

# THE RESPONSIBILITIES OF PAROCHIAL CHURCH COUNCIL MEMBERS FOR GIVING AND FUNDRAISING

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 THE CHURCH  
OF ENGLAND  
Diocese of Manchester

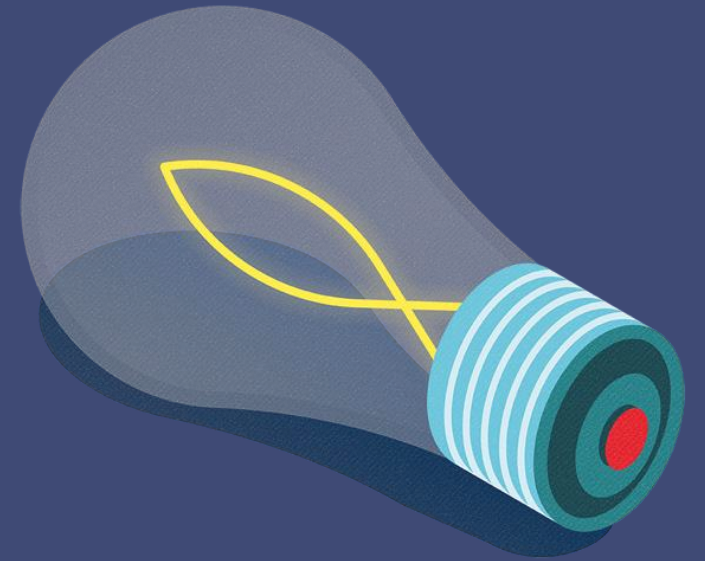
CHURCH  
FOR A  
DIFFERENT  
WORLD

  
GIFT AID *lite*



# WHAT ARE A TRUSTEES' RESPONSIBILITIES?

- Ensuring a charity's purposes are for the public benefit
- Complying with your charity's governing documents and the law
- Acting in your charity's best interests
- Managing your charity's resources responsibly
- Acting with reasonable care and skill
- Ensuring your charity is accountable



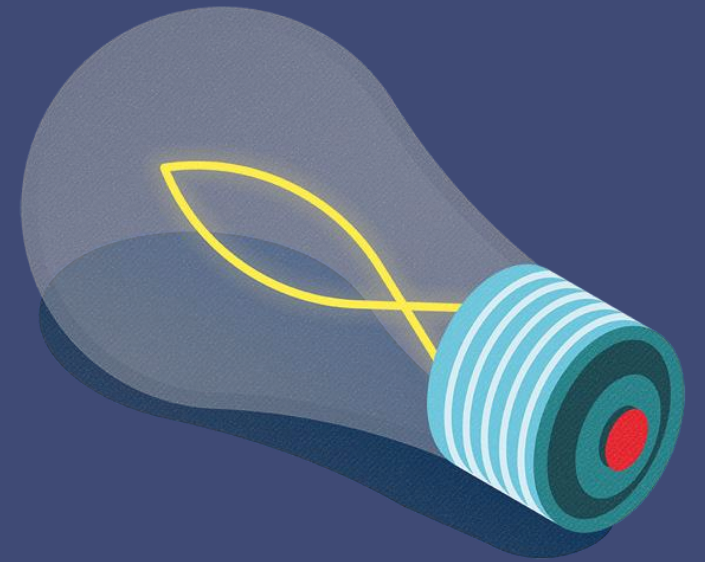
# ENSURING ITS PURPOSES ARE FOR THE PUBLIC BENEFIT

- You and your co-trustees must make sure that the charity is carrying out the purposes for which it is set up, and no other purpose. This means you should:
  - ✓ ensure you understand the charity's purposes as set out in its governing document
  - ✓ plan what your charity will do, and what you want it to achieve
  - ✓ be able to explain how all of the charity's activities are intended to further or support its purposes
  - ✓ understand how the charity benefits the public by carrying out its purposes
- Spending charity funds on the wrong purposes is a very serious matter; in some cases trustees may have to reimburse the charity personally



# COMPLYING WITH YOUR CHARITY'S GOVERNING DOCUMENT AND THE LAW

- You and your co-trustees must:
  - ✓ make sure that the charity complies with its governing document
  - ✓ comply with charity law requirements and other laws that apply to your charity
- You should take reasonable steps to find out about legal requirements, for example by reading relevant guidance or taking appropriate advice when you need to



