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DETAILS

■ Secret recordings reveal fundraisers giving false information on doorstep ■ Female workers urged to flirt ■ Supervisors' shocking use of expletives

CHARITY MUGGERS' DIRTY TRICKS

UNDER
COVER:
Reporter
Fionnuala
O'Leary

FUNDRAISERS for a high-profile charity have been caught making false claims in an effort to profit from donations made by the public.
An Irish Mail on Sunday investigation placed undercover staff with a commercial

SPECIAL **The Irish Mail**
INVESTIGATION

By Michael O'Farrell, Fionnuala O'Leary and Eimear McGovern

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Door-to-door

Fundraising still unregulated six years after legislation approved

By Michael O'Farrell

'Lefty' CEO with a mixed business record



BOURKE: Ex-musician

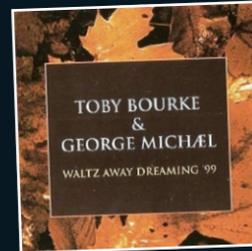
BORN in London in 1965, Red Fundraising CEO Toby Bourke is a prominent member of the international fundraising community, having held senior positions with Greenpeace in the UK and Canada. He has also been a director of fundraising and marketing for Oxfam Ireland – a current client of Red Fundraising.

After a degree in politics in Wales, Mr Bourke, a father-of-three and avid rugby fan, worked at everything from builder to van driver to salesman.

A self-described lefty and fan of Jeremy Corbyn, he is also a musician who once

penned and performed a duet with George Michael, *Waltz Away Dreaming*, that became a Top 10 hit in 1997. He was also signed to Michael's ill-fated Aegean record label and went on to spill the beans about the superstar's drug-taking in a 2006 tabloid interview.

Mr Bourke's own business record has been mixed. An early music publishing firm – Fat Beat Ltd – was shut down on foot of a petition from the UK Customs and Excise in 2000 having hardly traded, and another UK firm, Technologies Telecom Ltd, went into administration and then liquidation in 2007, leaving creditors out of pocket to the tune of more than £100,000 (€134,000).



► From Page One

fundraising firm, recorded flagrant abuses of accepted industry standards and the fundraisers' own code of practice.

While working on a door-to-door fundraising campaign run by Dublin firm Red Fundraising Ltd, our reporters recorded agents:

- giving false information about the client charity's campaign – including linking it to a fight against terror group Isis;
- misleading potential donors over the true purpose of a donation and the amount that goes to the child;
- misleading would-be donors by knowingly relying on inaccurate statistics;
- encouraging those already donating to other charities to switch to ActionAid instead;
- encouraging females to flirt their way to better sales.

Red Fundraising was first made aware of these allegations three weeks ago when CEO Toby Bourke was given a document detailing the recordings. The company's initial response was of shock and disappointment but they asked for time to offer a substantial response. No substantial response to our findings have been offered to date.

In one of the legal letters Red Fundraising said it 'does endeavour at all times to ensure that all employees follow its code of practice', and

'No one is going to research what you say'

that all of its sales are supported by an independent third party verification process.

But when ActionAid Ireland – the charity which contracted Red but which is not implicated in the tactics used by Red – were made aware of these matters by the MoS it suspended its campaign with Red Fundraising, saying it was horrified at such 'tactics'.

'ActionAid Ireland condemns the alleged behaviour of some individuals employed by Red Fundraising while carrying out a short trial fundraising campaign on our behalf,' said CEO Siobhán McGee.

'The behaviour was completely contrary to the professional standards we require of ourselves and those that fundraise on our behalf.'

Red Fundraising was contracted by ActionAid Ireland this summer to recruit donors for its long-running Sponsor A Child campaign.

The Red Fundraising campaign

CHARITY leaders last night called for the Government to regulate charitable fundraising activities – something long ago approved in legislation but never implemented by successive governments.

Under the Charities Act 2009, the Charities Regulatory Authority and the Minister for Justice are empowered to make legally binding regulations for charitable fundraising.

