



Guide to GDPR-Compliant Wealth Screening

January 2018

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Contents

Introduction	3
The Steps to a Compliant Wealth Screening	4
Is wealth screening necessary?	5
Is wealth screening an inappropriate or intrusive use of data?	8
What is the impact of wealth screening on all data subjects?	8
What is the impact of wealth screening on the supporters researched & reported on?.....	11
Is wealth screening within supporters' reasonable expectations?	12
Their relationship with you.....	12
Summary	15
Does screening impact on individuals' rights and freedoms?	16
Rights in relation to automated decision making and profiling.....	19
Undertaking Privacy Impact Assessments & Legitimate Interests Assessments.....	20
Legitimate Interests Assessment.....	22
Decide on a legal basis for processing	23
Ensure the screening company you use is compliant.....	24
How do you provide fair processing information to supporters about screening?.....	24
How this all impacts on major donor fundraising strategy	28

Introduction

Despite the negative attention it has received in recent months, wealth screening remains an integral part of any major donor fundraising programme. Without wealth screening it would be hugely difficult to realistically plan successful long-term campaigns or understand the strategic direction of major donor fundraising in our organisations. Together with this, as [the Institute of Fundraising](#) said recently "... we know that [wealth screening] actually gives people a better experience of fundraising as it allows a more tailored and engaging experience for individuals, while reducing the number of generic communications or unsuitable asks."

However, as with anything that makes use of personal data, many of our clients have been asking us recently how they can ensure that wealth screening is legal, ethical and GDPR-compliant. We thought that it would be useful to put together this paper to outline how to approach planning for a wealth screening under GDPR.

This paper refers specifically to the third party wealth screening, the process whereby non-profit organisations and institutions send selected supporter data (typically name, address and affinity data) to a third party supplier with the aim of identifying potential major donors from the wider pool. That said, the information and processes outlined in this paper can also be applied to other forms of prospect research as the questions we need to ask ourselves about any form of data processing under GDPR are the same regardless of the purpose.

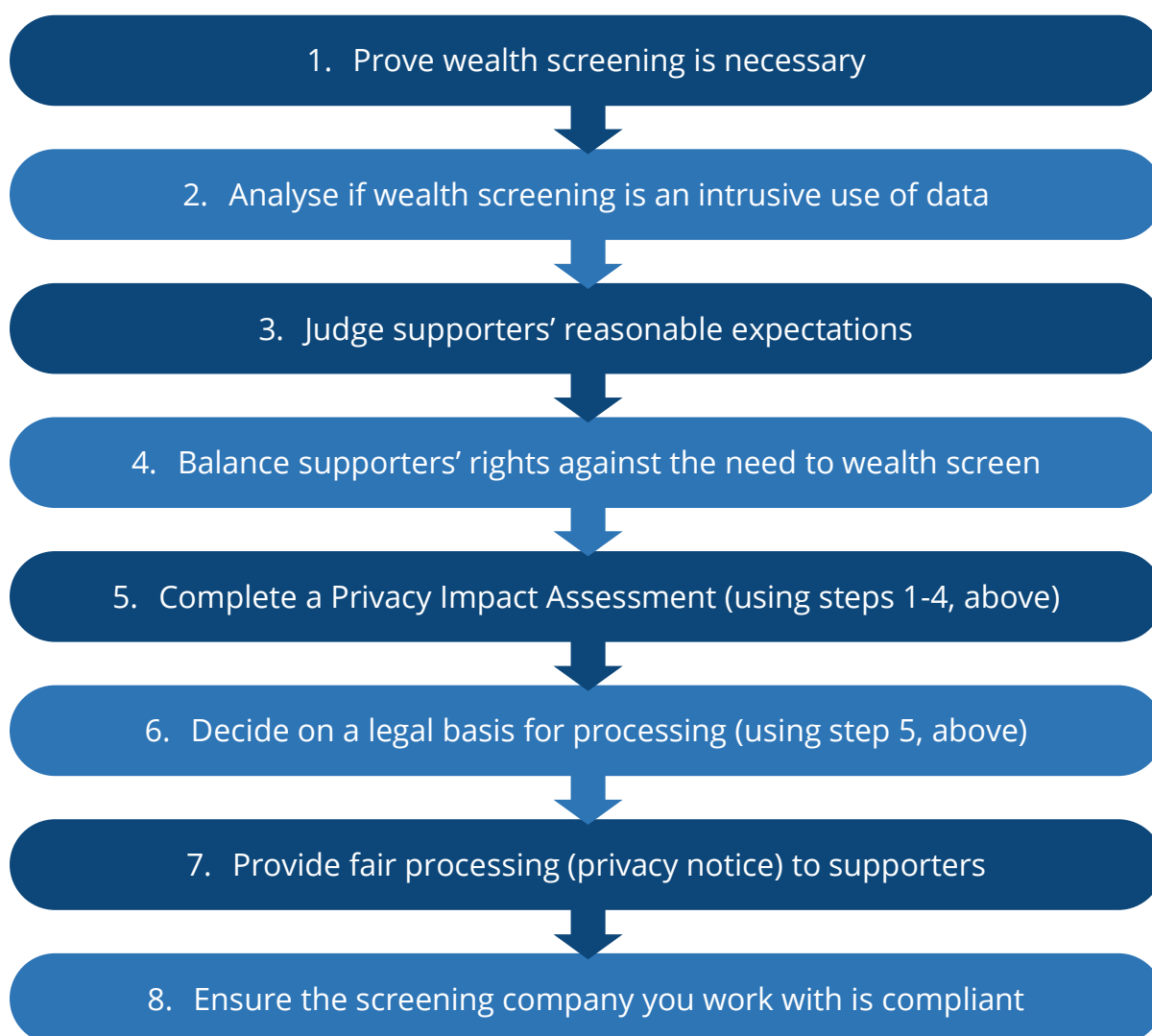
This paper is also of particular use to organisations considering relying on Legitimate Interests as a lawful basis to process data for wealth screening (see page 22), as it outlines the balancing exercise required to ensure your need to undertake a screening is not at the expense of your supporters' rights and expectations. It would be useful to read this paper in conjunction with Factory's other paper on '[Prospect Research and Legitimate Interests](#)' as this will provide more context.

