



# ETHICAL FUNDRAISING POLICY

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## **1. Introduction**

- 1.1 Worcester Cathedral is a Registered Charity, charity number 1207427. It is governed by the Chapter. A staff team led by the Chief Operating Officer / Chapter Steward has delegated responsibility for day-to-day activities including fundraising activities.
- 1.2 At the heart of everything that the Cathedral does lies the commitment, inspired by its Benedictine heritage, to prayer, learning and welcome; and promoting the values of love, compassion, justice and freedom.
- 1.3 In accordance with the governing documents, the objects of the Cathedral are:
  - a) to advance the Christian religion in accordance with the faith and practice of the Church of England, in particular by furthering the mission of the Church of England;
  - b) to care for and conserve the fabric and structure of the Cathedral Church building;
  - c) to advance any other charitable purposes which are ancillary to the furtherance of the purpose referred to in sub-paragraph (a) or (b).
- 1.4 Chapter and staff are committed to its charitable aims and all fundraising activities will support these aims.
- 1.5 Chapter are aware of and will comply with Charity Commission guidance regarding trustee fundraising responsibilities, particularly in relation to always acting in the best interests of Worcester Cathedral and managing any conflict.
- 1.6 Those carrying out fundraising activity on behalf of the Cathedral are aware of and will comply with ethical issues and procedures in this Fundraising Policy. They aim at all times to be open, honest and fair and to operate in a legal way that meets not only the law, but also fundraising regulation and best practice, including the Fundraising Regulators Code of Fundraising Practice.

## **2. Fiscal Context for Gifts**

- 2.1 Gifts donated to the Cathedral are irrevocable gifts and they become the Cathedral's property.
- 2.2 Subject to compliance with HMRC regulations, cash donations from UK taxpayers are eligible for Gift Aid, which means that the Cathedral can claim an additional 25% of the value of the gift (at current rates). Gift Aid received is added to funds alongside the original donations unless specifically stated otherwise at the time of solicitation. Higher-rate taxpayers may be able to claim additional tax relief on their donations.

## **3. Donor Rights**

- 3.1 The Cathedral will take all reasonable steps to treat donors fairly so that they can make informed decisions about any donation they wish to make.
- 3.2 All fundraising solicitations by or on behalf of the Cathedral will disclose the Cathedral's name, charity number, and the purpose for which funds are requested.

- 3.3 All donor records maintained by the Cathedral will be kept confidential to the greatest extent possible in accordance with Chapters' Data Protection Policy and Privacy Notice, and all relevant Data Protection legislation and regulatory accounting requirements. Donors have the right to see their own donor record, and to challenge its accuracy.
- 3.4 Donor requests to remain anonymous will be respected.
- 3.5 Donors and prospective donors will be treated with respect. Specifically:
- donors will be given appropriate acknowledgement and recognition for all donations and sponsorships;
  - every effort will be made to honour requests to limit the frequency or mode of solicitations;
  - undue pressure will not be placed on donors, especially those who could be considered in vulnerable circumstances or lacking capacity.
- 3.6 All unrestricted donations will be applied at the discretion of Chapter for its charitable purposes except where the donor has given clear written or verbal instructions for their donation to be used for a specific area of the Cathedral's work.
- 3.7 All restricted donations will be used as agreed with the donor. If necessary due to programme or organisational changes, alternative uses will be discussed where possible with the donor or the donor's legal designate(s). If the donor is deceased or legally incompetent, and the Cathedral is unable to contact a legal designate, the donation will be used in a manner that is as consistent as possible with the donor's original intent.
- 3.8 Donors and prospective donors are entitled to the following, promptly upon request:
- the most recent published financial statements of the Cathedral;
  - a copy of this Ethical Fundraising Policy
- 3.9 The Cathedral will respond promptly to any complaint by a donor or prospective donor about any matter that is addressed in this fundraising policy. A complainant who remains dissatisfied will be directed to the Cathedral's Complaints Policy.
- 3.10 Donors are entitled to a prompt acknowledgement of their donation.

#### **4. Types of Gifts the Cathedral can accept**

- 4.1 The Cathedral may accept a variety of gifts including planned gifts that take effect on the donor's death.
- 4.2 The Cathedral welcomes the following types of outright gift:
- cash of any amount;
  - land and buildings as long as Chapter has discretion to sell and/or generate revenue from them for charitable purposes surplus to any costs;
  - personal property, as long as the items are saleable and at a value which will offset any costs the Cathedral incurs in selling.
- 4.3 The Cathedral may also be named as the beneficiary of planned gifts.

