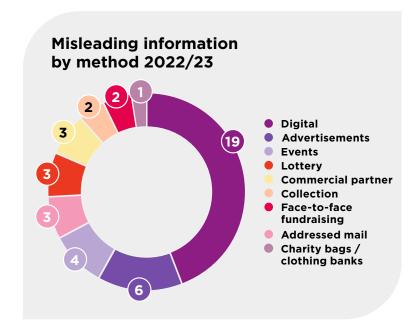
What are restricted funds?

Restricted funds are funds to be used for specific purposes, set out by, for example, the donor, grantmaker or the terms of a public appeal.

Restricted funds may not be spent on any other part of the charity's work.

{attribution: Charity Commission for England and Wales, Managing a charity's finances guidance (CC12)}

Misleading information is a consistent theme



Complaints about misleading information are common in our casework. It was the single most complained about theme both this year and last year (12% compared to 18%; 49 of 399 in 2022/23; 70 of 381 in 2021/22). The Code of Fundraising Practice⁶ gives examples of what misleading information looks like in practice, including leaving out information, being inaccurate or ambiguous, or exaggerating details.

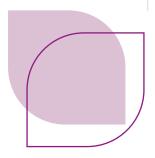
Receiving a complaint does not mean that charities are deliberately acting in this way, and, in most cases, these complaints are not upheld. However, in a minority of cases, we have found that charities have unintentionally or inadvertently misled donors. This most often occurs when there is a lack of clarity in the fundraising materials about whether donations are intended for a restricted purpose or general funds.

6 www.fundraisingregulator.org.uk/code

An appeal's stated purpose is important

In some cases, people contacted us to say that they gave a donation on the understanding it was for a particular purpose, but felt that it had been used for an alternative purpose, which was not in line with their wishes. In other cases, we have seen charities inadvertently create a restricted fundraising appeal. This is because the language and the way information was presented led people to understand that their donations would be spent on the purpose featured in the fundraising materials. when the charity intended to use the funds more widely.

We have also seen examples where appeals that did not raise enough. The donations received were then used for a different purpose, without appropriately informing donors or the statutory charity regulator. It may appear to be a sensible decision to use funds raised for an alternative purpose when the original purpose is not achievable. However, charities must make sure they are not breaking the law by doing so.



Getting the balance right needs careful consideration

We understand that charities need to provide donors with a focus for their giving, and that, to achieve this, fundraising materials are designed to grab attention and be persuasive. It is sometimes easier for people to connect with individual case studies or emotionally compelling examples, compared to broad depictions of a charity's work. However, in telling these stories, charities must make sure that the way they position their fundraising request is not too narrow.

It's important to carefully consider if the wording or presentation of the materials may unintentionally suggest to the public that all funds raised will be for the highlighted restricted purpose. It must be clear to potential donors if examples are being used for illustrative purposes only.

Trustees must have sufficient oversight

In the code's section about trustee responsibilities, the standards state that members of the governing body are responsible for making sure a charitable institution uses donations for the purposes for which they are given. Charities must take note of changes introduced by the Charities Act 2022 in England and Wales, which mean there are now simpler requirements for trustees if an appeal does not raise the amount needed to deliver its aim; if it raises too much; or if circumstances change and the donations can't be used as intended. Any amendments to the code because of legislative changes will be considered as part of our Code Review 2022-25.

To avoid charities being in this position in the first place, we have worked closely with the Charity Commission for England and Wales on guidance about including a secondary purpose. In the code, a secondary purpose is a statement to say what happens to funds if the total amount raised falls short of, or exceeds, the target.

LEARNING FROM OUR CASEWORK

The Complaint

The complainant believed the charity's fundraising was false and misleading, as it claimed it was the UK's only registered charity set up to protect and promote the rights of people with lesbian, gay and bisexual (LGB) orientation.

What Happened

The charity posted a fundraising tweet that claimed it was the UK's only registered charity set up to protect and promote the rights and interests of people with LGB orientation. The charity rejected this complaint on the basis that it was inaccurate. It suggested the person who made the complaint was ignorant of how it differed from other charities. The charity also said that the complainant had not understood that it had been set up because no other charity was supporting same sex attracted people.

The complainant was unhappy with the charity's response and said that there are many other charities that provide a range of services and support to thousands of lesbian, gay and bisexual people.

Our decision

Our findings were based solely on the standards imposed on organisations when fundraising, although we recognised the charity made the claim within the context of a wider ideological debate around sex and gender.

The Code of Fundraising Practice requires that fundraising materials must not mislead anyone, or be likely to mislead anyone, whether by leaving out information, being inaccurate or ambiguous, or exaggerating details. The code also requires that before a charity makes a direct or implied claim in its fundraising that is likely to be taken literally, it must make sure that there is evidence to prove the claim.

The charity acknowledged that its tweet could have been clearer and agreed it will provide more clarity in the future. However, we found that the tweet posted by the charity breached the code because it was misleading, and the charity was unable to provide evidence to prove its claim. We also found that the charity breached the code with regards to its complaints handling, because its initial response failed to properly engage with the issues raised.

Recommendations

We recommended that the charity:

- Carefully considers the wording it uses when fundraising so that it presents sufficient information for donors to understand the charity's position
- Ensures there is evidence to support any claims it makes when fundraising
- Considers how it can ensure the learning from this case is shared internally; and
- Considers using a third party to help resolve future complaints of a contentious nature.

Outcome

The charity accepted our findings and recommendations.
The charity offered to provide an apology to the complainant.

Responding to complaints about fundraising purposes and restrictions

Consider the donor perspective

Fundraisers familiar with the campaign may miss something obvious when designing fundraising materials. Consider the donor perspective and whether your intentions are clear to those with less contextual knowledge of your operations or understanding of how charities generally use funds. Through complaints, donors can share some useful feedback about what is working well and what might need to be changed.

Be prepared to answer questions

Be prepared to answer questions about how donations will be, or have been, spent in an open, honest and respectful way. Make sure you can adequately evidence any claims made in response to a complaint.

Be aware of the Charities Act 2022

Make sure trustees, volunteers and staff are aware of the changes introduced by the Charities Act 2022 (see page 17) and what this may mean if a donor changes their wishes or requests a refund.

Mitigating complaints about fundraising purposes and restrictions

Carefully consider the wording and presentation of appeals

If you are fundraising for a restricted purpose – for example an emergency appeal – make sure that this is accurately and clearly described in your fundraising materials. Be transparent about why you are asking for donations and how you intend to spend them. Include a secondary purpose to explain how you will use donations if you raise too much or too little, or if your charity can't use the donations as originally intended.

Make clear when a case study is illustrative

If you are fundraising for general funds, make sure that your fundraising appeals do not present information in a way that implies donations will be restricted. Make it sufficiently clear that any case studies or examples given are illustrative only.

Keep detailed and accurate records

Make sure your donation records can be accurately matched with appeal information such as the fundraising materials seen by the donor. Make sure that any changes to the appeal information or donor wishes are recorded in detail.

Further guidance

Chartered Institute of Fundraising Restricted and unrestricted funding

Charity Commission for England and Wales Charity fundraising appeals for specific purposes

Fundraising Regulator

What to do if you raise more donations than you need, don't raise enough, or cannot achieve your purpose

THEME TWO: HOUSE-TO-HOUSE COLLECTIONS AND DELIVERIES

As with previous years' data, complaints about charity bags are common. Plus, this year, we have seen concerns about door-to-door fundraising rise to the top of the methods most complained about.

This aligns with data reported by the sector and explained in part two of this report. It is, in part, related to increased activity.

These cases highlight the importance of sufficient risk assessment in light of changes to public habits and mood, and ensuring that systems designed to protect the vulnerable do not fail.

Door-to-door is effective for many charities

We know many charities find door-to-door to be an effective fundraising method, and activity appears to have now resumed at scale. Data from the Chartered Institute of Fundraising indicates that the number of people signing up to donate a regular gift by direct debit following a doorstep interaction was around 75% higher in 2022/23 than in 2019/20*. In part two of this report, our sample charities told us they visited over 22 million households (18.8 million in 2021/22) (see page 35). Door-to-door continues to be an important way for charities to interact with the public, recruit supporters to their cause and generate income.

Many people dislike this method

Nevertheless, many complainants express a dislike of this method. People contact us to say they find fundraisers calling after dark intimidating, especially in the autumn and winter, or to complain that young children have been woken up. This matches complaints made in previous years (see page 35).

Concerns are also expressed about doorstep interactions with those in vulnerable circumstances. As we noted in last year's report, by 2050, one in four UK people is projected to be aged 65 or older. It is not right to identify someone as vulnerable just on the basis of their age; however, when combined with other factors, being older and in poorer health may indicate a person is more likely to be vulnerable. As such, this is a growing risk factor for public fundraising methods.

^{*} The pandemic significantly affected activity levels for this fundraising method in 2020/21 and 2021/22 so meaningful comparison cannot be made with these two years.

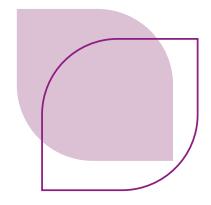
⁷ Data and analysis from Census 2021; Living longer and old-age dependency - what does the future hold?; Office for National Statistics; accessed 6 June 2023; www.ons.gov.uk/peoplepopulation and community/birthsdeathsandmarriages/ageing/articles/livinglongerandoldagedependencywhatdoesthefuturehold/2019-06-24

The Office for National Statistics found that one in eight working adults reported working from home before the pandemic, but, in 2022, between 25% and 40% did so.

Interactions at home may be seen as intrusive

Some complaints suggest that changes to ways of living and working mean people could be more conscious of fundraising at their house and more inclined to consider it to be intrusive. Firstly, people may be at home more often. The Office for National Statistics found that one in eight working adults reported working from home before the pandemic, but, in 2022, between 25% and 40% did so.⁸ We have found more concerns expressed about interruptions when people are working from home.

Secondly, people may still be aware of a visit from a fundraiser, even when not at home. One study estimated that one in five British people now have video doorbell or home CCTV technologies. In several cases, complainants contacted us about door-to-door fundraising or charity bag deliveries based on this type of footage, even when they did not personally interact with the fundraiser.



- 8 Characteristics of homeworkers, Great Britain: September 2022 to January 2023; Opinions and Lifestyle Survey (OPN); accessed 6 June 2023; www.ons.gov.uk/employmentandlabourmarket/peopleinwork/employmentandemployeetypes/articles/characteristics ofhomeworkersgreatbritain/september2022tojanuary2023
- 9 One in 5 Brits now have a video doorbell in home security tech boom; Consumer Intelligence; accessed 6 June 2023; www. consumerintelligence.com/articles/one-in-5-brits-now-have-avideo-doorbell-in-home-security-tech-boom

LEARNING FROM OUR CASEWORK

Use of subcontractors in house-to-house and other in-person fundraising

We have seen serious concerns in the press and reflected in our caseload about poor fundraising practices carried out by subcontractors of fundraising agencies working on behalf of registered charities. This is potentially harmful for the public and damaging for the reputations of the individual charities concerned as well as the wider sector.

