

East Suffolk & North Essex NHS Foundation Trust

Donations, Fundraising, Sponsorship & Charitable Funds

Policy & Procedure

Procedural Document Approval Committee

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This document has been produced for East Suffolk & North Essex NHS Foundation Trust and replaces all previous Charitable Funds Policies, Fundraising Policies and Gift Acceptance Policies at Colchester University Hospital NHS Foundation Trust and Ipswich Hospital NHS Trust.

Every year we are always astounded by the generosity of our patients, relatives, staff and members of the public and community who devote their time and effort to fundraising for our hospitals and community services.

That generosity has helped us to purchase new equipment and improve facilities across our hospitals and community services benefiting both our patients and staff.

All charitable donations gifted to the East Suffolk & North Essex NHS Foundation Trust, whether arising from legacies, fundraising, sponsorship, charitable trusts and foundations applications or grants, or gifts from other charities or League of Friends are managed by East Suffolk & North Essex NHS Foundation Trust Charitable Fund. The Charity is registered with the Charity Commission (Registration Number 1048827) and is governed by the laws applicable to Trusts i.e. The Trustee Act and the Charities Act. The charity also operates under a working name across the acute sites as Colchester & Ipswich Hospitals Charity. A Charitable Funds & Sponsorship Committee meets regularly and has delegated responsibility to oversee the Charity on behalf of the Corporate Trustee.

The Charity's mission is to raise income and manage funds to improve patient care either directly with patients or indirectly via staff. We do this by enhancing the services provided by the East Suffolk & North Essex NHS Foundation Trust and fund additional items, which would not otherwise be funded by the NHS.

The Charity's stated aim is "to use the income and capital for charitable purposes relating to the National Health Service."

We try wherever possible to respect the wishes of those making donations in respect of funds being used for specific areas or for a specific purpose and we also have general funds to support East Suffolk & North Essex NHS Foundation Trust wide services, services at specific hospitals and services within the local community.

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1. Introduction

The Charities Act places a direct responsibility on East Suffolk & North Essex NHS Foundation Trust to conduct its charitable fund affairs within charity law. Therefore the Trust Board, acting in its capacity as Corporate Trustee, has agreed the issue of these guidelines setting out the terms and conditions within which all business relating to charitable income and expenditure will be carried out.

East Suffolk & North Essex NHS Foundation Trust Charitable Fund is a charity registered with the Charity Commission (Registered Charity No.1048827). A working title is also registered with the Charity Commission under the same registration and the charity operates under this name when fundraising across the acute sites i.e. Colchester & Ipswich Hospitals Charity. Under this umbrella charity registration, a number of Designated and General Funds exist which retain their individual identity. Please note, the use of the charity registration number must be authorised by the Charity Office and cannot be used in connection with fundraising without prior approval. All documentation relating to charitable business must by law quote this number.

Specific Fund Signatories have been nominated to be responsible for the expenditure of each Designated Fund. These guidelines will enable a Fund Signatory to fulfil their duties, whilst ensuring compliance with the law. If you are unaware of who is the nominated Fund Signatory for any Designated Fund, please direct your enquiry to the Charitable Funds Accountant in the Finance Department.

This version supersedes any previous versions of any document related to Charitable Funds Policy and Procedures, Donations, Gift Acceptance or Sponsorship at Ipswich Hospital NHS Trust and Colchester University Hospital NHS Foundation Trust. This document also supersedes any documents in relation to community charitable funds now held by the Trust.

2. Purpose of this Policy/Procedure

These guidelines are intended as a reference point for all Trust staff on the correct use and application of charitable donations and expenditure. The guidelines are not definitive and any queries relating to the operation and use of the charitable funds should be directed to the Charitable Funds Accountant in the Finance Department or the Head of Charity.

3. Scope

This policy is directed at all staff, including those staff taking an active role in managing charitable funds (i.e. Fund Signatories).

4. Definitions / Glossary

Standing Financial Instructions (SFIs) - These are issued by the Director of Finance to provide a clear instruction on the regulation of all financial matters. The Charitable Funds & Sponsorship Committee

has adopted the Trust's SFIs and is therefore bound by them. Copies of the relevant section applicable to charitable funds can be obtained on the Trust's Intranet.

Standing Orders (SOs) - These are issued by the Trust to provide a clear understanding of the overall rules governing the operation of the Trust Board. These are also available on the Trust's Intranet.

Endowment /Non-Exchequer/Free Monies and Trust Funds - These are all various terms that have been used to describe charitable funds in the NHS.

General Funds - A single general purposes fund exists at each hospital site for the benefit of the hospital as a whole. A further general purposes fund exists for the benefit of the East Suffolk & North Essex NHS Foundation Trust as a whole. These funds can be applied for the benefit of patients and staff.

Designated Funds or Restricted Funds - These exist at all levels but can only be applied for the purpose stated and for no other use.

Governing Document - This document is required to establish the terms and objects (purpose) of a charitable fund. It is combined with a registration document to formally register a charity with the Charity Commission.

5. Ownership and Responsibilities

5.1 Role of the Trustees

These are the people responsible, under a charity's governing document, for controlling and managing its affairs. They are accountable for the proper management of the charity. East Suffolk & North Essex NHS Foundation Trust is the Corporate Trustee of the Charity.

Members of the Trust Board and the Charitable Funds Committee are not individual trustees under charity law but act as agents on behalf of the Corporate Trustee in the administration of the charitable funds.

5.2 Role of the Charitable Funds Committee

The Trust Board discharges its responsibilities for the management of charitable funds through the Committee, whose minutes are forwarded to the Trust Board. This Committee comprises of non-executive directors, directors, clinical, finance and patient representatives. A full Terms of Reference is available separately to this document.

The Committee manages the affairs of East Suffolk & North Essex NHS Foundation Trust Charitable Fund within the terms of its Declaration of Trust, Supplemental Deeds and appropriate legislation.

The Committee manages the investment of funds in accordance with the Trustee Act and, if necessary, seeks advice from the Charity Commission and professional financial and investment advisors, where appropriate.

The Committee ensures funding decisions are appropriate and are consistent with the Charity's objects, and ensures such funding provides added value and benefit to the patients and staff of the Trust, above those afforded by the Exchequer funds.

The Committee receives regular reports on financial transactions and audit findings and approves the annual accounts.

The Committee regularly reviews the performance and appointment of investment advisors.

5.3 Role of Fund Signatories

Fund Signatories are those members of staff given responsibility for the expenditure of the individual Designated Funds held under the Charity umbrella registration. Fund Signatories are required to approve all expenditure in accordance with the Scheme of Delegation and to ensure that all expenditure incurred is in accordance with these guidelines.

Any member of staff can submit an application to the Fund Signatories, however, only the Fund Signatory, the Charitable Funds & Sponsorship Committee or the Trust Board acting as Corporate Trustee can decide how the Designated Fund or General Funds are spent.

Fund Signatories must ensure that there are funds available before approving any purchase and that the expenditure meets the fund objectives and is for the public benefit.

All East Suffolk & North Essex NHS Foundation Trust employees are responsible for ensuring donations to a Designated Fund are accepted and banked correctly. Fund Signatories are responsible for ensuring that colleagues in their team or wider department know what to do if offered a donation. The Charity Office can give further advice on this process.

Fund Signatories will be sent a Statement each month giving the balance on the fund.

Fund Signatories are also responsible for ensuring that spending plans are in place for the period 1 April to 31 March each year.

Failure to provide a spending plan in a timely manner, when requested, may result in the appointment of an alternative Fund Signatory or the amalgamation of funds.

5.4 Role of the Charitable Funds Accountant

The Charitable Funds Accountant is responsible for the day to day financial administration of the Charity and its Charitable Funds. This includes arranging for financial transactions to be processed, the compilation of management information, maintaining a record of those transactions and reports to the Financial Controller and Charitable Funds Committee.

5.5 Role of the Head of Charity

The Head of Charity is responsible for the day to day running of the charity, governance of the charity, compliance with regulatory and legal matters, charity strategy, business planning and budgetary matters, leads on policy and procedures, planning and prioritisation of expenditure and capital projects and deals with legacy bequests.

5.6 Role of the Head of Fundraising

The Head of Fundraising is responsible for delivering the income budget and the planning and delivery of the agreed fundraising, appeals and events programme. This includes supporting community and staff fundraisers, proactively securing and developing new income streams and fundraising products potential and communicating regularly with donors. The Head of Fundraising reports to the Head of Charity on a variety of issues related to fundraising.

