

SPIKE ISLAND ETHICAL FUNDRAISING POLICY

Jan 2024

1 Purpose

- 1.1 This document sets out Spike Island's Ethical Fundraising Policy. Spike Island has an obligation to its staff, supporters, stakeholders, funders and the wider public to ensure it conducts its fundraising and relationships with donors in an ethical manner, that reflects our charitable purpose as well as our vision, mission, and values.
- 1.2 The purpose of this policy is to put in place a procedure, allowing Spike Island to make clear and consistent decisions regarding the acceptance or refusal of donations, and provide full transparency about the contributions we solicit.

2. Definitions

- 2.1 In this policy, the following words and expressions have the following meanings:
 - 2.1.1 **'Code of Fundraising'** means the Fundraising Regulators Code of Fundraising
 - 2.1.2 **'Donation'** means a philanthropic donation or philanthropic gift and includes any philanthropic support received by Spike Island, including cash, stocks and shares, property and gifts in kind of equipment, artefacts, etc. For the purposes of this policy, givers of donations are referred to as 'funders' or 'donors', and this should be interpreted as including all associates of the funder/donor.
 - 2.1.3 **'Due Diligence'** means the process for researching and assessing prospective donors, carried out in accordance with our Privacy Policy.
 - 2.1.5 **'Fundraising'** means all Spike Island fundraising activities including soliciting donations, managing relationships with donors, bidding for and managing philanthropic funding and stewardship of funds raised.
 - 2.1.6 **'Prospect'** means a person(s) who is willing to make a donation to Spike Island, or has been accessed as willing. This includes individuals, charitable trusts and foundations, and corporate organisations, who have not previously donated.

3. Ethical Fundraising Policy Statement and guidelines relating to the acceptance or refusal of donations

- 3.1 Spike Island will engage in fundraising activities provided that those activities are carried out in a manner that is legal, transparent, honest, respectful, and meet the standards and procedures outlined in this policy.
- 3.3 Spike Island will accept all donations except those which it judges to be obtained from activities that are or could be deemed unlawful in the United Kingdom or overseas, or those which would risk the reputation of Spike Island or compromise its mission or its charitable purpose.

- 3.4 Each donation will be considered on a case by case basis, using this policy as a decision-making tool. The ultimate responsibility to accept or decline a donation resides with the Board of Trustees, with day-to-day responsibility devolved to the Director.
- 3.5 Spike Island will refuse a donation where, in the organisation's opinion:
- 3.5.1 The donor has acted, or is believed to have acted, illegally in the acquisition funds, for example when funds are tainted through being the proceeds of criminal conduct (unlawful discrimination, violation of international conventions of human rights or any form of theft, bribery, fraud, tax evasion, money laundering or terrorist activity) whether in the UK or overseas.
 - 3.5.2 The donation is made anonymously, through an intermediary who is not prepared to identify the donor to anyone at Spike Island.
 - 3.5.3 The donation is dependent upon the fulfilment of unacceptable conditions applied by the donor or are contrary to Spike Island's core values and charitable mission. These might include interference in the editorial and curatorial freedom of Spike Island's artistic programme.
 - 3.5.4 The activities of the donor are contrary to Spike Island's to Spike Island's core values and aims, such that the donation could adversely affect the reputation of Spike Island and its ability to achieve its charitable mission and purposes.
 - 3.5.5 The conditions of the donation is likely to create a conflict of interest for Spike Island or any of its Trustees and/or is not in keeping with the organisation's core values and aims. For example if Spike Island were to be given a major donation by a collector or gallerists, we may show the work of an artist they own or collect but we must be able to demonstrate that this decision has not been influenced by the gift and that the selection of artist and artwork fits with Spike Island's programming policy.
 - 3.5.6 The donation risks harming Spike Island's relationship with other donors, artists, partners, staff, visitors or stakeholders, or will inhibit Spike Island's ability to seek donations from other sources
 - 3.5.7 The cost to Spike Island of accepting the donation would be greater than the financial value of the donation itself.

4. Acceptance or refusal of donations – decision making authority and approval process

4.1 The following approval process is as follows:

- 4.1.2 Any donation, regardless of value, which in the opinion of the Director and Development Manager would contravene Spike Island's Ethical Fundraising Policy, cause potential reputational risk or public controversy, must be referred to the Board of Trustees for consideration at the next reasonable opportunity.
- 4.1.3 Donations less than £25,000:
The Director can accept the donation on behalf of Spike Island, in accordance with satisfactory due diligence carried out before the donation is received.
 - a) Due diligence on prospects and donors will be carried out by the Development Manager using public domain searches (news searches, Companies House etc.). Wherever practical this process will take place before a donation is secured, to avoid the potential reputational damage

of refusing or returning a donation. If there are concerns, the Development Manager report this to the Director and Trustees.

- b) Due diligence must adhere to Spike Islands Privacy Policy
- c) The screening process described above will not apply for contributions below £300 (the current level at which a donor is named for their support), or those that are made through publicly accessible processes, for example if an unsolicited donor makes a donation through the website without giving adequate personal information for a search to be undertaken.