Whether fundraising on the ground is carried out by a charity's partner agency, a subcontractor, or even a sub-subcontractor of that agency, the charity's responsibilities remain the same. Charities must make sure all third-party fundraising companies working on their behalf abide by the Code of Fundraising Practice, and ultimate responsibility for this sits with the trustees.

Here are some key considerations for charities:

- You must carry out appropriate due diligence before entering into any commercial partnership.
 Voluntary registration with the Fundraising Regulator is a good indicator of a commitment to good fundraising practice.
- When entering into a partnership, make sure there is a written agreement in place that includes an obligation to fundraise in line with the code.
- Ask questions and think very carefully about the involvement of subcontractors. The agreement must be clear on whether subcontracting is permitted. If it is, it must be clear that the code applies to any subcontractors engaging in fundraising.
- Consider the employment model used by the agencies very carefully. Commission-only models can incentivise poor behaviour that breaches the standards in the code.
- Note that any agreement made must contain adequate provision to allow charities to directly monitor the work of those fundraising on their behalf. This can include providing training materials, attending training sessions to meet the fundraisers, shadowing fundraisers, and regular meetings with the agency to monitor complaints levels.

Ultimately, trustees must be confident that any paid fundraisers working for them can do what is expected and not damage the charity's and sector's reputation.

Responding to complaints about house-to-house

Follow good complaints handling practices

Good complaints handling practices are embedded in the code and our accompanying guidance. Handling a complaint well will not always guarantee that a complainant will be satisfied, but people generally respond positively when they get a timely response and apologies are sincere. Investigating thoroughly means you can understand where problems exist, put things right, and prevent other people having the same negative experience in the future.

Be aware of emotive responses

Upsetting circumstances may mean people act out of character, especially when a potentially vulnerable person is involved. Remaining open, honest and respectful in line with the code values is important, even when it appears that a complaint is unfounded or the complainant is mistaken.

Carefully consider refund requests

Trustees must act in their charity's best interests and only refund donations in line with policies or in exceptional circumstances. If a refund is requested, make sure you seek legal advice or contact your statutory charity regulator if needed. Carefully and fully document your decision-making process.

Further guidance

Chartered Institute of Fundraising Treating donors fairly

Fundraising Regulator

Charity bags: guidance for fundraisers

<u>Key behaviours expected of fundraisers:</u> <u>guidance for fundraisers</u>

Mitigating complaints about house -to-house collections and deliveries

Make sure third-party fundraisers are trained and monitored

Even if a charity authorises a person or organisation to fundraise on its behalf, the trustees ultimately remain responsible for the fundraising activity. Charities must make sure third parties are training contracted fundraisers on relevant code requirements and monitor that this is effective and compliant.

Commit to protect potentially vulnerable people

Vulnerable circumstances can be difficult to identify but charities and third-party fundraisers must make all reasonable efforts to avoid receiving donations from those who are unable to make an informed decision. Specific vulnerability policies, processes and training can make sure fundraisers are fully briefed on how to identify and respond to signs. Fundraisers must be given clear and consistent messages on how to withdraw politely from an interaction if they have concerns.

Consider 'backstops' to check for signs of vulnerability

Backstop processes can help make sure potential signs of vulnerability are identified before a donation is taken (if this was not apparent in the initial interaction). For example, many charities have introduced a mandatory welcome call in certain circumstances after the initial interaction to set up a direct debit. Charities can also make sure that communications are sent before any donation is taken, so that a potentially vulnerable person or their carers will be aware that a regular donation has been set up.

THEME THREE: PUBLIC PERCEPTIONS AND FRAUD PROTECTION

Although we are unable to consider allegations of fraud or criminal activity, the risks posed to the public and the sector by fraudulent fundraising mean this area is important for partnership work and awareness-raising.

These cases highlight how charities can appear distinct from bad actors to protect the public and maintain donor trust.

Fraud is a risk to all charities

Fraud is high on the UK Government agenda, as it accounts for over 40% of crime, and a new Fraud Strategy was launched in May 2023. Though most charitable fundraising is genuine, fraud does occur and can happen at any charity. Action Fraud received 477 reports of charity fraud between 1 April 2022 and 31 March 2023, with reported losses of over £2.4 million. The true cost is likely much higher, as some cases are unreported.

The potential impact is significant, not only in terms of financial loss but also in terms of trust and reputation — both for the individual charity and donors affected, and for the whole sector – when high-profile cases receive media coverage. Three in ten respondents to a recent survey by the Fraud Advisory Panel said they suffered reputational damage as a result of fraud.¹²

Fraud allegations are not in our remit

Fraud is a criminal offence, as defined by the Fraud Act 2006. As a non-statutory regulator, we do not have the authority to consider allegations of fraud or criminal activity and we therefore signpost complainants to Action Fraud in these cases.

In 2022/23, 51% of overall closed cases were assessed as out of our remit (586 of 1,147). One of the most common reasons for this was that the complaints involved allegations of fraud. People contact us to ask whether specific fundraising activities are legitimate, or to ask if we know which charities are operating in a specific area, for example when carrying out street or door-to-door fundraising. People also express concerns about fraudsters posing as fundraisers.

- 10 What the Prime Minister's Fraud Strategy means for you; Prime Minister's Office, 10 Downing Street; accessed 16 June 2023; www.gov.uk/government/news/what-the-prime-ministers-fraudstrategy-means-for-you
- NFIB Fraud and Cyber Crime Dashboard; Action Fraud; accessed 15 June 2023; colp.maps.arcgis.com/apps/ dashboards/0334150e430449cf8ac917e347897d46
- 12 Charity fraud report 2022: Protecting your charity in uncertain times; Fraud Advisory Panel; www.fraudadvisorypanel.org/resource

The public must feel reassured that, by looking out for signs of good practice, they are able to identify a genuine charity.

Good practice makes genuine causes distinct

In the wake of emergencies and at times of increased giving such as Christmas and Ramadan, we partner with other regulators and key stakeholders like the Charity Commission for England and Wales on Safer Giving campaigns. By doing so, we aim to raise awareness of the risks of fraud and advise the public on steps they can take to avoid being targeted. Our key messages include checking a charity's name and registration number, looking for the Fundraising Badge (the logo that says 'Registered with Fundraising Regulator'), and using our directory of registered organisations. We also provide tips on red flags and reassuring signs to look out for when giving in different ways, both in person and online.

Fraudsters are becoming increasingly sophisticated and the blurred boundaries of what is genuine and what is false may influence public perceptions of fundraising. The public must feel reassured that, by looking out for signs of good practice, they are able to identify a genuine charity. If fundraising standards are not met by genuine charities, there is a risk that they may be wrongly perceived as fraudulent.

LEARNING FROM OUR CASEWORK

Humanitarian crises can often provoke a very generous public response, and this was apparent in the scale of funds donated from the British public following Russia's invasion of Ukraine at the start of 2022. The DEC Ukraine Appeal has raised over £400 million to date.

We received calls from members of the public who wanted to know what they could do to help. We were also contacted by members of the public who were concerned about the legitimacy of some of the fundraising activities. This included a number of individuals who had received charity bags through their doors asking for donations to support Ukraine, but without naming or giving the details of any charity that would receive the funds. The absence of this information made them reluctant to give and anxious that well-intentioned donations would not go where they were intended.

Responding to complaints about fraud

Be open to receiving intelligence

Some complainants may allege that fraudulent fundraising has happened when they are angry or upset. Not all claims are substantiated; however, by dismissing concerns, you may miss patterns that indicate a bad actor is abusing your name or brand. Investigating complaints thoroughly and fairly, and escalating those which could indicate fraud is taking place, can help build a fuller picture.

Record and report incidents

Record any incidents of fraud or cybercrime and report it to other bodies such as the police and Action Fraud. Consider making a serious incident report to your statutory charity regulator, depending on the type and level of the incident. Be open with donors about the issues you are facing and the steps you are taking to resolve them.

Further guidance

Charity Commission for England and Wales Protect your charity from fraud and cyber crime

Preventing Charity Fraud

<u>Various resources including help</u>

sheets, webinars and e-learning

Mitigating complaints about fraud

Follow good fraud-prevention practices

Trustees have a legal duty to prevent their charity from the risk of fraud. When planning fundraising campaigns and appeals, consider any new fraud risks. Record any incidents or near misses in a breakdown of your charity's financial controls and learn from these.

Make sure fundraisers and materials are recognisable as legitimate

Make sure your fundraising materials comply with the code and our guidance, such as displaying your registered charity name and number appropriately – this includes any materials distributed by third parties, such as charity bags. Make sure that fundraising staff and volunteers clearly display ID badges and other information to verify their legitimacy when fundraising in person.

Make it easy to verify information

Provide accessible information about how donors can contact you to find out more if they want to verify that the fundraising activity they have encountered is legitimate. Examples we have seen include a webpage listing the third-party agencies that a charity works with, or the geographical areas in which fundraising is taking place, such as for door-to-door or street fundraising collections, or charity bag collections.

PART TWO

Complaints reported by a sample of the UK's largest fundraising charities

1 April 2022 - 31 March 2023

INTRODUCTION

The purpose of part two of this report is to share information about complaints as reported by a sample of the UK's largest fundraising charities.

This helps organisations across the wider fundraising sector to understand the common reasons why complaints are received, and to benchmark their own complaints data.

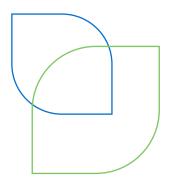
To understand more about the data we collect, please refer to the methodology (see page 69).

Key findings

Charities have reported that door-to-door fundraising has been in the top five most consistently complained about methods over the past three years. In 2022/23, for the first time, door-to-door fundraising was the method that received the most complaints, making up over a fifth (22%) of all complaints received. For more information, please see pages 34-35.

'Frequency of communication' is a leading reason for complaints in 2022/23, specifically about marketing; addressed and unaddressed mail, email, telephone and SMS fundraising. Some charities have said that they increased their communications this year and are messaging donors more often than usual. In response to these complaints, some are implementing stricter quality checks on their communications and are reviewing their communication schedules.