Once you have read this paper, please do come back to us with any comments or questions.

The Steps to a Compliant Wealth Screening

In response to recent news articles about wealth screening, the Information Commissioner said [in a statement](#) "I want to be clear. Profiling individuals for a fundraising campaign itself is not against the law, but failing to clearly tell people that you're going to do it, is". This is heartening, although unfortunately compliance is not *quite* as straightforward as simply telling supporters you're going to do something with their data. As with anything related to the GDPR, there are a variety of processes to go through to ensure that what you are doing is not only legal but also ethical.

This paper takes you through the eight stages required to undertake a compliant wealth screening:



Is wealth screening necessary?

Those of us who work in major donor fundraising know that wealth screening is a fundamental part of any major donor fundraising strategy and is integral to campaign planning. Under GDPR, however, in order to undertake a compliant wealth screening, organisations need to **prove** that processing personal data for wealth screening purposes is necessary, and show that the same results could not be achieved by other (less 'intrusive') means.

Before we look at how you can analyse the necessity for screening in your own organisation, it is worth briefly looking at the impact of major donor giving. The [most recent report](#) on major donors is from nfpSynergy and it highlights that major donor giving is a "fast-growing element" in fundraising that is contributing to a 'boom time' in philanthropy.

According to the Sunday Times Giving List, Britain's wealthiest people alone gave over **£3.2bn** to non-profits in 2016. This is a phenomenal amount, but we know that donations are not spontaneously given; some studies estimate that up to **85%** of all donations only happen when someone is **asked** to give¹. Fundraising is therefore fundamental to sustaining and growing major donor income for non-profits in the UK, and identifying relevant potential major donor prospects is obviously the first step in this process.

It has been proven that major donors support causes they believe in², which is why identifying potential major donors from amongst your existing supporters is seen as the most effective way to find people who are not only passionate about your cause but who also have the potential capacity to make a transformational gift. Screening a non-profit database is the most effective and cost-efficient way to do this.

Within your own organisation, in order to prove wealth screening is necessary, it is worth asking some simple questions about why you might need to undertake a wealth screening. Some examples of the questions that are useful in this process are listed on the next page.

¹ Wiepking, P and Handy, F (2015) *The Palgrave Handbook of Global Philanthropy*. Hampshire: Palgrave Macmillan.

² Breeze, B. and Lloyd, T. (2013) *Richer Lives: why rich people give*. DSC: London.

If you have undertaken a screening before

- How many major donor prospects did you identify through the screening?
- How much money was raised from these individuals?
- Did any of these supporters introduce other major donors / supporters to you?
- Did any of these supporters offer in-kind donations (e.g. hosting events)?
- What was your organisation able to achieve with donations or assistance from individuals identified through a screening?
- How much of this could have been achieved *without* a screening?

Reviewing your current major gifts or campaign strategy

- Is fundraising (in general) necessary for the survival of your organisation? For example, have you lost statutory funding which needs to be replaced with voluntary income?
- What is your annual income from fundraising?
- How much is (or needs to be) raised through major gifts?
- How many major gift prospects do you need to identify to do this (e.g. through referring to your gift table)?

If you are undertaking a feasibility study to review the potential for major donor fundraising

- How can you find out which of your existing supporters might be relevant for a major donor programme or campaign?

What are the alternatives to screening?

- How will you identify major gift prospects if not through a screening?
- Are the alternative methods as efficient or effective as a wealth screening?
- What might be the resource implications (in terms of time, cost and effort) to using an alternative method to screening?
- What might be the implications of this on potential income?

