

Report to: Licensing Committee
Date of meeting: 18 March 2014
Report of: Head of Community and Customer Services
Title: Review of the charity street collection policy

1.0 SUMMARY

- 1.1 The Council grants consents for collections of cash and other goods for charitable purposes to take place in public places. Typically, these consents are to allow local charities or local branches of national charities to collect in the High Street and The Parade. A more recent development has been the use of professional fund-raising companies by national charities, who canvass for donations via regular direct debit payments rather than cash contributions.
- 1.2 Complaints have been made to the Council over the last few years about the number and frequency of both cash and direct debit collections in the High Street. Given the current changes within the town centre, officers have consulted on a new policy for consideration by the Committee.

2.0 RECOMMENDATIONS

- 2.1 The Committee approve the new charity street collection policy set out at appendix 2.
- 2.2 That officers enter into the Site Management Agreement with the Public Fundraising Regulatory Association as set out at appendix 3.
- 2.3 That delegated authority be given to the Environmental Health & Licensing Section Head and Head of Community & Customer Services as set out in the report.

Contact Officer:

For further information on this report please contact Jeffrey Leib (Licensing Manager) on telephone extension 8429 or email jeffrey.leib@watford.gov.uk.

Report approved by: Alan Gough, Head of Customer and Community Services

3.0 DETAILED PROPOSAL

3.1 Cash collections

The Council has the power to issue permits under the Police, Factories, etc (Miscellaneous Provisions) Act 1916 for sales of goods and collections of cash for charitable purposes to be made in public places. Applicants for a permit need not be a registered charity.

- 3.2 Collections are regulated to ensure collectors are properly authorised; that the money is collected in a secure way; and that the total proceeds collected are properly accounted for. Permit holders are required to submit returns to the council within one month of the collection showing the amounts raised and the amounts spent on any expenses associated with the collection. It is a criminal offence to organise or collect money for charitable purposes without a valid permit.
- 3.3 Permits are issued free of charge and subject to long-standing regulations approved by the Council. This report does not propose any changes to those regulations which are available from the licensing team or on the council website.¹
- 3.4 Non-commercial street trading
Many charities also apply to sell or distribute promotional goods associated with their organisation, either by applying for a non-commercial street trading consent or for a charitable collection consent from the council. There were 27 non-commercial street trading consents issued in 2013. This report covers proposals about where and when those stalls may also be placed.
- 3.5 Direct debit collections
Direct debit (also known as Face-to-face collections) started in the UK in 1997² and are now a familiar, if not always welcome, feature of many town centres. It typically comprises of teams of collectors (either voluntary or paid) soliciting members of the public to make regular direct debit payments to the charity³. Charities use this technique as a secure means of collection that allows them to predict regular income streams. It is used by very large charities such as the British Red Cross Society, Oxfam, British Heart Foundation and Greenpeace as well as smaller ones such as the Hertfordshire and Middlesex Wildlife Trust.
- 3.6 No authoritative definition exists as to whether direct debit collections are within the ambit of the 1916 Act. Legal opinion differs as to whether or not direct debits amount to “cash” being collected at the time and proposals to clarify the situation through the Charities Act 2006 have not been implemented. The Council has, as a rule, required direct debit organisers to obtain a permit, to try and fairly allocate space between charities for collections and to provide reassurance to the public that collections are subject to some scrutiny.
- 3.7 In response to the growing numbers of direct debit collections, the Public Fundraising Regulatory Association⁴ (PFRA) was established as a charity-led self-regulatory membership body for all types of face-to-face fundraising (which also includes house-to-house collections, fund-raising at public events and payroll giving). It works as a bridge between councils and charities engaged in face-to-face fundraising and maintaining professional standards amongst charities. It is overseen by a board including representatives of charities and fund-raising companies as well as observers from the Institute of Fundraising, the Charity Commission, the Association of Town Centre Managers, the Institute of Licensing and the Local Government Association

¹ <http://www.watford.gov.uk/ccm/navigation/business/licences-and-street-trading/licence---street-collections/>

² http://pfra.org.uk/face-to-face_fundraising/the_origins_of_street_f2f/

³ Another form of face-to-face fundraising, called prospecting, involves collating names and addresses on the street to be followed up for donations at a later time.

⁴ <http://www.pfra.org.uk>

(LGA) amongst others.

- 3.8 The PFRA publish codes of practice for direct debit fundraisers and in particular a Street Rule Book⁵. This sets out the professional standards for those soliciting direct debit collections including identification of collectors and charities; making it clear if collectors are being paid; and obstructing or causing annoyance to members of the public. Apart from such behaviour being counter-productive, the rules prohibit collectors for instance from walking more than three steps alongside a member of the public to solicit a donation or approaching members of the public sitting on public benches etc. The Rule Book is now enforced through a system of financial penalties that are levied on PFRA members for non-compliance, as well as spot-checks and a small enforcement team that responds to complaints from local authorities and the public.
- 3.9 The lack of clarity over whether direct debit collections ought to be licensed means some councils require them to be licensed but others do not. To help councils manage the allocation of space and ensure better compliance with its professional standards, the PFRA enter into Site Management Agreements (SMA) with local authorities – an approach strongly endorsed by the LGA. One advantage of the SMA is that the PFRA manages the diary for booking charities into town centres. Over seventy agreements are currently in place covering more than 100 towns and cities.
- 3.10 Existing council policy
Last year, the Council issued 96 street collection permits, a typical level of activity. Most collections take place in the town centre. The Council has a long-standing policy to try and allocate collection times fairly so that charities are not competing with each other at the same time. Permits are generally issued:
- not more than six months' in advance
 - must be applied for at least 28 days in advance
 - subject to the Provision of Services Regulations. Tacit consent applies so they are automatically granted if the council does not respond within the stated time period to reject an application
 - to not more than two charities at a time
 - for collections between 9 am and 5 pm
 - without any restrictions on the number of collectors allowed at any one time.
- 3.11 Permits are not needed for collections on private property, such as forecourts, supermarket entrances or at Watford Junction station. The transfer of ownership to Watford Intu of Charter Place means that permits and consents can no longer be issued for this space, which puts pressure on other town centre locations.
- 3.12 The Parade between the flyover and Clarendon Road is another popular location.