Marketing is the most complained about activity

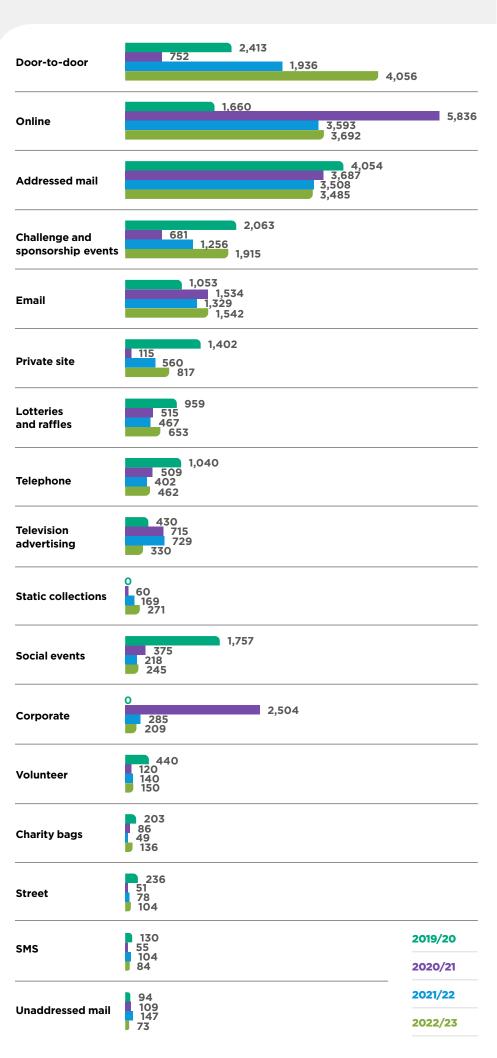


COMPLAINTS BY METHOD

This graph shows the number of complaints reported in 2022/23, by fundraising method. Refer to the appendices for the full data table (see pages 75-77).¹³

Grouping fundraising methods together by activity type enables us to identify trends. In the graphics below, we compare the percentage change in complaint numbers between this reporting year and the previous reporting year (2022/23 and 2021/22) as well as between this year and before the pandemic (2022/23 and 2019/20) for marketing activity, collections, events and gaming.





MARKETING ACTIVITY (DIRECT AND NON-DIRECT)¹⁴

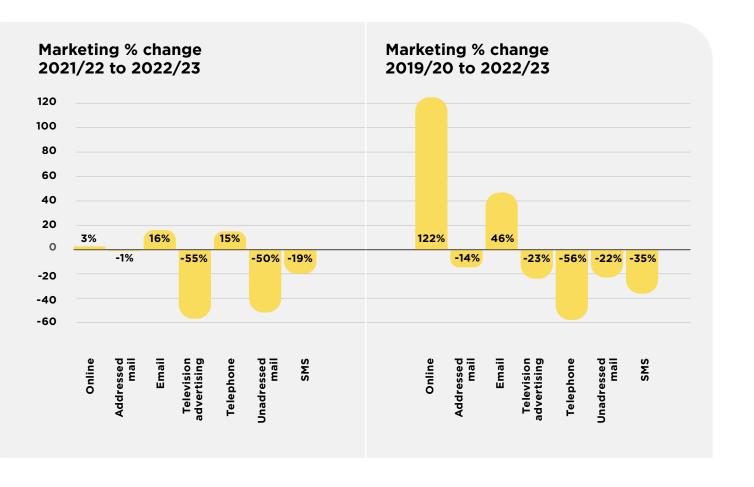
In 2022/23, the total number of marketing complaints reported by charities fell by 2% (from 9,874 in 2021/22 to 9,717 in 2022/23). Marketing was the activity type with the highest number of complaints (53% of the total across all activity types). Whilst the number of reported complaints roughly halved for both television advertising and unaddressed mail, the number of organisations using these methods remained consistent. Complaints about addressed mail made up the majority of direct marketing complaints at 36%, which is consistent with last year.

Online fundraising was the marketing activity that received the most complaints in 2022/23 (38% of all marketing complaints). This is consistent with 2021/22. Public outdoor advertising complaints almost doubled, though these remain the lowest form of marketing complaints, with 13 reported complaints in 2022/23. Activity levels decreased for all these methods in 2022/23, excluding online and unaddressed mail, where activity levels increased but the number of complaints decreased.

Code glossary: direct marketing

Sending (by whatever means) any advertising or marketing material that is directed to particular people.

14 Though they are considered forms of marketing activity, public outdoor advertising, print media and radio advertising are not included in these charts due to low numbers of reported complaints.



Code glossary: collection

A collection of money or sale of articles on the public highway.

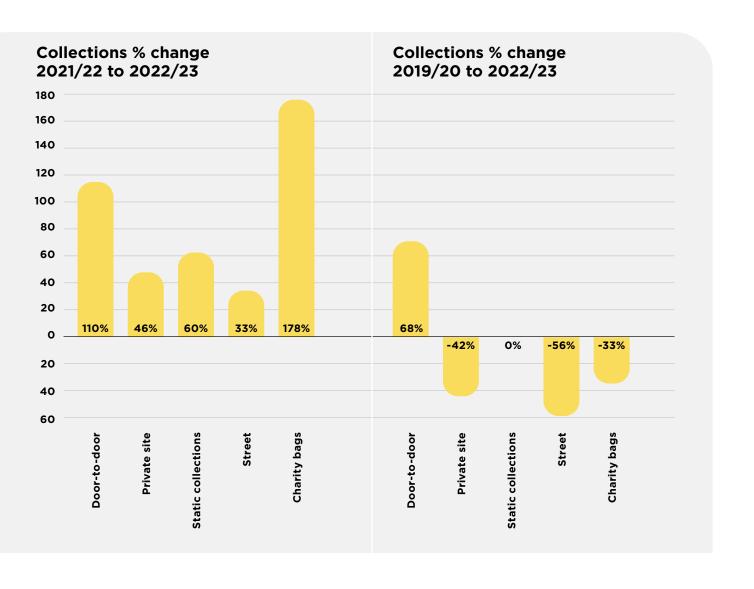
A collection of money or other property house to house [also known as door-to-door].

A collection of money or other property on private land.

COLLECTIONS

All forms of collections saw a rise in complaints this year and the biggest increase was about charity bags (up 178% from 2021/22). Whilst private site collections saw a 46% increase in complaints from last year, there has also been an increase in activity levels and successful sign-ups from 2021/22, meaning the ratio of complaints to activity levels has decreased. Please see page 44 for more details.

In 2022/23, door-to-door fundraising accounted for 75% of total complaints about collections, making it the most complained about method, both in the collections category and overall. For most collection methods, the ratio of complaints to activity stayed consistent. The exceptions were static collections, where activity levels fell but complaints increased. Please see page 52 for details.

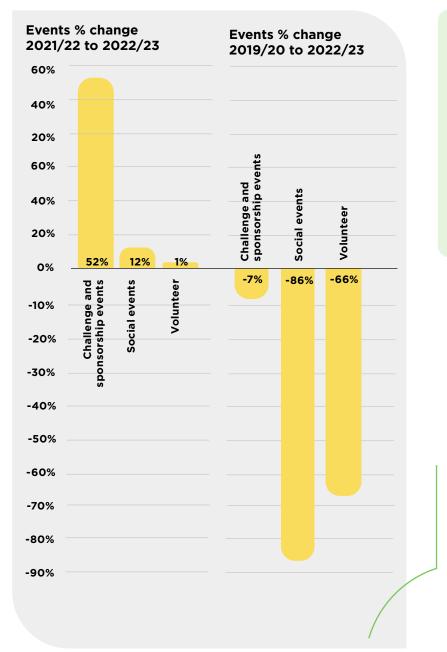


EVENTS

Challenge and sponsorship events raise money through sponsorship of a person or group of people who intend to complete a specific task or challenge. For example, running a marathon, climbing a mountain, or cycling or walking a certain distance.

In 2022/23, for the second year in a row, challenge and sponsorship events were proportionally the most commonly complained about type of event (83%). There was a 52% increase in these complaints, despite a similar number of organisations using this method.

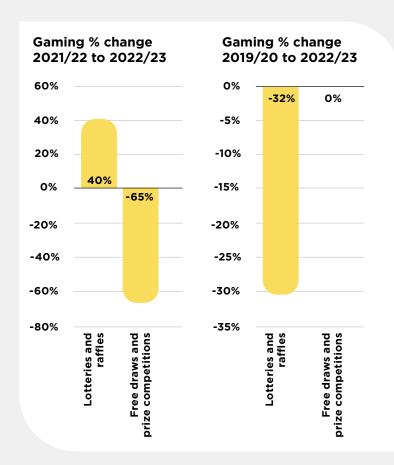
Complaints about social events rose by 12%, after two years of decreasing complaints. Ten more organisations used this method in 2022/23 than in 2021/22 and activity levels increased by around 15 times. Please see page 54 for further details.



Complaints about social events rose by 12%, after two years of decreasing complaints.

GAMING

Overall, complaints about gaming account for only 4% of total reported fundraising complaints in 2022/23, but they have continued to increase. Lotteries and raffles were the most complained about gaming activities for the second year in a row and there was a 40% increase in these complaints from last year. There was a 65% reduction in complaints about free draws and prizes from last year. There was an increase in activity for both methods this year.



Ratio of complaints to activity

In 2022/23, the four methods that received the most complaints, in proportion to activity carried out, were corporate, street, volunteer and private site fundraising. This is consistent with last year's reporting. While corporate fundraising is more likely to lead to complaints than any other form of fundraising, the risk of these complaints has reduced significantly from 2021/22.

Method	2022/23	2021/22
Corporate	1:92	1:45
Street	1:215	1:285
Volunteer	1:248	1:361
Private site	1:713	1:665

Complaints about corporate fundraising only accounted for around 1% of the total this year, and have decreased by 27% from last year's reporting. Due to the relatively low level of activity for corporate fundraising, a small number of complaints can have a significant impact on the ratio data (see page 56).

COMPLAINTS BY FUNDRAISING METHOD AND REASON

In this section, we share more information about the reasons charities give as to why complaints have been received about each fundraising method. Reporting this data is optional and percentages may not add up to 100%. See the methodology for more information (page 69).

Door-to-door

Over the past three years, charities have said that door-to-door fundraising has consistently been in the top five most complained about methods. This year, for the first time, complaints about door-to-door fundraising took the lead, accounting for over a fifth (22%) of all complaints received. The increase in complaints about this method appears evenly spread across our sample and is in keeping with the pattern of complaints increasing since 2020/21.