Answering these questions should enable you to understand if a screening is **necessary** for your organisation, by looking at the impact of a screening in terms of major donor identification and engagement, and by comparing this to the likely outcome of using alternative methods or doing nothing at all.

Further evidence which supports the need for screening and research can be read in our paper 'Legitimate Interests and Prospect Research' which is available for free via the [GDPR resources section](#) of our website.

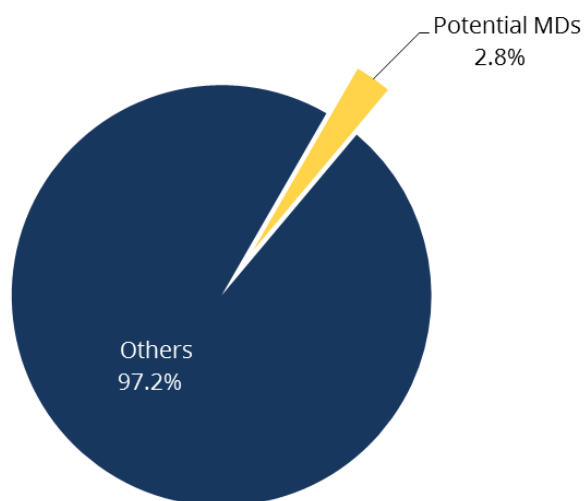
Is wealth screening an inappropriate or intrusive use of data?

It is important to analyse how intrusive wealth screening might be because, even if the processing is *perceived* to be intrusive, the stronger your argument needs to be for relying on legitimate interests. The ICO (in their [conference paper](#) from February 2017) classifies “**any** activity that involves obtaining data from anywhere other than the data subject” as intrusive. This would make all forms of prospect research – including wealth screening – an intrusive activity in the eyes of the ICO.

So, the question we need to ask, therefore, is: **how** intrusive is wealth screening as an activity, as answering this will allow us to judge if our argument for legitimate interests is sufficiently robust. To answer this we need to analyse what the potential **impact** would be of the data processing on our supporters and to do this we look at two areas: 1) the impact on **all** the supporters who are wealth screened, and 2) the impact on those **identified** through the Screening as relevant for a major donor programme.

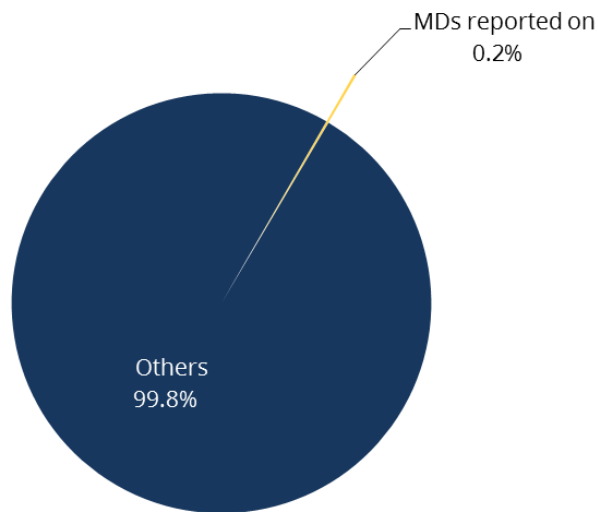
What is the impact of wealth screening on **all** data subjects?

An analysis of a few hundred Factory screenings has shown that, on average, only **2.8%** of all data subjects that are screened will **be identified as relevant** for a major donor programme.



Average percentage of major donors identified per screening

The average number of supporters that are then **researched and reported on** following a screening is much less: approximately **0.2%** of the total number screened.



Average percentage of major donors reported on per screening

To put that in real terms:

Example Results from a Wealth Screening for Charity A	
Total records screened	100,000
Identified as potential MDs	2,880
Reported on	200
Unaffected	99,800

In the example above, 'Charity A' provides **100,000** supporter records to Factory. We would, on average, identify approximately **2,880** of those supporters as relevant to a major donor programme through the screening process (i.e. those who have the required capacity and affinity to the cause).

However, due to internal capacity and/or pipeline or campaign requirements, Charity A does not need **2,880** new major donor prospects, so they prioritise the

results and choose to research and report on around **200** of the identified prospects. This may not seem like a huge number from 100,000 supporters, but these specific prospects are likely to have the capacity to give very large donations, sometimes in the millions, which can be truly transformational for many non-profits.

This all means that, on average, from **100,000** initial supporters that are wealth screened, only **200** are ultimately researched using “data that has not been provided by the data subject” (which, in the ICO’s view, would be an intrusive use of data).

The remaining **99,800** supporters are **screened out** of the process, their **data is deleted** by the screening supplier and **nothing further** happens with any of their personal data. For these supporters, it can therefore be argued that **screening is not an intrusive use of data**. Furthermore, screening negates the possibility of further potentially intrusive activity, as these prospects are removed from any further internal major donor analysis that the non-profit may undertake internally.