4.1.4 Donations of £25,000 to £499,999:

- a) Where in the opinion of the Director, there are no due diligence issues in regards to acceptability in accordance with this policy, the Director has the authority to accept the donation on behalf of Spike Island. The Director must first consult with the Board of Trustees to inform them of this decision within a reasonable timeframe.
- b) Where in the opinion of the Director due diligence raises issues and gives rise to controversy or reputational risk, the donation must be reviewed and discussed by the full Board of Trustees at the earliest board meeting, with decisions on whether it is accepted or refused recorded in the minutes of the meeting.

4.1.5 Donations of £500,000 to £999,999

- a) Where in the opinion of the Trustees and Director, there are no due diligence issues in regards to acceptability in accordance with this policy, the Trustees and Director have the authority to accept the donation on behalf of Spike Island.
- b) Where in the opinion of the Trustees and Director due diligence raises issues and gives rise to controversy or reputational risk, the donation must be reviewed and discussed by the full Board of Trustees at a board meeting, with decisions on whether it is accepted or refused recorded in the minutes of the meeting. The minutes will be stored electronically, in accordance with Spike Island's Data Protection Policy.

4.3 Where a cash donation from a new donor exceeds £100,000, Spike Island will seek additional specialist legal / financial advice.

4.2 The Board of Trustees shall consider all potential donations referred to it by the Director in accordance with the principles within this Ethical Fundraising Policy and the Code of Fundraising Practice

4.3 Donations from Charitable Foundations:

4.3.1 Donations and grants of any size from charitable foundations registered with the regulatory authorities in the UK, North America, and European Foundation Centre (EFC) affiliated organisations, will not normally be subject to a full review by the Board of Trustees and can be progressed by the Director on the signing of an appropriate agreement with the funder.

4.3.2 For the United Kingdom, this means charities regulated by the Charity Commission for England and Wales, the Office of the Scottish Charity Regulator, and the Charity Commission for Northern Ireland. In the absence of any equivalent regulatory

framework for overseas sources, the European Foundation Centre has openly published its principles of good practice to which all affiliated organisations have to adhere.

- 4.3.3 Exceptionally, the Director may refer a registered charitable foundation to the Board of Trustees where the results of due diligence suggest to the Director that there is a possible ethical or reputational risk to Spike Island which ought to receive the attention of the Board, in particular, any area of risk associated with any founder or trustee of such a foundation, or activities engaged in.

4.4. Corporate Sponsors and Partners

- 4.4.1 All corporate sponsors and partners providing support of any amount will be subject to the same initial screening of publicly available information mentioned above. This screening will be focused on the company and its activities, with particular reference to any activity that might be a source of reputational or ethical risk, such as pending major court cases and prominent allegations.

- 4.4.2 Standard checks will be made in relation to the company's sector, its corporate register and listed company details in country of origin and of its parent or associated companies, if relevant, and more generally in relation to its regulatory jurisdiction.

- 4.4.3 We are aware of and comply with the Charity Commission RS2 – Charities and Commercial Partners. We will ensure that any commercial agreement represents a fair deal for the charity and:

- a) Clearly establishes what we expect to gain from it, prior to entering into an agreement.
- b) Set up appropriate systems to monitor and review the partnership.
- c) Take appropriate steps to identify and manage any risks.
- d) Ensure from the outset that the expectations of both the charity and the company have been agreed and
- e) can be managed effectively and appropriately.

- 4.4.4 We will disclose any commercial partnerships in our Annual Report.

4.5 Restricted and Unrestricted Donations:

Subject to the provisions of this policy, Spike Island:

- 4.5.1 May accept unrestricted donations, including those made with an expression of wishes that the gift be used for a particular purpose;

- 4.5.2 May accept donations restricted for particular projects, provided those purposes are in line with Spike Island's core values and charitable aims.

- 4.5.3 Will not accept donations that are too difficult or costly to administer or that are restricted for purposes outside the purposes of Spike Island.

- 4.5.4 Where a donation is proposed to be made for restricted purposes, the Director will respect the wishes of the donor after considering, prior to accepting such a donation, whether the proposed project would be an appropriate project for Spike Island in the circumstances including:

- a) Whether the proposed project is an effective way of furthering Spike Island's objects;
- b) The intended impact of the proposed project;
- c) The anticipated financial cost of involvement in the proposed project;
- d) The impact the proposed project would have on Spike Island's reputation;
- e) Whether the proposed project could be carried out in a manner that is lawful and consistent with relevant guidance;

5 Donor relationship

- 5.5.1 We respect our donors and prospective donors privacy and right to decide how and if Spike Island contacts them. We make it easy for donors to choose how they want to hear from us, and if they ask us not to contact them we won't, unless it is a legal or administrative requirement.
- 5.5.2 Donors may ask that their donations be allocated to a specific area of Spike Island's activity, and Spike Island will meet these requests, wherever possible and appropriate in order to deliver its mission. (See 4:4 for Restricted and Unrestricted donations)
- 5.5.3 Spike Island are transparent about the funds we receive and will state all funding sources in our Annual Accounts in compliance with UK regulation and legislation. For every donor who has given £300 or more in a year, we will list them on our website and on a public donor wall in the gallery, and list the project where relevant.
- 5.5.4 Where funding has been accepted for a specific artistic project, the donor name will be listed alongside or in conjunction with funded content.
- 5.5.5 Donors' requests to remain anonymous will be respected as far as is legally, practically, and ethically possible.