# ACT IN YOUR CHARITY'S BEST INTERESTS

- You must:
  - ✓ do what you and your co-trustees (and no one else) decide will best enable the charity to carry out its purposes
  - ✓ with your co-trustees, make balanced and adequately informed decisions, thinking about the long term as well as the short term
  - ✓ avoid putting yourself in a position where your duty to your charity conflicts with your personal interests or loyalty to any other person or body
  - ✓ not receive any benefit from the charity unless it is properly authorised and is clearly in the charity's interests; this also includes anyone who is financially connected to you, such as a partner, dependent child or business partner



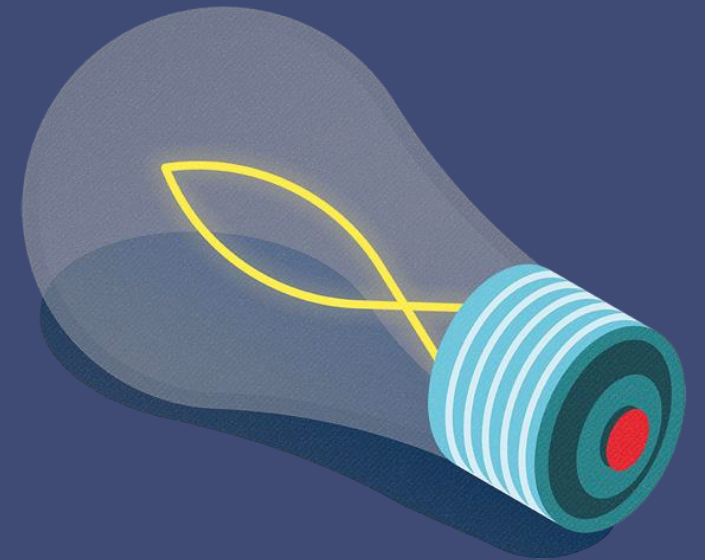
# MANAGE YOUR CHARITY'S RESOURCES RESPONSIBLY

- You must act responsibly, reasonably and honestly. This is sometimes called the duty of prudence. Prudence is about exercising sound judgement. You and your co-trustees must:
  - ✓ make sure the charity's assets are only used to support or carry out its purposes
  - ✓ avoid exposing the charity's assets, beneficiaries or reputation to undue risk
  - ✓ not over-commit the charity
  - ✓ take special care when investing or borrowing
  - ✓ comply with any restrictions on spending funds or selling land
- You and your co-trustees should put appropriate procedures and safeguards in place and take reasonable steps to ensure that these are followed. Otherwise you risk making the charity vulnerable to fraud or theft, or other kinds of abuse, and being in breach of your duty



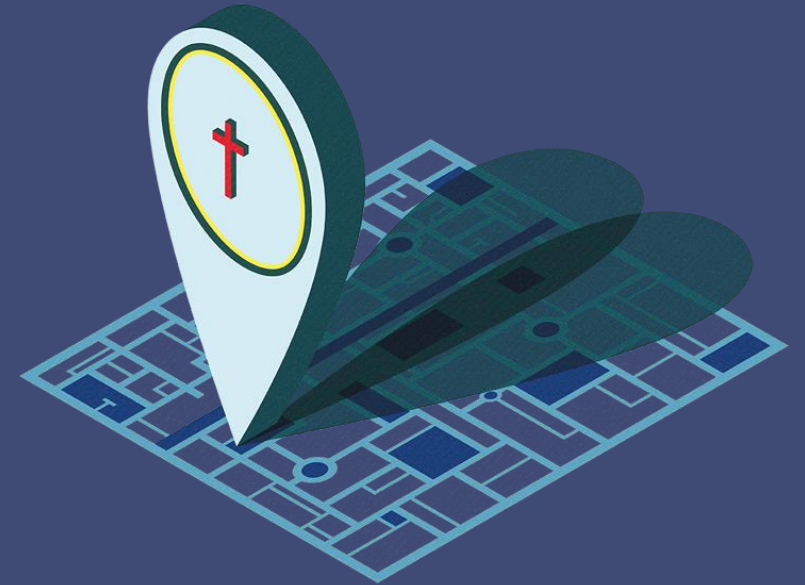
# ACT WITH REASONABLE CARE AND SKILL

- As someone responsible for governing a charity, you:
  - ✓ must use reasonable care and skill, making use of your skills and experience and taking appropriate advice when necessary
  - ✓ should give enough time, thought and energy to your role, for example by preparing for, attending and actively participating in all trustees' meetings