If you have carried out a screening in the past, you could run a similar analysis to review the numbers of supporters screened/identified/reported on and the likely impact of the processing on 1) those identified and 2) those screened out. If you do not have the data to hand, and you undertook a screening with Factory, please get in touch as we have a record of match/reporting rates from our past screenings.

It is also worth reviewing the **type** of personal data that is used in a screening in order to analyse how intrusive the process might be from this perspective. The [ICO conference paper](#) outlines that “Activities such as segmenting databases by reference to postcodes or other information you already have may represent a relatively low level of intrusion into privacy”. Factory’s initial screening process largely depends on segmenting data by postcode (alongside an analysis of affinity data). This would therefore constitute a ‘low level of intrusion’ which makes legitimate interest a valid basis for processing data (according to the ICO conference paper). Please see our short overview of ‘How a Factory screening is compliant’ for more information on this.

A note on third party suppliers

Despite screening not being an intrusive use of personal data for the vast majority of supporters it remains the case, of course, that non-profits are still sending supporter data off-site to third party suppliers and this is a risk that must be managed. However, for the vast majority of supporters, this is only as risky as sending supporter data to, for example, companies who print/send newsletters or magazines for your non-profit because the third party screening supplier will delete your data as soon as the process is over. As long as you use a reputable third party supplier, and you have a robust contract in place, then you have effectively eliminated this element of risk.

As long as you use a reputable third party supplier, and you have a robust contract in place, then you have effectively eliminated this element of risk – just remember to get your in-house compliance/procurement/ data protection manager to review any contract before you sign it.

What is the impact of wealth screening on the supporters researched & reported on?

Whilst (as we see above) the processing is not intrusive for the majority of supporters, the fact remains that for a tiny percentage of supporters screening could be classified as intrusive by the ICO because additional research is carried out using publicly available data.

It is important, therefore, to analyse the extent of the impact on those reported on. This can be done through analysing:

- If screening is within the reasonable expectations of those supporters
- If screening infringes on the supporters' rights and freedoms
- If the supporters have been provided with fair processing information

These areas are covered in the next sections.

Is wealth screening within supporters' reasonable expectations?

Under GDPR, you need to think very carefully about which supporters to screen as you must ensure they would reasonably expect to be researched if they are amongst the small percentage of supporters identified in a screening.

As we have seen above, whilst there is no impact on the vast majority (on average 99.8%) of supporters, there will be an impact on the small percentage of supporters who are identified and reported on during a screening. As, prior to undertaking a screening, you will not know which of your supporters may end up in the small percentage of identified donors (as this is largely the point of screening; to identify potential major donors you were not previously aware of), then you need to think carefully about which of your supporters might reasonably expect for their data to be used for fundraising.

Whether or not someone might reasonably expect to be researched can be judged in several ways:

Their relationship with you

To rely on legitimate interests, you must think carefully about ***the relationship the supporter has with your non-profit*** in order to decide whether or not they would expect their data to be used for purposes integral to fundraising such as wealth screening.

The example that has been commonly used to illustrate this is: a supporter who gives you, for example, a monthly, regular donation is showing a certain level of ***affinity*** and ***connection*** with your organisation and may therefore more reasonably expect that you would use their data for fundraising. However, someone who once bought Christmas cards off your website (or SMS'd a one-off donation six months ago, or once signed a petition, etc.) may not.

It is up to your organisation to ***judge*** the relationship you have with supporters, their level of ***affinity*** and their likely ***expectations***.

We thought it would be useful to include some real-life examples of how this is working in practice so we asked some of our clients who have already completed their analysis on this to share the types of supporters they have judged would, or would not, reasonably expect wealth screening:

Example A: an independent school

Supporters who would reasonably expect screening

Current parents, alumni, regular donors and any supporters who have asked to receive fundraising communications (all need to have received the privacy policy and not opted out of wealth screening).

Supporters who would not reasonably expect screening

Past parents, one-off low level donors or supporters without a direct relationship with the school (unless they have opted-in to receive fundraising communications) and those who have opted out of wealth screening.

Example B: a university

Supporters who would reasonably expect screening

All alumni who have received the privacy notice and not opted out of wealth screening or in any other way indicated they do not want to be contacted.

Supporters who would not reasonably expect screening

Non-alumni or parents (of current or past students) and anyone who has opted out of wealth screening or requested not to receive fundraising communications.

Example C: a large charity

Supporters who would reasonably expect screening

Members, regular donors, friends and patrons who have received the privacy policy and not opted out of wealth screening.

Example C: a large charity

Supporters who would not reasonably expect screening

In mem donors, retail supporters (i.e. those purchasing from shop/online), one-off donors <£250, lottery players and those who have opted out of wealth screening or requested not to receive fundraising communications.

You can see that each organisation is approaching this differently based on their analysis of the relationship they have with each type of supporter or contact; there is no one size fits all approach to this but as long as you have a rationale to back up your decision making you will be in a strong position.

