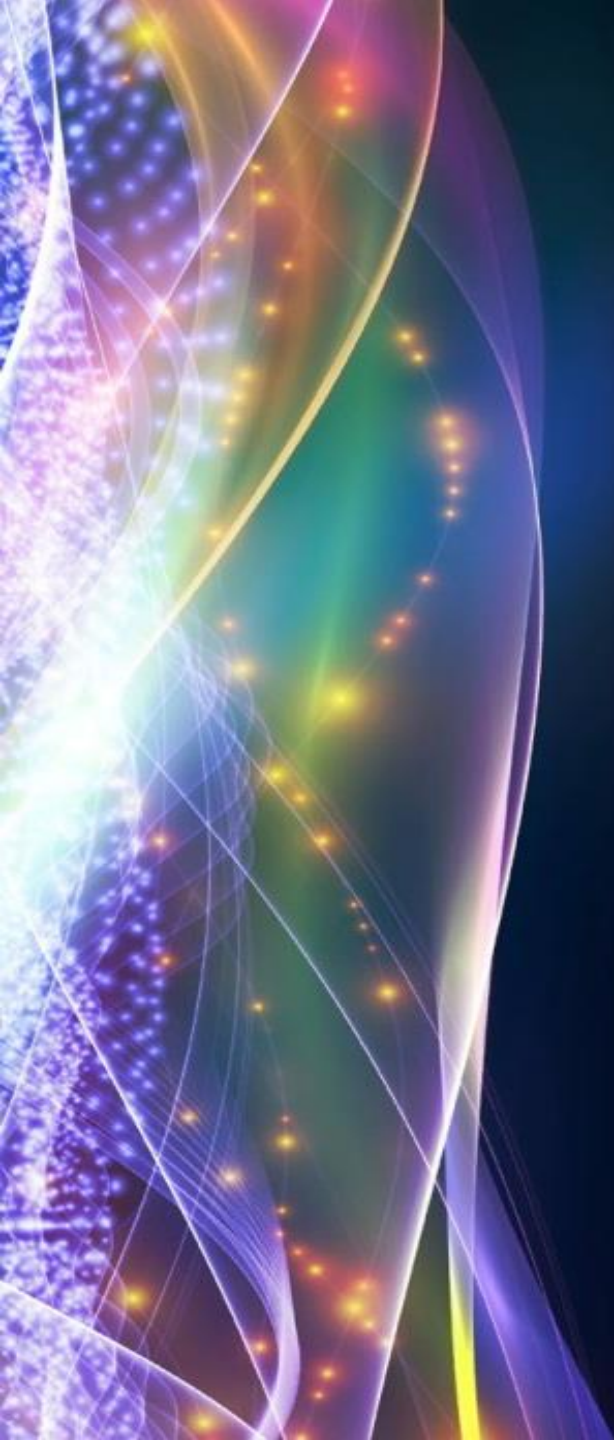


Working with Corporates and Third Parties and How to Protect Your Charity Brand

Jane Montague







How Important Are Corporate Partnerships to Charities?

Input from over 100 leading companies, NGOs and agencies



C&E Corporate – NGO Partnerships Barometer 2019 Report

18/9/19



Why Partner?

Corporates

Reputation and Credibility (91%)

Innovation

Access to new markets – biggest rise up 19%

Charities

Access to financial support (100%)

Access to people and contacts

Securing long-term stability – biggest rise up 18%



Other Points Raised within the Report

Strategic CSR – Adidas and Parley for Oceans.

Charities acknowledge that Corporates bring more than just financial assets – eg core competencies.

Corporates acknowledge that by working with Charities they gain a better understanding of the sector and issues the charity faces.

Corporates acknowledge that the partnerships have helped them change business practices for the better.

