



BRIEFING PAPER

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"Chuggers": face-to-face charity fundraising on the street

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Summary

This paper deals with the law in England and Wales except where specifically stated. Section 5 provides a brief summary of the position in Scotland and Northern Ireland.

“Chuggers”

“Chuggers” is a term sometimes used to describe those involved in fundraising where people are asked to sign direct debits to charity, often on the street. Charities and other organisations which use this method of fundraising do not use the term “chuggers” and instead refer to “face-to-face” or “F2F” fundraising. Face-to-face fundraising is a permissible form of fundraising employed by many charities. Some people regard it as a cost-effective and efficient means of fundraising which gives charities a predictable income stream. Others complain that it is a costly way to raise funds and that the fundraisers themselves can constitute a nuisance.

Regulation

Fundraising by charities is governed by a self-regulatory system, although the Government has reserve powers to control fundraising if self-regulation fails.

A new regulator, the Fundraising Regulator, launched on 7 July 2016 to take the place of previous arrangements. The Fundraising Regulator regulates all forms of fundraising by charities and deals with relevant complaints.

The Fundraising Regulator has taken over responsibility for the [Code of Fundraising Practice](#) (the Code) which sets the standards that apply to fundraising carried out by all charitable institutions and third party fundraisers in the UK. A new version of the Code took effect from 1 October 2019.

The Fundraising Regulator has published information, for both fundraisers and the public, under the heading, [Direct debit fundraising: street and private site](#).

Institute of Fundraising

The Institute of Fundraising (IoF) is the professional membership body for UK fundraising. In October 2019, it established three new Compliance Rulebooks which include the relevant standards within the Code that apply to Door to Door, Private Site and Street regular giving fundraising. The IoF Compliance Rule Books are enforced through penalties and sanctions.

Site Management Agreements

Many councils have a Site Management Agreement (SMA) with the Institute of Fundraising to control where and when fundraising can take place. The Institute of Fundraising states that the aim of SMAs is to “balance the duty of charities to ask the public for support with the right of the public not to be put under undue pressure to give”.

Complaints

The Fundraising Regulator will investigate complaints about fundraising practice, where these cannot be resolved by the charities themselves. It does so by considering whether the fundraising organisation has complied with the Code.

The Fundraising Regulator deals with complaints about fundraising in England, Wales and Northern Ireland, and fundraising in Scotland where it is carried out by charities registered primarily with the Charity Commission for England and Wales or the Charity Commission for Northern Ireland.

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The Fundraising Regulator may also initiate investigations if they believe or suspect that a breach of the Code may have occurred even though no complaint has been received.

Scotland and Northern Ireland

The Scottish Fundraising Standards Panel was formally established in December 2016 for the purposes of overseeing enhanced self-regulation of fundraising in Scotland, to be responsible for fundraising standards in Scotland, and to handle fundraising complaints related to Scottish registered charities.

Fundraising in Northern Ireland is subject to a system of self-regulation, overseen by the Fundraising Regulator.

1. “Chuggers”

1.1 What are “chuggers”?

“Chuggers” is a term sometimes used to describe those involved in fundraising where people are asked to sign direct debits to charity, often on the street. The term is a blend of the words “charity” and “muggers”.

Charities and other organisations which use this method of fundraising do not use the term “chuggers” and instead refer to “face-to-face” or “F2F” fundraising.

The fundraiser will sometimes not work directly for the charity but for a fundraising agency. Face-to-face fundraisers are often paid.

This form of fundraising has been practiced in the UK since the 1990s.

The Fundraising Regulator’s [Code of Fundraising Practice](#) defines face-to-face fundraising as follows:

Asking people for a commitment to donate by direct debit or standing order, or collecting personal data so people can make donations at a future date. Fundraisers using this method of fundraising speak to people face-to-face on the street, by knocking on people’s doors (house-to-house), or on private land which the public have access to, such as shopping centres.¹

The Institute of Fundraising (IoF), which is the professional membership body for UK fundraising, provides further information: [Face-to-face fundraising](#).²

1.2 Arguments for and against the use of “chuggers”

Why do charities carry out face-to-face fundraising?

The website [How charities work](#) is run by the National Council for Voluntary Organisations (NCVO), an organisation that represents and supports charities. It sets out why charities have face-to-face fundraisers:

Face-to-face fundraising is important for many charities because it helps them reach potential supporters who they wouldn’t otherwise contact. It has been very important in helping charities to recruit younger donors.

Charities find that people often have strong feelings about issues that they work on, but haven’t found a way to support what they believe in. They may care strongly about a cause like mental health but it’s only when someone asks them if they’d like to donate to a mental health charity that they start doing so. Very few people start donating to a charity without some form of prompt.

