

## **The Telling's Ethical Fundraising Policy and Process**

### **Context**

The Telling relies on philanthropic support and income from public bodies, foundations, private individuals and corporate sponsorship to maintain its programme of work.

These gifts may be in many forms, including monetary gifts, property, bequests, shares or in-kind services.

Individuals with responsibility for fundraising take all reasonable steps to ensure that they are aware of the source of funding in order to satisfy themselves that The Telling is not being used to facilitate money laundering or other criminal activity. The steps taken in each case are proportionate to the size of the donation and the relationship with the prospective donor. Fundraisers must take steps to determine that in each case the donation:

- complies with charity law and relevant legislation including the Proceeds of Crime Act 2002, the Money Laundering Regulations 2007 and the Bribery Act 2010;
- does not carry a risk of material reputational damage; and
- does not pose an actual or potential conflict of interest.

### **Key Actions**

- Any transaction of £5k or above needs to have been researched to ensure that we do not get involved with anything illegal or unethical or which would:
  - Damage The Telling's reputation or deter others from supporting
  - Create a conflict of interest for The Telling
  - Detrimentially harm The Telling's relationships with other donors and stakeholders
- When a new prospect is identified, research is undertaken.
- Research which raises any concerns will be flagged up with the Artistic Director.
- A cap on levels for donations from any individual is set each year and reviewed each year. Currently it is set at £5K.
- Any grants of £100k or above from Trusts, or anything which might involve naming opportunities or non-standard terms and conditions will be raised with the Artistic Director and Board of Trustees
- Where a gift involves providing with a benefit in return which is not part of an approved scheme will be flagged with the Artistic Director. Advice may be required in relation to the extent of such benefits, including potential tax implications.
- The existence of research will be transparent to donors via The Telling's privacy notice.

### **Acceptability Guidelines and Review of Potential Gifts**

All gifts accepted will be used in direct support of The Telling's charitable objectives. The Telling reserves the right to refuse any gift that is not consistent with its mission and therefore may choose not to solicit or accept a gift from an individual or organisation.

It is the policy of The Telling to ensure that all gifts and donations received adhere to the Charity Commission and HMRC guidelines to demonstrate good practice and legal compliance. The Fundraising Regulator and the Chartered Institute of Fundraising Code of Fundraising Practice represent the standards set by and expected of all fundraising pursuits.

All donors, sponsors, members, advertisers or any other commercial organisations with potential to give £5,000 or above should be researched in line with The Telling's policy on accepting funds to ensure appropriate, consistent, effective and auditable processes are in place.

This covers all areas of fundraising:

- Individual Philanthropists
- Legacies – when contacted by a solicitor about a Will
- Corporate sponsor – before a proposal is drafted
- Advertiser – before a proposal is drafted
- Trusts or Foundations – when an inquiry is made or just before a proposal is drafted, including who the settlor(s) and trustees are and whether they have significant connections to corporate entities
- Fundraising Events
- In Kind support -just before a proposal is drafted

#### **Privacy and retention of personal data**

Any personal data collated must be processed in compliance with data protection legislation. This includes maintaining confidentiality, keeping personal data for no longer than is necessary for a legitimate purpose, and notifying individuals of how The Telling uses their personal data.

Best practice recommended by the National Audit Office is for efficiency legitimacy to be reasonably assumed where the funds are received from bodies such as well-established charities regulated through the Charity Commission and public sector organisations.

For new or existing donors additional research and referral to the Artistic Director should always be undertaken in the case of:

1. instances where initial research indicates that the potential donor may have been involved in illegal activity, whether verified or not
2. Person has connections to any country where the UK Government has financial sanctions – See Appendix 1
3. a potential major gift or Patron membership from an individual, company or trust from an emerging market e.g. Russia, China, India, South America
4. tobacco firms
5. companies working in or closely connected with the arms trade
6. energy companies – environmental impact
7. activities which cause environmental degradation (logging, factories releasing chemicals etc)
8. pharmaceuticals companies – impact of drugs on public
9. company that undertakes testing on animals
10. company that uses fur in its products
11. company with questionable work practices (not paying Living Wage, gig economy etc)
12. person or organisation with “extreme” political or religious views – potentially offensive, racist or

violent behaviour

13. persons or companies associated with the following industries: gambling, pornography, drugs (including drug paraphernalia, legal highs and related goods or services), pay-day loans and/or collection agencies

