

<b>Committee:</b> Policy and Resources	<b>Date:</b> 13 December 2012
Subject: Discouraging aggressive charity collections on the street ("chugging")	Public
Report of: Director of Markets & Consumer Protection	For Decision
<p><b><u>Summary</u></b></p> <p>Concerns have been expressed by the Police Committee regarding the potential nuisance caused by charity collectors on City Streets who stop people – known as “chuggers”. As there are no legal sanctions currently available, the Committee requested that the matter be referred to your Committee for consideration.</p> <p>This report examines the options that are available to discourage the practice and outlines the rules that should be followed by members of the Public Fundraising Regulatory Association (PFRA), which purports to represent 95% of the organisations involved in the practice.</p> <p>The following options have been identified to tackle this issue.</p> <ol style="list-style-type: none"> <li>i. Write to the Chief Executives of the relevant charities and request that they comply with PFRA rules.</li> <li>ii. Refer complainants to the PFRA.</li> <li>iii. Investigate complaints and undertake monitoring to ensure compliance with PFRA rules, then refer any collectors that are not complying to the PFRA under its complaints procedure.</li> <li>iv. Establish a site management agreement with the PFRA for the whole of the City.</li> <li>v. Explore the possibility of introducing byelaws to prevent the nuisance caused by chugging in the City.</li> </ol> <p><b>Recommendations</b></p> <p>I recommend that your Committee considers the above options and, depending on the seriousness with which you view the activity, instructs officers to proceed accordingly but, in the first instance, options (i), (ii) and (iii) are approved by your Committee, and that the number of complaints is recorded to see if compliance improves.</p>	

## Main Report

### **Background**

2. The administration associated with the issuing of permits for legitimate charity collections is carried out by officers of the City of London Licensing Service on behalf of the City of London Police. This covers the places and times where collections can be carried out in the City.
3. The City Corporation, together with other local authorities, has experienced an increase in the number of collectors attempting to stop people in the street and ascertain either bank details, obtain a signature on a direct debit mandate or make donations to a particular charity by texting a number from a mobile telephone which deducts a sum from the senders bank account. The collectors known as “chuggers” do not have permits to carry out street collections.
4. A report submitted to the Police Committee on 11 July 2012 considered whether there was any existing legislation that could regulate this activity, and included two legal opinions from QCs. The conclusion was that chuggers comply with current legislation.
5. Consequently, given that aggressive charity collections can cause a nuisance to pedestrians and the practice can affect businesses, particularly small retailers, the Police Committee agreed that the matter should be referred to the Policy & Resources Committee for consideration.
6. Since that time, officers have investigated the options open to the City Corporation and met with a representative of the Public Fundraising Regulatory Association. This organisation has recently introduced new rules for its members and these are discussed below.
7. The purpose of this report, therefore, is to examine the options available to your Committee to discourage this practice and to seek approval for the most appropriate option.

### **Current Position**

8. As indicated above there is currently no legal sanction that can be exercised against “chugging”, but in mid August, the Public Fundraising Regulatory Association (PFRA), introduced a new rule book for street face to face (F2F) fund raising. The PFRA is the charity led self-regulatory membership body for all types of F2F fund raising, with both charity and fund raising agency members, allegedly comprising about 95% of the organisations currently involved in all types of F2F activity. It has 143 members: 111 are charity members, 26 fund raising agencies and 6 associates. This figure is

out of 162,624 charities registered with the Charity Commission as at 30 September 2012.

9. An initial survey of the charities and City locations involved in chugging identified the following:

<b>Charities</b>	
Age UK*	Merlin*
Aids UK	Save the Children*
British Heart Foundation*	Shelter *
British Red Cross *	St Mungos *
Greenpeace*	Unicef *
Healing UK	World Vision *
Help for Heroes	World Wildlife Fund*

\* denotes user members of the PFRA.

<b>Locations</b>	
Aldgate East	High Holborn
Bank	Liverpool Street
Bank Station	Lombard Street junction/King William Street
Cannon Street	Moorgate junction/London Wall
Cheapside	Poultry
East Cheap	St. Martin's Le-Grand,
Fenchurch Street (Tower Hill)	St. Paul's
Fish Street Hill (Monument)	Tower Hill Tube Station
Fleet Street	

10. Under the new PFRA rules that were introduced on 20 August 2012, a chugger must not:
  - i. Follow a person for more than three steps;
  - ii. Stand within three metres of a shop doorway, cash point, pedestrian crossing or station entrance;
  - iii. Sign up to a direct debit anyone unable to give informed consent through illness, disability or drink or drugs;
  - iv. Approach any members of the public who are working, such as tour guides or newspaper vendors;
11. Further to this, fund raisers must always terminate an engagement when they are clearly and unambiguously asked, by speech or body language, to do so.
12. The rules, which were trialled for a year, enhanced the existing Code of Practice produced by the Institute of Fund Raising. Fund raising organisations that transgress the rules will rack up a series of penalty points that will then be converted into a monetary fine once they reach a threshold.
13. There are penalties of 20, 50 or 100 points, which are awarded by the PFRA against a fund raising organisation – whether they are agencies or charities running in house teams - each time they breach one of these rules. When a fund raising organisation’s points tally exceeds 1,000 points, that total is converted to a monetary fine on the basis of £1 per point. Further breaches are invoiced by the PFRA at £1 per point per month.
14. The PFRA will monitor compliance with both the new rules and the Code of Practice through a mystery shopping programme, spot checks by its compliance staff, and through co-regulation with the fifty local authorities with which it has site management agreements (SMAs).
15. The aim of the SMA scheme is to facilitate F2F fund raising in a given location or locations within a local authority area and provide a balance between the right of the charity to fund raise and the right of the public to go about their business with the least possible impression of inconvenience. These provisions only apply in “public places” i.e. highways, open spaces etc., over which the local authority has a duty of care to provide and protect access.
16. Typically, a SMA will address issues such as location and frequency of visits, permitted team sizes, communication channels and dealing with complaints. The PFRA claims that once an agreement is in place it should minimise the administration for all concerned, providing just one channel

