



Ethical Fundraising Policy 2022

1. Introduction

The purpose of this policy is to ensure clarity and openness to all our stakeholders as to how we raise funds, who we partner with.

This policy will:

- *Help ensure that funding and partner relationships do not indirectly support activities that are counter to ecobirmingham's mission*
- *Protect ecobirmingham's reputation, by supporting decision-making on funding and partnering opportunities*
- *Provide guidance on the types of companies, funders and fundraising events that ecobirmingham will or will not be associated with in pursuing fundraising to support delivery of its mission*
- *Outline our approach to fundraising to ensure the funds we receive are in line with our charitable objectives, vision and values, are received legally and derive from ethical sources*
- *It also outlines our process for research, decision making and due diligence*

2. Rationale for Fundraising

We fundraise to help guarantee the availability of ongoing funds to pay for our work, ecobirmingham aims to maintain a broad base of different sources of funding including Trusts and Foundations, contracts, service level agreements, earned income, donors and sponsorships.

Our primary relationship with funders and donors will primarily be cash income, but may also involve support-in-kind, service level contracts and grants, sponsorship, or simply creating stronger local and national partnerships.

3. Responsibility

This Ethical Fundraising Policy should be agreed and held by the Board of Trustees as they are publicly accountable for upholding it. However, responsibility for implementing and monitoring it will be delegated to the Senior Management Team (SMT) and those actively fundraising for the organisation.

4. Context

We have a responsibility to our stakeholders and beneficiaries to consider the ethical issues that may arise in working with or accepting donations and funding from an organisation and/or individual and the associated risks.

ecobirmingham actively seeks opportunities to work together with external organisations and individuals to achieve shared objectives. However, it is vital that ecobirmingham maintains its independence and does not allow any external partnership to bring the name of ecobirmingham into disrepute.

ecobirmingham therefore accepts financial support from, and partnership working with, companies and individuals on the following conditions:

- *There are strong grounds for believing that it will result in a benefit to ecobirmingham's beneficiaries*
- *The SMT and Trustees are satisfied that no adverse publicity will result from accepting such support*
- *There is no attempt on the part of the funder or donor to influence our policies or actions either explicitly or implicitly*
- *That initiatives do not compromise the independent status of ecobirmingham*
- *The funder/donor does not participate in business practices that are counter to ecobirmingham's mission.*

5. Cause-Related Marketing, Affinity Marketing and Product/Service Endorsement

- *ecobirmingham may want to enter into a partnership in which it will actively endorse or promote an organisation. However, if ecobirmingham enters into a partnership but does not want to infer endorsement, a disclaimer statement to this effect will be included alongside any branding or promotion associated with products. E.g., 'The use of this logo does not imply any endorsement by ecobirmingham of this company, its products or services'*
- *Only ecobirmingham will have access to its database and beneficiaries unless this is a contractual part of partnership working and made clear to those whose data we hold, in line with our Data Protection Policy*
- *In order to ensure that all of ecobirmingham's cause-related promotion reflects ecobirmingham's values, any potential campaign or initiative must come to a member of the SMT for approval – usually the Communications and Impact Coordinator.*

6. Avoidance Criteria

ecobirmingham will not accept any funding from funders or donors directly involved in activities that run contrary to its overall charitable objectives / vision / aims. As an environmental organisation with roots in the values of Quakerism, it will not accept financial support or partnerships with funders, donors or companies involved with any of the following, non-exhaustive, list of activities:

Animal testing; genetic engineering; human rights abuses; intensive farming; money laundering; manufacture of environmentally hazardous products or chemicals; military contracts; mining; third world debt; third world marketing; the manufacture of tobacco; pornography, the sex industry, water pollution and gambling and gaming (excluding lottery funds, which will be accepted).

7. Acceptance Criteria

When deciding whether to accept any particular donation, the SMT and Trustees have a duty to demonstrate to the Charity Commission that they have acted in the best interest of the charity, and that association with any particular donor does not compromise ecobirmingham's ethical position, harm its reputation or put future funding at risk. ecobirmingham complies with all relevant legislation, including money laundering rules, the Bribery Act, Data Protection and Charity Commission guidance, including terrorism and political activity.

ecobirmingham would therefore not accept any of the following where the donation:

- *Was known to be associated with criminal sources and/or illegal activity*
- *Would help further a donor's personal objectives, which conflict with those of ecobirmingham*
- *Would lead to a possible decline in support for ecobirmingham, and so risk a fall in the resources available to fund its work or damage its longer-term fundraising prospects*
- *Would require unacceptable expenditure of additional financial and/or administrative ecobirmingham resources*
- *Would otherwise impact adversely on ecobirmingham's reputation*
- *Accepting a donation from any particular source is inconsistent with Governmental or Charity commission laws and guidelines*

8. Due Diligence

Due diligence is a process to satisfy legal and ethical obligations. The core elements of due diligence across each of the 'Know Your Donor' principles developed by the Charity Commission require reasonable steps to ensure:

- *Know what the organisation's or individual's business is and be assured this is appropriate for the charity to be involved with*
- *Watch out for unusual or suspicious or unexpected activities, conduct or requests*
- *Research is carried out using a range of publicly available sources*

When the anticipated donation (before Gift Aid) from any source exceeds £10,000 we will engage in the following means of research in order to carry out an appropriate due diligence process with regards to prospective partners, donors, suppliers and funders. This will usually be carried out by the fundraising roles in the organisation.

- *Google search using the following search string:*
"Name" controversy OR illegal OR bribe OR fraud OR corrupt OR convict OR sued OR alleg OR arrest OR court case OR "human rights" OR sentenced OR criminal OR scandal OR trial
- *Check other publicly available sources. This may include the Electoral Register, Companies House, the Register of Charities, the Charity Commission, newspaper reports and company websites (any relevant policy declarations, mission and values)*

In line with Charity Commission guidance, if a donation of £25,000 or more is received from an unknown or unverifiable source, it is to be reported to the Charity Commission as a serious incident. N.B. This only applies when the donor is completely anonymous, not when the donor is known to ecobirmingham but wishes to remain publicly anonymous.

9. Record-Keeping

For audit purposes, ecobirmingham will retain a record of the due diligence checks made against each funder, donor, partner or supplier in their respective income or project management folder on Sharepoint.

ecobirmingham will be transparent about donations received in terms of their sources and purposes. In cases where a donor wishes to remain anonymous, such anonymity will be respected subject to applicable law. We will retain a record of the name of donor for internal auditing and money-laundering prevention processes.

10. Further Points

ecobirmingham recognises that, in accepting funding from statutory bodies, it must consider the policy implications and obligations that might be tied to it and ensure that these do not contravene the aims and values of ecobirmingham.

ecobirmingham can seek to raise funds from a series of charitable Trusts and Foundations, but recognises that, simply because these have been registered with the Charity Commission does not mean that they are ethical givers. ecobirmingham, therefore, does not accept money from any charitable Trust if it is a requirement of grant receipt to advertise any company or organisation whose activities run contrary to ecobirmingham's aims and values.

ecobirmingham will maintain accountability and open and honest relationships with all its partners, by regularly monitoring and evaluating its work. This statement of policy is meant as a working guide for ecobirmingham. Any final decisions will be governed by the Board of Trustees including any requests to accept funds within the avoidance list section 6. It is the duty of the Board to advise the SMT of any potential conflicts of interest with regards to funding or partnerships, and for the Board of Trustees to act in the best interests of ecobirmingham at all times.

Lead officer – Head of Finance and Fundraising

Version: August 2022

Agreed at the Meeting of the Board of Trustees on: 18th August 2022