14. any person who is or may be classified as a "Politically Exposed Person" (PEP)

15. any person who is or may be classified as vulnerable or lacking capacity

Where copyright or intellectual property issues are involved in connection with any proposed gift, they must be clearly understood and it must be checked that The Telling can comply with any associated requirements

In relation to donations, the following factors should be regarded as higher risk:

1. A requirement to repay the donation (in substance a loan).
2. A donation in an atypical foreign currency.
3. A donation which requires unusual transfer arrangements for the funds to be received.
4. A requirement to pass on the donation to a specific entity or use for an unusual purpose.
5. The donor requests anonymity (NB: the Charity Commission's guidance on serious incident reporting advises that trustees should report, via email, unverified or suspicious donations totaling £25,000 or more).
6. Donations potentially create a relationship in perpetuity.
7. Donations are sourced from countries with a problematic international status or regulatory environment.
8. Donations are from bodies with which the charity has a significant pre-existing commercial relationship or which could result in financial gain for the donor.
9. A donation which could impose a very restrictive course of action on The Telling and compromise the independence and effectiveness of the Board.

Political, ethical and practical issues may be considered only where these are related directly to the interests of The Telling.

### **New relationships at £100k or more**

- Any new relationship of £100k or more should automatically be referred to the Board of Trustees for sign off.
- Details of acceptance will be documented and saved in a secure place on the shared drive.

### **Managing Risk**

Sometimes the acceptability of a donor or sponsor changes over time, perhaps because of a change in their business practice, because new information comes to light or even because of changes in society's attitudes towards a particular industry, business practice. Where a donor fulfils the above criteria, research should be annually updated with any new issues referred to the Artistic Director. Where possible, The Telling should retain a discretion to discontinue an association with a particular donor or sponsor (including by discontinuing use of a donor or sponsor's name) where allowing it to continue is or may be materially damaging to The Telling's reputation. Particular care must be taken if The Telling wishes to return all or part of a donation, as this can only be done in certain circumstances.

Ultimate responsibility for the rejection, acceptance and return of fundraising income, and for setting fundraising strategy, lies with the Board of Trustees who must exercise effective oversight over its delegates.

Fundraisers are responsible for referring potential risks to the Artistic Director before contact is made with a prospective donor whose activities might fall into one of the areas described above, or as early as possible in the negotiation process. In turn, the Artistic Director may refer the decision to the Board whose remit is to:

- make decisions on behalf of The Telling on issues referred to them by fundraisers;
  - where a sponsorship, donation or membership might be rejected,
  - where a fundraiser is in doubt over whether acceptance is advisable,
  - where there are conflicting views between fundraisers and other departments;
- recommend referral to the Charity Commission where the correct course of action remains uncertain, or where clarification is required to ensure that The Telling's legal obligations are met, or where the Development Committee and/or the Board wish to mitigate against the threat of negative publicity that could be caused by the refusal of a donation;
- if a donation which has been received is found to be suspicious after appropriate checks have been made, recommend referral to the police and/or other appropriate authorities including the Charity Commission;
- assess the potential impact of negative publicity around acceptance and rejection;
- review this policy annually, and ensure that compliance with its terms is monitored from time to time.

#### **Affinity Marketing and Product /Service Endorsement**

- The Telling does not endorse or approve the products or services of any company. A statement to this effect will be included alongside any branding or promotion associated with products
- Only The Telling will have direct access to its database and beneficiaries
- In order to ensure that any cause-related promotion reflects The Telling's values, any potential initiative must come to the Director and The Board for approval

#### **Purchasing and Procurement**

The Telling will not knowingly purchase goods and/or services produced and delivered under conditions which involve any form of abuse or exploitation of third parties.