An understanding of what your supporters expect

- Judging likely expectations is one way of deciding who may reasonably expect wealth screening, but gaining an understanding of what your supporters actually understand and expect, is another.
- To do this, many organisations are in the process of undertaking surveys, questionnaires or interviews with supporters to try and understand what they might expect from the organisations they support, particularly around fundraising. This is, understandably, not something all organisations could do due to the resources involved, but the hope is that some of the organisations that are doing this work will share their results to help inform the sector. We will be sure to share any results as we see them.

What evidence is there about what donors expect when it comes to prospect research?

- If you can't undertake your own research amongst supporters, you can look at the existing evidence around what donors – principally major donors – think of research. Our paper on '[Legitimate Interests and Prospect Research](#)' provides some information and resources in this area.

What have you told them?

- Of course, regardless of what you judge their reasonable expectations to be, you must still tell supporters about the activities you plan to, or may, undertake using their personal data, and give them the option to opt out of this. See '[How do we provide fair processing information to supporters?](#)' below, for further details on this.
- It is worth noting here that simply telling people what you are going to do with their data (i.e. through a privacy notice) **does not make it fair** and you still need to "... consider the effect of your processing on the individuals concerned" ([ICO privacy notice guidance](#)) which is why not only supplying the privacy notice but also thinking about – and recording – your understanding of any likely impact, intrusiveness or reasonable expectations is key.
- It is also worth reviewing the information that was included in previous versions of your privacy notice so as to understand what supporters have already been told in regards to how their data will be used for fundraising purposes.

Summary

In summary, prior to providing data to a third party screening supplier for a wealth screening, you must segment out those supporters who:

- you judge **would not** reasonably expect for their data to be used in prospect research
- have specifically **opted out** after receiving your privacy notice detailing wealth screening

This entire process forms part of the balancing exercise that ensures your need to undertake a screening is not at the expense of your supporters' rights and expectations.

Does screening impact on individuals' rights and freedoms?

The GDPR provides certain rights to individuals in regards to the processing of their personal data. Organisations must ensure that the data processing does not contravene these rights. Below is a brief overview of each of the rights, looking first at what the [ICO state on their website](#) to describe what the rights mean in practice, and then at how we can ensure screening does not impact on them:

The right to be informed

ICO: The right to be informed encompasses your obligation to provide 'fair processing information', typically through a privacy notice. It emphasises the need for transparency over how you use personal data.

What to do: Ensure that your privacy notice is clear and transparent about the potential use of screening within fundraising, if screening is something you do now or even if you think you may plan to do if in the future. The [ICO's website](#) provides a useful breakdown to providing fair processing info. Also see the section below: '[How to provide fair processing](#)'.

The right of access

ICO: This allows individuals to be aware of and verify the lawfulness of the processing as individuals have the right to access their personal data

What to do: Alongside the privacy notice, have a clear 'Subject Access Request' policy and protocol, and make it easy for data subjects to find out how to request access to any of their personal data that your organisation holds. The ICO provides [some guidance](#) on this but it relates to the DPA, not the GDPR where some aspects are different (e.g. under GDPR you cannot charge a fee).

The right to rectification

ICO: Individuals have the right to have personal data rectified if it is inaccurate or incomplete.

What to do: There is not a huge amount of research undertaken after a screening, and so it is unlikely that there would be inaccurate data, but individuals may want to know how a wealth estimate has been calculated in order to query the accuracy. In which case, Factory (and other screening suppliers) would be happy to outline our calculations on this on request. Also, if screening data is held on file for too long, the wealth estimations will become out of date and inaccurate, so it is important to think about how long you store the data and update your data retention policy and protocols accordingly.

The right to erasure

ICO: This is also known as 'the right to be forgotten', enabling an individual to request the deletion or removal of personal data where there is no reason for its continued processing.

What to do: This is more likely to be something that is requested if an organisation has undertaken more in-depth prospect research, but in any case orgs must comply with this by (usually) deleting all but basic information (which must be retained in order to ensure, for example, that this person is not screened or researched again in the future if they have requested not to be).

The right to restrict processing

ICO: Individuals have a right to 'block' or suppress processing of personal data – when processing is restricted, you are permitted to store the personal data, but not further process it. You can retain just enough information about the individual to ensure that the restriction is respected in future.

What to do: This is unlikely to occur with data from a screening (as supporters will more likely exercise their right to opt out of screening entirely) but if a processing restriction is requested this must be complied with until such a time as the restriction is lifted.

The right to data portability

ICO: This allows individuals to obtain and reuse their personal data for their own purposes across different services (e.g. it allows them to move, copy or transfer personal data easily from one IT environment to another).

What to do: This does not apply to wealth screening processes or prospect research in general.

The right to object

ICO: Individuals can object to processing based on legitimate interests

What to do: Have a clear policy/protocol on providing supporters with information about how they can opt out of, or object to, wealth screening (this is ordinarily through the provision of fair processing information). Comply with each and every request, keeping a full record of the process (e.g. dates, actions etc.).