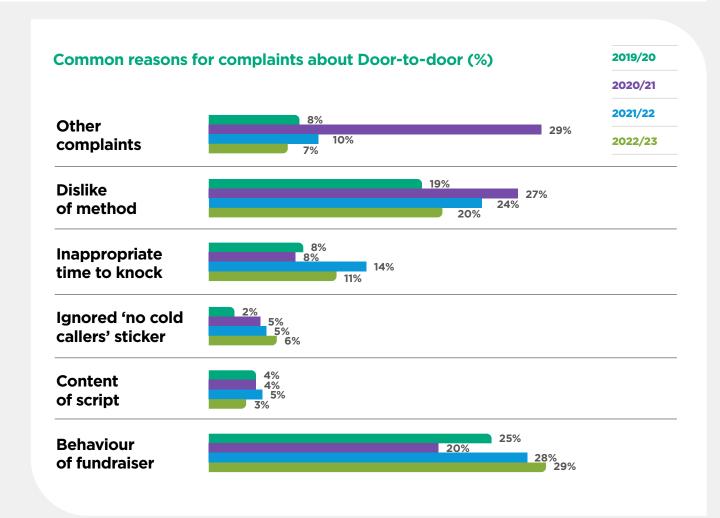
There has been a 110% increase in door-to-door complaints since last year. The data indicates that this method of fundraising is now more likely to generate a complaint. The ratio of complaints to contact via this method has increased from around 1 in 9,700 last year, to around 1 in 5,400 this year.

More organisations carried out door-to-door fundraising than in previous years (30 in 2022/23, compared with 25 in 2021/22) but this is not enough to explain the increase in complaints. Door-to-door activity by charities increased by less than 20% in 2022/23, but complaints more than doubled.

As in previous years, the most common reasons for complaints were fundraiser behaviour (29%) and dislike of method (20%). These percentages are broadly the same as last year. Charities explained that members of the public were concerned about inappropriate sign-ups or approaches to underage or potentially vulnerable people through door-to-door fundraising. Members of the public were also concerned about the legitimacy of the fundraisers and reported instances of miscommunication, whereby people signed up for regular giving, thinking they were making a one-off donation.

Charities told us that they are reviewing the scripts, conversation guides and sign-up forms, and providing updated training to in-house and agency fundraisers in response to these concerns.

Door-to-door	2022/23	2021/22	2020/21	2019/20
No. and % of sample using method	30 (53%)	25 (45%)	14 (25%)	25 (45%)
No. and % of sample using method who reported complaints ¹⁵	29 (97%)	24 (96%)	17 (121%) ¹⁶	25 (100%)
No. of households visited	22,070,440	18,826,602	3,579,338	18,013,114
No. of complaints	4,056	1,936	752	2,413
Ratio of complaints to contact	1:5,441	1:9,724	1:4,760	1:7,465



¹⁵ This year, we have introduced a change in the way we report the percentage of charities who report complaints for each method. In previous years, we showed this as a percentage of the total number of charities in our sample. This year, we are showing the percentage of the sample who use the said method and who subsequently reported complaints. We believe this gives a more helpful comparison of methods that are more or less likely to lead to complaints.

¹⁷ www.civilsociety.co.uk/news/door-to-door-fundraising-sign-ups-rose-by-62-in-2022-ciof-figures-show.html

ONLINE

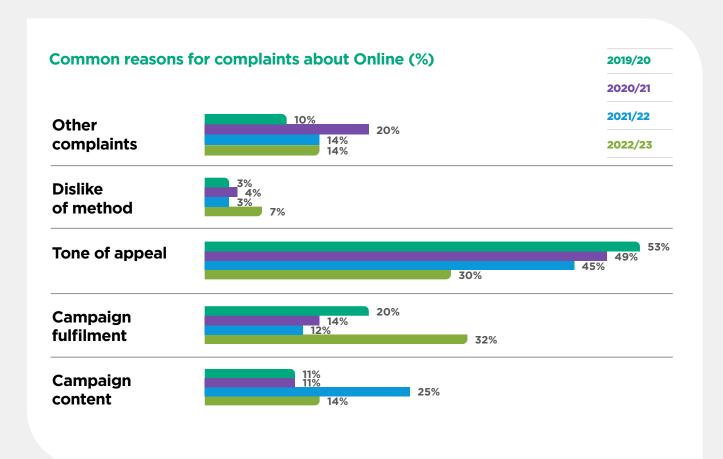
18 By campaign fulfilment, we mean charities carrying out the actions promised to donors as part of the particular campaign (for example, if a charity experienced delays sending a free gift when registering as a supporter).

Complaints about online fundraising accounted for 20% of total complaints in 2022/23, having risen slightly from 2021/22. However, it appears less likely that an online impression will lead to a complaint, as the ratio of impressions to complaints has fallen from around 1 in 2.5 million to around 1 in 3 million. The number of online impressions increased by around 22%.

As with previous years, most of our sample carried out online fundraising this year and around two-thirds received complaints, which is similar to last year.

Campaign fulfilment,¹⁸ tone of appeal and campaign content remain the top three reasons for complaints about online fundraising. In response to these complaints, charities told us they are reviewing internal processes and researching wider system or technology issues that might affect online fundraising activities.

Online fundraising	2022/23	2021/22	2020/21	2019/20
No. and % of sample using method	56 (98%)	54 (96%)	53 (95%)	54 (96%)
No. and % of sample using method who reported complaints	38 (68%)	37 (69%)	40 (75%)	29 (54%)
No. of impressions	10,922,444,012	8,923,497,919	11,007,815,009	5,452,354,513
No. of complaints	3,692	3,593	5,836	1,660
Ratio of complaints to impressions	1:2,958,408	1:2,483,579	1:1,886,192	1:3,284,551

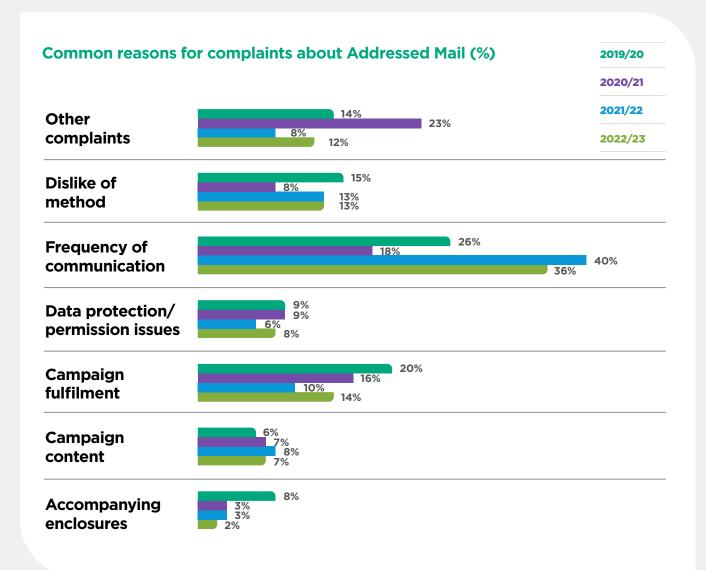


ADDRESSED MAIL

Addressed mail is now the third most complained about method and accounted for just under a fifth (19%) of total complaints this year. The ratio of complaints to contact has increased from around 1 in 19,000 in 2021/22 to around 1 in 18,000 in 2022/23. The total number of complaints has gradually decreased since 2019/20 and the proportion of charities reporting complaints has dropped.

For the fourth consecutive year, the most common reason for these complaints was the frequency of communication. Campaign fulfilment¹⁹ and dislike of method remain common reasons for complaints. In response to these complaints, charities said they are reviewing the frequency of their communications and addressing instances where mail has not been sent out in the timeframes that were expected.

2022/23	2021/22	2020/21	2019/20
56 (98%)	56 (100%)	56 (100%)	56 (100%)
51 (91%)	55 (98%)	53 (95%)	54 (96%)
63,960,382	66,661,819	63,200,944	70,834,507
3,485	3,508	3,687	4,054
1:18,353	1:19,003	1:17,142	1:17,473
	56 (98%) 51 (91%) 63,960,382 3,485	56 (98%) 56 (100%) 51 (91%) 55 (98%) 63,960,382 66,661,819 3,485 3,508	56 (98%) 56 (100%) 56 (100%) 51 (91%) 55 (98%) 53 (95%) 63,960,382 66,661,819 63,200,944 3,485 3,508 3,687



CHALLENGE AND SPONSORSHIP EVENTS

The majority of complaints came from two organisations and related to specific events, including the London Marathon.

Complaints about challenge and sponsorship events accounted for a tenth of total complaints, increasing by 34% – from 1,256 in 2021/22 to 1,915 in 2022/23. The majority of complaints came from two organisations and related to specific events, including the London Marathon. This is still lower than the number of complaints received before the pandemic. As in 2021/22, most of the charities in our sample for 2022/23 used this method, but only around half of them received complaints.

Though activity has reduced by around 700,000 participants in the last year, the ratio of complaints to event participants has increased from around 1 in 3,800 in 2021/22 to around 1 in 2,100 in 2022/23. It was more likely that challenge and sponsorship events would lead to complaints in 2022/23 than in any of our previous years' reporting.

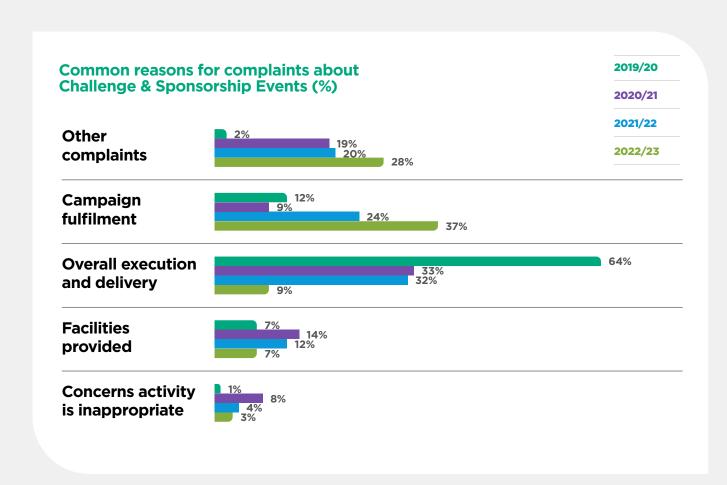
Campaign fulfilment was the most common reason for complaints this year (37%), followed by 'other', which refers to complaints that are uncategorised (28%).

Charities told us that the public complained about third parties cancelling events or were confused about why certain events required each participant to raise a minimum amount. While some people complained about the lack of accessibility of certain events due to location, or route constraints, others were disappointed that they were not able to secure a place for events like the London Marathon.

The postal strikes in 2022 also appear to have had an impact on complaints about campaign fulfilment: charities found items were being delayed or lost and this led to complaints around kit, fundraising packs and thank you letters that were not received in the expected timeframe.

In response to these complaints, charities told us they have launched new events with low registration fees and no minimum fundraising pledge. Charities are also reviewing how they work with third parties and their processes around the supporter journey.

Challenge and Sponsorship Events	2022/23	2021/22	2020/21	2019/20
No. and % of sample using method	53 (93%)	51 (91%)	43 (77%)	42 (75%)
No. and % of sample using method who reported complaints	28 (53%)	29 (57%)	23 (53%)	31 (74%)
No. of event participants	4,056,101	4,776,169	4,730,571	6,110,249
No. of complaints	1,915	1,256	681	2,063
Ratio of complaints to event participants	1:2,118	1:3,803	1:6,947	1:2,962



EMAIL

Content, frequency of emails, and campaign fulfilment remain the three most common reasons for a complaint.

