

It is a strategic aim of Porchlight to increase turnover and diversify income to counteract a reliance on statutory funding.

As the amount of income received in voluntary donation grows, it is imperative we have a procedure in place to determine which donations we will or will not accept.

This document outlines the ethical principles by which funds will be raised by Porchlight and also sets out the charity's commitment to its donors, partners and supporters. Throughout this document the term 'donor' covers current and prospective donors, partner charities, commercial organisations seeking to work with Porchlight and supporters in other areas that may benefit the charity's work.

## **Principles of the procedure**

### **Donors**

1. Donors are entitled to know how Porchlight spends the money they give. Upon request, donors are entitled to receive promptly:
  - The most recent Annual Report and Financial Statements
  - Confirmation of the charitable status of Porchlight
  - A copy of our supporter charter
2. The privacy of all donors will be respected. Donor records will be kept secure and confidential and only accessed by specific volunteers and members of staff required to do so in the course of their duties. Donors have the right to see their own donor record and to challenge its accuracy.
3. Donors are entitled to anonymity if requested, although not where its purpose appears to be to conceal a vested interest. Furthermore, anonymous donations will be accepted provided there is no reason to suggest that to do so would be contrary to this procedure or would expose the charity to bad publicity.
4. Porchlight will treat its donors with respect. Every effort will be made to honour donors' requests to:
  - Limit the frequency of solicitations
  - Select their preferred channels of contact – for example, post, email, telephone, etc.
  - Make changes to communication arrangements.
5. Any complaint from a donor will be channelled through Porchlight's complaints system, formally logged and responded to in line with current procedure.
6. Porchlight will not actively target people known to be in a vulnerable position for donations. It is recognised that fundraisers may come into contact with people who lack the mental capacity to make a decision around making a donation, and/or people who may be in vulnerable circumstances or need additional support to make an informed decision. Unless there is reason to believe otherwise, Porchlight communicates with supporters based on the assumption that they possess full capacity to make decisions around their own finances. However, staff must remain alert to indicators that an individual may have an impairment of, or a disturbance in, the functioning of the mind or brain, and therefore lack capacity, which include:

- Dementia
- Significant learning disabilities
- Brain damage or injury
- Delirium
- Concussion
- The symptoms of alcohol or drug use
- A physical or mental condition that causes confusion, drowsiness or loss of consciousness
- Conditions associated with some forms of mental health conditions (e.g. schizophrenic episodes or hallucinations)

It will be considered that the person is unable to make a decision if they are unable to:

- Understand the information relevant to the decision
- Retain that information
- Use or weigh that information as part of the process of making the decision
- Communicate their decision

The behavioural triggers we are alert for include the individual:

- Asking irrelevant and unrelated questions
- Responding in an irrational way to questions
- Asking for information to be continually repeated
- Saying yes or no to questions that clearly have not been understood
- Difficulty answering simple questions
- Repeating simple questions e.g. "Who are you? What charity are you?"
- Going continuously off the subject at hand
- Showing signs of forgetfulness
- Unable to hear what is being said
- Unable to understand what is being said
- Unable to read or understand any information that has been sent to them about Porchlight
- Showing signs of ill-health like breathlessness
- Saying things like "I don't normally do this my son/daughter/husband/wife takes care of my donations"
- Saying that they are not feeling well, or are not well enough to continue
- Indicating that they are feeling flustered, rushing or stressed and confused
- Trouble remembering relevant information e.g. forgetting that they are a regular donor to the charity or forgetting that they have a direct debit already set up with Porchlight

Where we have reason to believe that an individual lacks the mental capacity to make a decision around their donation, we will act immediately to ensure that this individual no longer receives fundraising communications from Porchlight, including appeal letters, emails and phone calls.

### **Fundraising practices**

1. Porchlight will adhere to Fundraising Regulator's Codes of Practice and the guidelines in its business of attracting funds. Furthermore, it will, through the use of handbooks and volunteer training, make every effort to ensure that such codes of practice are passed on to its volunteer and staff workforce and, where possible and relevant, applied and reinforced.

2. Fundraising solicitations on behalf of Porchlight will:
  - Be truthful
  - Accurately describe the charity's activities and the intended use of donated funds.
3. Funds raised expressly for particular work, regarded as 'restricted', and the expenditure they give rise to, will be accounted for separately.
4. External agencies (and the staff they employ) hired for creative and fulfilment purposes, or for telephone marketing, will be paid on a fee basis and not on a percentage commission. Similarly, fundraising staff will not normally be paid performance-related pay.
5. When seeking sponsorship or negotiating licensing agreements, Porchlight will indicate to the prospective sponsor the tax implications of the project.
6. When working with a commercial partner, Porchlight will generate a Commercial Participation Agreement to support the partnership. The charity will also apply the specific rules and regulations of the Charities Acts 2005 and 2010, together with the Charitable Institutions (Fundraising) 1994 Regulations in its dealings with business.
7. Porchlight will not accept philanthropic donations from any organisations or businesses which manufacture or sell alcohol.
8. Porchlight will not accept donations from political parties.
9. Porchlight will not actively solicit donations from current service users. Due to their vulnerable situation, the likelihood of financial hardship arising from making a donation, and the risk to Porchlight's reputation of accusations of exploitation, we will not accept donations from current service users.