Rights in relation to automated decision making and profiling

ICO: This is to ensure safeguards are in place for individuals against the risk that a potentially damaging decision is taken without human intervention (because individuals have the right not to be subject to a decision that is based on automated profiling and which might produce a significant effect on the individual).

What to do: The ICO say that you need to identify whether 'any of your processing operations constitute automated decision making'. Screening does not constitute an automated decision making process that affects individuals because there is significant human intervention between the stage at which an individual is identified in a screening and when they are approached by an organisation as part of a major donor programme. Drawing up a protocol which outlines the complex decision-making processes behind major gift fundraising would make it explicit that there is no significant effect from screening in terms of automated decision-making and profiling.

All the above said, it is also worth keeping an eye on developments from the Article 29 Working Party which published [initial guidelines](#) for consultation into automated decision making and profiling, with final guidelines due in late 2017/early 2018, as these may have implications for screening and prospect research more widely in the future.

Undertaking Privacy Impact Assessments & Legitimate Interests Assessments

Privacy Impact Assessments (PIA) help organisations to identify privacy risks associated with processing of personal data and to act to eliminate or reduce these risks. PIAs are integral to the ICO's 'privacy by design' approach to the use of personal data and will help organisations to comply with complexity of the GDPR. When considering how to undertake a compliant screening, a PIA is a very useful way of proving that you have thought about the implications of the processing.

The Institute of Fundraising will be bringing out some guidance on prospect research and the GDPR in early 2018 which will contain information on why and how to undertake PIAs. The guidance will also contain samples of a PIA for prospect research. Alongside this, the PIA framework that is provided by the ICO in their [PIA Code of Practice](#) is also very useful.

Due to the guidance already available, there is not much to add here that hasn't been covered elsewhere in terms of the format and process of a PIA, but it is worth briefly looking at the GDPR Principles ([Article 5](#)) in relation to screening, as understanding these will help you to identify where there are privacy risks that need to be addressed in the PIA.

In brief, the principles are:



Below is a table of some of the privacy risks relating to the principles that may be associated with a screening, and some ideas of how to reduce or eliminate those risks. This is ***not an exhaustive list***, and they may not all be applicable to your exact needs, but it should give some indication of the types of risks associated with screening that could be identified and the actions that can be taken to mitigate against them. This is the type of analysis that should be incorporated into a PIA to prove that you have identified and eliminated any potential privacy risks.

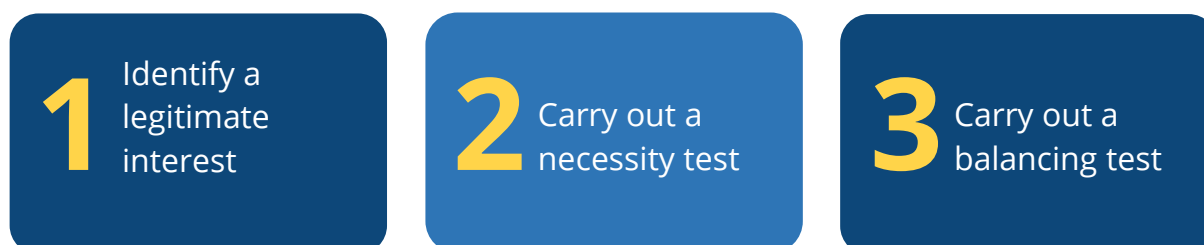
Example risks to individuals / organisation	Potential breach of...	Example actions to reduce or eliminate the risk
<p>Supporters may not reasonably expect the processing to occur. Any supporter con-cerns about screening could result in a com-plaint, ICO action and / or damage to organ-isationl reputation</p>	<p>Principle a Principle b</p>	<ul style="list-style-type: none"> • Provision of robust privacy notice • Survey / interview supporters about their reasonable expectations • Review existing academic studies about what donors expect • Decide which types of supporters to Screen • Draw up a clear screening protocol (including how to record opt outs on CRM system)
<p>Sending data to a third party could result in lost data or data breach which would need to be reported to the ICO (leading to potential action and damage to reputation)</p>	<p>Principle f</p>	<ul style="list-style-type: none"> • Sign contract with third party supplier • Ensure third party supplier is reputable • Review supplier data security process (including their storage, retention and deletion of client data)

Example risks to individuals / organisation	Potential breach of...	Example actions to reduce or eliminate the risk
<p>The screening data will eventually become out of date and potentially inaccurate (especially wealth estimation). If a data subject submits an SAR they could potentially complain about the inaccuracy of the data.</p>	<p>Principle d</p>	<ul style="list-style-type: none"> • Review % of results from screening to ensure accuracy • Review data retention policy to ensure data is not kept until such a time it loses accuracy • Ensure data deletion policy is adhered to

Legitimate Interests Assessment

If your organisation is looking to rely on legitimate interests as your lawful basis to process data for wealth screening, then undertaking a Legitimate Interests Assessment is also advisable. As we mentioned previously in our guidance on legitimate interests, the [Data Protection Network has produced guidance](#) which contains a 'Legitimate Interests Assessment' (LIA) tool.