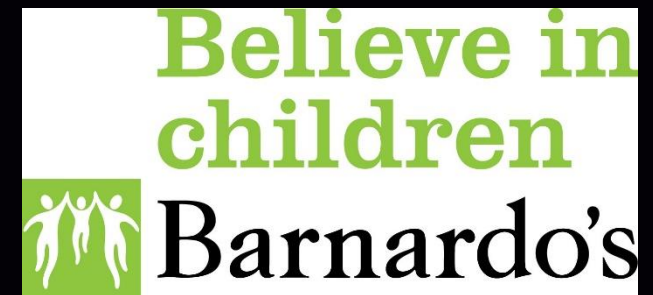
94% of Corporates and 93% of Charities see the role of partnerships as becoming more or much more important over the next three years.

Concern in 10 years Corporates won't be referring to Charities – own undertaking

Abstract colorful light trails and particle effects on the left side of the slide, featuring vibrant hues of purple, blue, green, and yellow against a dark background.

What's Your Charity's Name Worth?

Your reputation is priceless



**Santander beats target
to raise record-breaking
£3.2m for Age UK &
Barnardo's**



**WE ARE
MACMILLAN.
CANCER SUPPORT**

Cancer information
and support.
From Macmillan
and Boots.



Bespoke training to Boots UK pharmacists on
cancer treatments

No7 Beauty Advisors beauty advice £16.6 million
raised since 2009



We've joined forces with Britvic in a three-year partnership

We are delighted to announce our new three-year partnership with Britvic Plc, to help achieve our vision of a world where diabetes can do no harm.

21st November 2018

Diabetes UK in tie-up with Britvic, maker of Pepsi and Tango

The country's leading charity for people with diabetes has been criticised over a £500,000 partnership with the soft drinks giant Britvic, which sells brands such as Tango and Pepsi.

Diabetes UK said it has agreed the three-year deal with the beverage producer despite the link between consuming too many sugary soft drinks and the life-threatening disease.



