

**Body:** General Licensing Committee

**Date:** 18<sup>th</sup> January 2010

**Subject:** Public Charitable Collections - Street Collection Application Policy & Proposed Arrangements for Airbourne 2010.

**Report of:** Kareen Plympton, Licensing Manager

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**Ward(s):** All

**Purpose:**

- (a) To propose a departure from the existing Street Collections Policy adopted by Eastbourne Borough Council in January 2007
- (b) To advise the Committee of changes anticipated from the eventual implementation of new provisions for public charitable collections in the Charities Act 2006.

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**Recommendations:**

- (1) That the Committee recognises the special nature of Airbourne and its local significance and the need to secure the future of the event.
- (2) To approve a further exception to the Policy which currently requires that applications are only approved if made by registered charities and from local charitable bodies which directly benefit the Borough. The Committee is asked to again set aside this Policy in respect of Airbourne 2010 to enable street collections to be undertaken during the event, managed by the Council, using volunteers from a designated local charity which will retain a percentage of the proceeds for their own charitable purposes.

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**1.0 Introduction**

- 1.1 Responsibility for the administration of public charitable collections, these being street collections and house-to-house collections was transferred to the Licensing Team, Environmental Health in January 2007.
- 1.2 In January 2007. the Full Committee were advised about the progress of Charities Act 2006. This legislation was enacted in November 2006 and includes provisions, which will significantly change the way that councils licence public charitable activities. However, there has been slippage in terms of when the Charities Act 2006 will be implemented, which had

originally been scheduled for 2009. Latest indications suggest this is not likely to take effect until 2011 at the earliest.

- 1.3 Raising money or selling goods for charity in a street or public place usually requires a permit or licence from the appropriate Local Authority, this being Eastbourne Borough Council.
- 1.4 Under the Police, Factories, etc (Miscellaneous Provisions) Act 1916 and the Charitable Collections (Transitional Provisions) Order 1974, local regulations may be made governing the way in which street collections are conducted. These deal with matters such as the obstruction and hindrance caused to traffic by flag days, carnivals and large scale events. Regulations also govern the places where, and the conditions under which, persons may collect money or sell articles for charitable and other purposes.
- 1.5 Local Bye-laws also govern the locations of collections and the way in which those undertaking charitable street collections conduct themselves.

## **2.0 Criteria For The Grant Of Street Collection Applications**

- 2.1 In January 2007, the General Licensing Committee opted to restrict applications that the Council will consider to those from registered charities. It includes local charitable bodies that directly benefit the population of the Borough only.
- 2.2 Historically, other unregistered, non-profit making groups could apply. Typically these comprised of campaigning organisations active in animal welfare and environmental causes. They are not entitled to be registered charities because of the nature of their activities and the purposes to which proceeds are put.
- 2.3 In addition there are a number of charities that are either exempt or excepted from Charity Commission registration. These latter categories include very small-scale charities, certain religious groups or groups such as scouts and guides. Some of these will in due course become registered as a consequence of the Charities Act 2006 when fully implemented.
- 2.4 The challenge for the Council, as Licensing Authority, is that it is very difficult to monitor in any realistic way the use made of charitable proceeds from many of these groups and thereby give public assurance that licensing activities are meaningful and regulatory functions are fulfilled.
- 2.5 Limiting collections to registered charities only means that the Council can rely on the regulatory activities of the Charity Commission. An exception is made however for local groups where the proceeds directly benefit the local population. In such cases, the groups are likely to be known to the Council and there will be a much greater awareness of their activities within the local community.
- 2.6 A copy of the current street collections criteria is included at Appendix 1.

### **3.0 Airbourne 2009**

- 3.1 In 2009, the General Licensing Committee agreed to make an exception to the current policy in relation to Street Collections as detailed above. The Council selected the Sussex Air Ambulance as its nominated charity and collection agent.
- 3.2 As a result of the collection carried out during Airbourne 2009, the street collection, £17704 was raised. The Sussex Air Ambulance retained 30% of this figure, and the remainder retained by the Council to fund Airbourne 2009.
- 3.3 All funds remitted to the Council were expressly reserved to fund Airbourne 2009.

### **4.0 Airbourne 2010**

- 4.1 It is clear that the approach adopted in 2009 in relation to street collections was a success and recognised the special nature of Airbourne and its potential significance in terms of facilitating income generation for charities and securing the future of the event.
- 4.2 As detailed in the report to Members in 2009, consideration is being given to the appropriateness and viability of Airbourne making application to attain charitable status. This mirrors the approach of Lowestoft, where their seafront airshow is run as a charity, alongside the potential to use other mechanisms to generate funds to offset the costs of Airbourne.
- 4.3 Investigations as to the viability and appropriateness of such approaches are on going, and will not be resolved in time for Airbourne 2010. In light of this, Members are asked to support a second departure from the current Street Collection Policy in respect of the 2010 event.
- 4.4 In common with last year, the nominated Charity and collection agent will retain 30% of the proceeds of the street collection and 70% will be used to offset the costs of Airbourne 2010.
- 4.5 In order to foster transparency and openness in relation to the process, and to follow the general principles of the Charities Commission, the following will be implemented:
  - The purpose of the street collection will be clearly expressed, on any supporting literature and on collection receptacles. Individual street collectors will be fully briefed to ensure that donators are aware of the intended use of collected monies, and the method of allocation .
  - There will be a clear audit trail, supported by robust accounting procedures detailing the monies collected by the Rotary Clubs, the relevant "split" of such to the identified charities on whose part they

are collecting, and monies allocated to Airbourne 2009

- It is not intended to deduct the running costs involved in the collection from the monies raised. Such costs incurred by the will be accounted for from Council's own budget for the event. The Rotary Clubs will not be deducting any costs.
- Any funds raised for Airbourne 2009 through the street collections shall be be accounted for separately and will be open to scrutiny. It will be made clear that this approach is time limited, covering the duration of the Airbourne 2009 event only

## **5.0 Resource Implications**

- 5.1 The financial implications in terms of licensing are minimal. No fees are payable for the issue of street collection permits and house to house collection permits and the Charities Act 2006 will not change this.
- 5.2 The potential to raise funds at a Local Authority run event in this manner for the purposes of defraying the cost of that event, whilst lawful, is unquantifiable. At the time of writing this report, it is unclear as to whether any other Council has taken this approach.

**Kareen Plympton**  
**Licensing Manager**

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### **Background Papers**

The background papers to this report are as follows:

Information provided on the Charity Commission website at  
<http://www.charity-commission.gov.uk/spr/charbill.asp>

Information provided on the Cabinet Office website at  
[http://www.cabinetoffice.gov.uk/third\\_sector/law\\_and\\_regulation/fundraising\\_and\\_collections/index.asp](http://www.cabinetoffice.gov.uk/third_sector/law_and_regulation/fundraising_and_collections/index.asp)  
[http://www.cabinetoffice.gov.uk/third\\_sector/documents/charity\\_reform/implementation\\_plan.pdf](http://www.cabinetoffice.gov.uk/third_sector/documents/charity_reform/implementation_plan.pdf)

The Charities Act 2006 – Sections 45 to 62  
<http://www.opsi.gov.uk/acts/acts2006/60050--n.htm#45>

Gambling Act 2005  
Charities Commission – Various.  
<http://www.charitycommission.gov.uk>