

Body: General Licensing Committee

Date: 18th May 2009

Subject: Public Charitable Collections. Street Collection application Policy & Proposed Arrangements For Airbourne 2009.

Report of: Kareen Plympton, Licensing Manager

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 recognises the need to secure the future of the event.
 - (2) To approve a "one off" 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 set aside this Policy in respect of Airbourne 2009 to enable street collections to be undertaken during the event, managed by the Council, using volunteers from local Rotary Clubs which will retain a percentage of the proceeds for their 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 also 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 The Committee are asked to make an exception to the current Policy in relation to Street Collections as detailed above. The Council intends to select one or more registered charitable organisations that will collect money by way of a street collection. It is proposed that 75% of the monies raised will be used to fund Airbourne 2009, with the remaining 25% to be retained by the registered charitable organisation(s).

3.2 In this instance, local Eastbourne Rotary Clubs have been approached to act as the collection agent on behalf of the Council. It is anticipated that one of the Rotary Clubs will be the lead organisation working in partnership with the other Clubs and sharing their proportion of the income equally. Discussions are ongoing in this regard and should be concluded at the time of this report being presented to Committee.

3.3 All funds remitted to the Council, suggested at 75%, will be expressly reserved to fund Airbourne 2009. In the event that funds raised exceed the cost of Airbourne 2009, the excess will be held in a ring-fenced account and will be used to fund future Airbourne events as appropriate.

3.4 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 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.

3.5 The Director of Economy, Tourism and Environment will attend the Committee to provide members with an overview and detail the agreed percentage of donated monies from the street collection to be allocated to the Rotary Clubs and Airbourne 2009.

4.0 Future Activities

4.1 It should be made clear that the approach proposed does not set a precedent, and should be treated as a "one off" exceptional application. This approach recognises 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 The Committee is asked to approve an exception to the current Policy requiring that applications from registered charities and from local charitable bodies, setting this criteria aside, to enable street collections to be undertaken under the banner of the Airbourne 2009.

4.3 If the collection is a success, the Council would like to enter into a long term arrangement, thus allowing the collection partner to raise funds year on year at the Airbourne event.

4.4 In lieu of future events, 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. This approach will be explored in more detail for future events, alongside the potential to use other mechanisms to generate funds to off set the costs of Airbourne. This would also mean that in future years, it will fall within the requirements of the existing Street Collections Policy.

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

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/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.uk>

Appendix 1

Street Collections – Application Criteria

Extract from the Council’s approved scheme of delegation:

Public Charitable Collections.

The grant, refusal and revocation of permits and licences for street collections (flag days) and house to house collections is delegated to the Licensing Manager subject to the provisions below.

Applications for street collection permits will be entertained from either registered charities or from local charitable bodies which directly benefit the population of the borough and will be considered in accordance with the following criteria:-

- a) Aim for no more than one collection each week on average, normally on a Saturday (objective being to maintain a positive response from the public).
- b) Take account of the amount of money collected on previous or other recent occasions and the number of collectors deployed (the objective being to ensure that “prime” collection dates go to societies which have the ability to maximise donations).
- c) Presumption to refuse where applicant has previously failed to submit a return for no good reason.
- d) Ensure that different types of charitable society are represented.
- e) Give preference to locally based groups or national/regional organisations with active local support groups.
- f) Give priority to charities with recognised national collection days such as the British Legion Poppy Appeal.
- g) That in the month of December priority will normally be given to organisations such as Round Table, Rotary and Lions which collect on behalf of local charities.
- h) That when major events take place such as Airbourne, collections in the near vicinity of the event will normally only be permitted when conducted on behalf of charities nominated or agreed in liaison with the event organiser.

The Chairman of the General Licensing Committee is to be consulted on the proposed Annual Calendar of Street Collections and the Mayor is to be provided with a draft copy of the Calendar. The refusal or revocation of a house to house collection licence is to be reported to the General Licensing Committee.