

## **Written Ministerial Statement – Regulation of Fundraising Scheme**

### **The Parliamentary Under-Secretary of State for the Home Department (Baroness Scotland):**

I am today publishing proposals for consultation on the principles on which the Government will base its assessment of the success of the self-regulation of voluntary sector fundraising.

Self-regulation of fundraising was a recommendation of the Prime Minister's Strategy Unit review of the charitable and wider not-for-profit sector, "Private Action, Public Benefit". The Government accepted the Strategy Unit recommendation for self-regulation of fundraising, and has made provision in the Charities Bill for statutory regulation should self-regulation fail.

The draft Charities Bill was subject to pre-legislative scrutiny by a Joint Committee of both Houses of Parliament. The report of the Joint Committee on the draft Charities Bill endorsed the self-regulation of fundraising initiative, and recommended that the Government publish for consultation the criteria in accordance with which my Rt Hon Friend the Home Secretary will judge whether self-regulation is working effectively.

Proposals for a Regulation of Fundraising scheme have recently been published by the Institute of Fundraising. The main aim of the scheme is to maintain and build on the high levels of public trust and confidence in the voluntary sector's fundraising activities. The scheme will help the sector guard against future threats to the high levels of public confidence, and to provide the sector with a platform to defend itself against criticism.

The principles in accordance with which the Government proposes that the success of the Regulation of Fundraising Scheme should be assessed include: measures of participation, comprising of the number of participating organisations, the proportion of fundraised income covered by scheme membership, and the range of organisations in the scheme's membership; and other measures such as the effectiveness of complaints handling, public awareness of the scheme, the promotion of best practice, the scheme's independence, effective sanctions for non-compliance, the impact of the scheme on non-members and effective liaison with other regulators.

In the scheme's initial years the focus would be on measuring the take-up of the scheme within the sector as it develops its membership. It is envisaged that a formal assessment of the success of self-regulation would take place as part of the review of the impact of the Charities Bill which is due to take place within five years of enactment, and would report to Parliament.

I am very grateful to all those who have contributed to the development of the proposals for the self-regulation of fundraising. I would particularly like to thank the Institute of Fundraising for taking the lead in developing the scheme, Rodney Buse for considering and consulting on an appropriate

model for self-regulation to adopt, and the members of the Steering Committee for their work in taking the proposals forward.

Copies of the consultation paper have been placed in the Library and will also be available on the Home Office website at [www.homeoffice.gov.uk/comerace/active/charitylaw/index.html](http://www.homeoffice.gov.uk/comerace/active/charitylaw/index.html).

Details of the proposed self-regulation scheme are available on the Institute of Fundraising website at [www.institute-of-fundraising.org.uk](http://www.institute-of-fundraising.org.uk).

Comments are requested by 3 June 2005 and a further statement will be made in due course.