But six years on charitable fundraising remains unregulated despite the belated establishment of the Charities Regulatory Authority a year ago in the wake of scandals such as Rehab and the Central Remedial Clinic.

Last night charity and fundraising industry groups called for progress.

Irish Charities Tax Research, the representative body for Irish charities, called for the establishment of a special consultative panel 'to address the issues raised by the Irish Mail on Sunday regarding third-party fundraising methods on door-to-door fundraising for some charities'.

Irish Charities Tax Research director Sheila Nordon said: 'Such a panel, which is provided for in the Charities Act 2009,

could be convoked by either the Minister for Justice or the Charities Regulatory Authority.'

'It would enable the relevant statutory authorities and the charity sector to agree mechanisms and means to effectively deal with reported or suspected breaches of the guiding principles on fundraising and other concerns related to such third party fundraisers,' she said.

'It is important that the highest possible standards of behaviour are guaranteed and seen to be enforced by all third-party fundraisers in dealings

with the public and in the training and treatment of staff.'

Fundraising Ireland, the representative group for

'The minister can establish a panel'

commercial fundraisers, also called on the sector to be proactive.

'We want to work closely with the regulator to ensure that best practices are robustly upheld. And, we suggest that as a sector

we sit down with the regulator and be an active part of developments and solutions,' said Fundraising Ireland CEO Lucy Masterson.

'Our reputation as fundraisers is based on transparency, professionalism and quality practice at all times. If people are generous enough to give to a cause or a charity, it is critically important that they know that they can expect that the behaviour and practices of fundraisers is second to none.'

Ms Masterson said Fundraising Ireland was close to completing

'Ireland's first fundraising codes of practice, which will be focused on the practices of individual fundraisers'.

In the UK, charitable fundraising is policed not just by the Charities Commission but also by the Public Fundraising Association.

In the US, all commercial fundraisers working on behalf of charities must file annual returns in each state stating who they are collecting for, how much they collected and what proportion of the money collected actually went to the charity concerned.

was a 12-week trial beginning in June which signed up 277 sponsorships worth over €76,000 annually.

The company is headed up by Toby Bourke – a one-time collaborator with singer George Michael turned fundraising professional.

ActionAid's Sponsor A Child campaign asks for a direct debit of €23 a month from donors and is focused on the Marafa region of Kenya.

Prior to signing with Red Fundraising, ActionAid used a company called Total Fundraising Ltd which collapsed in May with debts in excess of €700,000 owed to creditors – including some charities. Some employees of Total Fundraising now work with Red Fundraising.

In the absence of a formal code

of conduct to cover fundraising in Ireland most charities – including ActionAid – have committed to an interim Statement of Guiding Principles for Fundraising. The Statement of Guiding Principles is not legally binding or enforceable.

In its annual reports, ActionAid Ireland says that it is 'fully committed to achieving the standards contained within the Statement of Guiding Principles for Fundraising'.

Recent controversies over charity fundraising forced the Government to belatedly establish the Charities Regulatory Authority but fundraising remains outside the scope of the regulator's remit.

There is also little public knowl-

edge about the fees earned by agencies such as Red Fundraising which can often amount to as much as the entire first year's donations.

ActionAid declined to specify

You can do what's called 'charity rotation'

how much it was paying per direct debit sign-up in this instance but confirmed it lost money if a donor dropped out within a year.

However, evidence from across the sector shows that door-to-door fundraising is the most cost-

effective way to raise money. ActionAid said it had been monitoring the Red Fundraising Ltd campaign by calling some donors.

During their employment with Red Fundraising our reporters recorded numerous infringements of the Statement of Guiding Principles – many of them repeated.

The most common breach of the Guiding Principles involved fundraisers ignoring the truth in their sales pitches. Different agents referred to children as young as two being abducted into the sex trade and sold by terrorist groups such as Isis and Al-Qaeda – a complete falsehood in the case of Marafa in Kenya.