# ENSURE YOUR CHARITY IS ACCOUNTABLE

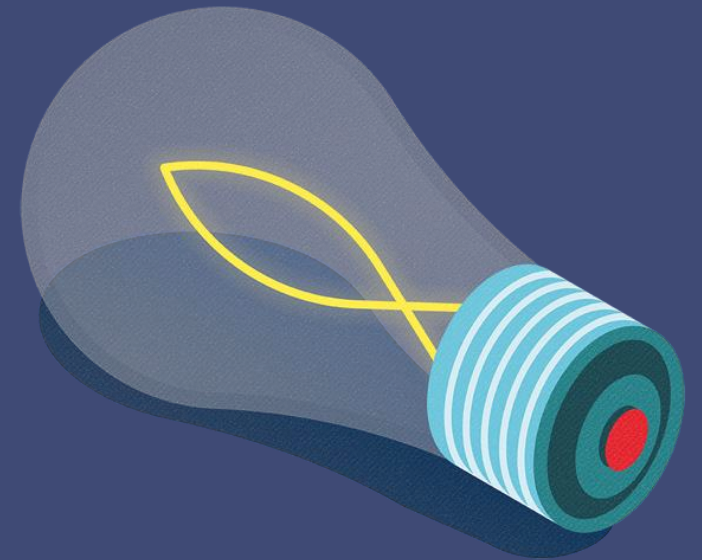
- You and your co-trustees must comply with statutory accounting and reporting requirements. You should also:
  - ✓ be able to demonstrate that your charity is complying with the law, well run and effective
  - ✓ ensure appropriate accountability to members, if your charity has a membership separate from the trustees
  - ✓ ensure accountability within the charity, particularly where you delegate responsibility for particular tasks or decisions to staff or volunteers





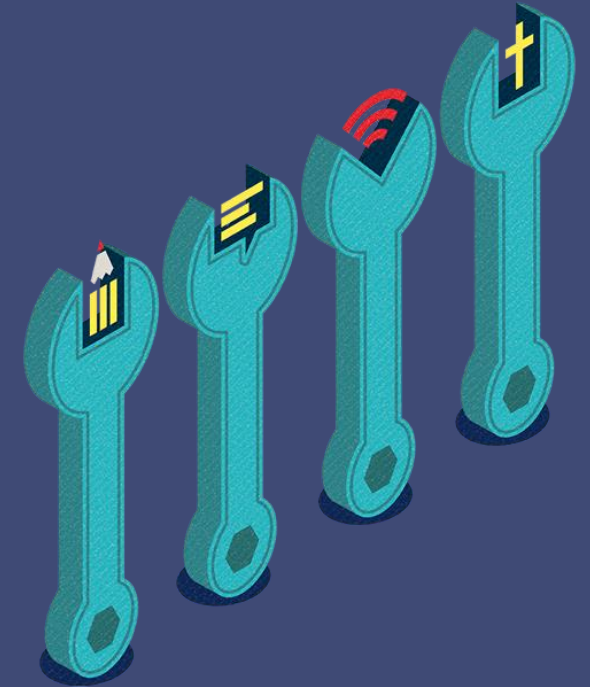
# ARE YOU ELIGIBLE?

- You must be at least 16 years old to be a trustee of a charity that is a company or a charitable incorporated organisation (CIO), or at least 18 to be a trustee of any other charity
- You must be properly appointed following the procedures and any restrictions in the charity's governing document
- You must not act as a trustee if you are disqualified, unless authorised to do so by a waiver from the Commission. The reasons for disqualification are shown in the disqualifying reasons table and include:
  - ✓ being bankrupt (undischarged) or having an individual voluntary arrangement (IVA)
  - ✓ having an unspent conviction for certain offences (including any that involve dishonesty or deception)
  - ✓ being on the sex offenders' register