If a current service user wishes to make a donation we will explain that we do not accept donations from current service users and the reasons why. We will explain the other ways they can help the charity to raise money (e.g. sharing their story, helping with talks, taking part in fundraising events) and that once they are not an active service user we would be very happy to talk to them again about making a donation.

Service users' involvement in fundraising activity is covered by the procedure "Service Users Involvement in Fundraising".

10. Gifts from the family or friends of service users are welcomed, given that the steps are followed to ascertain that they have the capacity and information to make an informed decision. In no circumstances will we link a donation to the procurement of preferential treatment.
11. Porchlight welcome gifts from ex-service users. If an ex-service user wishes to make a donation then we will ensure they are in a position to make an informed decision about their donation. However, we will not actively target ex-service users through direct mail. Where an ex-service user has made a donation, sponsored a friend or colleague in an event, or signed up to our newsletter and given consent to be contacted in the future, we will include them in our mailing list for future fundraising appeals.

12. When communicating with donors who may need additional care and support to make a donation, staff will carefully consider what personal details will be recorded taking into consideration new responsibilities and regulations under the General Data Protection Regulation (GDPR).

Staff have an obligation to tell the donors that they are holding their personal data and an explanation of the purpose(s) for which the data is being held. Staff must avoid recording information about an individual's physical or mental health conditions or any other sensitive personal data without the awareness, permission and consent of that person.

No fundraising staff member should record any judgement or assessment about what they perceive an individual's physical or mental condition to be. Fundraisers can record their own 'quality assessment' of an interaction with a donor. This should not be any assessment or judgement of the individual's condition or circumstance, but a factual review of the quality of the interaction.

13. Where an individual provides information to Porchlight that contains sensitive personal data, for example by making a statement about their condition or circumstance, staff will ask that individual if they would like the information to be recorded on Raisers Edge so that they can best manage their communications in the future. A personal declaration can be given in writing or by a verbal statement.

### **Acceptance and refusal of donations/ partnership proposals**

1. The ultimate responsibility to accept or decline a donation resides with the Board of Trustees; however, the board has delegated the responsibility to accept or refuse donations as follow:
  - a. £0 - £1,000: Director of Fundraising
  - b. £1,000 - £5,000: Porchlight's leadership team
  - c. £5,000 upwards: Chair of Finance Sub Group, Chief Executive and Chair of Porchlight.
2. The adoption of the principles below should allow delegation of the responsibility to accept donations to the charity's staff. If, however, it is felt by the staff that accepting a donation could impact on the charity's reputation or its ability to function to maximum effect, then the decision to accept will be referred to the Board of Trustees. All decisions to decline a donation will be made at Board of Trustee level.
3. Trustees (and on their behalf, Porchlight's fundraisers) have a duty to protect the good name of the charity and to maximise resources. If a donation or partnership proposal is to be refused, the Trustees are potentially answerable to the Charity Commission on such a decision and, therefore, must be able to demonstrate that they have acted 'in the best interests of Porchlight', irrespective of any individual or collective personal interest or predilection. A donation or partnership proposal may be refused on one of two grounds:
  - Association with criminal or fraudulent sources
  - Donation or association with the partner could lead to a decline in support for Porchlight which may result in a fall in the resources available to help homeless and vulnerable people. This could include bad publicity, restrictions imposed by the donor on the use of the gift, internal communications difficulties and putting the charity's good name and reputation at risk.

4. Where the donation is from the payday loans or arms sectors, or from a company or organisation which could damage our brand reputation, a due diligence form must be completed (see appendix A) and submitted to the board for approval. Trustees will assess the potential risk of accepting the donation.
5. Where a donation is offered by someone whom the Director of Fundraising believes lacks the mental capacity to make a donation then the donation will be refused (in line with the IoF/Fundraising Regulator guidelines)
6. Where a donation is offered by someone who is in a vulnerable circumstance but has the capacity to make a decision, the Director of Fundraising will:
  - Check if the individual has donated to the charity before or has a prior relationship
  - Consider whether the donor was given any additional support at the time of donating to help them make an inform