Employees with Red Fundraising

A charity and its donors duped

JUST like the prospective donors who opened their doors to Red fundraisers, Action Aid Ireland has found itself duped.

The Irish Mail on Sunday investigation found Action Aid's briefing of the fundraisers representing them was impeccable.

When contacted by the Irish Mail on Sunday with the results of the investigation, it acted immediately to suspend its

contract with Red Fundraising, based on the evidence of flagrant disregard for the high standards expected of the charity.

Our investigation shows Action Aid was not given the service it thought it had signed up to.

If readers wish to make a donation to Action Aid through its website, www.actionaid.ie, they can be assured everything goes directly to what is a worthy charity.

It was a given that female fundraisers

WORKING for Red Fundraising was an unsettling experience, to say the least. To be a 'chugger' (a 'charity mugger'), you have to be a good manipulator.

We were told to invade people's personal space and physically pressure them into child sponsorship with the charity.

A team leader told us to practise a 'cheeky little shoulder lean' which 'always works'.

He said: 'It's instantly that bit

By Fionnuala O'Leary

uncomfortable, do you know that kind of way? And literally, at this moment, he [the person at the door] is like, "Man, I will do anything I can do to get you out of my f***ing face." He's not loving it.'

He instructed us to 'come on, close it, get in closer, get inside, man. I don't give a f*** [how].'

Inappropriate language was a regular occurrence, in training and in the field, which made me uncomfortable.

I was also encouraged to flirt with prospective male sponsors, from the very first training session. It was a given that women should flirt on the job.

One of the louder female fundraisers confirmed this attitude on my second day working for the company. She also

donor pressure

HIT MAN:

George Michael, right, wrote a Top Ten single with Red Fundraising CEO Toby Bourke



In pep talks we're told: 'People sign up to you, not the charity'

By Eimear McGovern

AFTER being offered a position as a fundraiser for Red Fundraising Recruitment, I arrive in their Merrion Quay office for a day of training. We are told that the bosses focus on achieving targets, but insists they want the fundraisers to have a good time.

We are given a sheet that sorts into various categories the excuses people give for not donating. We're operating on a third refusal policy: the third time someone says no, give up and walk away. One example of the excuses we'll be offered is money, as many will insist that they can't afford the €23 monthly donation.

But we're told to acknowledge those arguments by saying: 'We aren't looking for millions of pounds, we're looking for millions of people.'

Red Fundraising has an aversion towards giving people time to look up Action Aid on the internet. We are told to say to people who need to do more research before committing that 'you don't need the internet to tell you there are children dying'.

Those training us explain that the challenge is to keep things positive and 'make the close' by using what they describe as power words such as 'devastating' and 'fantastic'. They also tell



DOORSTEP: Eimear McGovern

us to say to people that their neighbours are involved.

We're told that we got this job because of our personalities, not our CVs. 'People sign up to you, not the charity,' they say.

Out of the 120 doors a fundraiser knocks on every day, we will speak to 30 to 50 people. Our aim should be to sign up one of every 10 people we speak to, an achievable figure, we're told.

Red Fundraising employ a verification process through which a phone call is made to anyone who agrees to sign up. The other new recruit and I listen to a recording of the verification process. The caller asks the person donating if they understand that cancelling the monthly direct debit 'will cost the charity money,' and then

asks for their bank details. The next day, after a pep talk we are taken to a suburb to start knocking on doors. My new colleagues are mostly school-leavers, but two others have made fundraising their career, and another is a student trying to make money over the summer.

The rising star is a girl who has had eight sign-ups that week – that is the point at which the commission structure kicks in. Most others might get only one or two sign-ups every week. Working five days a week,

The aim is to sign up one in every 10 people

many fundraisers don't have any career longevity. Most of them are anxious after not getting any signatures that week, and many people who started with the firm in April are no longer here.

