

## PAPER

### Corporate advisory group meeting 18/1/17

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This document is designed to codify how CRA recruits and conducts business with corporate members. It is very much in draft status and members of the advisory group are asked to comment where applicable. The document, once agreed by the advisory group, will need to be ratified by the CRA board.

Once agreed by the board, this code of practice will be mandated on current and future staff in their dealings with the corporate membership.

Robin Osterley

January 2017

CRA corporate member code of practice

Agreed by board XX/XX/XX

## 1. Definition

One side of CRA's membership is reserved for suppliers and other commercial organisations wishing to market their goods or services to CRA's charity members. These members are known as "corporate members". They are not members of the Association in a legal sense, and do not have voting rights. Nevertheless they are an important part of CRA's overall operation and provide a considerable and important source of income for CRA.

## 2. Becoming a corporate member

Any organisation or individual who wishes to become a corporate member is entitled to apply. They require no special organisational structure, can be located in the UK or overseas, and can belong to any industry that does not actively operate against the interests of the charity retail sector.

Application is by the process of filling out a form. The Chief Executive and/or the Head of Membership will then grant or not grant corporate membership to the applicant, based on the following criteria:

- No fraudulent activity must ever have taken place within the applicant organisation or by any of its directors at any time in the past
- Directors should not have been involved in more than two organisations that have previously ceased trading involuntarily, gone bankrupt, been declared insolvent, or been subject to winding up orders
- Directors should not have been involved in more than one organisation that has previously ceased trading involuntarily, gone bankrupt, been declared insolvent, or been subject to winding up orders and/or failed to pay any of CRA's charity members monies owed to them
- Applicant organisations must, in the opinion of the CRA, have a stable balance sheet as shown by the last set of accounts, where applicable
- Acceptance of the CRA Corporate Code of Conduct and the Payment T&Cs

**Note to advisory group (AG): are these criteria reasonable and fair?**

In order to provide additional safeguards, CRA will email all its charity members with information about prospective corporate members. Any intelligence received from charity members about any activities that may breach the above criteria will be taken into consideration when assessing the application.

CRA also reserves the right to request testimonials and references from the applicant to provide additional information for consideration.

There is no limit to the number of corporate members that CRA can allow into membership, nor are there quotas for any particular industry. **Note to AG: OK?**

### **3. Refusal of corporate membership**

Corporate membership is absolutely at the discretion of the CRA whose decision will be final. An applicant who has been turned down for corporate membership will be able to reapply after 12 months if and only if their circumstances have changed.

**Note to AG: Is a right of appeal to the board required?**

### **4. Benefits of corporate membership**

A number of benefits, both financial and non-financial, are associated with corporate membership. These can be varied at the time of renewing corporate membership, but not during the year in which corporate membership is being held. A list of these benefits will be issued at joining or renewal time.

No free of charge additional benefits will be offered to any corporate member during the course of the membership year, unless they are offered to all corporate members.

### **5. Additional opportunities and sponsorship**

CRA has historically offered a number of sponsorship opportunities, with corporate members having exclusive access to a range of these opportunities on a first come, first served basis. All of these opportunities will require additional payment, and with some exceptions will be offered to all corporate members simultaneously. These exceptions include, but are not limited to:

- Where there is a long history of a corporate member having sponsored a product or opportunity in the past they may be given first refusal
- Where multi-year agreements have been signed these will remain exclusive until the contract period expires
- Where CRA feels the need to offer the opportunity to a particular type of organisation for reasons of balance, efficiency or equity it may offer the opportunity to a subset of corporate members

**Note to AG: Are these exceptions reasonable? The problem is that nobody wants to attend an exhibition with say, entirely recyclers or entirely EPOS suppliers. Also, some sponsorship opportunities would not be appropriate for some suppliers.**

Each sponsorship or additional opportunity has clear benefits which are written into the sponsorship contract. Such benefits will not be varied except with permission from the CRA Chief Executive, and may in some cases require further payment.

### **6. Exclusions**

The following rules will be strictly adhered to by CRA staff.

- Under no circumstances will CRA give out contact details for any CRA charity members, unless they are already customers of the corporate member concerned, or unless express permission has been given by the charity member.
  - CRA will not accept any affinity, or commission-based deals from any commercial organisations including corporate members. Co-branding of products is possible but must be subject to a full-scale business plan and must be approved on an individual basis by the CRA board. In this situation, the nature of the co-branding agreement will be made transparent to charity members and will be identified in all marketing literature
  - CRA board members, staff, and volunteers will never endorse, recommend or advocate any corporate member's product or service. They may signpost members and individuals to products and services but must make it clear that such signposting does not constitute a recommendation.
- Note to AG: Is this enforceable and a reasonable position to adopt?**
- Any information received by corporate members over and above that which is in the public domain already will be treated as commercially-in-confidence by CRA board members, staff, and volunteers will treat, who will not divulge any such information unless expressly permitted to do so by the corporate member concerned.

## 7. Expulsion

CRA reserve the right to expel corporate members without refund if any of the following occur:

- Any of the criteria mentioned in Section 2 above are breached or found to have been breached previously
- Persistent non-payment of any monies owed to CRA
- Business failure of the corporate member
- Persistent receipt of complaints from CRA charity members about the behaviour, service, and/or products offered by the corporate member. In this case, the decision by the Chief Executive of the CRA will be final **Note to AG: Again, is a right of appeal to the board required?**
- Breach of the Corporate Code of Conduct

## 8. Variation of this Code

CRA reserve the right to vary the terms of this code of practice from time to time. This will always be done in consultation with the Corporate Members Advisory Group and will require board approval thereafter.