

Cancer Research UK response to NCVO's Draft Charity Code of Ethics

September 2018

Cancer Research UK (CRUK) is the largest fundraising organisation in the UK. As a charity, we receive no funding from the Government for our research and our ground-breaking work is therefore only possible because of the generosity of the public. In 2016/17, we spent £423 million on research in institutes, hospitals and universities across the UK, funding over 4,000 researchers, clinicians and nurses. In 2017/18 alone, over 40,000 volunteers gave over four million hours of their time. Our ambition is to accelerate progress to see three in four patients survive cancer by 2034.

The charity sector is made up of a wide range of organisations which vary greatly in size and cause – but they all work for public benefit. For the sector to thrive, there must be strong public trust. This requires a positive public narrative – but it is also charities' responsibility to demonstrate that they are worthy of public trust, through communicating effectively and demonstrating best practice. As the largest fundraising charity in the UK, we believe we have a responsibility to play a leading role when it comes to good governance, and to share our learnings with others.

We therefore welcome NCVO's ambition to develop an overarching enabling document that supports charities in resolving ethical issues and conflicts. We very much support the principles included in the Code and believe the Code sets out strong aspirations for all charities to work towards.

However, we are not clear about the interaction between this Code and the many other existing documents that underpin charity regulation; most significantly the Charity Governance Code. The sector is already highly regulated, and regulators work well with the sector to develop their Codes and guidance. Charities already have the challenge of reading, understanding and adopting many codes and guidelines. We are concerned that adding another code will simply add confusion and additional burden to charities, who may be unclear about which regulations to follow and where to focus on providing evidence.

We are also uncertain as to NCVO's plans for the use of this Code. As NCVO is not a regulator, we are unsure as to how NCVO could impose an "apply or explain" principle. We would welcome clarity as to whether NCVO sees this Code as being adopted in the future by charity regulators. As it stands, we are unsure as to whom we must comply and explain to.

We are unsure what gap this new Code of Ethics seeks to address and are concerned that a lack of clarity could cause confusion within the sector between regulators, their existing guidelines and the charities they seek to regulate. We therefore would not support this Code being used on an "apply or explain" basis. Instead, we see this Code as a set of strong, aspirational principles for charities to strive towards - particularly on issues surrounding safeguarding and Equality, Diversity and Inclusion. If this Code is being provided as a way to approach thinking across these key areas, then we fully support the code and believe that it will be useful and accessible for charities.

Our responses to the specific sections of the Code are set out below. We would be very happy to discuss any of the issues raised in this response further if helpful.

Definitions and scope

We are still not clear about how this Code relates to the Charity Governance Code, and other similar codes of conduct. In several places, this Code duplicates the content of the Charity Governance Code and in some places goes further; for example, encouraging charities to go beyond legal and regulatory requirements, such as the Health & Safety at Work Act when ensuring the safety of those who engage with charities.

Although the Code is described as voluntary, charities are encouraged to either meet the principles of the Code or to explain why they have not done so. From Cancer Research UK's perspective, it would not be possible to develop an ongoing mechanism for monitoring our behaviour/interaction with individuals in line with the Code. This is because the time and resource required would be substantial and some of the requirements are quite vague, which would make robust monitoring difficult. While we have robust procedures for monitoring compliance, and dedicated compliance and legal teams, we are aware that many smaller charities will not have this resource and so are particularly concerned about the impact that having to monitor compliance with this Code could have on them.

We are particularly concerned about the requirement to ensure all interactions with the charity are ethical. For example, would charities need to hire moderators to monitor their social media channels to make sure all comments from members of the public are appropriate? On average, we currently receive around 18,000 interactions per month through our main Twitter page, including likes, retweets and comments. Monitoring the appropriateness of all of these comments would be impractical.

Beneficiaries first

At CRUK, we strive to ensure all the work we do, and the policies and procedures we draw up are with the interests of people affected by cancer in mind; and others who come into contact with the charity. However, as previously stated, it would be very difficult to measure this.

We are particularly concerned that the definition of 'beneficiaries' provided is unclear. In our case, we would assume that 'beneficiaries' refers to people affected by cancer. 1 in 2 people born since 1960 in the UK will develop cancerⁱ, and so our beneficiaries could technically be all of them – as well as over 2 million people currently living with cancer in the UK, and the many more who have been affected by cancer indirectlyⁱⁱ. It is difficult to ascertain whether all those, affected directly or indirectly by our work, must be classed as a 'beneficiary' under this definition.

The Charity Commission would extend the definition of 'beneficiaries' to include staff and volunteers. We reflect this in our safeguarding policy, which outlines the steps we take to keep ourselves safe whilst working for and representing CRUK.

Integrity

We strive to uphold the highest levels of institutional integrity in all that we do. We also have robust policies relating to personal contact - for example, our safeguarding policy and volunteering policyⁱⁱⁱ.

However, we would find it very difficult to demonstrate our application of these principles. Our most significant concern is the inclusion of "everyone who comes into contact with the charity". For CRUK, this could mean any of the 25,000 patients participating in one of 200 clinical trials every year, anyone entering one of our 570 shops, anyone participating in one of our mass fundraising events such as Race for Life, or anyone meeting one of our 40,000 volunteers. We endeavour to make

anyone's interaction with CRUK as positive as we can: our trustees have a duty to safeguard the charity's reputation and promote integrity, and so we take reasonable and proportionate care for all individuals that come into contact with the charity. We would encourage NCVO to also use the language of 'reasonable and proportionate care'.

We welcome the focus on the environment but, again, this statement is quite vague and so may not be particularly helpful in supporting charities aspiring to meet this statement. Through our Corporate Responsibility page on our website, we have a Sustainability policy available for all to read^{iv}. It outlines our commitment to environmental stewardship and responsibility in all aspects of our work towards this overall aim.

Openness

We take transparency very seriously and see this as critical for building public trust. We see transparency as a tool to highlight good practice, and to enable our beneficiaries and others to understand our decisions. We therefore aim to be as transparent as we can in the decisions we make.

For example, we disclose the amount of Gift Aid we receive from donations in our Annual Report, despite this not being a legal requirement^v. Other measures we take to ensure openness and transparency include the disclosure of our CEO and CFO's salaries. This is not required by the Charity SORP, but we believe it brings greater transparency. Similarly, we disclose our gender pay gap within our Annual Report. While we are legally required to publish our gender pay gap, it is not required within Annual Reports or Accounts and this also goes above and beyond SORP requirements. As such, our Annual Report 2016/2017 was highly commended by PwC in their annual awards scheme, '*Building Public Trust Award for Excellence in Reporting in Charities*'^{vi}.

The multiple steps that we currently take at CRUK to ensure openness and integrity, as outlined above, serve to highlight the importance of these principles and how important we believe it is for other charities to do so. We hope that some of these actions could be an example for other charities seeking to demonstrate their openness, transparency and integrity, particularly when following the Draft Code of Ethics.

Right to be safe

While we wholeheartedly support this principle, as previously stated, we are particularly concerned about how widely this extends: to every person who "comes into contact with a charity". Monitoring progress against this ambition would be impractical.

ⁱ <https://bit.ly/2NOErAl>

ⁱⁱ <https://bit.ly/2NOdxIL>

ⁱⁱⁱ <https://bit.ly/2NB8Oxf>

^{iv} <https://bit.ly/2wKugFl>

^v <https://bit.ly/2oFl8yi>

^{vi} <https://pwc.to/2NjYeug>