Team leaders will go back and knock on doors again if they think the fundraiser didn't target them properly the first time.

At my final house of the day, a woman answers the door with two small children. She takes in my red jacket and iPad as I begin my spiel, and interrupts me to ask: 'You're looking to sign people up to a direct debit, are you?' When I tell her I am, she says: 'Absolutely no way.' I open the gate and walk out, feeling slightly relieved.

receive briefings about the Marafa sponsorship campaign. Child sex trafficking, Isis and Al-Qaeda were never mentioned because they are not issues in any way.

Other mistruths involved the proportion of each donation that actually goes to charity. 'I'd say it

all goes straight to the child. No one is going to research it,' a Red Fundraising supervisor told one of our reporters when she asked for guidance. During training ActionAid staff briefed Red Fundraising employees to the effect that 72% of child sponsorship is spent directly

on the child's community in Marafa. Another mistruth saw a fundraiser tell a potential donor not to donate online in a bid to get a direct debit signed. 'You can make a once-off donation online – but if you make a €20 donation online we'll be taxed about €15 by the [Irish] Government,' the fundraiser said.

Our reporters heard attempts by Red Fundraising employees to get donors to drop charities they already supported in favour of ActionAid.

'We don't want to take people away from their charities because the people who are donating – they're the type of people we want,' one agent told a homeowner. 'But you can do what's called charity rota-

tion... What you can do is say, look, for the next six months, I'm helping ActionAid so I want to cancel my standing order.'

ActionAid said that in training sessions, the charity 'specifically states' never to ask a donor to cancel a payment to another charity.

Red Fundraising staff also failed to disclose that they work for a commercial organisation. Instead they frequently represented themselves as ActionAid employees. It's impossible to know if this may have been corrected upon a sale being

to get rid of the fundraiser. Women, meanwhile, were encouraged by management to flirt. 'You can be the absolute biggest flirt of your life with a guy who answers the door,' a Red Fundraising manager told a trainee.

ActionAid told the MoS it does 'not promote the use of high-pressure tactics on prospective donors. It is unethical, unprofessional and against our values'.

Further principles require fundraisers refraining from making 'negative comments about the charity, the public or team members'.

Yet team members made derogatory comments about those they had sought donations from.

'Look at that ****,' a Red Fundraising supervisor told team members. 'He's got a 141 Merc... Can't spend €23 a month. Come on...'

ActionAid said Red Fundraising had initiated an internal investigation into the MoS findings.

But the company itself only spoke through a legal letter: 'Our client does not intend to address the unsubstantiated allegations, aside to make it clear that it does endeavour at all times to ensure that all employees follow its code of practice.'

iosinvestigations@gmail.com

flirt with potential sponsors

told me that she had given men fake numbers on several occasions, in exchange for their sponsorship.

The days spent knocking at doors around the suburbs of west Dublin was a miserable experience. After hours walking from house to house in the rain, fundraisers were regularly quizzed over how many sign-ups they had. And because of this, the rate of employees was never static. One fundraiser I worked with on my first day was sacked the following week, for

being 'useless'. Another, who was frantically trying to sign up people, had been told she was lazy the previous week and feared for her job.

All of the fundraisers were encouraged to poach people from other charities.

Overall, the behaviour I witnessed was disturbing. I never would have guessed that such cynicism and manipulative behaviour could occur in the name of charity fundraising.



TRAINING: Fionnuala O'Leary went undercover

The shocking recordings

Pages 6 & 7

Look at that ****. He spend €23 a month.

The IRISH Mail
ON SUNDAY

INVESTIGATION

By Michael O'Farrell
and Fionnuala O'Leary

ACTIONAID IRELAND is a signatory to a code of fundraising conduct developed on behalf of the Government by Irish Charities Tax Research – an independent advisory group for charities.

The code is known as the Statement Of Guiding Principles For Fundraising and it is accepted by Fundraising Ireland – the fundraising industry's lobby group – as the gold standard. The Charity Regulator also acknowledges the Guiding Principles as best practice.

