



# HOUSE TO HOUSE COLLECTIONS POLICY



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**The aim of the policy is to ensure that residents in the Kirklees area who want to donate to charity through House to House Collections are able to do so in good faith and secure in the knowledge that an adequate proportion of what they donate will directly benefit the named charity.**

**This will be achieved through Licensing in accordance with the House to House Collections Act and associated regulations.**

## 1. Introduction

### House to House Collections

House to house collections involve the collection of either money or items directly from a person's property. They are a vital source of funds for many charities as they offer a positive opportunity for the public to support charities. However, they need to be carried out for the benefit of the charity and in accordance with the law.

There has been an increase in the number of bogus House to House collectors in the last few years and as such it is vital that licences are issued to legitimate applicants. This can give the public confidence that if the collection is licensed an adequate proportion of their donations are being given to the appropriate charity.

House to House collections are currently regulated by the House to House Collections Act 1939 and the House to House Collections Regulations 1947. Licences for these collections are issued by Kirklees Council. There are National Exemption Orders that are available to charities who have undertaken a high number of collections across local authority areas nationally in the preceding two years. These are issued to the charity by the Cabinet Office directly.

## 2. Policy Intention

The intention of this policy is to give clear guidance to both officers and members on factors to be taken into account when determining applications for House to House Collections. All refusal decisions are delegated to officers in line with this policy and are notified to the applicant in writing. Applicants then have 21 days to appeal to the Secretary of State.

## 3. Application

The Councils own application form needs to be completed when applying for a licence.

On all applications the applicant **must** also supply information relating to:-

- Whether the collection beneficiary is a registered charity (with charity number), and the objectives of the charitable cause as supplied to the Charity Commission
- A statement of the company organisations aims as detailed in any literature
- Details of the history of the organisation, i.e. when formed; names of trustees, directors, organisers, etc
- Relevant accounts and financial statements of both the applicant, collection company and the charity (if different)
- Remuneration amounts of senior members of the applicants organisation and the charity
- A written agreement between the applicant and the charity as required by the Charities Act 1992.
- Declaration of any previous refusals for House to House Collections

- A basic Criminal Records Bureau disclosure relating to the Applicant for the license or the director of the collection company if different.

In addition, it must be clear as part of the application process how much the charity will receive as part of the collection, the proportion of this as a percentage of the cost of running the collection and a clear set of returns if the organisation has operated collections before.

#### **4. Legal reasons for refusal**

There are six reasons why an Authority may refuse to grant a licence or, where it has issued, may revoke a licence. These are as follows:-

A licensing authority may refuse to grant a Licence, or, where a Licence has been issued may revoke it, if it appears to the authority that: -

1. The total amount likely to be applied for charitable purposes as the result of the collection (including any amount already so applied) is inadequate in proportion to the value of the proceeds likely to be received (including any proceeds already received);
2. Remuneration which is excessive in relation to the total amount aforesaid is likely to be, or has been, retained or received out of the proceeds of the collection by any person;
3. The grant of a Licence would be likely to facilitate the commission of an offence under Section Three of the Vagrancy Act 1824, or that an offence under that section has been committed in connection with the collection;
4. The applicant or the holder of the Licence is not a fit and proper person to hold a Licence by reason of the fact that he has been convicted in the United Kingdom of any of the offences specified in the Schedule to this Act, or has been convicted in any part of Her Majesty's dominions of any offence conviction for which necessarily involved a finding that he acted fraudulently or dishonestly, or of an offence of a kind the commission of which would be likely to be facilitated by the grant of a Licence;
5. The applicant or the holder of the Licence, in promoting a collection in respect of which a Licence has been granted to him, has failed to exercise due diligence to secure that persons authorised by him to act as collectors for the purposes of the collection were fit and proper persons, to secure compliance on the part of persons so authorised with the provisions of regulations made under this Act, or to prevent prescribed badges or prescribed certificates of authority being obtained by persons other than persons so authorised; or
6. The applicant or holder of the Licence has refused or neglected to furnish to the Authority such information as they may have reasonably required for the purpose of informing themselves as to any of the matters specified in the foregoing paragraphs.

#### **4.1 Reasons for refusal considerations**

When considering applications the financial information given is sometimes difficult

to interpret. Unless the proportion that will be donated to charity is clear and we are confident in the calculations the application should be refused.

If the proportion allocated to the charity is clear, Officers must be satisfied that the amount to be given to the charity is adequate in relation to the proceeds received. The cost of collection needs to be taken into account and balanced against the perception of the public that all of the items or money they donate will be given to charity.

Refusal of the application should be given serious consideration when less than 80% of the value of the collection at the point of donation is being given to the charity.

It is common practice for collectors to be paid by organisations to collect money and products. When determining the remuneration and whether this is excessive the nature of the business and the overheads should be taken into account and balanced against the amount being given to the charity. The remuneration received by individuals involved in the collection process, at all levels, should also be considered as part of this assessment.

Refusal of the application should be given serious consideration when the remuneration amount is greater than 20% of the value of the total collection at the point of donation.

If no previous returns have been supplied to the Council after previous licensed collections by the same organisation or individual within the Kirklees area then the application should be refused. In addition, any action taken as a result of not complying with regulations on operating House to House collections would also be grounds for refusal unless there are extenuating circumstances.

## **5. Monitoring and reviewing progress**

This policy will be actively monitored in its first year of introduction to determine its impact and reviewed if necessary.