6. Standards and Practice

6.1 Charity Objects and Types of Funds

The Charity's governing document registers the purposes for which the Charity has been set up to achieve - namely "For any charitable purpose or purposes relating to the National Health Service."

East Suffolk & North Essex NHS Foundation Trust Charitable Fund (also known as Colchester & Ipswich Hospitals Charity) is an umbrella charity under which a number of individual Designated Funds are held exclusively for charitable purposes.

6.2 Types of Charitable Funds:

6.2.2. Unrestricted funds - These may be spent at the discretion of the Trustees on the Charity's objects.

6.2.3. Restricted funds - these can only be spent in accordance with restrictions imposed when the funds were given to the Charity. The Trustees are not obliged to receive funds on trust and may refuse them if conditions imposed by the donor are too onerous or where funds are unlikely to be able to be used as directed.

6.2.4. Designated funds - Additionally, funds may be designated where, at the discretion of the Trustees, monies are earmarked for a specific purpose, such as a specific ward or service area. Whilst the Trustees will endeavour to ensure that the funds are used for the designated purpose, the designation is an administrative one and is not legally binding.

6.2.5. Opening of New Funds - The first consideration when receiving new donations is whether it can be added to an existing unrestricted or restricted fund. There may be circumstances when a new fund is required, such as a when a donor makes a specific request as to how the money can be used, when a legacy is received that has conditions attached to it, or when money is being raised for a specific purpose such as an appeal. The creation of a new fund will not normally be considered where there is in existence a fund suitable for the purpose of the donation.

6.2.6. Fund Objectives - Whatever type of fund is set up, a simple statement should set out the purpose of the fund and the objectives it hopes to achieve. The fund's name should reflect this and be in line with the charitable fund naming convention. The Charitable Funds Accountant can provide further guidance on acceptable naming.

New Unrestricted Designated Funds will usually only be set up where it is expected that income raised will be in excess of £10,000. The Charitable Funds Accountant can offer guidance to other suitable funds in existence and may occasionally take applications under that value to Charitable Funds Committee for approval dependant on circumstances.

In the case of a restricted fund, the statement will define a hospital, service or patient group which is allowed to benefit from the money.

For an unrestricted fund, the statement should also note that the objectives are established “for guidance purposes only”. This means that if, at any time in the future, the fund is no longer needed for the original purpose envisaged (for instance, because a facility has been closed), the balance of the funds can easily revert to another similar purpose fund or general use.

If advice is needed on the most appropriate fund to use or it is felt that a new fund is required, please speak to the Charitable Fund Accountant.

Charitable Funds & Sponsorship Committee approval is required before setting up any new Designated Fund.

7. Use of Funds

It is part of the duties of Trustees to ensure that funds are used within a reasonable period of time, taking account of the Charity’s overall objects. This is supported by Charity Commission guidance. It is the responsibility of the Fund Signatory to ensure that funds are active and that there is a plan of expenditure that meets the criteria of using the funds over a reasonable timescale.

If a Fund Signatory plans to accumulate funds for a future commitment, the plans should be discussed with the Head of Charity and Charitable Fund Accountant so that this information can be conveyed to the Charitable Funds & Sponsorship Committee.

7.1. Inactive Funds

The Charitable Funds & Sponsorship Committee reviews all funds at their meetings and may ask Fund Signatories for their spending plans from time to time, where a fund has been inactive. The Charitable Funds & Sponsorship Committee may consider and approve the closure of an inactive fund and transferring the balance to another similar purpose Designated or General Fund where this is permitted under Charity Commission regulations.

7.2. Expenditure Levels, Delegated Expenditure Limits & Guidance for Decision Makers

Trustees choose to delegate the day-to-day expenditure of Designated Funds within the Charity to Fund Signatories. Fund Signatories should be senior members of staff working in the particular field/area that the fund has been set up to support.

The Charitable Funds Accountant keeps a record of Authorised Signatory Forms which are used to record authorised Fund Signatories on the Charitable Funds Scheme of Delegation.

Certain types of expenditure will require prior approval where a Fund Signatory's expenditure threshold is exceeded. Expenditure limits are detailed below:

Expenditure between	Approval required from
£0 and £500	Fund Signatory
£501 and £5,000	Fund Signatory
	Divisional Head of Operations
	Director of Finance
£5,001 and £250,000	Fund Signatory
	Divisional Head of Operations
	Charitable Funds Committee
£250,000+	Fund Signatory
	Divisional Head of Operations
	Charitable Funds Committee
	Trust Board acting in their capacity as Corporate Trustee

8. Banking and Financial Arrangements

The appointment of bankers and investment managers is the responsibility of the Director of Finance, according to the Standing Financial Instructions. In practice the Director of Finance will make recommendations to the Charitable Funds Committee for approval. The performance of bankers and investment managers is kept under periodic review.

In all instances our aim is to achieve the best return from investments within acceptable risk levels and in accordance with legislation and the ruling document of the Charity.

9. Public Benefit

The core characteristic of any charity is public benefit. Whilst the charitable sector is enormous and very diverse, the aims of each and every charity, whatever its size, must be for public benefit. Public benefit is therefore central to the work of all charities and is stated in the Charities Act.

Patient focused expenditure, such as any item that is used as part of a course of therapy or improves the environment in which the patients are being treated, will generally meet the public benefit test. Expenditure on activities for patients or service users that is part of a package of rehabilitation or therapy will also meet the public benefit test.

Staff Away Days/Professional Training may achieve a public benefit through enhanced knowledge and skills which, in turn, will benefit patients. Spending on staff, however, should only be provided where it is not to the detriment of expenditure that more directly, measurably, and cost effectively enables an enhanced level of service to patients (the underlying charitable purpose).

If any Fund Signatory is in any doubt as to whether an item of expenditure will pass the public benefit test, they should contact the Charitable Fund Accountant

10. Expenditure

When thinking about proposed spending, the first question to be asked is, does the expenditure fall within the Trust's charitable purposes as set out in its governing document and does it pass the public benefit, public perception and additionality tests? Often this will provide a clear and straightforward answer.

10.1. The patient benefit test - All charitable expenditure should ultimately be for patient benefit. Such benefit may take the form of improved clinical services and outcomes, or enhanced patient experience. Where the immediate benefit of expenditure is for staff welfare or development, there should be a clear link to improved services for patients – for example through enhancing relevant staff skills, or encouraging staff innovation.

10.2. The additionality test - Charitable expenditure should enhance, rather than simply maintain, NHS services. The Charitable Fund should not be used to provide equipment or other items without which a department or service could not function. It is appropriate for the Charitable Fund to support innovation in equipment or services, which may later become a mainstream cost. It is also appropriate for the Charitable Fund to be used for complementary services e.g. therapeutic massage, art projects – which enhance the patient experience, but are not part of the core clinical services.

10.3. The public perception test - when considering expenditure, a Fund-Signatory should ask him or herself:

Would someone who puts a pound in a collecting bucket be happy for it to be spent in this way? Would you be proud to tell a donor about this expenditure, and the difference it is making, or would you find yourself defending a purchase which you know should really come from your core budget?

10.4. Specific areas of expenditure

The following paragraphs contain details for specific areas of expenditure.

Charitable funds must not be used to make payments that fall outside the purpose of the Designated Fund, contravene Standing Financial Instructions (SFIs), charity law, terms and conditions of employment, current tax legislation or any regulations specified by the Department of Health. For example, a grant which has been received for purchase of specific equipment cannot be used to fund attendance at a conference. The principal purpose of the NHS is to deliver services to patients. The outcomes to be achieved using the charitable funds should always be patient focused.

10.4.1 Patient Welfare and Amenities

Any expenditure on patients normally passes the public benefit test and will be a legitimate use of Charitable Funds.

Whilst patients should be the ultimate beneficiaries of all charitable expenditure, a large proportion of expenditure will relate to items of direct patient benefit and relate to the provision of services and facilities that are not normally paid for from NHS funds.

Examples of valid expenditure include:

- Enhancements to clinical and waiting environments;
- Ward facilities;
- Furniture and furnishing; and
- Patient extras e.g. distraction toys for children.

10.4.2. Equipment

Expenditure on equipment that is used in the diagnosis or treatment of patients, or is for the relief of disability, or designed to help disabled people move around is a qualifying expenditure. Equipment may also be purchased as a result of a gift given specifically for that purchase which the Trust is unable to fund from other sources.