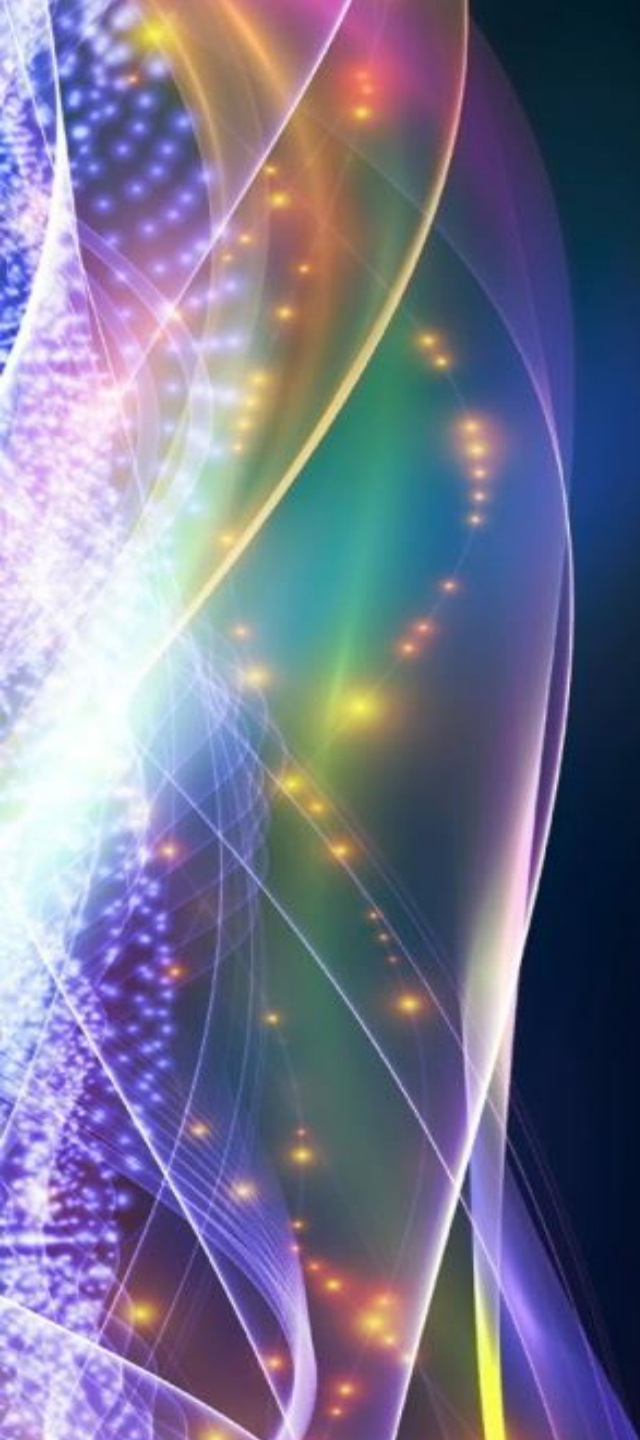
THE TIMES

25th November 2018



Presidents Club scandal: hostess agent promises 'never again'

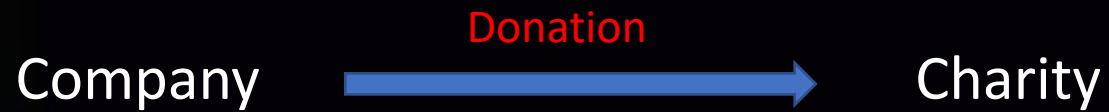
Young female workers alleged sexual harassment at
men-only dinner in January.

An abstract graphic on the left side of the slide featuring vibrant, multi-colored light trails (purple, blue, green, yellow, and orange) that curve and swirl against a dark background. These trails are composed of many small, bright points of light, giving them a dynamic, almost nebula-like appearance.

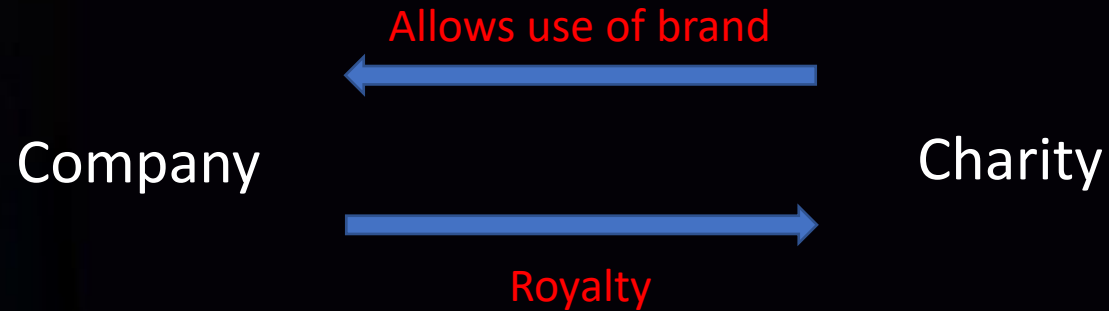
**What Types of
Corporate Relationship Are There?**



