



Bridging the Gap (Manchester) Ethical Fundraising Policy

Registered Charity Number: 1170952

This document sets out the policy and procedures of Bridging the Gap (Manchester) (BTG) in relation to ethical fundraising. It broadly defines a set of principles and processes that can be used to evaluate how to respond to challenging funding opportunities. The Policy is designed as a framework to guide our fundraising activity, ensure due diligence and minimise risk to BTG and its partners. It is critical that our fundraising is transparent, ethical and responsible. This Policy has been informed by best practice from the sector and guidance from the Charity Commission.

The Policy will be reviewed every three years or more frequently as legislation, guidance from official bodies or industry best practise changes to ensure that this policy is current and fit for purpose.

This Policy was approved by the Board of Trustees

Date of consideration: 30 January 2022

Date of implementation: 01 April 2022

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1. Purpose of the Policy

Bridging the Gap (Manchester) (BTG) is a registered charity and relies on income from fundraising to secure its business activities. We must ensure that by undertaking fundraising activities we uphold any legal, statutory or regulatory requirements, and maintain our reputation and adherence to our Charity values.

This Policy provides guidance on how fundraising at BTG will be managed to ensure that we maintain these standards, and provide reassurance and transparency to our donors and sponsors of our processes.

BTG will not knowingly apply to, or accept funding from companies, organisations or individuals who are directly involved in activities that run contrary to our overall aims and charitable purposes.

2. Definitions

BTG fundraises through the following means:

“Sponsorship” is where a business provides money in order to secure the marketing and promotion of its business name, products, services or image. Sponsorship may also include the giving of services or goods for the same in return.

A **“donation”** is a gift for which no direct benefit is sought. A donation may take various forms including cash, services or goods and can be from an individual or an organisation. A donor’s name or list of donors may be on display or included in publicity if BTG chooses to do so by way of thanks. It must be made clear to the donor that any decision to display or include the donor’s name is at the sole discretion of BTG. BTG is entitled to claim Gift Aid on donations from individuals where a Gift Aid Declaration is made that confirms that the individual is tax resident in the UK and has paid tax during the period in which the donation is made. Donations are not subject to VAT.

A **“grant”** is cash given to an individual or an organisation for a specific purpose. There is an obligation to fulfil any criteria the funding body may place upon the grant i.e. to ensure the project that is funded satisfies their aims and objectives and proceeds as outlined during the grant application process. Funding bodies usually require some level of profile in return for their grant and this should be in proportion to the size of grant and agreed in writing before accepting the grant. This is usually in the form of a logo or line credit with agreed wording in publicity. Grants should always be documented in some form of written agreement between the parties.

3. Requirements

BTG will only accept funds if they meet the following requirements:

- **Benefit:** there are strong grounds for believing it will result in benefit to BTG. The benefit sought should be viewed as good value for the level of support given and the resource required to secure it.
- **Integrity:** the company, organisation, partnership or activity will not bring BTG into disrepute, damage our reputation or integrity, or be likely to result in loss of income for example through

- **Strategic fit:** partnerships, activities and the objectives of companies or organisations we work with, do not contradict BTG's mission, aims and objectives.
- **Independence:** donations, partnerships or activities do not compromise our independent status.
- **Influence:** there is no attempt on the part of the partner, donor, company or organisation to influence our policy or actions either explicitly or implicitly.
- **Legality:** partnerships, activities and the wider business activities of partner companies or organisations must be, as far as we can ascertain, wholly legal under applicable law.
- **Codes of Practice:** acceptance of donations, partnerships and activities must comply with the Fundraising Regulator Code of Fundraising Practice and the Fundraising Promise.
- **Standards:** the partnership, company or organisation and activity must meet any appropriate and associated national or international standards, and abide by any relevant regulations.

4. The role of Trustees

Final responsibility for actions under this Policy and our Fundraising Strategy rests with BTG's trustees, who will be able to demonstrate they act in 'the best interests of the charity'. This means trustees will not be influenced by personal moral perspectives or judgements, or derive any personal benefit from funding to the charity. Trustees will declare a conflict of interest where it exists.

5. Consideration of opportunities

Some companies, organisations or donors will require special consideration before funding can be accepted from them.

Funders that may be considered contentious should be discussed with the Trustee Board before being approached.

Examples include funders that:

- May have unethical practices with regard to the manufacture of their products e.g. animal welfare, human rights;
- Promote or are involved in tobacco, pornography, weaponry or similar activities;
- Is in financial or legal conflict with BTG;
- As far as BTG is aware, does not uphold the same values of our Equality & Diversity Policy.
- Where the donation is made anonymously, through an intermediary who is not prepared to identify the donor to anyone at BTG.
- An individual donor who has acted, or is believed to have acted, illegally in the acquisition of funds.

The above list is not exhaustive and BTG retains the right to decline funding from any funder, which BTG in its sole discretion considers inappropriate or a risk to our reputation.

6. Authority to proceed

All gifts (including sponsorships) should be channelled through the Project Manager to the Board of trustees to ensure they are documented and handled in line with this Policy & company procedures.

Gifts can only be accepted providing that appropriate authority for approval has been secured. The thresholds for approval are as follows:

Project Manager Approval limits - Gifts up to £5,000

Finance Sub Committee - Gifts above £5,000 until £25,000

Trustee Board - Gifts above £25,000

7. Transparency

A copy of this policy will be given to any third parties who undertake any fundraising on our behalf.

8. Due Diligence

BTG needs to know source of funds to ensure it complies with this policy. Due Diligence and Information Gathering will be undertaken for all funders. If the potential funding is from a source whose activities are included on the BTG Caution or Exclusion lists then the information gathered will be reviewed with the Board of Trustees.