The purchase of equipment may qualify for VAT savings, (see further section)

10.4.3. Staff Welfare and Amenities

To provide welfare and amenities that are not normally paid for from NHS Funds, this expenditure is considered valid if it is intended to improve the conditions under which staff work, or is incurred for the benefit of staff. Some examples of expenditure that is considered valid are:

- Education and training (see below);
- Leisure, kitchen and library facilities;
- Staff away days, where linked to training or team building (see below); and
- Tea, coffee and other refreshments – providing the fund does not incur associated revenue costs – e.g. for water cooling machines.

As long as the Charitable Funds Committee is satisfied that the expenditure will make the staff more effective in their roles, is over and above statutory provision, and has a clearly identifiable patient benefit the Charity Commission accepts that it is legitimate expenditure.

10.4.4. Education, Staff Training, Learning and Development Opportunities

In relation to training and /or education of staff the justification for use of charitable funds is that it will improve knowledge and understanding which can be expected to lead to better care or outcomes for the Trust's patients and is over and above mandatory and/or statutory training. Requesting charitable fund support from a Designated Fund to cover the costs of additional, non-mandatory training such as conference attendance, study days or higher education is therefore a valued option. The Charitable Funds Committee accepts the spend of charitable funds on training for staff where it can be demonstrated that the expenditure will make the staff more effective in their role, that there is a clearly identifiable patient benefit and it is over and above the mandatory training required for the day to day operation of the service.

The Charitable Funds expenditure request form should contain a detailed explanation as to the impact the training will have on patient care and how this will be measured.

- 10.4.4.1. The patient benefit, additionality and public perception tests must be applied – the application must have a clear public benefit - this is the test of whether expenditure is charitable
- 10.4.4.2. The benefit must primarily be to the patient not the staff member
- 10.4.4.3. A Charitable Funds request may be approved for **non-mandatory training** or further education or where there is no statutory funding available, such as seminars, conferences and training courses.
- 10.4.4.4. The Charitable Funds expenditure request form should also be accompanied by the Trust's learning and development application paperwork.
- 10.4.4.5. On receipt of all learning and development requests the Charitable Funds Accountant will forward the application for charitable funding to the learning and development funding panel who will review each request to ensure that the training is of the appropriate level for the individual and the objective to be fulfilled, that there are no outstanding HR issues and that no other source of public funding is available. No learning and development courses can be funded using charitable funds until approval is received through this panel.
- 10.4.4.6. Fund Signatories cannot authorise the spending of a sum greater than 20% of their fund balance in any financial year on learning and development opportunities unless the Designated Fund is limited within its objectives and includes only training, learning and development in which case the full balance can be used in any period. Above this expenditure limit, approval will be required by the Charitable Funds Committee.
- 10.4.4.7. Charitable funding is available for learning and development opportunities up to a maximum value of £5,000 per individual employee of the Trust provided that the tests above are fulfilled. A clawback agreement must be signed by the individual prior to the release of funds for all applications above £1,000 enabling a proportionate amount of the funding to be recovered to the Charitable Fund should the employee leave the Trust. If the employee leaves the Trust, the original Designated Fund that funded the study should be re-credited with any charitable funds clawed back as a result of this provision.
- 10.4.4.8. Expenses for attending non-mandatory training such as overnight accommodation and travel can be funded in line with East Suffolk & North Essex NHS Foundation Trust Policy but the applicant should choose the most economical travel and accommodation available given the charitable nature of the funding.

- 10.4.4.9. The East Suffolk & North Essex NHS Foundation Trust's study leave policy should be followed.
- 10.4.4.10. The Charitable Fund cannot be used to pay for professional subscriptions or memberships from any Designated Fund unless the purpose and objectives of the funds specifically states so.
- 10.4.4.11. The Charitable Fund cannot be used to pay for team building events from any Designated Fund and these should instead be funded by individual department development budgets in line with East Suffolk & North Essex NHS Foundation Trust Policy.
- 10.4.4.12. Charitable Funds cannot be used to pay for private study or to cover payments to the Trust for budget shortfalls

10.4.5. Staff Social Activity, Retirement Functions, Awards Ceremonies

- 10.4.5.1. Recent legal guidance recommends that NHS Charities refrain from using funds in certain circumstances in relation to the provision of staff social activity.
- 10.4.5.2. Charitable Funds may not be used to pay any allowance towards an individual ward or department staff social or Christmas event from any Designated Fund as this is not equitable to all staff across the East Suffolk & North Essex NHS Foundation Trust
- 10.4.5.3. The Charity Office will instead organise social or Christmas events from time to time that are open and accessible to all staff employed at East Suffolk & North Essex NHS Foundation Trust. Where possible these will either be free to attend if external funding can be sought or charged to employees and their families at cost price.
- 10.4.5.4. Charitable Funds may not to be used to fund leaving or retirement functions or buffets as there is no public benefit in funding a function for an employee that is about to leave the NHS. Celebration buffets are also excluded.
- 10.4.5.5. Charitable Funds may not be used to fund attendance at award ceremonies unless the initiative receiving the award was funded by Charitable Funds and that attendance at the awards ceremony was included in the original business case approved for funding. Where an application is made to fund awards ceremony attendance, approval of the expenditure is required in advance of the booking from the Charitable Funds & Sponsorship Committee.

10.4.6. Alcohol

The use of Charitable Funds for the purchase of alcohol is not permitted in line with East Suffolk & North Essex NHS Foundation Trust Policy. The only exception is where the Charity Office have organised a ticketed event where the costs of any alcohol included in the ticket price are fully recovered from tickets sold by the Charity.

10.4.7. Travel and Subsistence

Where linked to courses or conferences, or where necessary to support service, education or research, travel and subsistence may be appropriate charitable expenditure. Any expenditure must be in line with the Trust's travel and subsistence procedures and costs should be curtailed wherever possible and the most economic option available taken in line with the charitable nature of the funding.

10.4.8. Gifts

10.4.8.1. Recent legal guidance recommends that NHS Charities refrain from using funds in certain circumstances in relation to the purchase of staff gifts:

10.4.8.2. Gifts for life events such as birthdays, weddings, staff leaving or sickness are not permitted to be funded from charitable funds, this includes flowers for staff that are leaving, are on extended sick leave, or for bereavement, for example.

10.4.8.3. Charitable Funds may not be used to pay for staff or patient gifts for those working at Christmas. The Charity Office will co-ordinate patient gifts at Christmas and Easter ensuring that all patients in hospital over the period receive a small gift wherever possible.

10.4.8.4. No cash, including vouchers may be given to staff using charitable funds.

10.4.9. Research & Innovation

It is widely acknowledged that research is essential to the successful promotion and protection of health and well-being, and also to modern, effective health and social care services. Where this research is conducted with monies from Charitable Funds, there are additional responsibilities placed on the Trustees of the charity.

10.4.9.1. In considering a request to fund research from charitable funds the Trustees must be satisfied that:

- it falls within the scope of the Charity;
- the planned research is of good quality, well managed and cost effective;
- the research will be used with the aim of achieving public benefit (not for the benefit of a private individual or commercial organisation); and
- The useful results of the research will be published in such a way that the public will benefit from the advancement of the medical science to which the research has contributed.

10.4.9.2. Any proposal for research should be approved by the Director responsible for Research and Innovation before being submitted to the Charitable Fund Committee.

10.4.9.3. Where expenditure has been approved from a research fund, the following guidance should be followed in respect of payments made:

10.4.9.3.1. Remuneration of Staff – All payments for the remuneration of staff will be made via payroll and charged to budget. The budget will then be reimbursed from the Charitable Fund.

10.4.9.3.2 Requests for re-imbursement for any other expenditure should be agreed in advance and contained within the proposal or business case.

10.4.9.4. The support by a charity of private commercial research is not permitted so, for example, if a drug company contacts a researcher to undertake a clinical trial and the results are owned by the drug company – it will be the drug company that will benefit first and they may exploit the results commercially. This would be classed as a business arrangement and not as charitable activity.

10.4.9.5. If the research is to be undertaken on NHS premises, or using NHS resources and staff, then the NHS is entitled to recover its costs. These should be accounted for within exchequer funds as income generation.

10.5. VAT

The vast majority of purchases made by the Charity incur VAT at the standard rate of 20%. However, some purchases may allow suppliers to zero-rate the VAT, i.e. they will not charge VAT. This is a saving of 20%. When using Trust monies to make similar purchases (particularly of goods) you will normally have to pay VAT. For example medical and surgical equipment and certain types of purchases for medical research are zero-rated for VAT when purchased exclusively by a registered charity.

To qualify for zero-rated VAT an exemption certificate must be forwarded to the supplier with the purchase order.