There are three stages to the LIA:



The LIA provides a very useful framework for bringing together some of the information in this paper, especially around the balancing exercise you carry out to ensure your need to undertake screening is not overridden by the rights and expectations of your supporters. Presuming this balancing exercise is successful, then keeping the PIA and the LIA on file (and having a protocol to periodically review them) will ensure you have met the standards required to rely on legitimate interest.

Decide on a legal basis for processing

In order to process data under GDPR for any purpose your organisation needs to decide on a legal basis for each type of processing. The ICO Conference paper from February 2016 outlines that “Wealth screening is a separate and distinct activity that requires its own basis for processing”, so it is imperative that you choose a legal basis for processing data specifically for screening if you are hoping to undertake this activity.

There are six potential lawful “conditions for processing” (information on each of them can be seen on the [ICO website](#)) but only two of them are relevant to fundraising or prospect research: **Consent** or **Legitimate Interests**.

As Adrian Beney has [succinctly outlined](#) in a LinkedIn post, the fundamental difference between Consent or Legitimate Interests from a supporter point of view is as follows:

- **Consent:** “Here’s what we would like to do with your data. Tell us if that’s OK”
- **Legitimate Interest:** “Here’s what we intend to do (or have recently started to do) with your data. We have a business need to do this, we don’t believe it will harm you. You can tell us you’d prefer us not to”

Consent (or ‘opt-in’) has been promoted as a relatively straightforward option and the ICO have produced some guidance (see [here](#) and [here](#)) on how to obtain the correct standard of consent for data processing under GDPR. However, as Adrian’s post (linked above) outlines, it is not necessarily a ‘safe’ option for non-profits and even Elizabeth Denham, the Information Commissioner, stated in [a blog post](#) in August 2017 that ‘consent is not the ‘silver bullet’ for GDPR compliance’ and should be seen as far from the only option.

The alternative condition for processing is Legitimate Interests. We are still waiting for the ICO to produce their guidance on this but, as Elizabeth Denham said in her blog, “... there’s no need to wait for that guidance. You know your organisation best and should be able to identify your purposes for processing personal information.”

As outlined in this paper, to rely on your Legitimate Interests for wealth screening you need to prove that screening:

- is necessary;
- is not intrusive;
- is within supporters' reasonable expectations (based on their relationship with you);
- does not override supporters' rights; and
- is fair and lawful.

Following the steps outlined in this paper will put you in a strong position to make the decision about which lawful condition to rely on. As an indicator from the sector, Factory's survey of prospect research teams in late 2016 showed that 54% of organisations had chosen Legitimate Interests and 3% had chosen Consent (the remaining 43% had yet to decide).

Ensure the screening company you use is compliant

It is imperative that you also ensure that the third party screening supplier you choose to partner with for a screening is also compliant. Ask your supplier to outline their compliancy and their condition for processing data. As an example, please see our short overview of '[How a Factory screening is compliant](#)' for more information on this – and please do come back to us if you have any questions.

How do you provide fair processing information to supporters about screening?

As we know, it is imperative that we include information about the type of data processing we undertake in a clear privacy notice which, under GDPR, we have to provide to our supporters (not just make available via our website). The [ICO guidance on privacy notices](#) outlines that being transparent is the only way we can provide our supporters with appropriate choice and control over how their data is used and it also gives an overview of how to compose and provide a privacy notice.

There are no hard and fast rules over the exact wording that needs to be used about screening in a privacy notice although we know that including relatively ambiguous phrases such as “we will use your data for fundraising purposes” is not sufficient. For transparency (and to avoid any doubt, should you ever have to justify your language), it would be advisable to include information such as:

- Clearly stating that you undertake wealth screening as part of fundraising.
- An explanation as to why wealth screening is used by your organisation.

- The use of third party suppliers and how you manage the relationship.
- Clear instructions as to how supporters can opt out of their data being used in this way.

You may find the discussion in Tim Turner's [guide to fundraising and GDPR](#) useful in this area (see the section on the language used in privacy notices from the end of pages 19-22), but some examples of how organisations have described wealth screening within their wider privacy notices are as follows:

We carry out targeted fundraising activity to ensure that we are contacting you with the most appropriate communication, which is relevant and timely and will ultimately provide an improved experience for you. In doing so, we may use profiling techniques or use third party wealth screening companies and insight companies to provide us with general information about you. Such information is compiled using publicly available data about you or information that you have already provided to us.

Depending on your relationship with us, and the preferences you have indicated, data we hold may be used by us for... .wealth screening and research, to help us understand our members, donors and potential donors, including gathering information from publicly available resources to give an insight into your philanthropic interests and ability to support us.