In its annual reports and on its website ActionAid Ireland promises that it is 'fully committed to achieving the standards contained within the Statement of Guiding Principles for Fundraising'.

ActionAid Ireland states it 'regularly monitors compliance with the Statement Of Guiding Principles For Fundraising and compliance reports are received regularly by the governing body'.

ActionAid Ireland hired Red Fundraising for a specific door-to-door campaign to raise funds for Kenya's Marafa region.

Donors are encouraged to sponsor a child by agreeing to direct debits for €23 a month.

Red Fundraising claims on its website that it 'recognises the need for a new approach based on creating the next generation of standard bearers for many of the most important causes represented on this island'. Red says it wants 'to redefine Irish fundraising'.

Red claims its fundraisers 'are carefully selected...committed and enthusiastic advocates who believe in your cause' and that these fundraisers are 'mentored and managed on a day-to-day basis by people who have worked within non-profits and have first-hand understanding of the needs of our partners'.

Our undercover work put all those claims to the test. Here are the results.

DISCLOSURE

GUIDING PRINCIPLES STATE:

Fundraisers must 'disclose if they are employees of the organisation or third party agents'.

Red Fundraising's own list provided during training states, 'Be open and transparent about who you work for and who you work on behalf of.'

THE REALITY:

Most of the doorstep approaches our undercover reporters recorded over two days with Red saw the fundraisers speak and act as though they were direct ActionAid Ireland employees.

EXAMPLE:

'We're just doing a quick call around on behalf of ActionAid. Have you ever heard of us before?'
'No we don't really kind of waste money on advertising so that's probably why you haven't heard of us. Basically we're a huge international children's charity.'

'We're actually doing amazing work in Marafa in Kenya at the minute where we are stopping child prostitution and child trafficking over there.'

THE TRUTH

GUIDING PRINCIPLES STATE:

'Fundraisers and their organisations commit to conduct themselves at all times with integrity, honesty and trustworthiness. They will act at all times openly and in such a manner that donors are not misled.'

Those responsible for organising and managing campaigns must 'be responsible for ensuring that fundraisers are aware of and can generally communicate the purpose of the organisation and of the specific fundraising efforts they are involved in'.

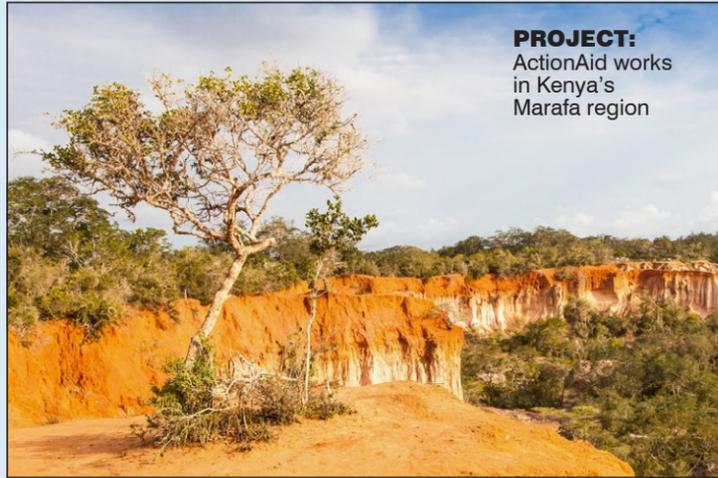
The Guiding Principles further state that 'the fundraiser will be familiar with the standards and guidelines of the Advertising Standards Authority which stipulates that all communications should be legal, decent, honest and truthful'.

They add that fundraisers should 'not knowingly or recklessly disseminate false or misleading information in the course of their professional duties, nor permit their subordinates to do so'.

THE REALITY:

We recorded Red fundraisers repeatedly being dishonest and misleading about the activities of ActionAid Ireland as they sought to solicit donations on doorsteps.