¹ Information about the Fundraising Regulator and the Code of Fundraising Practice is provided in section 2 of this briefing paper

² All links in this briefing paper accessed 14 November 2019 unless otherwise stated

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A lot of charities' face-to-face fundraising now is done more professionally than it used to be. That means the people doing it are often staff working for the charity or an agency. This helps the charity reach more people than they could with volunteers alone.

Like all fundraising, there are costs involved in finding supporters in this way. But the benefit of finding a committed supporter outweighs these costs.³

The Fundraising Regulator has also set out the benefits of direct debit fundraising:

Street and private site fundraising allows charities to engage with supporters face-to-face in their local high street or shopping centre. Many of the donations received in this way are regular gifts, so it also helps charities to plan ahead.

Regular donations by Direct Debit provide a secure, convenient way of donating. They also ensure charities can plan ahead because they have a regular monthly income.⁴

In response to a press article which criticised the fees paid by charities to face-to-face fundraising agencies,⁵ Daniel Fluskey, head of policy and research at the Institute of Fundraising, defended the practice:

Without spending money on fundraising, charities can't exist. £1 spent gets £4.20 back (of which a small amount goes on raising money in the future). Charities & their partner agencies are following the rules in place to give public info & be accountable.⁶

Why do some people object to this form of fundraising?

People who dislike the activities of "chuggers" put forward a number of reasons for doing so, including arguments based on the costs involved, nuisance value and security.

In his review of the Charities Act 2006 published in July 2012, Lord Hodgson of Astley Abbots considered the objections to "chugging" at that time:

... there are those who argue that this approach to fundraising represents a public nuisance (68% of councils responding to the LGA survey had received complaints about the professional conduct of chuggers)⁷ and should be banned. While one need often only look to the media for evidence of public distaste, this anecdotal perception is borne out by the fact that only 6% of people prefer to be asked to donate in this way, according to Ipsos Mori's research for this Review. Detractors also point to the high costs involved for charities; most face to face fundraising is undertaken by agencies, which are paid by charities to sign up a certain number of donors. The cost generally equates to the value of the first 10-18 months' donations, on the expectation (evidence-based) that donors remain signed up for on average 4 years. It is hard to disagree that the relative cost can be high,

³ How charities work, [Face to face fundraising](#)

⁴ Fundraising Regulator, [Direct debit fundraising: street and private site](#)

⁵ Glen Keogh and Tom Kelly, "[How the first year of your charity donation ends up in the hands of the chuggers](#)", Daily Mail, 9 June 2018

⁶ Kirsty Weakley, "[Daily Mail criticises charities over street fundraising](#)", Civil Society, 11 June 2018

⁷ Footnote to text: Local Government Association, Street Fundraising survey (2012) at page 11

which can be troubling for those concerned with efficient use of resources.⁸

⁸ [Trusted and independent: giving charity back to charities - review of the Charities Act 2006 Report by Lord Hodgson: a review of the Charities Act 2006](#), July 2012, para 8.48

2. Regulation of face-to-face fundraising

2.1 The regulation of public collections for charities

Public charitable collections in the street are regulated under the Police, Factories Etc Act 1916 (Miscellaneous Provisions). Under this legislation, collections are licensed by local authorities, except in London where the licensing authorities are the Metropolitan Police and the Common Council of the City of London.

However, unlike cash collections, direct debit fundraisers on the street do not require a licence from the local authority. This is because they seek a promise to pay at a future date rather than asking for money directly.⁹

The Charities Act 2006 provided for a new system for licensing charitable collections in public. It was intended that the new system would also apply to face-to-face fundraising involving requests for direct debits. However, these provisions have not been brought into force.¹⁰

2.2 Self-regulation of fundraising

Fundraising by charities is governed by a self-regulatory system, although the Government has reserve powers to control fundraising if self-regulation fails.¹¹

Fundraising Regulator

A new regulator, the [Fundraising Regulator](#), launched on 7 July 2016. It was set up in response to recommendations made by the cross-party review of fundraising regulation chaired by Sir Stuart Etherington in September 2015.¹² The new system takes the place of previous arrangements, which had been criticised for being complex and "patchwork".

The Fundraising Regulator has been tasked with strengthening sector regulation following widespread public and media concern about how charities contact potential donors.