The Telling expects suppliers to accept responsibility for labour and environmental conditions under which products are made and services are provided and to make written statement of intent regarding the company's policy

**Agreed at the Meeting of the Board of Trustees on: 27<sup>th</sup> July 2023**

**Agreed by Board of Trustees**

**Date: 23<sup>rd</sup> July 2024**

**Revised and updated**

## **Policy on Accepting Donations, Membership and Sponsorship**

The Telling is grateful for all pledges of support. However, the organisation retains the right to turn down a sponsorship, donation or membership if:

- the actions of the donor are damaging to The Telling, its reputation or its beneficiaries;
- the reputation of the donor risks bringing The Telling into disrepute by association; the reputation or activities of the donor risks discouraging audiences, participants or donors;
- the donor wishes to exercise influence over artistic or educational policy or activity; acceptance might give the impression that the donor expects The Telling or anyone associated with it to perform some function or activity improperly, or to confer upon them some form of advantage (for example, influencing a tendering process);
- the cost of servicing the sponsorship, donation or membership is greater than its value, or unreasonable in terms of its size or impact on the work of The Telling;
- the offer of support is tied to a particular project or activity which, in reference to The Telling's objects, is nevertheless impractical;
- the support consists of goods, services or property which The Telling cannot lawfully use, convert, exchange or sell in direct support of its charitable objectives; the donation is anonymous, as such a donation prohibits a proper risk assessment;
- the sponsorship, donation or membership conflicts with The Telling's decision not to accept
  - any sponsorship for which the promotion of tobacco brands or companies is a condition.
  - sponsorship in relation to projects where specific beneficiaries are under 18 from alcohol, tobacco or gambling brands,
  - sponsorship for educational initiatives where the reputation, brand or activities of the donor conflict or might be perceived to conflict with the educational or social objectives of the project;
- there is suspicion of money laundering, tax evasion or criminal activity;
- accepting the sponsorship, membership or donation conflicts with The Telling's legal obligation.

### **Research**

In exceptional circumstances, for example where new information comes to light regarding the issues listed above, a donation may be returned to the donor or sponsor. However, once accepted by The Telling, a donation or sponsorship must only be returned to a donor at their request if the terms and conditions of the gift provide for it to be returned, where the law specifically provides for the gift to be returned and by way of an ex-gratia payment.

Fundraisers are expected to carry out a risk assessment on all new prospective donations or sponsorships of £5k and above, undertaking due diligence on both the financial and reputational dealings of potential partners before funding is accepted. The financial, reputational and legal risks of turning down the donation should also be considered.

The research undertaken will use publicly available material designed to highlight potential areas of controversy. Research should distinguish between allegation, rumour or speculation, and confirmed fact or legal finding, although not disregarding the first if public perception alone carries a reputational risk. The Telling, irrespective of the underlying truth.

The Telling follows the Institute of Fundraising's guidelines with regard to best research practice. Ultimate responsibility for the rejection, acceptance and return of fundraising income lies with the Board of Trustees. Fundraisers and volunteers are responsible for referring potential risks to the Director before contact is made with a prospective donor whose activities might fall into one of the areas described above, or as early as possible in the negotiation process.

**Considerations before approving a gift**

- Any additional costs associated with the acceptance of the gift, which will need to be clearly identified and agreed by those who will bear the burden of those costs;
- Where The Telling will be relying on receipt of funds for certain purposes and/or where The Telling will be incurring financial obligations to third parties on the basis that promised funds will be received, appropriate credit checks should be carried out on the donor;
- Where copyright or intellectual property issues are involved in connection with any proposed gift, they must be clearly understood and it must be checked that The Telling can comply with any associated requirements;
- The Telling expects suppliers to accept responsibility for labour and environmental conditions under which products are made and services are provided.

**Agreed at the Meeting of the Board of Trustees on: 27 July 2023**

**Signed by**  
**Chair, Board of Trustees**

**Date: 27 July 2024**

**Revised and updated**