- residual legacy - a gift made of some or all of the remainder of an estate after all other gifts have been handed out and debts paid off;
- pecuniary legacy - gift made of a fixed sum of money;
- specific legacy - particular named item left as a gift in a will, for example, property, jewellery, furniture or a painting;
- Letter of Wishes - this is an informal letter, signed and dated by the legator. Although not legally binding, it provides guidance on how the deceased would want their life to be celebrated and ensures the gifts they wish to make from their estate are applied.

## **5. Donation Acceptance and Due Diligence**

- 5.1 This policy applies to all members of Chapter and staff who are faced with making decisions about whether or not to solicit or accept donations, sponsorship or commercial partnerships of any kind.
- 5.2 This policy will be applied to legacy gifts during the process of final acceptance, not at the point of legacy pledging.
- 5.3 When considering whether or not to accept a gift the Cathedral will consider the following:
  - ethical and/ or theological issues relating to the nature and activities of the person or organisation from whom a gift will be accepted;
  - public relations issues relating to the acceptance of the gift.
- 5.4 The Cathedral will carry out appropriate due diligence and regulatory checks on those individuals and organisations that make gifts to it, in order to identify and manage any associated risks.
- 5.5 There are occasions when it is not appropriate for the Cathedral to accept a gift, sponsorship or commercial partnership. The Cathedral reserves the right to refuse any:
  - which is considered to have arisen through illegal activity;
  - whose acceptance may damage the reputation of the Cathedral;
  - where conditions imposed conflict with policy, the overall objectives or the independence of the Cathedral; or
  - whose acceptance is highly likely to deter actual or potential supporters from future support.
- 5.6 Chapter would typically be pleased to accept donations, in line with this policy. Donations in excess of £10,000 will be reviewed by the Chief Operating Officer / Chapter Steward, with appropriate research undertaken to minimise any potential risks to the Cathedral.
- 5.7 The Cathedral receives many small donations which are received with equal gratitude. Due to capacity, the same level of scrutiny for such gifts would not be practicable, proportionate or reasonable. Any donation of £10,000 or under will therefore be

- reviewed by the team receiving the donation, who will exercise an appropriate level of care to ensure that no accepted gifts pose associated risks.
- 5.8 If associated risks are identified after a donation has been made and accepted, the Cathedral reserves the right to suspend acceptance of any future gifts while a review process takes place to determine the appropriateness of accepting any future or planned gifts. If the donor is found to be engaged in activities that are criminal or not aligned with the ethos of the Cathedral, Chapter also reserves the right to return a proportion, or the entirety of all previous gifts to the donor.
- 5.9 Gifts in Kind will be valued and accounted for at value where practicable. In all cases where the gift value is likely to be over £25,000, an appropriate independent external authority such as an architect, project manager, quantity surveyor or other qualified person will be asked to assess them. Once valuation has been established the Cathedral will confirm this in a letter to the donor.
- 5.10 The Cathedral reserves the right to refuse any Gift in Kind which does not meet the gift acceptance criteria set out in paragraphs 5.3 and 5.5 above. In addition to the refusal criteria outlined above, Gifts in Kind will be refused which:
- cannot be usefully applied to the work of the organisation;
  - cannot be sold in aid of the Cathedral's objectives;
  - incur undue costs in their acceptance or their management; or
  - are given with unacceptable conditions for their use or acknowledgment.
- 5.11 The outcome of a diligence process is a Due Diligence Document prepared by the appropriate member of Chapter or staff to provide a factual, impartial summary of relevant issues, risks and background related to the subject. This will be submitted to Chapter for information, shared as appropriate with fundraising colleagues, and retained for future information.

## **6. Gift Management and Recognition**

- 6.1 On receipt of a donation the Cathedral will make a judgement as to the appropriate response depending on the amount given. Donors may remain anonymous if they prefer. Where possible all donations will be thanked in 3 working days and by the appropriate member of Chapter or staff.
- 6.2 Incoming cheques and monies will be passed to the Cathedral's Finance Team in a timely manner.
- 6.3 All donations and communications with donors will be logged on the Cathedral CRM system and the involvement of donors will be publicised as appropriate in line with their wishes.
- 6.4 Where appropriate, donors of specific gifts will be updated regarding progress made with the project or area that they supported and kept informed about the Cathedral's current development plans.