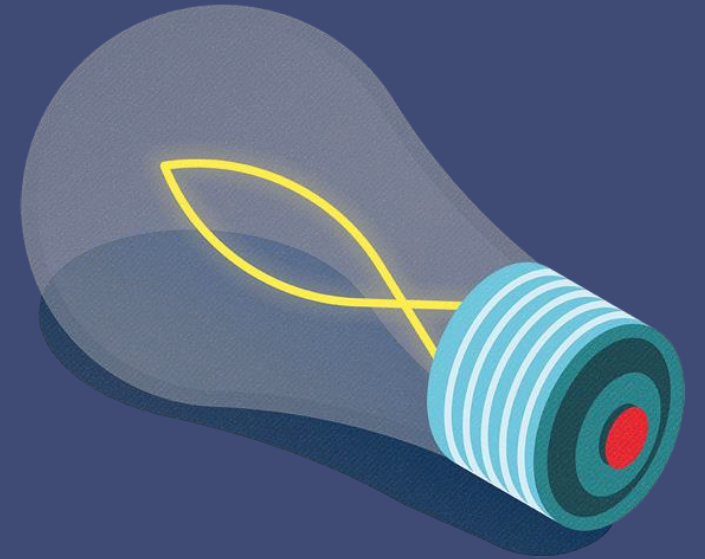
# ARE YOU A FIT AND PROPER PERSON?

- You should check that all your PCC members are eligible to serve as charity trustees (i.e. are not disqualified under charity law), and that HMRC would regard them as 'Fit and Proper Persons'
- If your Gift Aid Secretary is not a PCC member they should do this.
- This can be done by asking all current PCC members to sign the Trustee eligibility and Fit and Proper Persons Declaration. Going forward, all newly elected PCC members should sign these declarations
- [www.parishresources.org.uk/pccs/trusteeship](http://www.parishresources.org.uk/pccs/trusteeship)



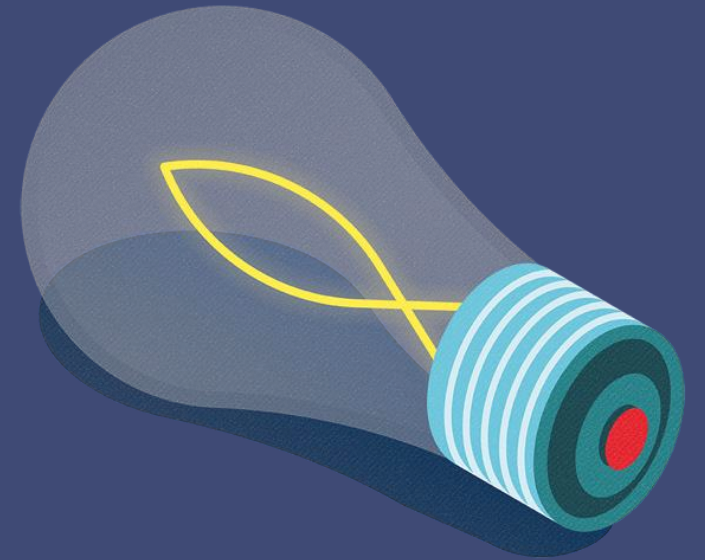
# RESPONSIBILITIES FOR FUNDRAISING

- Charitable institutions and those who govern them have a responsibility to act in the best interests of their organisation. They are responsible for fundraising
- The overriding duty of all charity trustees is to act in the best interests of their charity at all times. In doing this, trustees have several basic responsibilities related to fundraising



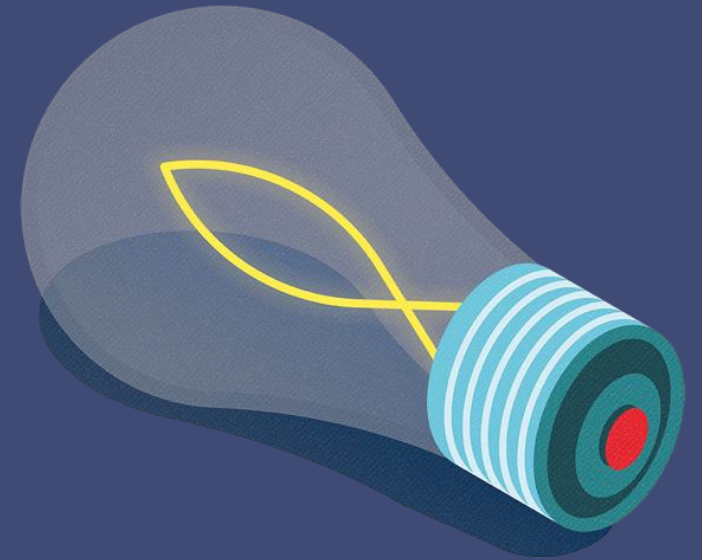
# CONTENTS OF THE FUNDRAISING CODE

- General duties
- Risk assessments
- Accepting, refusing and returning donations
- Complaints and concerns about fundraising
- Using funds
- Processing donations
- Gift Aid and Gift Aid Small Donations Scheme