The Fundraising Regulator works in partnership with other regulators and the representative bodies in the charitable and fundraising sectors,

⁹ Fundraising Regulator, [Direct debit fundraising: street and private site](#)

¹⁰ Lord Hodgson spoke of there being concerns about the effectiveness and affordability of the proposed new licensing regime, [Trusted and independent: giving charity back to charities - review of the Charities Act 2006 Report by Lord Hodgson: a review of the Charities Act 2006](#), July 2012, para 8.44

¹¹ If exercised, the powers could compel charities to register and comply with the requirements and guidance of a specified fundraising regulator, Charities Act 1992 sections 64A to 64C. New sections were inserted by the Charities (Protection and Social Investment) Act 2016

¹² [Sir Stuart Etherington, Lord Leigh of Hurley, Baroness Pitkeathley, Lord Wallace of Saltaire, Regulating Fundraising for the Future, September 2015](#)

to build public confidence and ensure consistent fundraising standards across the UK. It states that it does this by:

- setting and promoting the standards for fundraising (in the Code of Fundraising Practice) in consultation with the public, fundraising stakeholders and legislators
- investigating complaints from the public about fundraising, where these cannot be resolved by the charities themselves
- investigating fundraising that has caused significant public concern
- enabling people to manage their contact with charities using our Fundraising Preference Service, and
- publishing a Fundraising Directory of all organisations who have registered with us to demonstrate their commitment to best practice fundraising.¹³

The Fundraising Regulator regulates all forms of fundraising by charities in England, Wales and Northern Ireland. Those who register with the Regulator agree to ensure their fundraising is legal, open, honest and respectful.¹⁴

Any organisation based in England, Wales or Northern Ireland that carries out charitable fundraising can register with the Fundraising Regulator, but registration is voluntary. Charities with fundraising costs of over £100,000 are asked to pay an annual levy. Charities with lower fundraising costs can register for a flat fee of £50 a year. Other organisations can also register.¹⁵

The Fundraising Regulator has published information, for both fundraisers and the public, under the heading, [Direct debit fundraising: street and private site](#).

The Code of Fundraising Practice

The [Code of Fundraising Practice](#) sets the standards that apply to fundraising carried out by all charitable institutions and third party fundraisers in the UK, including requests for direct debits.

A revised Code, which came into effect on 1 October 2019, replaced the previous code, rulebooks and legal appendices.

The standards were originally developed by the fundraising community through the work of the Institute of Fundraising and Public Fundraising Association.¹⁶ The Code and the rulebooks were formally transferred to the Fundraising Regulator at its launch in 2016.

The Code sets out standards in three parts:

- Part 1 sets out standards which apply to all fundraising;
- Part 2 sets out standards which apply to working with others; and

¹³ Fundraising Regulator, [Who we are](#)

¹⁴ Fundraising Regulator, [The Fundraising Promise](#)

¹⁵ Fundraising Regulator, [Registration](#)

¹⁶ The Institute of Fundraising and Public Fundraising Association merged in 2016 to form a single professional membership body for the fundraising community

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- Part 3 sets out standards which apply to specific fundraising methods. [Section 8](#) covers collections of money or other property (including goods and regular gifts) for charitable institutions, whether carried out on the street, house-to-house or on private sites, including collecting regular gifts (face-to-face fundraising) on the street.¹⁷

Institute of Fundraising

The Institute of Fundraising (IoF) is the professional membership body for UK fundraising. In October 2019, it established three new Compliance Rulebooks which include “all of the relevant standards within the Code that apply to Door to Door, Private Site and Street regular giving fundraising”. The IoF states that this is “in order for the Institute of Fundraising to be able to continue its work improving standards in public fundraising”.¹⁸

The IoF Compliance Rule Books are enforced through penalties and sanctions. These are stated to be designed to encourage best practice and raise standards. Further information is provided on the IoF website, including:

- [Penalty points system](#);
- [Fundraising compliance](#).

2.3 Charity Commission guidance

Charity Commission guidance, [Charity fundraising: a guide to trustee duties](#), sets out what charities and their trustees need to consider when fundraising from the public.¹⁹ The Charity Commission expects all charities that fundraise to comply fully with the Code of Fundraising Practice.²⁰

The Charity Commission does not regulate against the standards in the Code, but has a role in fundraising regulation where there is evidence:

- that trustee actions or failings, in fulfilling their duties towards their charity, pose a serious risk to the charity
- of a serious risk to charitable funds, or to public trust and confidence.²¹

The Charity Commission states that, in this role, it will work closely with the Fundraising Regulator, and other regulators, to identify cases where, in addition to breaches of fundraising standards, these sorts of regulatory concerns may arise.