In order to qualify for VAT exemption the equipment purchased must fall within one of the following categories:

- Medical Equipment
- Sterilising Equipment
- Scientific Equipment
- Laboratory Equipment
- Computer Equipment
- Refrigeration Equipment
- Video Equipment
- Parts or accessories of the equipment indicated above
- Repairs or maintenance of the equipment indicated above

The purchase must also be funded entirely by the Charity, and be used for one of the following:

- Medical Research
- Medical Training
- Medical Diagnosis

- Medical Treatment

Please speak with the Charitable Fund Accountant to confirm that the equipment is eligible for such relief.

10.6 Purchasing and Payment Requests

10.6.1 Accessing Charitable Funds

Any member of staff can submit an application to the Fund Signatories, however, only the Fund Signatory, the Charitable Funds & Sponsorship Committee or the Trust Board can decide how the Designated Fund or General Funds are spent.

The Charitable Funds Expenditure Application Form is available as an e-form on the Intranet. The Charitable Funds Accountant can provide guidance to any member of staff that does not have access.

10.6.2. Purchasing Requirement

The ordering of equipment and commodities must be made using the Trust's finance system following approval by the Charitable Funds Accountant that the expenditure request has been fully authorised.

10.6.3. Purchase of Equipment

- 10.6.3.1. Where additional revenue costs are anticipated as a result of a purchase, approval must be obtained from your Finance Business Partner.
- 10.6.3.2. Where any item uses or interfaces with IT systems and for all computer and IT related purchases prior approval must be obtained from the IT Department.
- 10.6.3.3. Where any application is made in respect of Medical equipment or devices, prior approval must be obtained from either the Medical Devices Management Group or Medical Equipment Management Group depending on location prior to purchase and, if applicable, electrical and safety checks carried out by the relevant Estates and Facilities Department upon receipt.
- 10.6.3.4. In addition to the approvals set out above, and in line with the Trust business case framework, prior approval to the business case for all items above £5,000 is required from the Joint Investment Group. We recommend that applicants for charitable funds over £5,000 in value first speak with their Service Manager as they will be able to support you in producing a robust business case to support the proposal.
- 10.6.3.5. Where possible the Trust's standard procurement process should be used to ensure that any equipment to be used in the Trust is purchased as cost effectively as possible, and that appropriate safeguards exist for the testing and maintenance of this equipment.
- 10.6.3.6. Where items are purchased and donated by an individual, outside the standard procurement process, all warranties should be in the Trust's name. Wherever

possible we advise against using this method of purchase. It is best practice for the individual to donate the purchase cost and for the Trust to carry out the procurement.

10.7 Remuneration of Staff

10.7.1. The Charity does not employ staff. They are employed by the Trust and re-charged to the Charity where approved by the Charitable Funds & Sponsorship Committee.

10.7.2. Where individual staff members provide additional services to the Trust over and above their substantive role such as workshops, support groups, lectures etc, fees or costs incurred that are to be paid for from Charitable Funds cannot be processed via invoice or reclaimed through expenses. The individual should be set up on the bank and payment made through that route to ensure the appropriate Inland Revenue deductions are made. No invoices related to payments to staff will be processed. Please contact your HR Business Partner and the Charitable Funds Accountant prior to agreeing to any costs from charitable funds of this nature.

10.8. Remuneration of Non Trust Personnel (e.g. lecture fees)

Requests for payment must be made using the standard claim form for non-Trust Personnel and will be processed with the appropriate tax deduction. A tax return of these payments will be submitted to the Inland Revenue at the close of the tax year.

10.9. Reimbursement of Fares, Subsistence or Other Expenses

A Charitable Funds Expenditure Application Form must be submitted in advance of the claim. Upon approval that the costs will be covered by charitable funds, the claim and receipt evidence should be processed in the usual way via the electronic expenses system e-Pay

10.10. Reimbursement of Vehicle Mileage

A Charitable Funds Expenditure Application Form must be submitted in advance of the claim. Upon approval that the costs will be covered by charitable funds, the business miles claim should be processed in the usual way via the electronic expenses system e-Pay

10.11. Payment of Expenses

Reimbursement of expenses incurred will be in accordance with the East Suffolk & North Essex NHS Foundation Trust policy (see Staff Travel & Subsistence Policy within the Intranet) e.g. professional fees will not be supported.

Personal expenses to individual staff members will only be paid via the payroll system.

10.12 Other Payments

A Charitable Funds Application Form must be completed in full with any paperwork to support the request. Incomplete forms will be returned to the Requisitioner or Fund Signatory.

11. Business Case Requirement - Purchases Over £5,000

In line with the East Suffolk & North Essex NHS Foundation Trust business case framework, a business case should be provided for any expenditure from Charitable Funds over £5,000

The same process must be adopted for spending more than £5,000 whether it is through an NHS budget or from a Designated or General Purposes Fund even where the money is being received into the Charitable Fund from another charity or organisation such as the League of Friends or a Charitable Trust/Foundation.

The business case framework is used to assess suitability, acceptability and feasibility in accordance with the East Suffolk & North Essex NHS Foundation Trust's objectives and to ensure all relevant aspects such as ongoing maintenance and repairs, IT compatibility, staff training and compatibility with other equipment in the Trust have been considered as part of the decision making process.

Copies of the business case templates can be found on the intranet. Alternatively, the Charitable Funds Accountant will be able to offer advice on their completion and submission to the relevant committees for approval prior to their submission to the Charitable Funds & Sponsorship Committee.

12. Types of Income

There are various income streams received into Charitable Funds including:

- Donations
- Fundraising
- Legacies
- Investment income and interest
- Grants
- Commercial Sponsorship

12.1. Donations

Donations can be solicited (for example through posters, leaflets or other appeals) or unsolicited (for example at the end of a hospital stay, a patient asks how they can donate to the ward or hospital charity).

A donation is money given to the Trust, for spending on charitable purposes by individuals or organisations, who receive no additional advantages over other users of Trust services.

Such donations will generally be received in the hospital or within the community service and should be accounted for and banked as soon as possible after receipt. Staff receiving a donation must ask the donor to complete a donation envelope form wherever possible or give their details for a receipt to be sent. If the donor does not wish to leave their details the staff members should place the monies in the envelope and mark it as an anonymous donation so that the gift can be recorded.

If a donation attracts Gift Aid then the Charity can reclaim tax from HM Revenue and Customs under the Gift Aid scheme. In order to qualify for Gift Aid the donor must pay in income tax or capital gains

tax an amount at least equal to the amount we will claim in the tax year (i.e. at the date of this document 25p for every pound donated)

Only individuals can Gift Aid their donation. Donations received from businesses or another charitable organisations cannot be Gift Aided. Likewise a fundraiser who has collected monies from other members of the public as a result of a fundraising event or sponsorship cannot then gift aid that donation. The Charity Office can provide a Gift Aid Sponsorship Form where a member of the public wishes to raise funds by completing a sponsored event. An individual cannot Gift Aid their donation if they are receiving a benefit in return i.e. the organisation cannot claim the Gift Aid if the donor is receiving a benefit such as an auction prize or event ticket.

Donations must be paid into the relevant Designated or General Purposes Fund immediately and not retained in offices, desks etc. Donated monies should not be banked into any revenue accounts but should be taken to the Charity Office or the Cashier at Ipswich or Colchester Hospitals with any supporting documentation. Staff within community hospitals or other community services may post cheque and CAF donations using the charity envelopes although we advise against posting cash. Donations will be receipted by letter. Donation envelopes are also available from the Charity Office for use within the community at events and funerals and donors can post cheques directly to the Charity Office.

Donations to Charitable Funds can also be made via debit or credit card online or via mobile phone via a secure payment processing system by visiting the charity website www.colchesteripswich.org.uk The donor can identify the ward or department they wish their donation to be used for within the checkout page. Similarly the online system enables a donor to set up a recurring donation payment with their debit card or set up a direct debit. The donor retains control of these recurring payments which can be cancelled by them (or the organisation if they wish) at any time.

All staff should know how to proceed if, as a result of their employment by the Trust, they are offered money or gifts by a member of the public.

The Trust expects all its staff and volunteers to act with honesty and integrity. Failure to comply with these principles, for instance by misappropriating money or gifts, will bring the Trust's Fraud Policy (See Standing Financial Instructions) into effect and may lead to disciplinary proceedings.

Please ask for cheques to be made payable to 'Colchester & Ipswich Hospitals Charity (Fund Name)' or 'East Suffolk & North Essex NHSFT Charitable Fund (Fund Name)'.

