

**TO: LICENSING AND SAFETY COMMITTEE  
12 JANUARY 2012**

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**HOUSE TO HOUSE COLLECTIONS GUIDELINES  
Chief Officer: Environment and Public Protection**

**1 PURPOSE OF REPORT**

- 1.1 The purpose of this report is to ask the Committee to set a guideline concerning the percentage of proceeds from house to house collections that should be applied for charitable purposes.

**2 RECOMMENDATION**

- 2.1 That the Committee approves a minimum guideline figure of not less than 80% of the proceeds from a house to house collection to be applied directly for charitable purposes.**

**3 REASONS FOR RECOMMENDATION(S)**

- 3.1 There is an expectation from those contributing to charitable collections that the contribution will go directly to that charity and that an excessive amount will not be used to cover the costs of the collection.
- 3.2 Each application would still be judged on its individual merits but a guideline figure of 80% would assist officers in the determination of applications. The Council receives between 10 and 20 applications for house to house collections licences each year. There is no fee payable for this type of licence.
- 3.3 An identical guideline figure is already used in respect of applications for street collection permits.

**4 ALTERNATIVE OPTIONS CONSIDERED**

- 4.1 The Committee could set another percentage figure as it deems appropriate.

**5 SUPPORTING INFORMATION**

- 5.1 House to house collections for a charitable purpose (i.e. a charity or similar good cause) are required to be licensed by the local authority, unless an exemption order has been granted to the charity in question. These are granted by the Cabinet Office to certain larger charities, such as the British Heart Foundation and Cancer Research UK. A list of exemption order holders is attached at Annex A.
- 5.2 Under section 2(3) of the House to House Collections Act 1939, a licensing authority may refuse to grant a licence for a house to house collection where it believes that: "the total amount likely to be applied for charitable purposes as the result of the collection (including any amount already so applied) is inadequate in proportion to the value of the proceeds likely to be received (including any proceeds already received)" and/or if "remuneration which is excessive in relation to the total amount aforesaid is likely to be, or has been, retained or received out of the proceeds of the collection by any person". 'Proceeds' is defined in the Act as "all money and all other property given, whether for consideration or not, in response to the appeal made".

- 5.3 Organisations can appeal to the Minister for the Cabinet Office if a local authority refuses them a licence to hold a house-to-house collection or if they revoke such a licence.
- 5.4 It is recognised that house to house collections are a valuable a method of fundraising for charitable purposes. However there are concerns in respect of some collections where it can be unclear to the public whether the collection is charitable or commercial. This has a knock-on effect on public confidence in giving items to charity.
- 5.5 Some house to house collections are carried out by commercial companies, where the items are collected and then sold commercially with an amount per tonne given to a charity. However, a recent BBC News story found that while charities received £50 to £100 per tonne of goods collected, the items could sell overseas for anything up to £1,800.
- 5.6 Commercial clothing collections are completely legal and require no licence as long as they are clear that they are a business and do not suggest that a charity or good cause will benefit as a result of the collection.
- 5.7 Where a house to house collection licence is issued, those carrying out the collection must complete a return to confirm the amount raised and detailing any costs incurred. It is proposed that guidance on completion of the return and the accompanying documentation required will be updated if the above recommendation is passed.
- 5.8 The fiscal contribution given by those collecting to the charity is not always clear. The public are advised that if in doubt, they should use the collection bag to take items to a local charity shop.

## **6 ADVICE RECEIVED FROM STATUTORY AND OTHER OFFICERS**

### Borough Solicitor

- 6.1 The legal implications are identified within the report.

### Borough Treasurer

- 6.2 There are no significant financial implications arising from the recommendation in this report.

### Equalities Impact Assessment

- 6.3 There are no implications arising from the recommendation in this report.

### Strategic Risk Management Issues

- 6.4 There are no implications arising from the recommendation in this report.

## **7 CONSULTATION**

### Principal Groups Consulted

- 7.1 Not applicable at this stage.

### Method of Consultation

- 7.2 Not applicable at this stage.

### Representations Received

- 7.3 Not applicable at this stage.

Background Papers

House to House Collections Act 1939

House to House Collections Regulations 1947

BBC News Article: Charity bag household donations sold abroad, says BHF:

<http://www.bbc.co.uk/news/uk-14724915>

Contact for further information

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