Trustees will make the decision to accept or refuse the funding, taking account of all relevant information. The decision needs to be made objectively and solely from the perspective of what is in the best interests of BTG. Where the outcome of a decision is to refuse funding (i.e. a 'NO' decision), then a copy of the notes regarding this decision should be kept on file. In such circumstances, and when appropriate, BTG will share this Policy with the relevant companies, organisations or individuals.

BTG must be accountable for funding decisions to its stakeholders – this includes being accountable both when we accept and when we reject funding opportunities. As a registered charity, the Charity Commission requires our Trustees to at all times be acting in the best interests of the charity. If any funding is refused then the Trustees of the charity must be able to demonstrate that the decision was made purely on the basis of what is in the best interests of the charity, and that no personal bias was involved in the decision making process.

Funding from Statutory Bodies and Charitable Trusts:

Donations and grants from charitable foundations registered with the regulatory authorities in the UK, North America and European Foundation Centre (EFC) affiliated organisations will not normally be subject to an ethical review unless their activities fall under the Caution List.

For the United Kingdom this means charities regulated and scrutinised by the Charity Commission for England and Wales, the Office of the Scottish Charity Regulator, and the Charity Commission for Northern Ireland. For the United States of America this means tax

exempt, non-profit corporations or associations recognised under section 501(c) regulated and scrutinised by the Internal Revenue Service (IRS) and the relevant state Attorney General. For Canada this means charities regulated and scrutinised by the Canada Revenue Agency (CRA). In the absence of any equivalent regulatory framework covering Europe, the (EFC) has openly published its principles of good practice to which all affiliated organisations have to adhere.

Where there are any potential area of risks associated with any founder or trustee of any organisation seeking to offer funds to BTG. BTG reserves the right to refuse any such funding which contravenes of values in line with this policy.

We recognise that occasionally trusts are set up with the express purpose of making an otherwise unethical company seem more ethical and responsible through positive advertising: the greenwash effect. Under such circumstances, the guiding principle of this policy prevails: in general, BTG would not knowingly accept money from a charitable trust whose activities run contrary to our aims.

We recognise that statutory bodies are not necessarily ethical just by virtue of being statutory bodies. In recognition of this, we attempt to promote good practice by disseminating our methods and where appropriate we will ask for ethical policies from the bodies we are involved with.

Partnerships

BTG aims to be in partnership with individuals and organisations that are working towards the same or similar aims. It also aims to work with individuals and organisations who may have not considered the issues raised in this document, but who are willing to listen and possibly change their practices through dialogue with BTG.

BTG will not work in partnership with any individual or organisation, either company, statutory, voluntary or community-based, whose activities are directly contrary to our aims. In this context, partnership means any work that BTG does whereby the responsibility for the end result of that work is jointly owned between BTG and another individual or group.

BTG recognises that its Partners may receive funding from organisations or individuals whose activities run contrary to our aims. In such circumstances, BTG will share this Policy with its Partner and strive to ensure that the partnership is not directly related to, or publicly associated with, the Partner's funded activities.

9: Process for managing Corporate Sponsorship

Before a sponsorship can be secured, the following steps must be undertaken:

Research: businesses approached should be researched to ensure a best fit in line with this policy.

Valuation: benefits to be offered to a sponsor must be valued to ensure proposals are fair and reasonably priced.

Benefits: all crediting & branding permitted must be agreed in advance based on the valuation.

Invoicing: full payment should be received before the activity sponsored takes place.

Contracting: all sponsorships over £1,000 should be documented with a written contract.

Evaluation: sponsors should be provided with an evaluation demonstrating return on investment after the activity.

Review: sponsors should not be contracted for longer than 3 years without consideration of whether the partnership still presents best value for BTG.

All sponsorship is unrestricted income unless agreements were made as to expenditure. All sponsorships should be recorded within our financial recording system

9. Process for managing Donations & Grants

When a donation or a grant is received, staff should ensure the following:

- Clarify where the donation or grant will be spent and whether it should be treated as unrestricted or restricted funds.
- Document the gift and log any relevant details agreed such as management of the gift and activity funded, decision making for any changes to the activity supported, payment schedule etc.
- Procedure for thanking the funder, ensuring that benefits of significant financial value are not given that will conflict with this policy or significantly off-set the value of the gift.
- If the gift is being made by a UK resident tax payer, undertake full documentation for possible Gift Aid claim purposes.
- Ensure the funder receives appropriate feedback reports in line with any agreements made.

10. Data Protection

BTG will administer all fundraising in line with its Data Protection Policy.

Funders will never be given direct access to mailing lists or data held by BTG, unless it has the express permission of the data subject.

All funders have a right to request access to their data and may obtain this by contacting a member of the Trustee board.

BTG acknowledges the donor's right to privacy and will uphold the values of the Fundraising Regulator's Fundraising Promise.

Should any funder or donor wish to make a complaint about fundraising, then they may do so under the BTG's Complaints and Compliments Policy.

11. Gift Aid

We will seek to maximise all donations by claiming gift aid from HMRC wherever possible. Donors will be asked for a gift aid declaration, which will be stored on our secure drive system. Claims will be made to HMRC in line with the requirements of current legislation.

12. Use of agencies & third parties

On occasion, we may work with third parties, sponsorship agencies, consultants and partners on our fundraising. Where such parties are engaged, they must also adhere to this policy. The use of their services must be communicated to prospective donors and the value of their use must be assessed.

External reference materials:

Fundraising Code of Practice

Fundraising Promise

Charity Commission Guidance:
<https://www.gov.uk/government/organisations/charity-commission> - Guide to Trustee Duties (C220)

Charities and commercial partners (RS2)