In 2022/23, complaints for email fundraising were significantly higher than pre-pandemic levels. These complaints accounted for 8% of total complaints this year and have risen by 14% - from 1,329 in 2021/22 to 1,542 in 2022/23.

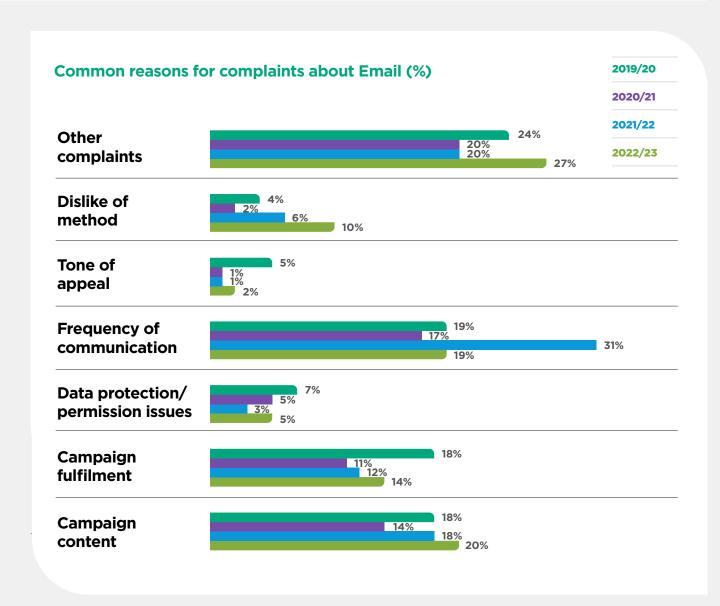
Content, frequency of emails, and campaign fulfilment remain the three most common reasons for a complaint to be made, and account for 43% of total complaints in 2022/23.

With regards to complaints about frequency, charities told us they received complaints about an increase in the volume of emails being sent about the same campaigns; complaints about emails for new campaigns introduced in 2022/23; and complaints about increased requests for donations. One charity received complaints about changing an existing campaign to email only, which some supporters felt was not accessible.

Another charity saw complaints about their email fundraising double after they communicated a rise in membership fees, leading to several membership cancellations.

In response to complaints about email fundraising, some charities have shared that they are implementing stricter quality checks on email copy and are reviewing the frequency of their communications.

Email	2022/23	2021/22	2020/21	2019/20
No. and % of sample using method	57 (100%)	56 (100%)	56 (100%)	56 (100%)
No. and % of sample using method who reported complaints	45 (79%)	46 (82%)	46 (82%)	46 (82%)
No. of emails sent	310,849,623	304,147,109	271,330,526	112,812,622
No. of complaints	1,542	1,329	1,534	1,053
Ratio of complaints to emails sent	1:201,589	1:228,854	1:176,878	1:107,134
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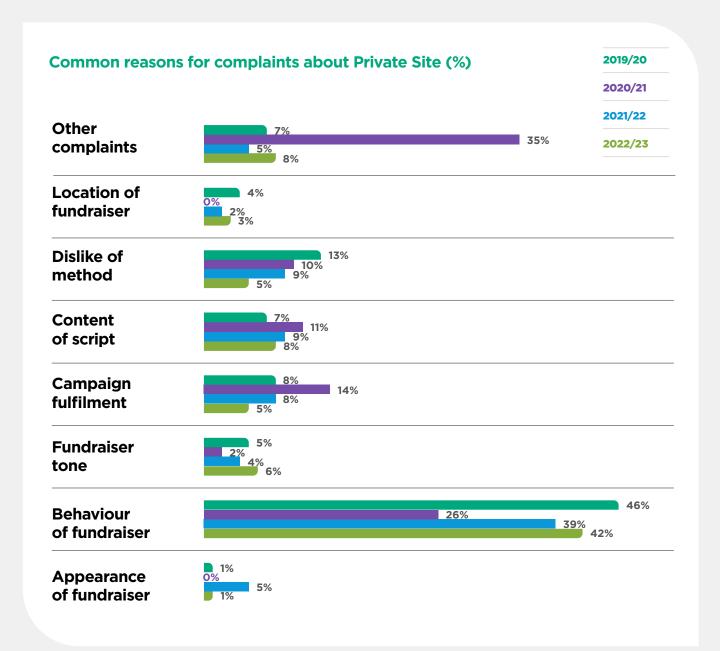
PRIVATE SITE

The ratio of complaints to sign-ups is now at its lowest since we started reporting in 2019/20.

Although complaints about private site collections have increased by 46% in 2022/23, this is in proportion to the number of charities using this method. The ratio of complaints to sign-ups is now at its lowest since we started reporting in 2019/20, meaning that it is now less likely that private site fundraising will lead to complaints. After a fall in the number of sign-ups over the last two years, the number of sign-ups from private site collections is now in line with our pre-pandemic reporting for 2019/20. Complaints about private site fundraising account for 4% of our overall complaints in 2022/23.

As it was in 2021/22, the majority of complaints that charities received in 2022/23 were categorised as 'fundraiser behaviour', at 42%. In response, charities told us that they are providing fundraisers and agency staff with further training and making improvements to the scripts staff are provided.

Private site	2022/23	2021/22	2020/21	2019/20
No. and % of sample using method	37 (65%)	31 (55%)	21 (38%)	34 (61%)
No. and % of sample using method who reported complaints	34 (92%)	26 (84%)	19 (90%)	32 (94%)
No. of sign-ups	582,415	372,195	51,723	586,397
No. of complaints	817	560	115	1,402
Ratio of complaints to sign-ups	1:713	1:665	1:450	1:418

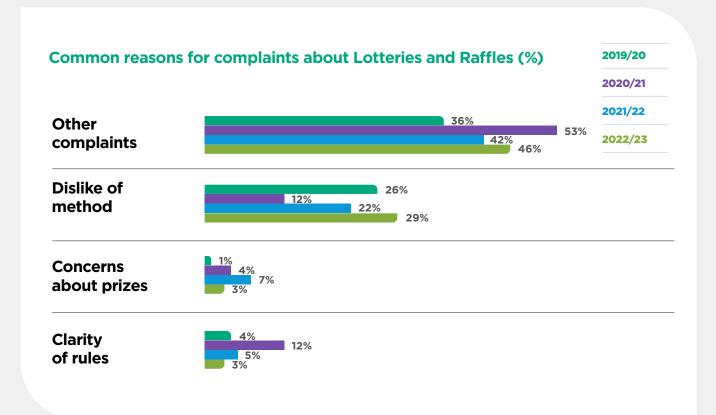


LOTTERIES AND RAFFLES

Complaints about lotteries and raffles account for 4% of overall complaints in 2022/23. After a fall over the last two years, the number of complaints about lotteries and raffles has increased by 40%, from 467 in 2021/22 to 653 in 2022/23. While 11 more organisations are using this method compared to 2019/20, proportionally fewer of these are reporting complaints: the ratio of complaints to tickets sold has decreased from around 1 in 101,000 in 2019/20 to around 1 in 130,000 in 2022/23. Even with the increase in total complaints this year, the figure remains lower than pre-pandemic levels.

Charities told us that the complaints they received included concerns about the cost of prizes, ethical concerns about the use of gambling, online technical issues, and misunderstandings about the terms and conditions. In response to these complaints, charities have reworded their terms and conditions and staff have been trained around gambling rules and regulations, so they can provide clearer feedback to supporters.

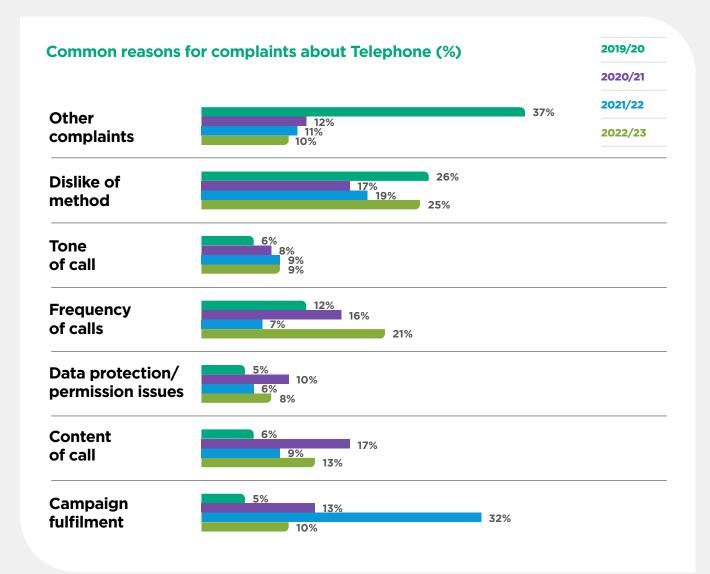
Lotteries and raffles	2022/23	2021/22	2020/21	2019/20
No. and % of sample using method	44 (77%)	42 (75%)	40 (71%)	33 (59%)
No. and % of sample using method who reported complaints	34 (77%)	33 (79%)	36 (90%)	33 (100%)
No. of tickets sold	85,137,044	73,636,147	69,320,978	96,438,253
No. of complaints	653	467	515	959
Ratio of complaints to tickets sold	1:130,378	1:157,679	1:134,604	1:100,561



TELEPHONE

For 2022/23, the number of organisations using telephone fundraising is almost the same as in 2021/22, but the number reporting complaints has fallen from 89% to 74%. Dislike of method and frequency of calls were the leading causes of the 2022/23 complaints. Charities told us that complaints related to people in vulnerable circumstances or people who were unhappy about being contacted when they had asked to be removed from telephone lists. In response to these complaints, charities have told us that they are updating their training for fundraising staff.

Telephone	2022/23	2021/22	2020/21	2019/20
No. and % of sample using method	46 (81%)	45 (80%)	46 (82%)	46 (82%)
No. and % of sample using method who reported complaints	34 (74%)	40 (89%)	38 (83%)	36 (78%)
No. of calls	2,095,545	2,286,844	2,124,924	2,228,766
No. of complaints	462	402	509	1,040
Ratio of complaints to calls	1:4,536	1:5,689	1:4,175	1:2,143

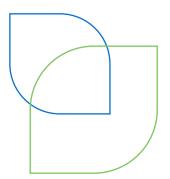


TELEVISION ADVERTISING

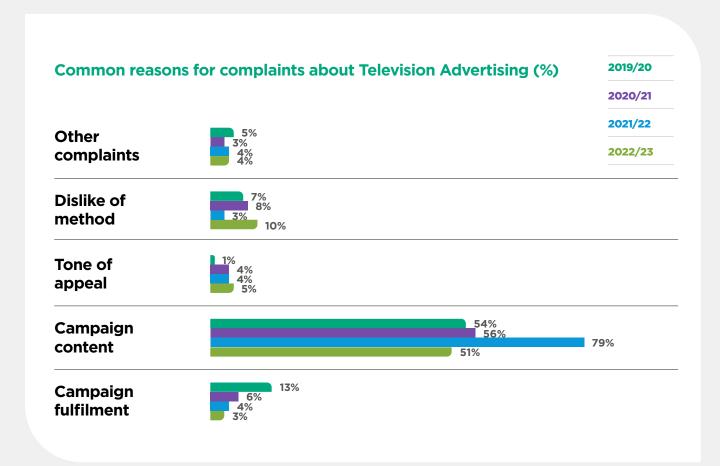
Complaints about television advertising accounted for 2% of complaints in 2022/23 and have decreased by over half – from 729 in 2021/22 to 330 in 2022/23. The figure is now lower than prepandemic levels (430 complaints were reported in 2019/20). One charity received significantly fewer complaints than last year, while the majority of complaints were received by two charities fundraising for similar causes.