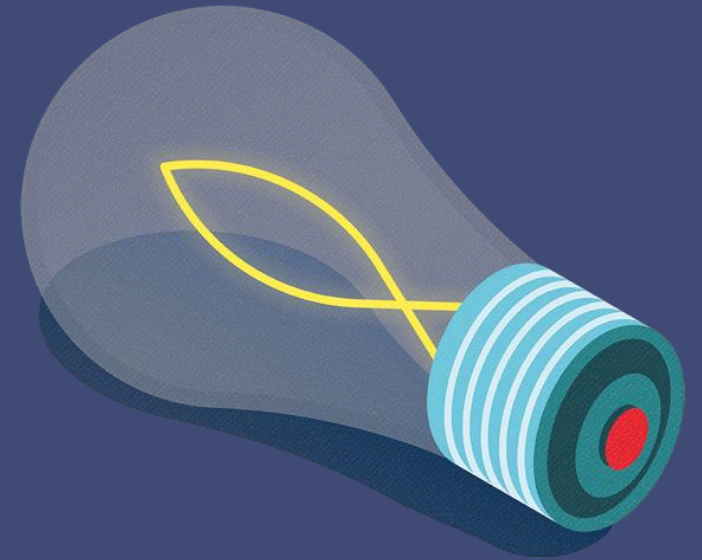
# WHAT IS THE FUNDRAISING CODE?

- Sets out the responsibilities that apply to fundraising carried out by charitable institutions and third party fundraisers, and it aims to:
  - ✓ Promote a consistent, high standard of fundraising
  - ✓ Make sure charitable institutions, their governing bodies and fundraisers know what is expected of them
  - ✓ Set out the standards we use when considering complaints
  - ✓ Provide a benchmark for organisations and fundraisers to assess their practices against so they can identify necessary training and monitor and set policy priorities for their fundraising
  - ✓ Develop a culture of honesty, openness and respect between fundraisers and the public



# THE CODE HAS THREE MAIN ELEMENTS

- Standards: All fundraising
  - ✓ Behaviours, responsibilities of charitable institutions, personal data, processing donations
- Standards: Working with others
  - ✓ Volunteers, fundraising involving children and vulnerable people, professional fundraisers
- Standards: Specific fundraising methods
  - ✓ Collecting money, marketing/adverts/comms, digital, events, lotteries/competitions, grant-making bodies, payroll giving, legacies

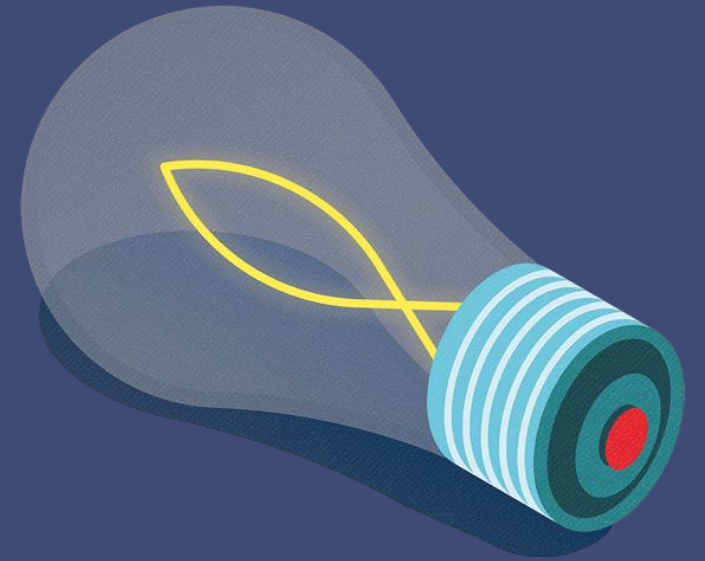


# GENERAL DUTIES

- You must take overall responsibility for the fundraising activities of your charitable institution, including if you have delegated responsibility for certain roles to another person
- You must consider national guidance when overseeing the fundraising activities of your charitable institution and anyone else fundraising on its behalf
- You must act in the best interests of your charitable institution
- You must be aware of possible conflicts between the duties you owe to your charitable institution and the duties or loyalties you have to others. You must follow your charitable institution's conflicts procedures and disregard any other interests you have when making decisions relating to the organisation
- You must make sure that your charitable institution's assets and resources are used only for the purposes for which they were given (which may be all or just some of the institution's purposes). If the charitable institution is a charity, you must make sure it is run in line with its governing document, charity law and all other laws and regulations that apply
- You must act reasonably and carefully in all matters relating to fundraising. If you are not experts in fundraising, you must take appropriate advice
- You must make it clear to all people fundraising on your behalf that they must make sure that your charitable institution receives all the money they have raised
- You must consider the effect of controversial fundraising campaigns on the charitable institution's reputation

