

## **Restless Development – Ethical Funding Policy**

### **Introduction**

This Ethical Funding Policy (the “Policy”) sets out the criteria upon which Restless Development will accept or refuse funding from a Private Sector organisation.

Whilst we recognise that funding from the Private Sector presents significant opportunities for us as an organisation, we need to ensure that any funding decisions are made on the right basis and that, where appropriate, safeguards are put in place to protect our reputation and integrity.

The Policy has been drafted based on our legal obligations as a registered charity, sector guidance and the Policy is consistent with current practice within the charity sector.

Part 1 of the Policy sets out Restless Development’s overall approach to assessing funding opportunities. Part 2 provides a step-by-step guide for Restless Development staff on the correct approach to follow in the assessing of any potential funding opportunity.

### **Part 1: Our Approach**

Our Vision, Goals and Values are at the core of what we do. These must be considered when making any funding decision.

#### **Our Vision**

Young people taking a leadership role in addressing the most urgent issues facing their countries and the world. Supported fully by their governments, their communities, businesses and civil society institutions.

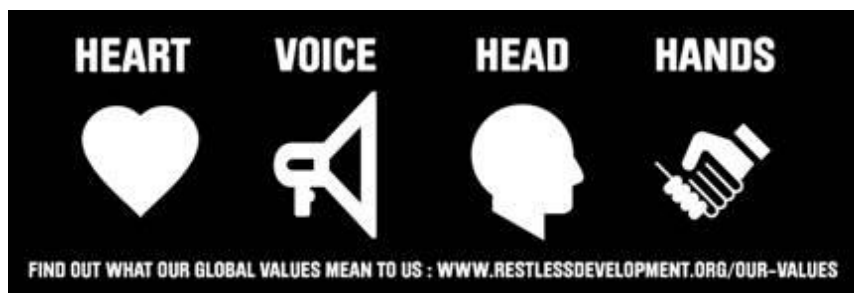
#### **Our Goals**

**Civic Participation:** We work to ensure that young people are significant contributors to development processes.

**Livelihoods and Employment:** We work to help young people to take up productive livelihoods and employment.

**Sexual and Reproductive Health:** We work to promote safe sexual and reproductive practices among young people.

#### **Our Values**



### **Why is engagement with the Private Sector important?**

The Private Sector is at the heart of wealth creation, economic growth and employment. Through engagement with the Private Sector we can accelerate the achievement of our Goals and our Vision. It also gives us the opportunity to influence the role that the Private Sector plays in their communities.

### **Types of funding**

There are a number ways in which we can engage with the Private Sector. At one end of the scale is a simple unrestricted cash donation and at the other end might be a multi-year partnership to deliver a specific programme. Restricted funding, donation of professional time and sponsorship of a specific event fall somewhere in between.

Restless Development will consider all types of opportunities but we recognise that those opportunities of an ongoing nature or that require specific action to be taken by us may carry a greater risk than others and may require greater consideration.

### **What can our Private Sector partners expect?**

**Transparency:** We will be open and honest with our Private Sector partners as to our aims and objectives and on how we intend/have used their funds.

**Participation:** Donors will be updated regularly on the progress and achievements of Restless Development and, where appropriate, will be encouraged to participate in the delivery of projects.

**Right to challenge:** Where a donor does not feel that Restless Development is fulfilling its obligations to the donor or the beneficiaries of the charity, they are encouraged to raise this with us and engage in discussion.

### **Accountability for our decision making on funding**

Restless Development must be accountable for funding decisions to its stakeholders and the young people who they work with – this includes being accountable both when we accept and when we reject funding opportunities.

As a registered charity, the Charity Commission requires our Trustees to at all times be acting in the best interests of the charity. If any funding is refused then the leadership team and Trustees of the charity must be able to demonstrate that the decision was made purely on the basis of what is in the best interests of the charity, and that **no personal bias** was involved in the decision making process. This Policy plays a key part in fulfilling these obligations.

To maintain evidence on how we reached a decision on funding, all funding decisions must be appropriately documented.

### **What are the potential risks that need to be considered in reaching a decision?**

It is important that we ensure that any potential conflict between our Private Sector partners and our campaigns, our advocacy work, or our Vision, Goals and Values is identified before accepting any funding. Restless Development considers the following to be the key potential risk areas:

*Competing objectives* - where our campaigning and advocacy work is directly or indirectly at odds with the objectives of the potential Private Sector partner.

*Loss of independence* - it is of vital importance that we maintain absolute independence to undertake all and any activity within the law which we deem necessary to further our objectives. No individual or group must be allowed to hold a level of influence over Restless Development which impacts on how we may otherwise choose to operate.