The majority of complaints were categorised as 'campaign content' this year, at 51%. This included people feeling that adverts did not provide a true reflection of the services the charities provide, or querying the statistics around how many people are affected by the cause. Some people also complained about content that they felt was distressing viewing for people living with the condition featured in the advertisement. In response to these complaints, charities told us they are reviewing their approach to storytelling and internal messaging. For example, one charity has created an alternative version of an advert which can be shown during daytime hours.

The statistics show that it is now much less likely that this method will lead to a complaint. The ratio of activity levels to complaints has fallen from 1 in around 14 million in 2021/22 to 1 in around 24 million in 2022/23.



2022/23	2021/22	2020/21	2019/20
40 (70%)	41 (73%)	46 (82%)	41 (73%)
31 (78%)	32 (78%)	36 (78%)	26 (46%)
200,371,624	248,273,183	227,003,833	140,178,886
330	729	715	430
1:24,287,470	1:13,963,238	1:14,604,442	1:13,365,894
	40 (70%) 31 (78%) 200,371,624 330	40 (70%) 41 (73%) 31 (78%) 32 (78%) 200,371,624 248,273,183 330 729	40 (70%) 41 (73%) 46 (82%) 31 (78%) 32 (78%) 36 (78%) 200,371,624 248,273,183 227,003,833 330 729 715



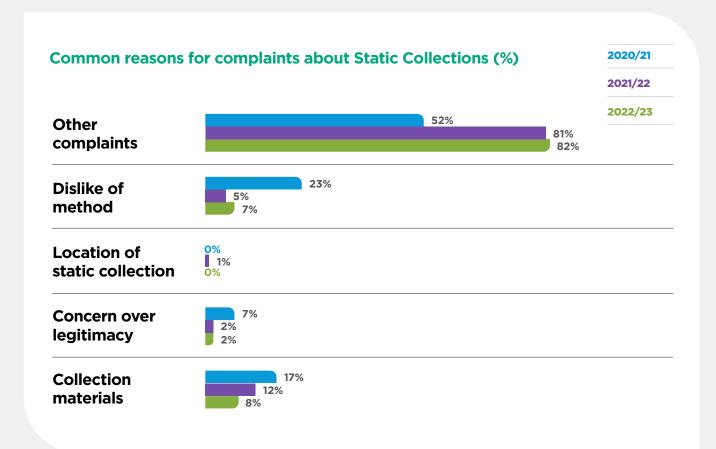
STATIC COLLECTIONS²⁰

20 Due to a historic change in the method name and definition, data comparison is not possible for 2019/20. Static collections accounted for 2% of total complaints in 2022/23, and have increased by 60% – from 169 in 2021/22 to 271 in 2022/23. The number of organisations using this method has increased to the highest levels since 2020/21 and it is now more likely that static collections will lead to a complaint. This can be seen by the ratio of complaints to collections this year (around 1 in 880), which is more than six times higher than the ratio of complaints to collections reported in 2020/21 (around 1 in 5,400).

One charity received almost 16 times as many complaints as in previous years. The charity told us that these complaints related to fulfilment of collection boxes and school packs, late deliveries of boxes and lack of stock for staff and volunteers. In relation to these complaints, the charity has reviewed its process for administering collection boxes and now has a more robust system in place.

As with previous years, the majority of complaints that charities received were categorised as 'other', at (81%).

Static collections	2022/23	2021/22	2020/21
No. and % of sample using method	32 (56%)	27 (48%)	19 (34%)
No. and % of sample using method who reported complaints	9 (28%)	10 (37%)	6 (32%)
No. of collections	238,377	421,128	323,981
No. of complaints	271	169	60
Ratio of complaints to collections	1:880	1:2,492	1:5,400



SOCIAL EVENTS

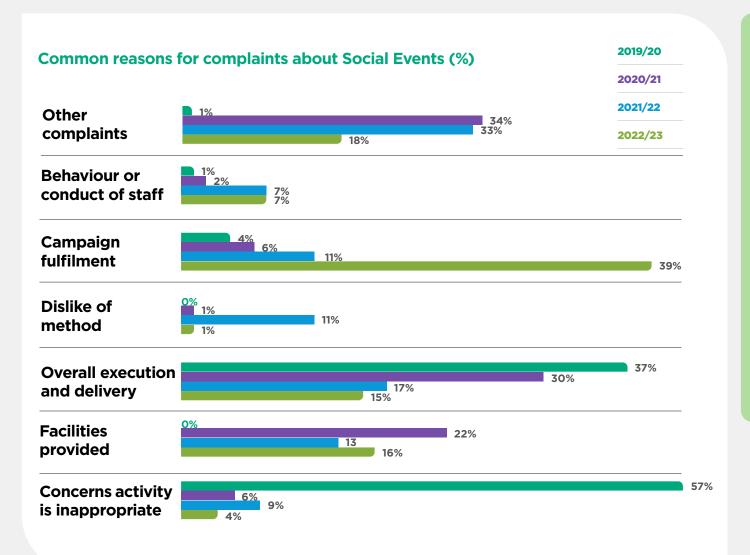
The risk of a social event leading to complaints has increased from last year. However, this is still an improvement from our prepandemic reporting.

Complaints about social events accounted for 2% of total complaints in 2022/23. After two years of decreasing numbers, complaints have increased by 12%, from 218 in 2021/22 to 245 in 2022/23. Even with this increase, the figure is still lower than prepandemic levels (1,757 complaints were reported in 2019/20).

The risk of a social event leading to complaints has increased from the figures for 2021/22 (the ratio of complaints to tickets sold has increased from around 1 in 1,060 in 2021/22 to around 1 in 860 in 2022/23). However, this is still an improvement from our prepandemic reporting, where social events were around three times more likely to lead to a complaint than this year.

Most of the complaints that charities received this year were categorised as campaign fulfilment. One charity reported complaints from supporters about a delay in receiving their fundraising pack and a separate complaint about a denied request for additional merchandise.

Social events	2022/23	2021/22	2020/21	2019/20
No. and % of sample using method	34 (60%)	24 (43%)	21 (38%)	29 (52%)
No. and % of sample using method who reported complaints	14 (41%)	9 (38%)	12 (57%)	14 (48%)
No. of tickets sold	209,780	232,661	361,715	453,210
No. of complaints	245	218	375	1,757
Ratio of complaints to tickets sold	1:856	1:1,067	1:965	1:258

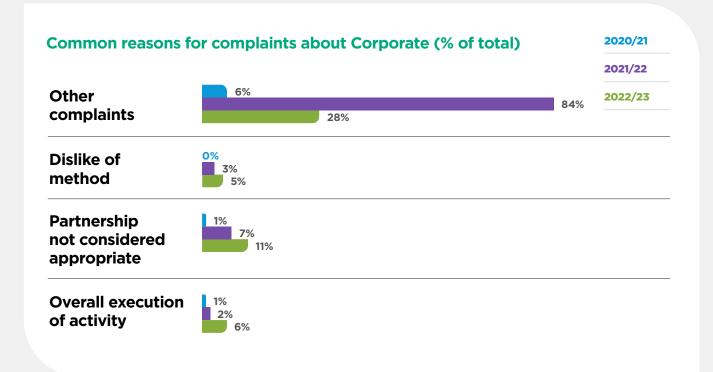


CORPORATE²¹

21 Due to a historic change in the method name and definition, data comparison is not possible for 2019/20. Complaints about corporate fundraising accounted for around 1% of total complaints in 2022/23 and have decreased by 27% – from 285 in 2021/22 to 209 in 2022/23. It appears that this method of fundraising is almost half as likely to cause a complaint as last year. The number of complaints this year is significantly lower than in 2020/21, but the high level of complaints in that year was largely the result of a particular campaign by one charity. For more information, please find last year's report here.

Most of the complaints that charities received were categorised as 'other' this year. Charities told us that supporters had concerns with charities working with specific partners, such as online platforms.

Corporate	2022/23	2021/22	2020/21
No. and % of sample using method	53 (93%)	53 (95%)	47 (84%)
No. and % of sample using method who reported complaints	16 (30%)	20 (38%)	16 (34%)
No. of asks to businesses (for the purposes of fundraising)	19,152	12,936	10,110
No. of complaints	209	285	2,504
Ratio of complaints to asks made	1:92	1:45	1:4

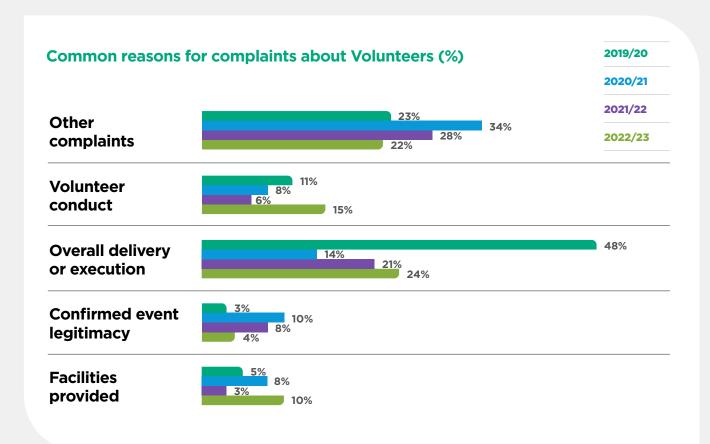


VOLUNTEERS

These complaints accounted for around 1% of total complaints in 2022/23, which is broadly the same as in 2021/22. The number of complaints has fallen by around two-thirds from the prepandemic figure (440 complaints were reported in 2019/20, compared to 150 complaints in 2022/23). In 2019/20, nearly twice as much activity took place as in 2022/23. This could reflect the impact of the pandemic and the cost-of-living crisis.