# RISK ASSESSMENTS

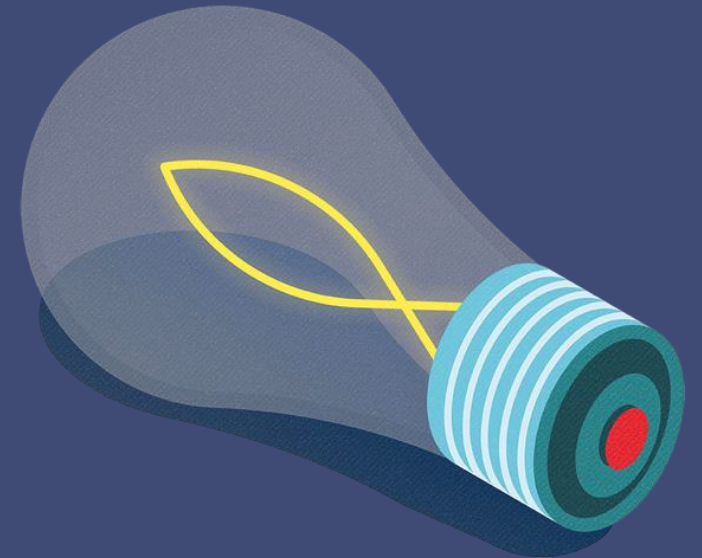
- You must take reasonable steps to assess and manage any risks fundraising poses to your charitable institution's activities, beneficiaries, property, work and reputation
- You must meet the Proceeds of Crime Act 2002, which applies to money or other property that has been gained through criminal behaviour, even if the behaviour is legal in another country
- You must meet any legal obligations to protect the health and safety of employees, volunteers, the public and anyone else who might reasonably be considered to be affected by your charitable institution's fundraising activities





# ACCEPTING, REFUSING AND RETURNING DONATIONS

- You must not refuse or return donations, except in exceptional circumstances
- If you decide to refuse a donation, you must keep a record of your decision and the reasons for it
- You must carry out due diligence, appropriate for the size and nature of the donation, on both the financial and reputational dealings of possible partners before accepting their donations
- You must only refund donations in line with your charitable institution's policies or in exceptional circumstances. If it is unclear whether or not you should give a refund, consider getting legal advice
- You must give a refund if a donor correctly exercises their right to one



# COMPLAINTS AND CONCERNS ABOUT FUNDRAISING

- You must have a clear and publicly available complaints procedure which must also apply to third-party fundraisers
- You must make sure fundraisers can explain to members of the public how to make a complaint
- You must make sure that:
  - ✓ complaints are investigated thoroughly and fairly to find out the facts of the case, avoiding unnecessary delay; and
  - ✓ you respond to complaints fairly and in a way that is in proportion to the complaint
- You must regularly review any lessons to be learnt from complaints and use that learning to help you with future fundraising activity
- You must have a clear and published procedure for members of staff and volunteers to report any concerns they have about your fundraising practice
- This could be either a stand-alone policy or part of a wider whistleblowing policy which is available to staff and volunteers. You must make sure the policy includes:
  - ✓ the type of issues that can be raised and the process for doing so;
  - ✓ how the person raising a concern will be protected from victimisation and harassment;
  - ✓ what you will do when you receive a concern; and
  - ✓ how a person can report their concerns to the Fundraising Regulator or the Scottish Fundraising Standards Panel if it is not possible for it to be considered or resolved within your charitable institution