¹⁷ [Code of Fundraising Practice](#), paragraphs 8.4.13-20

¹⁸ Institute of Fundraising, [Standards](#)

¹⁹ CC20, 7 June 2016

²⁰ Ibid, section 3

²¹ Ibid section 10.3. See also section 11

3. Site Management Agreements

Many councils have a Site Management Agreement (SMA) with the Institute of Fundraising to control where and when fundraising can take place. Some councils also use Public Space Protection Orders, which ban certain activities in designated public areas. For private sites, such as shopping centres and train stations, permission to carry out fundraising must be sought from the site owner/manager.²²

The Institute of Fundraising (IoF) states that the aim of SMAs is to “balance the duty of charities to ask the public for support with the right of the public not to be put under undue pressure to give”.²³ It has also set out the benefits to local authorities of having an SMA:

With an SMA in place, the IoF will at no cost to the local authority:

- manage the designated sites according to our diary systems to ensure that only one charity fundraises at any given time within the designated area and only on the days of the week specified.
- provide a single point-of-contact for the council regarding face-to-face fundraising, instead of dealing with each individual charity and fundraising organisation separately.
- offer speedy resolution for issues on the ground. Should IoF members breach the terms of the SMA – for instance by straying outside the delineated areas or sending too many fundraisers, one call to the Compliance Directorate can usually resolve problems within the hour.
- issue penalty points against IoF members for any breaches reported by the named gatekeepers within the local authority.²⁴

The IoF ensures its members abide by the terms of SMAs:

We make sure our members stick to the terms of the SMA through a programme of spot checks, mystery shopping and co-regulation with our council partners. Breaches of the conditions of the SMA attract penalty points under our penalties and sanctions regime.²⁵

Further information about [How an SMA Works](#) is provided on the IoF website.

²² Fundraising Regulator, [Direct debit fundraising: street and private site](#)

²³ Institute of Fundraising, [Local Authorities - Site Management Agreements](#)

²⁴ Institute of Fundraising, [Benefits of a Site Management Agreement](#)

²⁵ Institute of Fundraising, [Local Authorities - Site Management Agreements](#)

4. Complaints about face-to-face fundraising

The Fundraising Regulator will investigate complaints about fundraising practice, where these cannot be resolved by the charities themselves. It does so by considering whether the fundraising organisation has complied with the Code of Fundraising Practice.

The Fundraising Regulator deals with complaints about fundraising in England, Wales and Northern Ireland, and fundraising in Scotland where it is carried out by charities registered primarily with the Charity Commission for England and Wales or the Charity Commission for Northern Ireland.

The Fundraising Regulator may also initiate investigations if they believe or suspect that a breach of the Code may have occurred even though no complaint has been received.

The Fundraising Regulator webpage, [Complaints process](#), provides information, including about:

- what the Fundraising Regulator can and cannot investigate;
- time limits;
- who can complain;
- raising concerns as a fundraiser;
- how to complain;
- how the Fundraising Regulator deals with complaints;
- recommendations the Fundraising Regulator might make if it identifies a breach of the Code.

Organisations will be named in all investigations into complaints received on or after 1 March 2019.²⁶

²⁶ Fundraising Regulator, [Naming organisations that we investigate](#), 18 September 2019

5. Fundraising regulation in Scotland and Northern Ireland

5.1 Scotland

The Scottish Fundraising Standards Panel (SFSP) was formally established in December 2016, to promote good fundraising standards and adjudicate on fundraising complaints throughout Scottish registered charities.²⁷

The SFSP provides further information:

We are established for the purposes of overseeing enhanced self-regulation of fundraising in Scotland, to be responsible for fundraising standards in Scotland and to handle fundraising complaints related to Scottish registered charities. Our core functions are:

- (i) to oversee fundraising standards in Scotland; and
- (ii) to oversee fundraising complaints.²⁸

The SFSP oversees regulation of fundraising by Scottish charities in line with the [Code of Fundraising Practice](#). Recommendations on changes to the Code are made by the Fundraising Regulator in consultation with the SFSP.

The SFSP has set out which complaints it deals with and which are dealt with by the Fundraising Regulator:

We deal with fundraising complaints relating to Scottish registered charities. A list of all the charities in Scotland can be found on the Scottish Charity Regulator's (OSCR) online register. For charities registered in England and Wales, the Fundraising Regulator will deal with these complaints. The Charity Commission for England and Wales (CCEW) holds an online register of charities registered there.

For charities that are registered in both Scotland with OSCR and England and Wales with CCEW, the lead regulator model is applied. This is the model used by both charity regulators.

So, this means that if a charity's lead regulator is CCEW then any fundraising complaints will be dealt with by the Fundraising Regulator, and if a charity's lead regulator is OSCR then any fundraising complaints will be dealt with by us.²⁹

The SFSP provides information about [making a complaint](#).

5.2 Northern Ireland

Fundraising in Northern Ireland is subject to a system of self-regulation, overseen by the Fundraising Regulator.

The Charity Commission for Northern Ireland provides information about the position in Northern Ireland, [Review of fundraising regulation](#).

²⁷ Scottish Fundraising Standards Panel, [Help to promote self-regulation of fundraising in Scotland](#), 15 May 2017

²⁸ Scottish Fundraising Standards Panel, [Background and purpose](#)

²⁹ Ibid

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