The most common reasons given for complaints were 'overall delivery and execution' or 'other'. One charity reported complaints centred around a supermarket volunteering weekend and the lack of awareness some stores had around individuals volunteering on their premises. It is thought some stores may have been unaware that volunteers were invited to attend, as they did not see the internal communications sent about this. The charity told us that they are currently working on a process to ensure stores are better prepared in future.

Volunteers	2022/23	2021/22	2020/21	2019/20
No. and % of sample using method	34 (60%)	37 (66%)	32 (57%)	37 (66%)
No. and % of sample using method who reported complaints	17 (50%)	20 (54%)	10 (31%)	24 (65%)
Total 'on behalf of' events run by volunteer fundraisers	37,260	53,440	67,739	74,104
No. of complaints	150	148	120	440
Ratio of complaints to events run by volunteer fundraisers	1:248	1:361	1:564	1:168



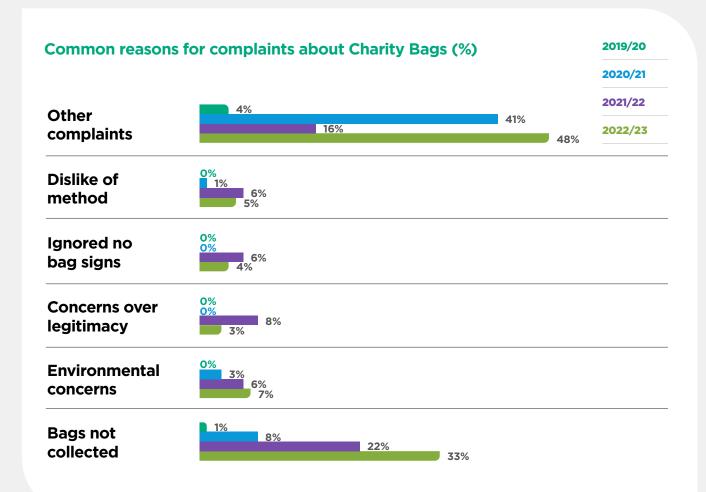
CHARITY BAGS

Complaints about charity bags have increased by 178%, from 49 in 2021/22 to 136 in 2022/23.

Complaints about charity bags have increased by 178%, from 49 in 2021/22 to 136 in 2022/23. But even with this increase, the figure is still lower than pre-pandemic levels (203 complaints were reported in 2019/20). The ratio of complaints to bags distributed is now similar to pre-pandemic reporting levels.

The most common reason given was 'other complaints' (48%), so it is unclear exactly what underpins this sudden increase. One charity told us they received complaints about inappropriate behaviour by fundraisers and incorrect items being taken.

Charity bags	2022/23	2021/22	2020/21	2019/20
No. and % of sample using method	8 (14%)	7 (13%)	6 (11%)	7 (13%)
No. and % of sample using method who reported complaints	3 (5%)	4 (7%)	5 (9%)	8 (14%)
No. of bags distributed	11,794,191	2,258,429	4,177,605	17,905,686
No. of complaints	136	49	86	203
Ratio of complaints to bags distributed	1:86,722	1:46,090	1:48,577	1:88,205



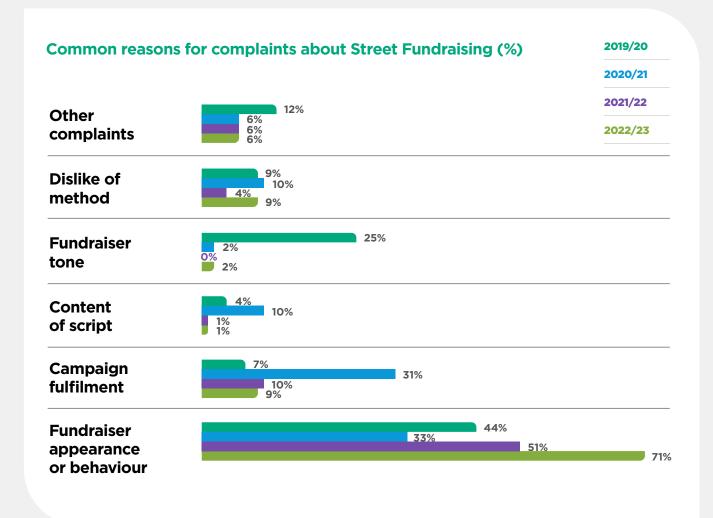
STREET FUNDRAISING

22 The 2019/20 figure shows more charities received complaints about street fundraising than carried out this method. This could suggest members of the public had come into contact with fraudulent street fundraisers, and subsequently reported this to the genuine charity.

Complaints about street fundraising have increased by 33%, from 78 in 2021/22 to 104 in 2022/23. Even with this increase, the figure is still lower than pre-pandemic levels (236 complaints were reported in 2019/20). Based on the ratio of complaints to sign-ups, street fundraising was more likely to lead to a complaint this year.

The most common complaint, year on year, is fundraiser appearance or behaviour. Some charities told us that they have responded to complaints by retraining staff and making changes to their script to ensure clarity where appropriate. Charities have also taken appropriate action with fundraisers where behaviour was unacceptable.

Street fundraising	2022/23	2021/22	2020/21	2019/20
No. and % of sample using method	10 (18%)	8 (14%)	6 (11%)	12 (21%)
No. and % of sample using method who reported complaints	8 (80%)	5 (63%)	7 (100%)	13 (108%) ²²
No. of sign-ups	22,396	22,228	6,556	45,582
No. of complaints	104	78	51	236
Ratio of complaints to sign-ups	1:215	1:285	1:129	1:193

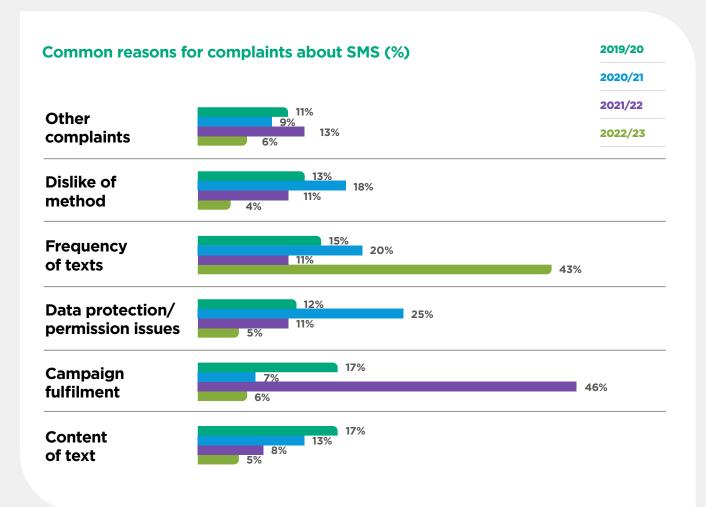


SMS

Complaints about SMS fundraising have decreased by 19%, from 104 in 2021/22 to 84 in 2022/23. The ratio of complaints to texts sent has remained relatively consistent in recent years.

One charity reported that it has received more than double the number of complaints about SMS fundraising in 2022/23. As with several other methods of fundraising this year, frequency of communications was the most common reason for complaints.

2022/23	2021/22	2020/21	2019/20
30 (53%)	33 (59%)	28 (50%)	35 (63%)
11 (37%)	14 (42%)	8 (29%)	13 (37%)
5,557,128	6,569,382	3,437,547	2,561,602
84	104	55	130
1:66,156	1:63,167	1:62,501	1:19,705
	30 (53%) 11 (37%) 5,557,128 84	30 (53%) 33 (59%) 11 (37%) 14 (42%) 5,557,128 6,569,382 84 104	30 (53%) 33 (59%) 28 (50%) 11 (37%) 14 (42%) 8 (29%) 5,557,128 6,569,382 3,437,547 84 104 55



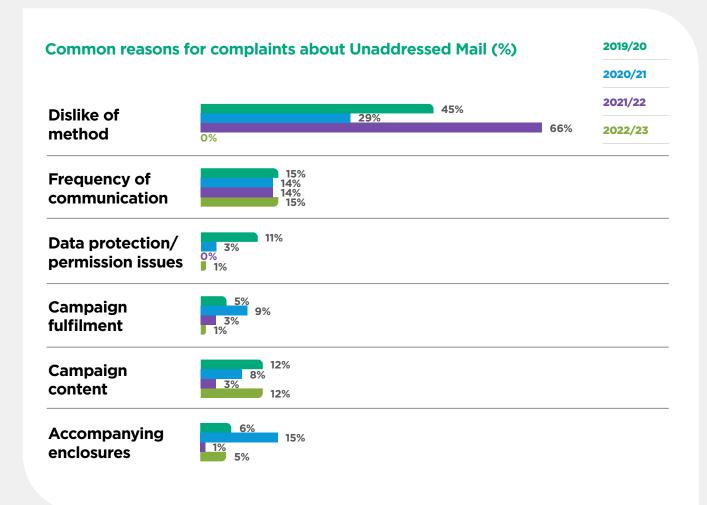
UNADDRESSED MAIL

Frequency of communication this year was the most common reason provided for complaints, with concerns about campaign content also increasing.

Complaints about unaddressed mail have decreased by 50%, from 147 in 2021/22 to 73 in 2022/23. With this decrease, the figure is now the lowest it has been in four years.

One charity recorded 75% fewer complaints compared to last year. Frequency of communication this year was the most common reason provided for complaints, with concerns about campaign content also increasing. For one charity, unaddressed fundraising material about an illness that reached people experiencing the illness caused distress. In contrast with 2021/22, where 66% of complaints about unaddressed mail were for 'dislike of method', no complaints were recorded in this category for 2022/23.

2022/23	2021/22	2020/21	2019/20
21 (37%)	21 (38%)	25 (45%)	26 (46%)
9 (43%)	13 (62%)	17 (68%)	17 (65%)
143,727,601	138,199,193	102,112,739	35,454,965
73	147	109	94
1:1,968,871	1:940,131	1:936,814	1:377,180
	21 (37%) 9 (43%) 143,727,601	21 (37%) 21 (38%) 9 (43%) 13 (62%) 143,727,601 138,199,193 73 147	21 (37%) 21 (38%) 25 (45%) 9 (43%) 13 (62%) 17 (68%) 143,727,601 138,199,193 102,112,739 73 147 109





APPENDIX A: **METHODOLOGY**

This Annual Complaints Report is split into two parts:

Part one: Complaints received by the Fundraising Regulator

Part two: Complaints reported by a sample of the UK's largest fundraising charities

The data for both parts is for the period from 1 April 2022 to 31 March 2023.

Part one methodology

In this report, we focus on the themes arising from the complaints the Fundraising Regulator receives that are both about charitable fundraising and within the scope of our regulatory remit.

By charitable fundraising, we mean fundraising activity that is within the scope of the Code of Fundraising Practice. This is asking for money or other property for charitable, benevolent or philanthropic purposes. People or organisations can ask for donations for a non-charitable cause or to personally benefit someone in need, but this type of activity is not regulated by us.