for information which is the PFRA, instead of dealing with each individual charity and fund raising organisation separately.

17. The Local Government Association is promoting the scheme and conducted a survey of those councils that had implemented a voluntary agreement which showed that 74% found them very or fairly successful at regulating chugging.
18. The PFRA has a complaints procedure where by it will respond to and deal with any complaints made directly about F2F relating to:
  - a. a breach of the IOF Code of Practice on F2F activity, such as abuse, harassment, approaching pedestrians in a non-designated area.
  - b. a breach of a SMA such as five chuggers in an area where there are only supposed to be four.
  - c. a complaint (or observation) about the nature of F2F fund raising in general.
  - d. a complaint about the operation of F2F fundraising, either where a SMA is or is not in place, such as where there appear to be too many chuggers in a given street or at a given time.
19. The PRFA will deal with complaints made by local authority officers, elected members, police officers, other regulatory or government bodies, members of the public, any others at the discretion of the relevant PFRA staff member. There is a full procedure that deals with how the PFRA will handle and process the complaint as well as outcomes and records.
20. The City of Bradford Metropolitan District Council has byelaws for “good rule and government” in its area prohibiting touting for sale to the annoyance or obstruction of passers-by, which it now uses against chuggers. The PFRA is challenging another local authority that is planning to introduce byelaws to address this nuisance.
21. The Government’s Public Administration Committee recently took evidence from the Chief Executives of the Institute of Fundraising, the Fundraising Standards Board, and the PFRA. The PRFA emphasised that where it had site management agreements in place with a local authority there was a great reduction in the level of complaints. This approach would probably need to be tried before it would be possible to argue strongly for the introduction of a byelaw.

## **Options**

22. Depending on the seriousness with which your Committee views this activity, there are a range of options that can be considered to tackle it.
  - i. write to the Chief Executives of the relevant charities and request that they comply with PFRA rules.
  - ii. refer complainants to the PFRA.
  - iii. Investigate complaints and undertake monitoring to ensure compliance with PFRA rules, then refer any collectors that are not complying to the PFRA under its complaints procedure.
  - iv. establish a site management agreement with the PFRA for the whole of the City.
  - v. explore the possibility of introducing byelaws to prevent the nuisance caused by chugging in the City.
23. Options i and ii have minimal resource implications, but any monitoring of compliance with PFRA rules that is carried out will incur officers' time, although this could be undertaken by a range of departments and the City of London Police.
24. It is possible that a brief campaign to ensure that all charities comply with the PFRA rules would have the desired effect, but as not all charities are members of the organisation there could still be some non-compliance.
25. Section 39 of the City of London (Various Powers) Act 1961 allows the City Corporation to make byelaws where necessary and appropriate for the good rule and government of the City of London and for the suppression of nuisances. This would require a formal consultation process and the approval of the Department for Communities and Local Government. It is likely that this process would take between one and two years.

## **Proposals**

26. I propose that your Committee considers the above options and determines the one that is commensurate with the seriousness with which you view chugging in the City. Depending on the option(s) you select, a further report could be brought before your Committee to update you on actions taken and the outcome of any compliance checks.

27. In the first instance I recommend that options (i), (ii) and (iii) are approved by your Committee and that the number of complaints is recorded to see if compliance improves.

### **Corporate & Strategic Implications**

28. Any action taken to control chugging in the City will be in accordance with the strategic aim: to provide modern, efficient and high quality local services and policing within the square mile for workers, residents and visitors with a view to delivering sustainable outcomes.

### **Implications**

29. The financial implications of taking action against “chuggers” will need to be assessed in the light of the option determined by your Committee. There would be additional costs associated with any increased monitoring, and the costs would be greater if, after any byelaws were enacted, prosecutions were being undertaken. There would also be some costs associated with staff time and newspaper advertising if the introduction of byelaws was pursued.
30. The legal implications will only need to be taken into account if byelaws are to be sought. These would need to be the subject of a more detailed report.

### **Conclusion**

31. Whilst there is no legal sanction against “chugging”, there are other mechanisms for discouraging the activity and there is also the potential to explore the introduction of byelaws to prevent potential nuisance caused by the practice.

### **Background Papers:**

Charitable collections in the City of London - report to the Police Committee on 11 July 2012.

[PFRA Rules for Street F2F](#)

[PFRA Complaints Procedure](#)

[PFRA Site Management Agreement](#)

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