Red supervisors were also recorded encouraging new recruits to mislead donors about financial transparency and failed to correct employees



PROJECT:
ActionAid works in Kenya's Marafa region

who spoke openly about how they were referencing child sex trafficking and prostitution by Isis to try to solicit donations.

EXAMPLE:

'There's little girls and boys of two and three...they're being sold off into marriage with 60 and 70-year-old men,' one fundraiser told a potential donor.

'And basically they're promised that they are going to rich European families around the world. That's not the case. They are swapping them with people like Isis.'

[ActionAid Ireland in their briefing to Red fundraisers on the Marafa region never mentioned such child trafficking to Isis – an organisation which is, in fact, not active in the Marafa region.]

EXAMPLE:

'We're stopping child prostitution and child sex slavery over there at the minute... Boys and little girls as young as four are being sold by their own families on to people like Isis and Al-Qaeda to be prostitutes. It's absolutely disgusting and should not be happening so that is where ActionAid has stepped in themselves.'

[Once again, child prostitution and trafficking to Isis and Al-Qaeda form no part of the ActionAid Ireland campaign these fundraisers were seeking donations for – which is a specific campaign to sponsor a child whose community will benefit].

EXAMPLE:

'You can make a once-off donation online – but if you just make a €20 donation online

we'll be taxed about €15 by the Government – it's an Irish Government tax.'

[A Red employee trying to discourage a once-off donation with a falsehood in an effort to secure a monthly direct debit donation instead.]

EXAMPLE:

'I'd turn around and say it all goes straight to the child. No one is going to research it anyway. It is kind of what happens anyway.'

[A Red supervisor when asked by our undercover reporter how to answer if asked what proportion of a donation goes to the child ActionAid Ireland is seeking sponsorship for.]

EXAMPLE:

'We just say we are 1% administration fee. We are the lowest in Ireland and they'd be like: Wow!'

[A Red employee answering the same question. During training with Red our undercover reporters were brought to a briefing with ActionAid Ireland where they were told 72% of child sponsorship donations is spent on the child's community in Marafa.

ActionAid's accounts state that 1% of donations go towards admin. costs. The accounts show that the charity spends 15% of its income on 'the cost of generating voluntary income', in other words on fundraisers like Red. This expenditure amounted to almost €171,000 last year.]



MISLED: Would-be donors were incorrectly told that donations would help in the fight against terror group Isis

UNDUE PRESSURE

AS PART of its 'core principles', the Guiding Principles statement asserts that charities 'shall not put undue pressure on anyone to make a gift'.

THE REALITY:

During training, our undercover reporters were coached in various techniques to put potential donors under pressure and to make them feel physically uncomfortable and therefore anxious to sign up – in the hope that the fundraiser would eventually leave.

EXAMPLE:

'What you need to do – a cheeky little shoulder lean always works. Right. Lean in – it's instantly that bit uncomfortable – do you know that kind of way...'

and literally at this moment, he's like, "Man, I will do anything I can do to get you out of my f***ing face." He's not loving it. Right. That's it. That's the trick. All you have to do is do a cheeky little lean' – a Red supervisor during training.

EXAMPLE:

'If they say, "No, I have to ask the husband." You say, "Well, what do you have to ask the husband for?" Do you know what I mean? "This is only 76 cent. It is only 76 cent. Come on, you know you'll help me out." I want you closing. After every objection, I want you to do like this – come on, close in – get in closer, get inside, man. I don't give a f*** – a Red supervisor during training.'

has a 141 Merc. Can't That's why he's rich



ON THE TRAIL:
Undercover reporter Fionnuala O'Leary, right

STANDARDS AND REPUTATION

GUIDING PRINCIPLES STATE:

Fundraisers should 'respect the dignity of their profession and ensure that their actions enhance the reputation of themselves and the charity they represent'.

They say that fundraisers should 'act according to the highest standards and visions of their organisation and profession'.