*Reputational Risk / Protecting Our Brand* - we need to protect our brand and our public perception. Therefore, it is important that we undertake appropriate due diligence on any partner that we may be associated with publically as this could have an effect on both our existing and future support.

### **Safeguards**

Where potential risks have been identified, we will seek to put in place appropriate safeguards to protect Restless Development prior to proceeding with any funding. If appropriate safeguards cannot be put in place, then the funding should not proceed.

Such safeguards may include:

- Insistence that Restless Development pre-approve any press release or statement or any use of the Restless Development brand by the organisation
- Restless Development having the right to walk away from the arrangement at anytime
- Obtaining written assurances from the organisation (for example that certain activities have ceased, or in the case of a corporate foundation/charity that they act independently of their corporate benefactor)
- Agreement to monitor or reassess the relationship at a future point in time

- Agreement that certain practices will change

### **High Risk Organisations**

An unwillingness to listen and engage goes directly against our core Values. Therefore, we will always be willing to engage in dialogue with any organisation in any sector. However, there will be some organisations and sectors where due to inherent conflict with our underlying Vision, Goals and/or Values, we will not be able to accept funding from, irrespective of any safe-guards that may be put in place – this should not, however, discourage dialogue nor completion of the due diligence process.

Restless Development will not accept any funding from any companies that engage in activities listed on the Exclusion List. Businesses listed on the Caution List are considered to pose a 'higher risk' to Restless Development and therefore any decision to accept funding from one of these businesses (irrespective of value) needs to be made by the Ethical Partnerships Committee (see Step 4 below).

### **Exclusion List**

Restless Development will not accept any funding from any company whose business activities include:

- Manufacturing or dealing in any form of weapons designed for use against humans;
- Manufacturing tobacco based products;
- Production or distribution of pornography.

Whilst sometimes difficult to identify, this exclusion list also applies to businesses whose practices can be held to amount to a contravention of the UN Universal Declaration of Human Rights and practices which can be held to amount to a breach of the UN Convention on the Rights of Children.

### **Caution List**

Restless Development will only accept funding from a company that falls on the Caution List following approval by the Ethical Partnerships Committee. A company will fall on the Caution List where its business activities include:

- Manufacturing pharmaceutical products for commercial purposes;
- Manufacturing of alcohol;
- Extractive industries<sup>1</sup>;
- Gambling;
- Significant environmental damage<sup>2</sup>

## **Part 2: The Decision Making Steps**

The following process needs to be followed in respect of all funding decisions with the Private Sector. The Checklist attached at Appendix A to this Policy must be completed for each opportunity (in accordance with the steps below).

---

<sup>1</sup> "Extractive industry can be defined as processes that involve different activities that lead to the extraction of raw materials from the earth (such as oil, metals, mineral and aggregates), processing and utilization by consumers" ([United Nations, 2012](#))

<sup>2</sup> "Environment" is defined as the flora, fauna, water quality and quantity, soil quality and air quality of a specific area, and where larger scale gaseous emissions are a factor, the ozone layer and atmospheric gas concentrations, particularly with reference to Climate Change and greenhouse gases.

### **Step 1: Restless Developments Campaigns and Advocacy Work**

Every person involved in the decision making process needs to familiarise themselves with Restless Development's recent and ongoing campaign and advocacy work. This can be found on the Restless Development website ([www.restlessdevelopment.org](http://www.restlessdevelopment.org)) and on the Campaign List.

### **Step 2: Due Diligence and Information Gathering**

Due Diligence and Information Gathering can be undertaken by any staff member of Restless Development involved in assessing the opportunity. This person is referred to as the "Researcher". At a minimum the Researcher must identify the following:

- Name (name of company/organisation)
- Ownership/Corporate Benefactor (where easily obtainable, provide details of the ultimate parent company or, in the case of a corporate foundation or trust, the name of the corporate benefactor)
- Industry (what business area(s) does the company operate in, what are its key products?)
- Public Profile / Media exposure (has the company been in the news in respect of any of its activities, what is its presence online?)

### **Step 3: Complete the checklist and make the initial recommendation**

The Researcher needs to complete the Checklist (attached as Appendix A). Upon completion of the Checklist, the Researcher will make a recommendation as to whether to accept or refuse the funding based on the information gathered in Step 2.

The Researcher should list their source of information at each stage – e.g. company website, Google etc.