# USING FUNDS

- You must use all funds raised for a particular cause for that cause
- You must make sure that donations are used to support the cause in line with any conditions attached to the donation. This may be conditions the donor sets when making the donation or representations you make (either verbally or in fundraising materials) about how the money will be used
- You must keep a record of donations that are given for specific purposes to make sure that you keep to the conditions of the donation
- You must make sure that you do not suggest money is for a restricted purpose (such as buying a goat, or helping a particular child) when it may be used for a different purpose or for the general purposes of a charitable institution
- If you are fundraising for a particular purpose, you must include a statement saying what will happen to funds you receive if the total amount raised is not enough to reach (or is more than) the target
- You must not ask for funds for a purpose that does not fit within the purposes of your charitable institution
- If you encourage someone to donate by offering benefits, you must make sure:
  - ✓ you have the power to give the benefits;
  - ✓ the benefits are appropriate in the circumstances; and
  - ✓ the benefits are proportionate to the size and frequency of the donation
- You must be aware when benefits cancel out possible tax relief such as Gift Aid or top-up payments available under the small-donation rules. If benefits do prevent the donation qualifying under Gift Aid or the Gift Aid Small Donations Scheme rules, you must not try to reclaim tax on the donation. The tainted-donations rules may apply to some benefits

# PROCESSING DONATIONS

- You must not leave unsecured cash unattended
- You must count cash in a secure place
- You must make sure that all cash you have collected is counted and recorded by two unrelated people, wherever possible
- If you do not bank cash immediately, you must put it in a safe or other secure place
- You must bank cash as soon as possible. To help with this, you must have a procedure for banking donations, including who does it and when
- You must check that the cash you have banked matches your income summaries, as soon as possible. If possible, someone who is not involved in counting or cashing up the money must do this
- You must either bank cheques or send them to your fulfilment house (if you use one) as soon as possible
- If you are sending cheques to a fulfilment house or external organisation for processing, you must make sure the method of sending the cheque is appropriate to the value of the cheque
- You must not give change in return for cheques
- You must not issue a refund for a cheque donation until the cheque has cleared and the money has appeared in your organisation's account
- For online donations, you must meet the Payment Card Industry Data Security Standards (PCI-DSS)
- If you are charged for transferring payments, you must record the total donation amount as income, and record the charges in your accounts as 'expenditure'

# ST ANSELM OF CANTERBURY

“I owe you more than my whole self, but I have no more, and by myself I cannot render the whole of it to you”



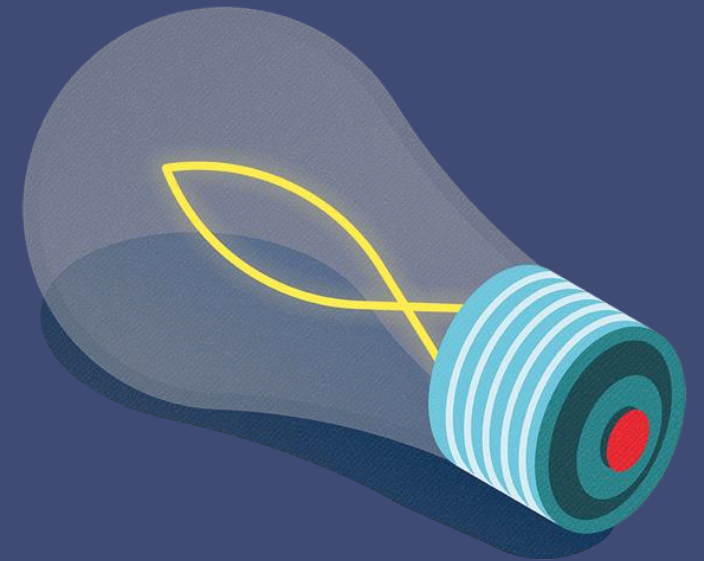
# SAFEGUARDING AND GIVING/ FUNDRAISING

- There have been safeguarding incidents in The Church of England
- Our donors will give more and more to keep their churches open
- As a result, they put themselves at risk
- Close relationship between Safeguarding Officer and Gift Aid Secretary needed
- Guidance from The Church of England guidance is available
- Speak to your diocesan Safeguarding Officer



# USEFUL RESOURCES

- [Charity Commission - The essential trustee: what you need to know, what you need to do](#)
- [Charity Commission - Charity trustee welcome pack](#)
- [www.youtube.com/c/TheCharityCommission](http://www.youtube.com/c/TheCharityCommission)
- [Fundraising Regulator – using the code and webinar videos](#)
- [Parish Resources – trusteeship \(including a short video, and fit and proper persons form\)](#)
- [Church of England guidance on Fundraising Code, and Guide for churches on vulnerable persons](#)





# Understanding the Code of Fundraising Practice

## Trustee Responsibilities



**QUESTIONS AND  
QUERIES?**