As we are a fundraising institution, we may gather information about you from publicly available sources – for example, Companies House, the Electoral Register and the media – to help us to understand more about you as an individual and your ability to support us. We may carry out wealth screening, a process which uses trusted third-party partners to automate some of this work... By doing this, we can focus conversations we have with you about fundraising and volunteering in the most effective way, and ensure that we provide you with an experience as a donor or potential donor which is appropriate for you.

Wealth Screening: We want to make sure we use our resources as effectively as possible to help us engage with our community supporters appropriately. In order to achieve this we may undertake wealth screening of our database. Wealth screening enables us to better target our conversations about fundraising and therefore generate funds cost-effectively. To achieve this we will share your data with one of our trusted third-party suppliers.

You may want to include a more detailed explanation of wealth screening, including the reasons you do it and an outline of how it enables you to achieve your goals. Some organisations are providing a more detailed explanation about prospect research more generally, including wealth screening, as a link from the main privacy notice on their website, or through offering to talk about it with supporters. This is a good idea, as it shows a further willingness to be open and transparent, and the ICO also advocate taking this type of layered approach to the provision of information to data subjects, although you must be as open and transparent as possible in the main notice, ensuring you cover the main points and don't 'hide' them in further layers of information.

Reactions to privacy notices

As you may be aware, Factory are undertaking a project to analyse the reactions that supporters have when they receive privacy notices containing details of prospect research activity (including screening). This analysis is being undertaken on privacy notices sent out by organisations relying on legitimate interests and will principally look at how many supporters choose to:

- fully opt-out of their data being used for research purposes
- opt out of specific processing (i.e. screening but not profiling)
- send in a Subject Access Request
- complain about this type of data processing
- query this type of data processing

Results from this project will be available in 2018 but currently the findings are suggesting that an extremely low percentage of supporters are responding negatively to the communication (currently <0.001%). This extremely low negative response rate would seem to indicate that the organisations have judged their balancing exercise correctly (i.e. they have correctly judged that

their need to undertake screening does not override the rights and expectation of supporters).

The implications of these results are that legitimate interests can be seen as an acceptable condition for processing data for prospect research purposes, providing that each organisation undertakes the necessary balancing exercises. These results may be of some help, and give confidence to, other organisations currently trying to make a decision on which condition for processing to rely on.

If your organisation has undertaken the necessary balancing exercises and has chosen to rely on legitimate interests, please [do get in touch](#) if you would be willing to share some statistics in regards to the reactions of your supporters when you send out a privacy notice.

How this all impacts on major donor fundraising strategy

This paper has shown that the steps to a compliant wealth screening are first to prove the ***necessity*** of wealth screening. Following this, you must then undertake a ***PIA*** to understand your supporters' ***reasonable expectations*** (based on their relationship with you) and to ensure your need to undertake screening is not overridden by ***supporters' rights***. Once this is done, and you have decided on a ***legal basis for processing*** (consent or legitimate interest), you must then include information about screening activity in your ***privacy notice*** and send this out to your supporters (via whatever means PECR will allow). ***Record*** any reactions to this privacy notice, including anyone ***opting-out*** of screening. Once all this has happened, you then segment out any supporters you feel would not ***reasonably expect*** to be screened, or those who have ***opted out***. Lastly, ensure ***that third party screening companies are GDPR compliant*** (see [our paper](#) on how Factory's approach is GDPR compliant).

You are then ready to undertake a compliant wealth screening.

Whilst all of the above is relatively straightforward it can seem like an extraordinary amount of work to do, especially when analysing reasonable expectations and weighing up supporters' rights. That said, ultimately the analysis and decisions that are made about screening (and prospect research in general) in relation to GDPR will have a beneficial impact on our work, so they are well worth the effort.

For example, proving the necessity of wealth screening can help to show that prospect research is integral to developing an efficient fundraising strategy as screening can show how many current major donor prospects you have in your pool and what the potential gift capacity might be for particular projects or campaigns. You can also show the long-term effect of prospect research by tracing and analysing the impact a prospect may have on your organisation after you have identified them in a screening (their impact could be through direct donations, in-kind support or from opening up their networks to your organisation). All of this analysis can show where and how screening and research supports fundraising aims, strategy and outcomes.

Similarly, this process may be the first time you have truly thought about your supporters' reasonable expectations. We have seen from our clients that doing this really does shift the dynamic and put supporters at the heart of decision making, not just about research but about fundraising more broadly. The

organisations that are now having open and honest conversations with donors about screening and research are gaining valuable insight into their supporters' expectations, and their supporters are gaining valuable insight into the professionalism of fundraising.

We believe that transparency about prospect research is long overdue and, despite the upheaval of the past few months, that the GDPR will have a positive impact on the incredibly valuable work that we do as prospect researchers.

If you would like to discuss any of the issues highlighted in the paper please do [get in touch](#). Also, please do review the [GDPR resources page](#) of our website for further papers from us, and links to other useful documents.