### **Step 4: Review and Discussion**

The Researcher will share their completed Checklist and recommendations with the Ethical Partnerships Committee made up of Director of Operations, Director of Global Programmes, Director of Finance and either Director of Investments & Partnerships or Head of Investments & Partnerships.

There will then be a discussion between the Committee and Researcher on the recommendations, research and opportunity generally. In cases of in-country partnerships, the Committee might also include the Country Director or nominated representative in this discussion. In particular, the discussion should focus on identifying any potential risks associated with the opportunity and should seek to establish whether any safeguards need/can be put in place to mitigate those risks.

The Researcher should make a file note of the points discussed.

### **Step 5: Decision**

Following the discussion, the Ethical Partnerships Committee will make the decision to accept or refuse the funding taking account of all relevant information. The decision needs to be made objectively and solely from the perspective of what is in the best interests of the charity. A decision to enter into partnership or accept funding will need a quorum of at least two SMT members not including Director of Investment & Partnerships.

Where the outcome of a decision is to refuse funding (i.e. a 'NO' decision), then a copy of the checklist together with the supporting documents and rationale should be kept on file and recorded on the database by the Researcher notifying the relevant County Programme where appropriate.



## Appendix A

### Checklist

**Researcher:**

**Responsible Person:**

Where either the Researcher or the Ethical Partnerships Committee considers the answers below to give rise to a “significant risk” then the right-hand column below should be marked with an ‘X’. A risk will be considered “significant” if any required safeguards are considered excessive or where it is more likely than not that Restless Development’s brand or reputation will be damaged as a result of accepting the funding.

Name of Donor		
<b>Ownership / Corporate Benefactor</b>	Use the donor’s website to find out who the ultimate owner / corporate benefactor is. This information should be available on the donor’s website in the ‘About Us’, ‘History’ or ‘Investor Relations’ sections (Wikipedia is also a useful resource in this regard). Where you have identified a parent company or corporate benefactor, you should apply the questions below to the donor <b>and</b> its parent/corporate benefactor.	
<b>Industry / Sector</b>	List the business activities which the organisation is involved in. This does not need to be an exhaustive list but it should cover the main sectors that the company operates in. For example, it would be sufficient to state that a company produces food and beverage products rather than providing the detail of each separate product.	
<b>Exclusion or Caution List</b>	Provide details of any activity which falls within either the Exclusion List or the Caution List.	
<b>Public Profile / Media exposure / Other partnerships</b>	Use online resources such as Google News and Wikipedia to find further information about the organisation and how it is perceived publically – also refer to the other sources on the Resource List. In particular, look out for examples where the organisation has partners with other charitable organisations in the past.	
<b>Funding</b>	Provide detail of the potential funding arrangements including the amount of funds to be provided and any special conditions attached to those funds.	
<b>Proposed relationship</b>	Provide detail of the proposed relationship. For example, what obligations will Restless Development owe to the donor? Does Restless Development need to incur any costs in order to obtain the funding? What is the duration of the proposed relationship?	

<b>Potential Risks</b>	Provide details of any perceived risks of accepting the funding. For example, do any of the organisations business activities conflict with Restless Development's campaigning or advocacy work (refer to the Campaign List)? Is the relationship likely to lead to a loss of independence? Is there a risk to Restless Development's brand or reputation from being associated with the organisation?	
<b>Safeguards</b>	Considering the risks identified above, provide suggested safeguards that could be put in place to eliminate or mitigate these risks to an acceptable level. For example, if the company is on the Caution List, it may be acceptable to accept funding from that company provided that the Restless Development name is not used anywhere on the company's website nor in any unapproved press release.	
<b>Other Comments</b>	Use this section to provide any further comments not included above.	
<b>Recommendation</b>		
<b>Decision</b>		
<b>Date of Decision</b>		

**Resources Checklist:**

The Researcher should complete the Checklist above by referring to the same following sources each and every time to assist and ensure consistency. These sources have been purposefully selected to reflect risk based on a) publically available information that might genuinely influence public opinion and b) sources that offer an additional level of due diligence. Additional research is encouraged and additional sources should be noted below.

Source	Link	Checked (Yes or No)
Google News	<a href="http://news.google.co.uk/">http://news.google.co.uk/</a>	
Wikipedia	<a href="http://www.wikipedia.org/">http://www.wikipedia.org/</a>	
CorpWatch	<a href="http://www.corpwatch.org/">http://www.corpwatch.org/</a>	
Business and Human Rights Resource Centre	<a href="http://www.business-humanrights.org/">http://www.business-humanrights.org/</a>	
CSRWire	<a href="http://www.csrwire.com/">http://www.csrwire.com/</a>	
Others (please specify)		