It is no longer possible to send donations to the League of Friends, all gifts as a result of the work of the hospital must be given to your charitable fund under Colchester & Ipswich Hospitals Charity.

12.1.1. Responsibilities of Staff and Fund Signatories in Relation to Accepting Donations

When accepting a donation as a minimum the donor's name, address, what the donation is for and the amount must be recorded by the member of staff accepting the donation. A donation form or donation envelope can be used for this purpose. The donation should be taken to the Charity Office or the Cashier at Ipswich or Colchester Hospitals with any supporting documentation. Staff within

community hospitals or other community services may post the donation using the charity envelopes. Donations will be receipted by letter.

Fund Signatories or other staff must ensure that donation details are given to the Charity Office. Where a Fund Signatory or service manager wishes to write a more personal thank you to the donors themselves they should attach this to the donation for the Charity Office to record and send out. Due to Data Protection Regulations, the Fund Signatory or service manager should no longer retain any donation information or records and must ensure the Charity Office has all available donor information. No patient numbers or health information should be sent to the Charity Office.

Donation Envelopes are available from the Charity Office at both Ipswich and Colchester Hospital sites or from reception at Community sites.

As a registered charity it is illegal for money donated to the charitable fund to be held in accounts outside of the Charity, or not banked through the income system.

All donations must be acknowledged with an official receipt which will be sent by the Charity Office.

Donors should make cheque payments payable to 'Colchester & Ipswich Hospitals Charity' or 'East Suffolk & North Essex NHS Trust Charitable Funds' and indicate which service or fund they wish their donation to go to.

People sometimes want to give money to staff with the express purpose of "treating" them. In line with the Standards of Business Conduct, staff should not accept money for themselves but may advise the donor that they can accept the "gift" as a charitable donation for their ward or unit's charitable fund.

If the donation was received in response to a specific appeal, the wishes of the donor are assumed to be the purchase, implementation and maintenance of the item appealed for.

If the donation was handed to a particular ward/department without further expression of wishes, the donation will be taken for the general purposes of that ward or department.

If the donation was received without further expression of wishes the donation will be taken for the general purposes of the East Suffolk & North Essex NHS Foundation Trust as a whole.

If the donor is agreeable to having their donation publicised, the Head of Charity or Head of Fundraising should be contacted for advice. Publicity will normally mean a short article and potentially a photo in internal publications or the local press and the charity's and Trust's social media.

12.1.2. Responsibilities of the Charity Office

The Charity Office records all donations, donor details and correspondence along with any other information about the donations. On receipt of donation information the Charity Office will send an official letter of thanks to receipt for all donations, legacies or event income where sufficient information is available. If no Gift Aid declaration has been received the Charity Fundraising Office will send one to the donor asking them if they would like the opportunity to Gift Aid their donation.

The Charity Office will record all donations and correspondence with a donor or event participant.

The Charity Office will delete any patient number or health information received from wards/departments before storing on the donor database.

12.2. Fundraising

The power of NHS Trustees to raise funds is set out in Section 222 of the NHS Act 2006.

Fundraising income results from organising or participating in events, targeted appeals and other activities (however large or small) that are undertaken to raise money.

The Trustees encourage staff and community fundraisers to undertake events and activities such as coffee mornings, quiz nights, sponsored runs/walks, as fund raising events for particular funds.

Whenever fundraising takes place it is important that the correct procedures are followed. This is for the protection of staff and for security of the donations. Also the Charity needs to ensure that all advertising is appropriate and the charity number used correctly. It is important therefore that advice is sought from the Community Fundraising Manager within the Charity Office before any fundraising takes place.

Fundraising may take place outside the Trust or on Trust premises. Fundraising activity on Trust premises is controlled and permission is required from the Head of Fundraising prior to the event.

A guide to fundraising is available from the Charity Office.

Before starting any fundraising Trust staff should take the following points into consideration

The Scheme of Delegation sets out levels of authorisation that MUST be received before starting fundraising. The Head of Charity is able to assist with this process.

Staff should be aware that fundraising may demand significant amounts of time and effort from those involved. Fundraising activities must never be allowed to interfere with the maintenance of normal services.

If a purchase is likely to result in additional revenue costs to the Trust, then these costs should be identified and may have to be included in the fundraising target. There must also be agreement on whether such costs can be funded by the Trust. If the Trust will not absorb the revenue costs, then agreement must be reached on how these will be funded e.g. running costs for equipment.

If applying for corporate donations, you must liaise with the Head of Fundraising. Requesting funding from commercial organisations, sponsorship may or may not be charitable according to what the sponsor receives in exchange for his money and the Charity Office records and coordinates all requests.

If the fundraising is to provide additional equipment, or to build or to adapt existing buildings, then normal planning and procurement procedures should be followed. Guidance should be sought from the Trust's Estates and procurement departments as appropriate.

Electronics Biomedical Engineering department (EBME) should be consulted with regard to the purchase of any equipment requiring ongoing maintenance or training.

There should be a clear understanding before fundraising begins, of how the funds will be used if the target is not met (or if it is exceeded). It is important this is made clear in all promotional material, as otherwise the funds could be difficult to use for another purpose.

In the case of equipment purchases, the Director should ensure checks on availability, technical considerations and conformity with current standards e.g. electrical safety, fire hazards, radiological safety are undertaken.

Trust premises and facilities may be used for fundraising but activities MUST NOT disadvantage service users in any way. See Fundraising on Trust Premises section within this policy.

Patient data must not be used for fundraising purposes - it is prohibited under the Data Protection Act.

Wherever possible fundraising should take place outside normal working hours.

To ensure fundraising is carried out efficiently, effectively and that the public and colleagues are not overwhelmed by multiple fundraising appeals permission to fundraise should be sought from the Head of Charity for all fundraising activity on behalf of a Colchester and Ipswich Hospital Charity or ESNEFT Charitable Fund.

The use of any of the Trust's premises to hold a fundraising event should be approved by the Head of Charity and the relevant Service Manager or Director.

All fundraising MUST:

- Identify any expenses before starting to fundraising and ensure that the object of the appeal is wanted and appropriate
- Be for a defined charitable purpose related to health care.
- Clearly state the charitable purpose e.g. to raise funds for...
- Be appropriate, not cause offence, distaste or annoyance.
- Be consistent with the aims of the Trust. e.g., Health Care/Health Promotion.
- Avoid conflicts of interest e.g., seeking funds from Suppliers/Contractors.
- Comply with the appropriate security, health and safety and any other relevant policies.
- Comply with all legal, and local regulations, e.g., obtain necessary licences, permits, or exemptions from the Local Authority and Police
- Have appropriate insurance cover.

- Have a named organiser.
- Be approved by the appropriate Service Manager and/or Executive Director, and authorised by the Head of Charity

12.3. Legacies

Patients and their relatives can show their appreciation by choosing to make a bequest in their will for the benefit of East Suffolk & North Essex NHS Foundation Trust Charitable Fund (also known as Colchester & Ipswich Hospitals Charity).

If an enquiry is received from an individual who wishes to make a bequest, please refer them or their solicitor to the Head of Charity.

All legacies should be received into the East Suffolk & North Essex NHS Foundation Trust Charitable Fund Bank Account and will be disbursed by the Charitable Funds Committee in line with the donor's wishes to the most suitable appropriate fund or a new restricted or unrestricted fund if required.

Legacies will be treated as unrestricted income unless the terms of the bequest impose a legal restriction on the use of the monies on the Trustees.

All correspondence from solicitors regarding a bequest should be forwarded to the Head of Charity, who will liaise with the solicitor. The Fund Signatory or Service Manager has no authorisation to deal with the solicitor on behalf of the Trust or the Charity. The Charitable Fund Accountant or Head of Charity will advise the Fund Signatory in due course of any bequests or monies that have been received.

Legacies in themselves do not create new trust funds and unless the will is very specific, a new fund will not be created. Legacies will be directed to the relevant fund and the Fund Signatory notified.

12.4. Investment Income and Interest

The Charitable Fund Trustees will invest monies or put money into a higher interest deposit account as required to maximise the income. The Trustees will always have an Investment Policy which will be complied with. Any interest or dividends received are apportioned amongst funds, based on fund balances quarterly throughout the year.

12.5 Grants

Grants are usually restricted income given for a specific purpose. They can come from a wide range of sources such as League of Friends, NHS grant-making organisations, grant-making trusts set up to give monies to good causes, the National Lottery, and Children in Need to name but a few.

Staff must inform the Charity Office prior to making an application to any organisation for a grant, so that efforts can be co-ordinated and duplicate or multiple applications can be avoided.