Corporate Sponsorship/Partnership



Commercial Participant



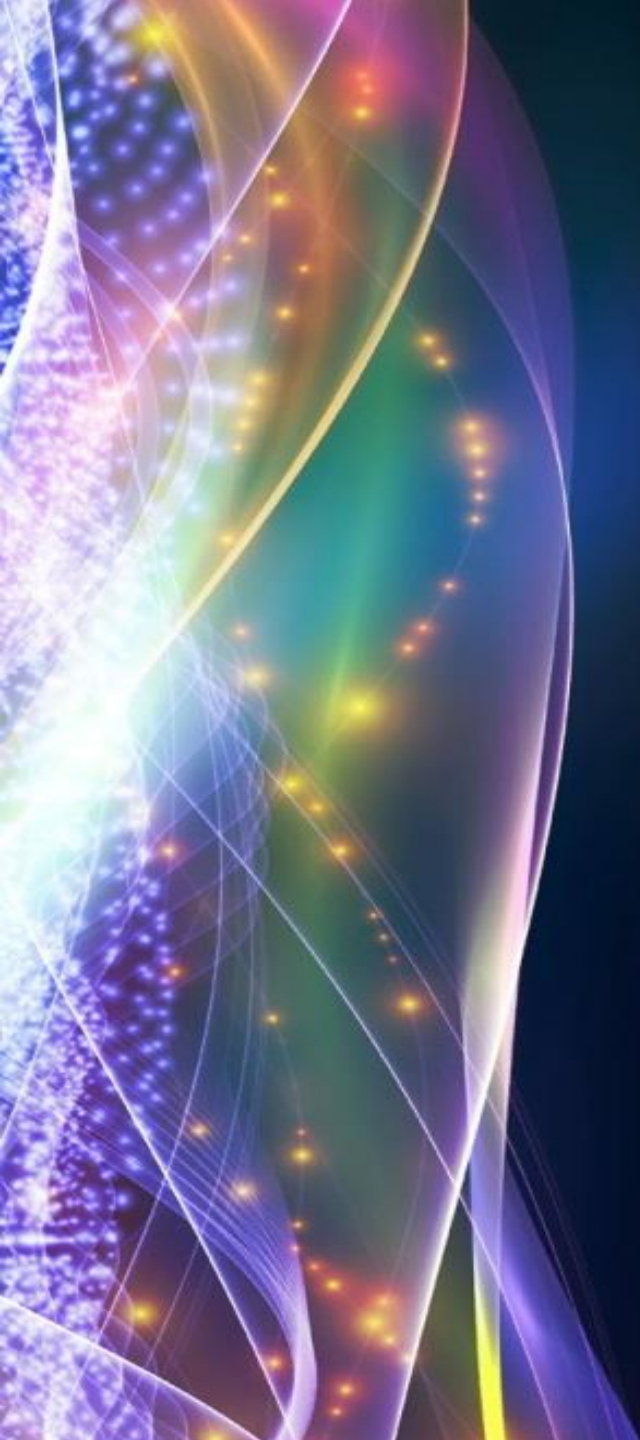


COMMERCIAL PARTICIPATOR

'someone who carries on for gain a business other than a fundraising business but in the course of that business engages in any promotional venture in the course of which it is represented that charitable contributions are to be given or applied for the benefit of any charitable institution'

**Charities (Protection and Social Investment)
Act 2016**

is any person who carries on a business and in the course of that business represents that it will provide a royalty (monetary or goods) to a charity in return for use of charity's brand.

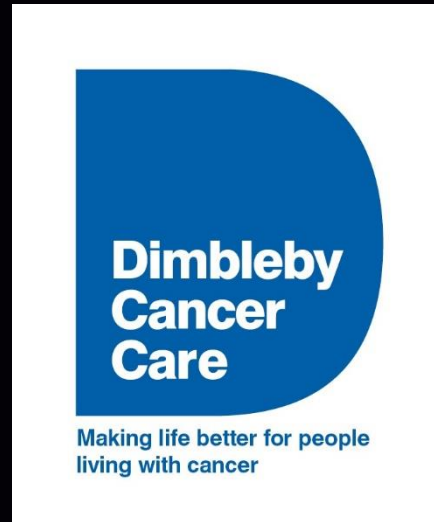


**What questions do you need to
be asking to ensure that you're
protecting your Hospice brand?**



What's Their Background?

- What is their motivation to become involved with the Charity?
- What are their ethics and values?
- Are they who they say they?
- What experience do they have within the Sector?
- What's their reputation within the wider Third Sector community?




www.charitybagsuk.com

- £10,000 donation
- Award winning supplier
- Specialise in supplying charity bags for third sector clients

**LEUKAEMIA
& LYMPHOMA
RESEARCH** 

Beating Blood Cancers



Hi Mubarak,


I've had a chat with our Director and a look on line at your company and what I believe to be your website and I have a couple of questions:

I looked at www.charitybagsuk.com , could you confirm that this is the website for your company? I saw that the bags on this site were for Leukaemia and Lymphoma research, so I contacted them to see how they found working with you and how the charity bag scheme worked for them, but they had no record of working with any clothing recycling business. Could you please let me know if this is your organisation and if so, why you are using this charities information having not worked with them?