By 'within the scope of our regulatory remit', we mean those cases that are appropriate for the Fundraising Regulator to consider as the lead regulator, or as part of an investigation together with another regulatory body. Some of the complaints that we classify as outside of our remit may relate in part to charitable fundraising, but there are aspects to the case that mean it is more appropriate for another organisation to consider it – such as concerns about wider governance or fraud.

Part two methodology

The sample size for part two has remained the same since the Annual Complaints Report 2017/18. These charities were identified as spending more than £5 million per year on their fundraising, according to data submitted to the Charity Commission for England and Wales for the year ending 31 December 2014.

The charities complete a survey each year about their fundraising activity and the number of complaints received for each of the fundraising methods listed in the glossary (see page 71). When we refer to 'sample charities', we mean those that have provided us with this data. Charities are also asked to provide optional information about the reasons why a complaint has been received.

Data limitations

We do not provide a definition of what makes a complaint to the charities and therefore this report reflects what each organisation has treated as a complaint, rather than a universal standard.

For some methods, there are very few complaints or reasons reported, so this data should be interpreted with caution. For this reason, we have not reported in detail about methods that consistently received fewer than 50 complaints.

As charities can provide more than one reason for each complaint, and not all charities provide this data, percentages may not add up to 100%.

We ask charities to report volumes of activity whether they have recorded complaints against a method or not. In 2019/20, charities only reported activity when they had recorded a complaint against it.

Changes to data

See the <u>Annual Complaints</u> <u>Report 2021/22</u> for information about historic changes to methodology.

APPENDIX B: SURVEY GLOSSARY

The definitions of 'free draws and prize competitions fundraising' and 'lotteries and raffles fundraising' have changed compared to 2021/22 to better align with terms used in the Code of Fundraising Practice. Minor amends have been made to other definitions for clarity, but these are not material.

Addressed mail fundraising

Fundraising communications that are sent through the post and addressed to a named individual living at the property.

Challenge and sponsorship events fundraising

Fundraising events that raise money through sponsorship of a person or group of people who intend to complete a specific task or challenge. For example, running a marathon, climbing a mountain, or cycling or walking a certain distance.

Charity bags fundraising

Fundraising that involves distributing charity bags to households with the purpose of obtaining clothes and/or other goods for resale and/or recycling.

Charitable institution

A charity (registered or unregistered) or voluntary organisation established for purposes which may not be strictly charitable in law, but which are philanthropic or benevolent.

Corporate fundraising

Fundraising activities run with a commercial partner and/ or commercial participator. This includes, for example, campaigns involving cause-related marketing, sponsorship deals and 'charity of the year' activities.

- A commercial partner is a partnership between a charitable institution and a commercial company where the commercial company provides money, skills or other resources to the charitable institution.
- A commercial participator is any person who carries on a business and, in the course of that business, promotes goods or services on the basis that it will make donations to a charitable institution.

Donation

A gift of money or other property that is voluntarily given and accepted without expecting or receiving something in return.

Donor

A person who gives a donation to a charitable institution.

Door-to-door fundraising

Fundraising that involves going door-to-door (also called 'house-to-house') to donors or potential donors, to request one-off cash/property or regular direct debit donations.

Email fundraising

Fundraising communications that are sent to donors or potential donors using email.

Free draws and prize competitions fundraising

- Free draws: Gaming-based fundraising that must either be completely free to enter or have a free method of entry.
- Prize competitions: Gamingbased fundraising that involves a level of knowledge or judgement, or an element of skill (such as by answering a question) for entry.

Fundraising

Asking for money or other property for charitable, benevolent or philanthropic purposes.

Gaming

Free draws and prize competitions fundraising and lotteries and raffles fundraising.

Lotteries and raffles fundraising

- Lotteries: A type of gambling in which people pay to enter and prizes are allocated either totally by chance or, if the way prizes are allocated involves a series of processes, the first of those processes relies totally on chance.
- Raffles: A type of lottery in which the prizes are goods rather than money.

Major donor fundraising

Fundraising activity that involves interacting with major donors or potential major donors.

Online fundraising

A fundraising ask that is hosted on a website or app and is aimed at an online audience. This can include a charity's own website, advertising banners or pop-ups on third-party websites, as well as social media and online fundraising platforms.

- An online fundraising platform is a website or application run by a commercial company, a not-for-profit organisation, a charitable institution or a person which charitable institutions can use for fundraising or which people or organisations can use for crowdfunding for charitable, philanthropic and benevolent purposes.

Print media fundraising

A fundraising ask that is included in printed media, such as magazines or newspapers. This includes magazine and newspaper inserts.

Private site fundraising

Fundraising that involves approaching the public on private land (for example, at supermarkets or shopping centres) to request one-off cash/property or regular direct debit donations.

Public outdoor advertising fundraising

A fundraising ask that is displayed in prominent outdoor locations, either on private or public land. Examples include advertisements on billboards, bus stops and public transport.

Radio advertising fundraising

A fundraising ask that is broadcast on a local, national or digital radio station.

SMS fundraising

A fundraising ask sent to donors or potential donors by text message to request one-off cash/property or regular direct debit donations.

Social events fundraising

Fundraising activity that has a specific 'social' focus, such as an event (possibly with ticketed entry). This could include, for example, a coffee morning or a pub quiz.

Static collections fundraising

Collections using collecting boxes that stay in one place.

Street fundraising

Fundraising that involves approaching members of the public on the street to request one-off cash/property or regular direct debit donations.

Telephone fundraising

A fundraising ask that is made to donors or potential donors by telephone to request one-off cash/property or regular direct debit donations.

Television advertising fundraising

A fundraising ask that is broadcast on television through 'paid for' advertising. This includes campaigns for regular donations, one-off donations and advertising fundraising events.

Trust and foundation fundraising

Fundraising that involves charitable institutions applying to trusts and foundations for grant funding.

Unaddressed mail fundraising

Fundraising communications that are sent through the post and are not addressed to a named individual living at the property but instead, for example, to 'the Occupier'.

Volunteer fundraising

Fundraising activity carried out by an individual acting as an 'on behalf of' volunteer fundraiser, who works with and who is under the instruction of a charitable institution to raise funds on its behalf and in its name.

APPENDIX C: OVERVIEW OF COMPLAINTS REPORTED BY CHARITIES

Due to either historic low volumes of complaints or changes in fundraising method names and definitions made in 2020/21, some data is either not available or not comparable for 2019/20 and is therefore not displayed in this table.

	Organisations using method				Organisations reporting complaints			
Fundraising method	2022 /23	2021 /22	2020 /21	2019 /22	2022 /23	2021 /22	2020 /21	2019 /22
Addressed mail	56	56	56	56	51	55	53	54
Challenge and sponsorship events	53	51	43	42	28	29	23	31
Charity bags	8	7	6	7	3	4	5	8
Corporate	53	53	47	n/a	16	20	16	13
Door-to-door	30	25	14	25	29	24	17	25
Email	57	56	56	56	45	46	46	46
Free draws and prize competitions	19	20	15	n/a	4	8	5	8
Lotteries and raffles	44	42	40	33	34	33	36	33
Major donor	52	51	48	0	10	8	9	0
Online	56	54	53	54	38	37	40	29
Print media	38	38	30	45	8	8	4	8
Private site	37	31	21	34	34	26	19	32
Public outdoor advertising	23	25	19	n/a	9	10	6	n/a
Radio advertising	20	22	26	n/a	6	6	3	n/a
SMS	30	33	28	35	11	14	8	13
Social events	34	24	21	29	14	9	12	14
Static collections	32	27	19	n/a	9	10	6	n/a
Street	10	8	6	12	8	5	6	13
Telephone	46	45	46	46	34	40	38	36
Television advertising	40	41	46	41	31	32	36	26
Trust and foundation	56	54	47	n/a	2	4	8	n/a
Unaddressed mail	21	21	25	26	9	13	17	17
Volunteer	34	37	32	37	17	20	10	24

	Total reported complaints					
Fundraising method	2022/23	2021/22	2020/21	2019/22		
Addressed mail	3,485	3,508	3,687	4,054		
Challenge and sponsorship events	1,915	1,256	681	2,063		
Charity bags	136	49	86	203		
Corporate	209	285	2,504	0		
Door-to-door	4,056	1,936	752	2,413		
Email	1,542	1,329	1,534	1,053		
Private free draws and prize competitions site	14	40	43	0		
Lotteries and raffles	653	467	515	959		
Major donor	17	19	16	Ο		
Online	1,139	3,593	5,836	1,660		
Print media	15	23	9	70		
Private site	817	560	115	1,402		
Public outdoor advertising	13	7	4	0		
Radio advertising	21	32	14	0		
SMS	84	104	55	130		
Social events	245	218	375	1,757		
Static collections	271	169	60	0		
Street	104	78	51	236		
Telephone	462	402	509	1,040		
Television advertising	330	729	715	430		
Trust and foundation	6	5	10	0		
Unaddressed mail	73	147	109	94		
Volunteer	150	148	120	440		

	Ratio complaints: activity						
Fundraising method	2022/23	2021/22	2020/21	2019/20			
Addressed mail	1:18,353	1:19,003	1:17,142	1:17,473			
Challenge and sponsorship events	1:395	1:3,803	1:6,947	1:2,962			
Charity bags	1:86,722	1:46,090	1:48,577	1:88,205			
Corporate	1:92	1:45	1:4	0			
Door-to-door	1:5,441	1:9,724	1:4,760	1:7,465			
Email	1:201,589	1:228,854	1:176,878	1:107,134			
Private free draws and prize competitions site	1:31,145	1:9,867	1:97,631	0			
Lotteries and raffles	1:130,378	1:157,679	1:134,604	1:100,561			
Major donor	1:1,147	1:1,155	1:1,231	0			
Online	1:9,589,503	1:2,483,579	1:1,886,192	1:3,284,551			
Print media	1:34,902,639	1:19,376,906	1:40,192,132	0			
Private site	1:713	1:665	1:450	1:418			
Public outdoor advertising	1:26,030,614	1:382,511,025	1:49,453,416	0			
Radio advertising	1:38,177,020	1:24,796,684	1:42,605,326	0			
SMS	1:66,156	1:63,167	1:62,501	1:19,705			
Social events	1:14,326	1:1,067	1:965	1:258			
Static collections	1:880	1:2,492	1:5,400	0			
Street	1:215	1:285	1:129	1:193			
Telephone	1:4,536	1:5,689	1:4,175	1:2,143			
Television advertising	1:24,287,470	1:13,963,238	1:14,604,442	1:13,365,894			
Trust and foundation	1:4,943	1:6,996	1:3,012	0			
Unaddressed mail	1:1,968,871	1:940,131	1:936,814	1:377,180			
Volunteer	1:248	1:361	1:564	1:168			



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