13. Gift Acceptance

East Suffolk & North Essex NHS Foundation Trust and Colchester & Ipswich Hospital's Charity reputation is very important to its ability to raise funds, and as such the Charity's and Trust's reputation could be damaged through the acceptance of certain gifts. A judgement must be made as to whether the case for accepting a gift is strong enough to counteract any potentially negative impact it might have on the Charity or the NHS Foundation Trust, and what effect negative publicity might have on other potential Donors.

Acceptance of donations must ultimately be at the discretion of the Charitable Funds Committee. The majority of donations are straightforward and are very welcome. Occasionally, donations from certain organisations or people may cause concern. e.g. A donation from a cigarette manufacturer or pharmaceutical company or a donation that incurs ongoing expenditure from the Trust or Charity

In considering whether to accept an individual charitable gift (donation) the following questions/guidelines may help staff to assess and manage any risk.

- Is the purpose of the gift compatible with the objectives and mission of the charity and the Trust?
- Does the purpose of the gift support the Charity's and the Trust's Strategic Plans?
- What additional cost, if any, would be incurred as a result of accepting the gift?
- Would donor recognition or acknowledgement be in line with the Trust and Charity's naming policy?
- Is there evidence available that the proposed gift arises from activity that involves tax evasion, is detrimental to public health, caused environmental damage, and involves human rights violations or criminal activity?
- Is there evidence that acceptance of the gift would;
 - require action that is illegal under English law
 - create an unacceptable conflict of interest for Colchester & Ipswich Hospitals Charity or East Suffolk & North Essex NHS Foundation Trust
 - expose Colchester & Ipswich Hospitals Charity or East Suffolk & North Essex NHS Foundation Trust to financial liability
 - damage Colchester & Ipswich Hospitals Charity or East Suffolk & North Essex NHS Foundation Trust's wider reputation and cause negative press coverage
 - deter other potential donors and donations
 - If the organisation is a member of the Association of British Pharmaceutical Industries, be a breach of their code of practice.

Members of staff and voluntary fundraisers are encouraged to consult with the Head of Charity or Head of Fundraising for advice on the use of this policy regarding the risk attached to a potential gift/donor.

14. Fundraising & Charity on Trust Premises

This section has been developed with the aim of establishing and clarifying the Trust's policy on the use of Trust premises and staff to support charitable causes.

14.1 The policy applies to all Trust staff and premises.

14.2 The following definitions are used in this section:

Charitable organisation and charities: any organisation or body that is registered with the Charity Commissions in England, Scotland and Wales.

The Trust: East Suffolk & North Essex NHS Foundation Trust

Colchester & Ipswich Hospitals Charity: Charity Registered Number 1048827, an umbrella charity for the named Funds representing the wards and departments of the Trust

Fund or Funds – refers to money held by the Charity on behalf of named wards or departments.

League of Friends: (LoF) – Colchester League of Hospital and Community Friends, Aldeburgh Hospital League or Friends, Felixstowe Hospital League of Friends

Internal: in staff time and or on NHS Trust premises

External: activities or organisations not directly connected with the Trust and funds raised for organisations that are not registered charities.

Individual fundraising: activities being undertaken by an individual or small group in support of a named charity.

Collection boxes, tins or buckets: containers used to promote cash fundraising

Flag days – collective term used to cover a promotion or campaign, usually short-term, for a particular charitable cause.

Raffles: any form of lottery.

Trusts and Foundations: organisations making charitable grants

14.3. Colchester & Ipswich Hospitals Charity on behalf of East Suffolk & North Essex NHS Foundation Trust run major fundraising appeals to build new facilities and provide equipment. These appeals support the Trust priorities, strategy and ambitions. The appeals raise funds and awareness of the Trust charity both within the Trust and in the wider community. As the Trust has a number of capital project appeals ongoing at any one time across sites it is important that all charity support is co-ordinated, so that the public, staff and patients are not overwhelmed, confused or annoyed by multiple charitable campaigns.

14.4. The guidance within this section establishes a Trust wide approach to fundraising and charity. It will describe when, where and if it is appropriate to support charitable causes on Trust premises.

14.5. There are three types of charitable organisation that this section will refer to:-

14.5.1. East Suffolk & North Essex NHS Foundation Trust Charitable Funds also known as Colchester & Ipswich Hospitals Charity

14.5.2. Charities that support the Trust in some way, such as

- Colchester League of Hospital and Community Friends
- Felixstowe Hospital League of Friends
- Aldeburgh Hospital League of Friends
- national or local charities which support particular areas of the service e.g. Headway, Macmillan Cancer Support, Colchester Catalyst Charity
- support groups e.g. Colchester Gut Club, Look Good Feel Better some of these hold funds within the Trust charity and others are independent but mainly for the benefit of Trust patients and may be run by Trust staff

14.5.3 Charities supported by Trust staff

This includes any local or national charity that a member of staff supports in their spare time either through voluntary work, fundraising or involvement in that organisation's events.

14.6. Internal Fundraising Environment

14.6.1. Colchester & Ipswich Hospitals Charity is the umbrella body for approximately 275 funds that support wards and services across the East Suffolk & North Essex NHS Foundation Trust. It also manages charitable funds for Anglian Community Enterprise.

14.6.2. The Leagues of Friends (LoF) at Colchester, Aldeburgh and Felixstowe are supported by a network of local volunteers and events. The LoF at Colchester Hospital also deliver a catering service and shop facilities.

14.6.3. The Trust will focus all active fundraising support on the main capital fundraising appeals as agreed from time to time.

14.6.4 This policy does not seek to ban fundraising for organisations that support the Trust or are supported by staff but will outline where permission will be required for certain types of activity on Trust premises.

14.7. Responsibilities for Fundraising on Trust Premises

14.7.1. The Senior Responsible Officer and Head of Charity will ensure that the agreed policy is applied consistently across the Trust in the best interests of the patients.

14.7.2. Managers receiving policies and guidance are responsible for informing their staff about them and for ensuring any paper copies are kept up to date.

14.8. Fundraising Scenarios on Trust Premises and Policy

This section outlines various scenarios and states the agreed Policy in relation to fundraising on East Suffolk & North Essex NHS Foundation Trust premises.

14.8.1. Raising funds for an East Suffolk & North Essex NHS Foundation Trust Charitable Fund or Appeal on NHS premises and/or in NHS staff time by holding or promoting an event or activity and where there is a direct patient benefit. e.g. selling tickets for a Quiz night to raise funds for a special piece of equipment.

Policy: Fundraising on NHS premises and in NHS time is permitted if the fundraising activity is in support of an ESNEFT charitable fund or appeal e.g. Neonatal Fund, Cancer Centre Appeal etc. (subject to service and staffing priorities and /or permission of line manager or service manager). Patients and visitors should not be asked directly to contribute to an appeal, buy tickets or sponsor a member of staff but posters or fliers promoting an activity can be visible in patient waiting areas and on notice boards.

14.8.2. Charitable Trading – e.g. shops or stalls or goods being sold in aid of the League of Friends or Colchester & Ipswich Hospitals Charity on The Trust’s premises.

Policy: No trading (Bric-a-Brac, Books, Cakes etc) is permitted on hospital premises without the express permission of the Head of Charity other than in designated shop areas run by the League of Friends

14.8.3. Activity to raise funds or promote fundraising events on NHS premises and/or in NHS staff time that are not in support of Colchester & Ipswich Hospitals Charity and one of the ESNEFT Charitable Funds but will directly benefit patients (e.g. for disease orientated support groups which are not registered charities such as Gut Club).

Policy – The group and its fundraising must obtain prior permission from the Head of Charity and the Line Manager or Service Manager. Support groups for ESNEFT patients run by staff are encouraged to open a charitable fund under the umbrella of Colchester & Ipswich Hospitals Charity. This will provide the opportunity to collect Gift Aid on donations and assist in marketing any fundraising activity.

14.8.4. Support for charity events and publicity being requested by any other registered charity. The Trust recognises that many charities provide vital support e.g. information leaflets. The intention is to maintain close and beneficial links with the charities that provide services and support to the Trust and its patients.

Policy: Only external charities working to directly support the Trust and Colchester & Ipswich Hospitals Charity will be allowed to promote fundraising activity on Trust premises. i.e. fundraising to pay for support for patients e.g. Macmillan Cancer Support provides free information via the cancer centre to patients and provides funding and training to Macmillan

nurses. Thus promoting Macmillan Coffee Mornings at certain times of the year on Trust premises is acceptable. The majority of these partners are well known to the Trust . Prior permission to hold a fundraising event should be sought from Head of Charity and Line and Service Managers to ensure there are no conflicts and patient services can be delivered.