⁵<http://pfra.org.uk/assets/resources/standards/Summary%20Street%20Rule%20Book%20May%202013.pdf>

This area is due to be frequently used as additional space for the relocated market, and for activities in the Watford's Big Events programme.

3.13 General principle

As part of the policy review, officers have started from the position that it is important collectors do not congregate in certain areas of the town centre, or in such numbers, that they cause an obstruction or nuisance to pedestrians. Sensible limits should be placed to avoid too many collectors in one place, or too many appeals in a relatively short time whilst providing facilities for local charities to solicit donations and publicise their good work; allow the public to donate to charitable causes; and for local businesses to contribute to fund-raising which is often linked to national campaigns such as the BBC's Children in Need Appeal.

3.14 Consultation

Officers conducted a public consultation exercise from 27 January 2014 to 21 February 2014. This consisted of press releases, which were published on the Council website, the online edition of the Watford Observer (30 January 2014) and the printed edition of the Watford Observer (7 February 2014). Emails inviting responses were sent to all town centre businesses in the Town Centre Partnership, and to other stakeholders such as the police, Watford Intu and town centre residents' associations. Letters were also sent to any organisation that had held a charity collection permit within the last year. The results of the consultation are set out at appendix 1 and the new policy (incorporating changes from the consultation) is set out at appendix 2. The draft SMA is set out at appendix 3.

3.15 Although the consultation was concerned with the town centre, Watford Football Club have commented that charitable cash collections often take place outside Vicarage Road Stadium on match-days. They say this clashes with collections they allow to be conducted inside the ground (and which does not require a permit as they take place on private property). Although there is an enforcement issue for officers to investigate because very few permits are issued for Vicarage Road, the Committee may wish to consider adding to the policy a provision that no more than four cash collectors will be allowed in The Hornets and no more than two cash collectors in Vicarage Road on match-days, all collecting for the same charity.

3.16 Officers recommend criteria to prevent any one charity block-booking popular locations or times for cash collections. This will be managed by the Council whilst the PFRA will manage allocations for direct debit collections. No charity would be allowed to apply:

- more than twelve months in advance
- for more than two days in any one week unless part of a recognised campaign (eg Lifeboat Appeal week, Poppy Appeal)
- for more than one Saturday in any one calendar month.

Where there are special reasons officers will have discretion to grant permits outside of those parameters after agreement by the Environmental Health & Licensing Section Head or the Head of Community & Customer Services.

3.17 Officers will continue to advertise cash collection applications on the weekly

application tracker. In addition, a weekly list is posted on the council website setting out applications that have been granted, to assist applicants when making arrangements for their collections to take place.

- 3.18 Following a suggestion by the PFRA, it is recommended that permits should allow collections between 9 am and 7 pm.

4.0 **IMPLICATIONS**

4.1 **Financial**

- 4.1.1 The Shared Director of Finance comments that there are no financial implications arising from this report.

4.2 **Legal Issues** (Monitoring Officer)

- 4.2.1 The Head of Democracy and Governance comments that the legal framework behind the issue of permits is set out in the body of the report. There are no Human Rights Act principles engaged and, as the authorising of direct debit collections through the Council is currently voluntary there is no difficulty in transferring the management of that role to the PFRA.

- 4.2.2 The recommended policy satisfies the general requirements of fairness, proportionality and reasonableness.

4.3 **Equalities**

- 4.3.1 An analysis of the effects of the new policy on equalities has been conducted. Monitoring forms will be sent out with issued collection permits to assess any impact. The impact assessment however shows that currently the only potential impact is in terms of age, as promoters of collections must be at least 18 years old and no cash collector may be less than 16 years old. This can be justified given the need for the integrity needed to ensure public confidence that collections are carried out properly.

4.4 **Potential Risks**

- 4.4.1 None identified.

4.5 **Staffing**

- 4.5.1 The site management agreement with the PFRA will free some time currently taken up by the licensing team in processing direct debit permits.

Appendices

Appendix 1 – Consultation responses

Appendix 2 - Proposed charitable collection policy

Appendix 3 – Draft Site Management Agreement

Background Papers

Police, Factories, etc (Miscellaneous Provisions) Act 1916 (available on

www.legislation.gov.uk)

Watford Borough Council Regulations on Street Collections (available on www.watford.gov.uk)

File Reference

Charity collection policy review 2014