

Disaster Appeal Scheme

Here to help you following major incidents
June 2008

Civil Contingencies Act 2004

Non-statutory guidance – emergency response and recovery

Chapter 5 – Care and treatment of people:

5.65 Establishing an appeal fund can be a complex and sensitive task...These activities are fraught with potential pitfalls; they require extensive research, planning and monitoring in order to maximise the response of the public. Advice is available from a number of sources, including the British Red Cross Disaster Appeal Scheme (United Kingdom).

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Introducing the Disaster Appeal Scheme

When a disaster occurs, it immediately presents all kinds of challenges to the local responders involved. The response must be co-ordinated, people may need to be rehoused and infrastructure may need to be repaired.

However, if there is also a public will to donate and help, other difficult questions may arise, namely: how do you organise a public appeal and distribute aid to those in need? The British Red Cross' Disaster Appeal Scheme exists to help in just these situations.

Purpose of the Disaster Appeal Scheme

The aim of the Disaster Appeal Scheme is to rapidly deploy Red Cross resources to raise funds and then distribute money – cheaply, quickly and sensitively – to people affected by a major incident in the UK. This is not compensation, but a way of providing financial support to people at times of distress and a way for communities to show solidarity.

Why do we provide the Disaster Appeal Scheme?

In recent years, many UK disasters have demonstrated how the public can be very swift and generous in its response to a tragedy. Working in partnership with local authorities, we use our resources and skilled staff to rapidly instigate an effective appeal fund.

Why the Red Cross?

As a major humanitarian organisation, the British Red Cross is experienced and equipped to run, efficiently an appeal and distribute the income as a fund within the charity. Our involvement also confers a credibility that is respected by the donating public and major corporate donors.

Since its launch in 1991, the British Red Cross' Disaster Appeal Scheme has offered help and guidance to local authorities across the UK in setting up and administering donations of money received following a disaster or major emergency.

A bespoke offer

The British Red Cross recognises that no two disasters are ever quite the same, and that each one brings its own difficulties and demands. A key feature of the Disaster Appeal Scheme is that the Red Cross can be on hand to take as great – or as small – a role as is necessary.

Our focus is squarely on helping local and other relevant authorities to respond to all disasters, whatever form they take and whatever demands they place on local communities. Our highly organised appeal teams have raised tens of millions of pounds for people in crisis over the past decade, and we have trained staff and volunteers across the UK ready to respond at a moment's notice.

An improved service

In the wake of recent disasters – such as the London bombings and summer floods of 2007 – we have taken advantage of the opportunities presented for learning and honing our response. Consequently, the Disaster Appeal Scheme has now been substantially revised and our offer enhanced.

Wherever the crisis occurs in the UK, and whatever the scale, we can be on hand to offer immediate support tailored to the specific needs of the local authorities involved.

Criteria for launching an appeal

Following a major incident or disaster in the UK, affected local authorities or other relevant authorities will review the circumstances – such as the scale of the emergency, numbers killed or injured, public reaction – and make a decision on whether or not they would like to launch an appeal. If the local authority decides there is potential for an appeal fund, they can contact the British Red Cross to discuss the matter further.

The British Red Cross will then evaluate the potential for an appeal fund against its own criteria, which include the following points:

- > Is there an unmet humanitarian need that could be alleviated by an appeal?
- > Would an appeal be in line with the Red Cross' charitable objectives?
- > Is there sufficient national public and media interest to support an appeal?
- > Is there an agreed strategy for disbursement of funds?

Naming the appeal

If the decision is made to launch an appeal fund, the next step is to agree a name for the appeal and how the funds raised will be spent. At this point, the appeal fund can be launched.

Note: At this stage, it becomes necessary for the two organisations to exchange key contact information, including out-of-hours contact details for key project managers, spokespeople and press officers.

Multiple site incidents

Where a disaster has affected multiple sites throughout the UK – for example, following severe storms or widespread flooding – the British Red Cross can take the lead in organising an overarching appeal fund to cover all affected areas.

The simple fact is that one single UK-wide appeal, led by the Red Cross, will produce a better fundraising response than a range of smaller local appeals.

In that scenario, the Red Cross would be able to play a primary role in co-ordinating the overall response, and tailoring the eventual distribution towards specific regional and local needs.

Steering group

A steering group will be established to oversee the new appeal fund, comprising Red Cross specialists and representatives selected by the local authority or other stakeholders.

A chairperson will be selected at the first meeting to lead the group in the initial phase; the composition of the group might change to meet evolving demands, after the initial emergency phase.

The steering group will set the criteria for disbursement using pre-established processes and procedures based on the learning from previous appeal schemes.