14.8.5. Individual fundraising events for external charities on Trust premises or in staff time. (e.g. members of staff undertaking endurance events for external charities etc) This includes requests for The Trust's marketing support.

Policy: The activities and achievements of NHS Staff may be celebrated in Trust publications, emails and intranet. Individuals requesting for instance sponsorship from colleagues for an event may do so via email, the intranet and sponsorship forms posted on staffroom notice boards Staff may hold raffles and cake sales for colleagues to participate in but not ask the public or patients to support them for external charity events via any means. e.g. posters or sponsorship forms on public notice boards, trust website are not allowed. Recruitment for external charity events e.g. posters around The Trust and articles in mainstream publications and on the intranet will not be allowed. e.g. Charities seeking runners for London Marathon will not be able to advertise on Trust premises.

14.8.6. Fundraising for National fundraising events e.g. Red Nose Day/ Sports Relief/ Poppy Appeal. Staff are often involved in events and fundraisers for national charity events. These events have a positive benefit on staff morale.

Policy: Fundraising activities for these events such as cake or book sales, coffee mornings or social raffles are permitted with the prior approval of the Head of Charity and department or ward manager concerned.

14.8.7. Collection boxes and flag days e.g. charity collection boxes on ESNEFT premises. .

Policy: Only Colchester & Ipswich Hospital Charity collection boxes will be allowed (League of Friends may have official properly sealed boxes but only at their retail locations). All external collection boxes must be removed from Trust sites. Permission for collections for external charities e.g. Poppy Day can only be given by the Head of Charity or Senior Responsible Officer of the Board (applications to hold a collection should be made via the Fundraising office). Only official sealed Colchester & Ipswich Hospitals Charity collection boxes and buckets may be used to collect for ESNEFT charitable funds.

14.8.8. Applications to Charitable Trusts and Foundations etc by directorates, services or projects for additional funding (e.g. for medical equipment or facilities). These charitable organisations provide additional sources of income. (This policy does not include applications to Charitable Trusts and Foundations made by the Trust's Research Department)

Policy: All applications to Charitable Trusts and Foundations including those to League of Friends must comply with the Trust's Charitable Funds Policy and purchasing. Staff must

inform the Head of Fundraising if they wish to make an application to a trust or charity so that all applications can be co-ordinated.

- 14.8.9. Raffles – There are various statutory national and local laws and bye-laws that must be complied with when running a raffle or lottery. Some lotteries must be registered with the Local Authority.

Policy: Fundraising lotteries and raffles on Trust premises and in Trust time are permitted if in support of an ESNEFT Fund or Appeal. The Head of Charity holds the local Authority Lottery licence so anyone wishing to hold a lottery (raffle) including social lotteries must get permission from the Head of Charity or Head of Fundraising. Raffle tickets for other charities must not be sold to the public or during staff time.

14.9 Exceptions

- 14.9.1. There may be exceptions to this fundraising on Trust premises policy and the Trust will always act in the best interests of its patients and staff.
- 14.9.2. The aim will be to reduce the number of exceptions over time. Further advice is available from the Charity Office

15. Commercial Sponsorship & Pharmaceutical Company support

Offers of commercial sponsorship for courses, conferences and funding of posts must not compromise purchasing decisions in any way and must be publicly declared.

For the purposes of this guidance, commercial sponsorship is defined as including:

NHS funding from an external source, including funding of all or part of the costs of a member of staff, NHS research, staff, training, pharmaceuticals, equipment, meeting rooms, costs associated with meetings, meals, gifts, hospitality, hotel and transport costs, provision of free services (speakers), buildings or premises.

- 15.1. Acceptance by staff of commercial sponsorship for attendance at relevant conferences and courses is acceptable, but only where the employee seeks permission in advance in line with the Standards of Business Conduct and the employer is satisfied that acceptance will not compromise purchasing decisions in any way.
- 15.2. All applications to Commercial Organisations or other Charities for funding or sponsorship of any activity or service should be co-ordinated by the Charity Office to ensure that multiple competing applications are not being made to the same organisation and to ensure there is no conflict of interest
- 15.3. Reference to the Standards of Business Conduct for NHS Staff is advised for such sponsorship or if a conflict of interest is a possibility.

15.4. Any commercial sponsorship must be declared to the Trust's Company Secretary under the Trust's Standards of Business Conduct policy and to the Charitable Funds & Sponsorship Committee.

15.5. All income received from commercial sponsorship, funding from grants or charitable Trusts or other charities should be paid in to the Charitable Fund and not a revenue account.

16. Donor Recognition and Naming Opportunities

16.1 Introduction

The East Suffolk & North Essex NHS Foundation Trust recognises the huge value that donors and fundraisers bring to the organisation. The Trust's charity depends on the generosity and goodwill of donors, and is therefore keen to acknowledge their gifts through a variety of different ways.

16.2 Donor Recognition Opportunities

The full range of possible recognition opportunities is as follows:

16.2.1. The naming of buildings, particular areas, wards, departments or other focal points such as entrances or meeting points.

16.2.3. The use of art, sculpture and other environmental features which can creatively acknowledge support or recognition.

16.2.4. 'Tree of life' or specific naming opportunities can be provided in some areas in relation to particular appeals

16.2.5. Acknowledgement on plaques or photos within the hospital

16.2.6. Acknowledgement by letter, certificates, in newsletters, at events, display boards, on the charity and Trust websites and through the media.

16.3 Acknowledgement of Donations

16.3.1. Donations of up to:

- £5,000 will be acknowledged by the Charity Team
- Over £5,000 will additionally be acknowledged by the Head of Charity
- Over £25,000 will additionally be acknowledged by the Chief Executive of the Trust (as notified by the Head of Charity)

16.4 Trust position on naming

The naming of buildings, facilities, services and charitable funds should only be considered in exceptional cases and kept to an absolute minimum. Over time names run the risk of losing their significance/relevance or being renamed informally to an abbreviated, shortened or more functional title. Short and simple functional titles are always better for patients and

visitors. In most cases it will be preferable to retain or have a functional title, and for recognition to be acknowledged in other ways.

16.4.1. Types of naming

16.4.1.1. Individuals

An extraordinary and distinguished employee who has been outstanding in their role and contributed in truly exceptional ways to the Trust, or an individual major benefactor. Naming after an employee who has given a distinguished service to the Trust will not normally be considered until their formal relationship with the Trust has concluded. When this involves the use of the name of a deceased person, the approval must be on the agreement of that person's next of kin.

From time to time the Trust also receives requests for the erection of a plaque following donation of a gift to the Trust or in memory of someone who has died. This may be a member of staff, patient, volunteer or member of the public. The Trust Board has decided to limit such plaques to erecting them only in association with the planting of a new tree, or a new bench, in the grounds and gardens of the Trust, not within any hospital building. Prior permission of the Director of Estates should be sought.

16.4.1.2. Organisations

A major benefactor, whether charitable trust/foundation, commercial organisation or local fundraising group.

NB: Naming of a building, area, service or charitable fund must include a functional reference – eg: ‘The Brown Foundation Radiotherapy Department’; ‘The Jane Smith Cancer Centre’

16.5. Naming exclusions

16.5.1. ‘in memory of’ plaques for deceased patients - because of sensitivity to thoughts and feelings of patients and families in the hospital, there will be no plaques in memory allowed.

16.5.2. Plaques on or near individual equipment or furniture acknowledging donations will not be allowed

16.6. Financial contribution from donors for naming consideration

16.6.1. To be put forward for ‘naming’ opportunities, financial contributions should be substantial and must meet one or more of the following criteria whichever is greatest:

- a one-off donation of no less than £250,000
- a minimum of 50% of the capital cost of the building or area
- 100% of the ongoing service costs for three years or more
- 100% of the costs of a post for three years or more

16.6.2. Naming will be time limited and/or subject to regular review by the Board – and normally no longer than ten years.

16.6.3. An agreement outlining the terms of any naming opportunity will be signed by the donor and the Chief Executive.

16.6.4. The Charitable Funds & Sponsorship Committee in liaison with the Trust Board will determine what level of recognition is acceptable and appropriate as being too prescriptive can be detrimental. For example consideration will be given to the longer term benefits of association with the donor. However, the Trust will work to the following guidelines with regards to naming;

16.6.4.1. **Naming of new buildings/particular areas** - Where possible the contribution should be equal or greater than the cost of the building or area, however the Trust will consider the naming of a building or area where a donor provides a minimum donation of £250,000 and/or 50% or more of the capital cost of the building or area (whichever is the greater. (e.g. if a ward costs £400,000 the minimum donation for naming will be £250,000)

16.6.4.2. **Naming of Internal or External Features and aspects** - Some features or aspects of a building may have a higher value than others e.g. a fountain or garden may be more desirable and thus the donation required for naming opportunities may be higher than the cost of the item.