I was also wondering if you could put us in touch with a charity you currently work with or one you have worked with recently, we are expected to do some due diligence when entering into commercial arrangements with other organisations in order to protect our charity and ensure we make informed choices so this would help us enormously.

Obviously the above is concerning, however as a small charity we do not have the opportunity to benefit from having charity shops and this is an income stream that would be beneficial to our organisation and ultimately the people living with cancer that we support.

I do hope you understand, I look forward to hearing from you,
Kind regards
Hannah



Hi Hannah,

I'm so sorry for the late response to your email, please accept my apologies.

In reply to your questions, yes the website charitybagsuk.com is ours. The images of the bags used were obtained by the web designer. We have had them removed straight away, we weren't aware of the problems they would cause.

This would be a new venture for us as we have not worked in partnership with any charity.

I hope this clarifies the matter. Please let me know if you have any more questions.

Regards
Mubarack

How open, honest and transparent are they?



Code of Fundraising Practice

The work of all fundraising organisations will be **Legal, Open, Honest and Respectful**

- Charities Act requires that Commercial Participators adhere to the Code of Fundraising Practice
- Registration available to Commercial Participators from September 2017



What are their policies and working practices and how are you going to monitor them?

- Vulnerable people
- Complaints procedure – for both customer and employee (whistleblower)
- Calculation of their royalty to you
- Inspection of financial records
- Communication of how they are supporting you to clients
- Transparency of how you are benefiting
- Sharing of information
- Mystery shopping / shadow
- Regular and frequent monitoring by your organisation to ensure compliance – YOU ARE RESPONSIBLE



**Neet Feet
Fundraising Agency**

Criticised by Fundraising Regulator:

- Action for Children
- Home Farm Trust
- RNIB
- Save the Children
- Smile Train
- Unicef
- World Animal Trust

Not fined:

- Children's Trust



Is it a good deal?

- The balance of any commercial participation relationship should be in your favour
- Is this going to enhance the charity financially / reputationally?
- How much input will be required of you? Factor in the hourly costs that you will need to expend to realise the relationship



Snak Appeal Ltd

- Promised £10,000 per annum
- Unclear and misleading communication to supporters of how royalty would be calculated and what percentage given
- Calculated that Snak Appeal had sold over £100,000 of stock
- Would not share financial information
- Initially would only communicate through solicitor



You need it in writing

- Charities Act requires that any relationship with a Commercial Participator requires a written agreement

This should and must contain:

- The parties involved
- The term of the agreement
- What the royalty will be and how it is calculated
- When the royalty will be paid (should be within 28 days of receipt)
- How your brand should be displayed, in what format, and where
- That the Code of Fundraising Practice will be adhered to
- How the relationship can be ended
- Their Vulnerable People policy
- Complaint procedure – for you, customers, employees

Add in

- Frequency and extent of monitoring of compliance
- Record the Due Diligence that you undertook before commencing the relationship



How clued up are your charity, potential partners and supporters?

- Not just the Income Generation Team that can enter into Commercial Participation relationships – can be undertaken by all areas of the Charity
- Your responsibility to ensure that the other departments understand requirements
- Not all Commercial Participators are aware of their status and won't know understand the legislation – you need to make them aware of it
- If your income is more than £1 million per annum you need to declare and state extent of commercial participator relationships within your Annual Report
- Charity Commission Return requires declaration of dealings with Commercial Participators



Blog for the Fundraising Regulator, October 2018

<https://www.fundraisingregulator.org.uk/more-from-us/news/commercial-participators-find-right-one>



Any questions?

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