The role of the steering group

- 1 Ensure that all money is allocated and spent in accordance with the definition of the fund as promoted to the public.
- 2 Make decisions on distribution policies to ensure the appeal fund pursues its objectives in the best interest of the beneficiaries.
- 3 Ensure that the fund is not overspent or significantly underspent.
- 4 Oversee the efficient and effective administration of the appeal fund, including expenditure.
- 5 Act as an independent panel for difficult decision-making where assessment is not clear-cut.
- 6 Make decisions on any long-term funds and oversee risk assessments where funds are being passed on to another body.
- 7 Oversee the closing down and evaluation of the fund.
- 8 Ensure that learning is documented for the benefit of future appeals.

Using the Red Cross' expertise

The British Red Cross is recognised as one of the most effective fundraising organisations in the UK. Upon the launch of an appeal, the Red Cross can play as involved a role as is required. We can manage all donation collection and processing, meeting legal requirements and following best practice guidelines consistent with our established and audited procedures.

An immediate launch

Facilities for collecting funds can be made available within 12 hours of the appeal being agreed, and usually much sooner than that. These will include mechanisms to receive donations on the internet, through a telephone donation line, and postal donations via a freepost address. Where appropriate, third party mechanisms (for example, a digital TV 'red button' and other partnership sites) will also be facilitated.

Our resources and skilled staff can be rapidly deployed, and systems are also in place to respond out of office hours, including staff, volunteers and even suppliers and agencies.

Launching an appeal made easy

When disaster strikes, the Red Cross can provide an immediate and efficient response. Crucially, our assistance also extends to administering the complicated process of actually setting up, then publicising, an effective and legally run appeal.

Difficulties with launching an appeal

Launching an appeal via the traditional route – by setting up a charitable trust – can be both laborious and time-consuming. To set up a trust, local authorities must first register with the Charity Commission, providing criteria for an appeal and a closely defined list of objectives. If and when authorities gain approval from the Commission, they still then need to appoint a board of trustees before taking further action.

This process will only add to the considerable burden placed on local authorities and other relevant authorities.

The Red Cross solution

As a leading disaster response organisation, the Red Cross already has all the processes and mechanisms in place to immediately launch an effective and wide-reaching appeal.

Once the decision has been made to go ahead, we can efficiently, effectively and legally run a disaster appeal as a standard Red Cross operation. By following the well-tested and successful route of other British Red Cross appeals, we can both ease the burden on local authorities and maximise the total funds raised.

However, all money raised will go into a separate account, which may only be used for the purposes of that particular appeal.

Distributing the appeal money

If necessary, the British Red Cross has the facilities to distribute all the funds raised through a grant-giving programme. However, there may be local agencies or charities better placed to manage the distribution. In such a case, there should be an assessment of capability and risk before the steering group makes a decision to hand over grant-giving responsibility to the local body.

Where the British Red Cross is responsible for the grant giving, it will be based on the standard established criteria for the operation of such funds, but with the flexibility to adapt to meet specific circumstances. (For example, interim payments of up to £3,000 could be made to meet emergency needs for those who have been bereaved or hospitalised for over 24 hours, with larger grants made on subsequent applications based on the amount available in the fund.)

The distribution team

The British Red Cross will establish a team and dedicated project manager with the skills and resources to assess individual cases. A database system will be developed to record and manage case data.

The team will operate under criteria established by the steering group and regularly report back to the group. Cases that are not clear-cut may be referred to the steering group for further consultation and a final decision.

Where there is a need for longer-term activities (i.e. when funds still need to be distributed more than a year after the incident), the steering group may hand over the appeal to a locally led trust or charity, subject to certain criteria being met.

British Red Cross costs

Through the Disaster Appeal Scheme, the British Red Cross is fulfilling its role as an emergency response organisation. Therefore, the organisation makes no charge for normal running costs and use of Red Cross staff and equipment. Direct costs, only will be charged to the appeal fund together with additional costs that result from administering the Scheme. These may include:

- > advertising
- > processing donations
- > agency fees
- > additional staff.

Such additional costs will be reported to the steering group for verification.

Closing the appeal and evaluation

Closing the appeal

Throughout the appeal process, income will be monitored closely and fundraising stopped when the estimated funding need has been met.

The closedown of the fund will occur once the funds have been disbursed or remaining funds have been handed over to a local body. We would aim for the majority of funds to be dealt with within six months, and for all monies to be distributed or handed over to a local body within 12 months.

Evaluation

Throughout the duration of the appeal, there will be regular reporting to the steering group to monitor the fund. Three months after the launch of the appeal, an interim evaluation must be completed and should include input from key people involved, including those from the British Red Cross, the local authority and other agencies.

The interim evaluation will then be reviewed by the steering group and should feed in to the final evaluation when the fund is eventually closed down.

Contact information

Office hours:

020 7877 7251

Out of office hours:

Call switchboard 020 7877 7000 (or free phone 0844 871 1111)

to access emergency contact number.