They further state 'the charity will seek to ensure that any donations sought indirectly, such as through third party agents, are solicited and received in full conformity with the charity's own standards and practices. This will normally be the subject of written agreement between the parties'.

They continue that fundraisers should 'not knowingly, recklessly or maliciously injure the professional reputation or practice of other members of the fundraising profession'.

They add that charities 'will take care not to cause unreasonable nuisance or disruption in fundraising efforts'.

Red Fundraising's own list provided during training states, 'Don't make negative comments about the charity, the public or team members.'

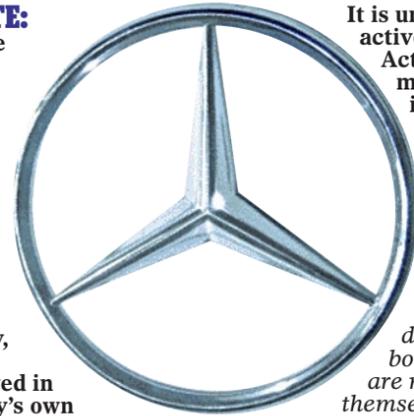
ActionAid Ireland states that it 'regularly monitors compliance with the Statement Of Guiding Principles For Fundraising and compliance reports are received regularly by the governing body'.

THE REALITY:

Our undercover reporters recorded Red supervisors and fundraisers frequently using inappropriate, crude and sexist language during training and while fundraising on the streets.

They recorded Red employees actively encouraging donors to cancel direct debits with other charities in favour of ActonAid Ireland.

Red supervisors themselves acknowledged that areas of Dublin were over-canvassed by charities. And our undercover reporters were not told of any monitoring on behalf of ActionAid.



It is unclear how actively, if at all, ActionAid actually monitors compliance with its principles by Red agents acting on the charity's behalf.

EXAMPLE:

'Look at that **** there. He's got a 141 Merc, he's got a '12 Hyundai. Can't spend €23 a month. Come on. I didn't step off a banana boat. That's why the rich are rich - they look after themselves first' - a Red supervisor speaking to trainees accompanying him on the streets.

EXAMPLE:

'You don't need to be a cheeky ****. Right. You can be as sound as you want. But you know something? I'd be a little cheeky saying, "Come on out of that. Where you going? Sign this"' - a Red supervisor during training of new recruits at HQ.

EXAMPLE:

'We don't want to take people away from their charities because obviously the people who are donating - they're the type of people we want - but you can do what's called charity rotation... We speak to people like yourself all the time who say they are already donating to charities but what you can do is say look for the next six months I want to jump on board I'm helping ActionAid so I want to cancel my standing order. It can be done that way' - a Red fundraiser.

EXAMPLE:

'Blanchardstown was done by Unicef a few weeks ago. They are too condensed. Dublin is like a f***ing fishbowl. There are too many pockets of areas where they are just over-canvassed. One guy said to us we get knocked here every single day, every single week.' 'There should be a rule that you can't go to an area that's been fundraised within a six or eight-week period. Give people a change to cool the f*** off' - a Red supervisor.

BONUSES

GUIDING PRINCIPLES STATE:

Those responsible for organising specific campaigns and for managing employees working on those campaigns must 'ensure that, where paid, fundraisers are remunerated by such methods that will avoid the incidence of pressure on the potential donor to donate'.

THE REALITY:

Red employees are paid a flat fee of €400 a week and must achieve direct debit sign-ups

in order to qualify for bonus payments ranging from €25-€30 per donor. Many of the fundraisers feel under significant pressure to achieve targets and speak of others being fired for failing to meet targets.

EXAMPLE:

Our reporters recorded employees speaking of how a named manager at Red Fundraising had told one of them to 'take her finger out of her hole'. They also speak with a supervisor who describes how one new recruit has just been fired.

NEXT WEEK THE FIGURES WHO HAVE MADE MILLIONS