- 6.5 Repeated donations or multi-year partnerships will be reviewed to include any significant areas of concern that may have arisen since the previous assessment and decision was carried out.

## **7. Fundraising Activities on behalf of the Cathedral**

- 7.1 Fundraising by third parties should be pre-approved by the Cathedral as it will require the use of its name, logo and charity number. The Cathedral can provide donors with information on how best to advertise their fundraising efforts in order to generate donations, but it cannot manage the fundraising itself. The Cathedral also cannot reimburse donors or any other parties for expenses relating to fundraising activities they undertake.

## **8. Commercial Partners**

- 8.1 The Cathedral will from time-to-time partner with commercial organisations that produce goods or services and will comply with the Charity Commission guidance on such activities. Any commercial agreement should represent a fair deal for the Cathedral and:

- clearly establish what is expected from it, prior to entering into an agreement;
- set up appropriate systems to monitor and review the partnership;
- take appropriate steps to identify and manage any risks;
- ensure from the outset that the expectations of both the Cathedral and the company have been agreed; and
- can be managed effectively and appropriately;

The Cathedral's Annual Report will disclose any commercial partnerships.

- 8.2 The Cathedral will also consider corporate sponsorship of its events and activities. Sponsorship opportunities will only be considered if they can be managed effectively and appropriately and that there is a written statement from the outset outlining the expectations of both the Cathedral and the company.
- 8.3 Consideration will be given to the nature of the business before a possible partnership is pursued. The Cathedral will not actively engage with businesses involved in any illegal activity.

## **9. Protecting vulnerable donors**

- 9.1 The Cathedral will make every reasonable effort to determine whether or not donors are able to make decisions about their giving. Amongst other things, consideration will be given to the following areas as laid down by the Institute of Fundraising:
- any physical or mental-health condition the donor may have;
  - any disability the donor may have;
  - any learning difficulties the donor may have;

- whether the donor is facing times of stress or anxiety (for example, following the death of a loved one or redundancy);
  - whether a donation is likely to affect the person's ability to sufficiently care for themselves or leave them in financial hardship;
  - how well the donor can communicate and understand what they are being told;
  - whether the donor is under the influence of alcohol or drugs; and
  - the donor's age.
- 9.2 The Cathedral will take into account the needs of any possible donor who may be in vulnerable circumstances or need extra care and support to make an informed decision.
- 9.3 The Cathedral will follow the guidance on indicators of vulnerability as laid down by the Institute of Fundraising. This guidance includes considering if the donor is:
- asking irrelevant and unrelated questions, or wandering off the subject and making incongruous statements;
  - unable to read and understand the information they are provided with, and asking for it to be continually repeated;
  - responding in an irrational way to questions or saying 'yes' or 'no' when they clearly haven't understood;
  - taking a long time or displaying difficulty in responding to simple questions or requests for information;
  - repeating simple questions such as 'who are you', 'what charity is it' and 'what do you want';
  - displaying signs of forgetfulness or difficulty remembering relevant information, e.g. that they are already a regular donor to the Cathedral or have recently donated;
  - showing signs of distress or discomfort: Saying that they are not well or not in the mood to continue or displaying signs of ill-health like breathlessness or making signs of exasperation or discontent;
  - indicating they are overwhelmed or not capable;
  - giving a statement such as 'I don't usually do things like this, my husband/wife/son/daughter takes care of it';
  - having a third party such as a family member contact the Cathedral on behalf of the donor to communicate a request e.g. cancelling a direct debit;
  - indicating in any way that they are feeling rushed, flustered, or experiencing a stressful situation; or
  - donating an unexpectedly large gift in combination with any of the above indicators and/or with no prior relationship with the Cathedral.
- 9.4 A donation will be refused if there is good reason to believe that a donor lacks capacity to make a decision to donate, or is in vulnerable circumstances, which means they may not be able to make an informed decision.

9.5 If information comes to light following a donation being made and it is agreed that the donation was given by someone who lacked capacity at the time of donating, the donation must be returned to the donor (or in some circumstances) to a designated person or family member.

## **10. Administration**

10.1 The Chapter will review this policy every three years.