16.6.4.3. **Naming of Services** - The Trust will consider the naming of a service where at least 50% of the ongoing costs are provided for a minimum of three years.

16.6.4.4. **Equipment** - The Trust will consider attaching a plaque to equipment not in public and patient accessible areas where a donor contributes a minimum of £50,000 and/or more than 50% of the equipment cost.

16.7 Time limits in regard to naming opportunities

16.7.1. Naming may be time limited and/or subject to regular review by the Board.

16.7.2. Naming rights will normally remain in place for a period of no longer than ten years.

16.7.3. Where the naming is no longer in the best interests of the Trust and/or the donor it may be changed.

16.7.4. Naming rights will normally not extend beyond the normal life of the building.

16.8 Approval of Naming Opportunities

16.8.1. **Naming of Buildings, particular areas or services** – Board approval or where the funds have been raised via an appeal managed by the Trust's Charity – the Charitable Funds & Sponsorship Committee may give approval

16.8.2. No commitment regarding naming shall be made prior to approval by the Board and/ or Charitable Funds & Sponsorship Committee. Each proposal must be made in writing.

- 16.8.3. Proposals for naming facilities of buildings, areas and services should be submitted to the Director of Estates and the Chief Executive via the Charity Office and should contain specific information in support. If endorsed by the Director of Estates and Chief Executive, the proposal will be taken to the Trust Board for approval.
- 16.8.4. Naming of Charitable Funds – Charitable Funds & Sponsorship Committee approval is required to naming of any charitable fund after an individual e.g. ‘Parker Gees Haematology Fund’. Naming conventions apply and use of individual consultant names simply because they practice in the area will not usually be granted approval.
- 16.8.5. Plaques or photos, art, sculpture and other environmental features – Director of Estates and Head of Charity approval are required and where the funds have been raised via an appeal managed by the Trust’s Charity – the approval should be reported via Charitable Funds & Sponsorship Committee. The Head of Charity and Charitable Funds Accountant will be responsible for liaising with the Service Manager and Estates Directorate to agree any plaques and the reimbursement of any associated costs of procurement. Plaques may only be ordered with the prior approval of the Head of Charity and Capital Projects Department and placed on benches or on/adjacent to trees/shrubbery by the Estates Directorate. The Trust reserves the right to relocate any plaques, trees and benches within the hospital grounds without redress to the originating party. All associated costs must be met by the donor. Rectification of any future damage will be limited to cleaning and general maintenance but repairing of broken seats and benches etc. will not be included.
- 16.8.6. Acknowledgement in fundraising materials, in newsletters, at events, display boards, on the charity and Trust website and through the media – the Fundraising Team will arrange these and collaborate with the Communications Team where appropriate.

16.9. Considerations of the Trust Board in relation to naming opportunities

- 16.9.1. Each proposal for naming shall be considered on its merits and not because a donation meets a predetermined goal. The Trust Board and Charitable Funds & Sponsorship Committee will consider the long-term and short-term appropriateness of a naming opportunity
- 16.9.2. Care will be taken to avoid any appearance of commercial influence or conflict of interest.
- 16.9.3. The Trust will only accept naming opportunities that comply with its ‘Gift Acceptance Policy’ policy.
- 16.9.4. In the event that the agreed financial contribution stops before the agreed time, the Trust Board may decide to discontinue the use of the donor's name for a building, etc.
- 16.9.5. If a named individual or organisation comes into disrepute either within the Trust or within the wider community the Trust Board may decide to discontinue the use of the name.

16.9.6. An individual's or organisation's name may be used only once.

16.9.7. In most cases it may be better to retain or be given a functional title, and for recognition to be acknowledged in other ways.

17. Non Charitable Income

Income received that does not meet the charitable funds criteria is not considered to be a charitable donation and will be credited to the main Trust accounts – this includes fees earned by individuals.

Income arising from the provision of health care, or goods or services connected with the operation of health care activities is classed as trading activity and must be accounted for through revenue (exchequer) funds.

Trusts are not permitted to make payments into Appeal funds. The Trust may contribute to the cost of a project but will normally achieve this by making payments to a supplier or contractor for specific goods/equipment.

The following activities are not classed as charitable donations and MUST therefore be accounted for through normal income generation (revenue) methods:

- Payment in Return for Access to Staff, Patients and Premises
- Clinical trials and research
- Payment made to an Individual as a direct result of their employment by the Trust

Income that could be perceived as NHS income (income generation) will not be credited to a charitable fund.

18. Refusing Funds

The Trustees are not obliged to receive funds on trust and may refuse where the conditions imposed by the donor are too onerous or where the funds are unlikely to be able to be used as directed.

Funds may also be refused where the acceptance creates a perceived conflict of interest against the policies of East Suffolk & North Essex NHS Foundation Trust Charitable Fund or those of East Suffolk & North Essex NHS Foundation Trust as a governing body.

Any decision to refuse funds on the above grounds should be referred to the Head of Charity who will refer the matter to the Trustees via the Chair of the Charitable Funds Committee.

19. Policy on Meeting the Costs of Fundraising

The East Suffolk & North Essex NHS Foundation Trust recognises that there are instances whereby costs are incurred when raising funds. Staff considering organising fundraising events should

complete a notification of fundraising form available from the Charity Office or on the intranet/charity-hub.

The Trustees are keen to support all fundraising in aid of the Trust's Charity and recommend that fundraisers requiring help contact the Charity Office. Fundraising costs will only be supported for official fundraising groups connected to designated funds, but various fundraising materials are available free of charge from the Charity Office.

The Charity organises events directly or through third party providers and insurance is organised for these either by the supplier or the Trust's insurance providers. The East Suffolk & North Essex NHS Foundation Trust is not responsible for any events organised by third party external fundraisers or staff on behalf of the Charity or its Designated Funds.

20. Administration charges

Whilst Charitable Funds are linked to an NHS body, they are independent of the Trust and are able to receive new funds and incur expenditure in accordance with their governing documents. In accordance with statutory rules established by the Secretary of State for Health, there must be a clear distinction between the administration of Charitable Funds and exchequer (government) funds and there must be no cross subsidy. The charity must meet its own running costs.

Administration charges include those costs associated with fundraising (i.e. costs associated with bringing in revenue, such as the charity office), and governance (i.e. costs associated with administering charitable funds, such as administrative and accounting work undertaken by the Finance department and audit fees).

The full costs of running and administering the Charity will be borne pro rata across all of the Designated and General Funds based on the closing balance of the fund for the previous quarter.

21. Other Information

- 21.1. Reimbursement of a Fund Signatory's personal expenses or Charitable Funds Application Form must be countersigned by another Fund Signatory or Service Manager as a Fund Signatory cannot 'self-authorise'.
- 21.2. All payment requests must be signed or electronically approved by the appropriate Fund Signatory.
- 21.3. Payment requests must always be accompanied by vouched receipts.
- 21.4. Payments must be made within the scope of charity law, directions issued by the Trustees and the purpose for which the fund was set up.
- 21.5. Fund statements will be electronically issued monthly by the Finance Department.
- 21.6. Fund accounts will periodically (usually quarterly) receive interest, gains/losses on investments held and management charges.

- 21.7. Inactive funds (those that are deemed to be dormant) will be monitored by the Charitable Funds & Sponsorship Committee and if not utilised or no spending plan received may be closed.
- 21.8. The Trustees are required to prepare an Annual Report and Accounts and file these together with an annual return to the Charity Commission to discharge their duty of public accountability and stewardship. The Director of Finance is responsible for the production of the Annual Report and Accounts. The Annual Report & Accounts are subject to audit review by the Trust's external auditors.
- 21.9. Each Designated and General Fund under the Charity umbrella will be subject to verification by internal and external audit. Fund Signatories may receive visits from time to time by auditors who may wish to verify receipt of donations and physical existence of equipment purchased.

22. Contact Details

All expenditure enquiries should be directed to: charitable.funds@esneft.nhs.uk A copy of all charitable funds forms and policies are available on the Trust's intranet.

All fundraising queries should be directed to: charity@esneft.nhs.uk Members of staff and the general public may also find further information on the Charity's website www.colchesteripswichcharity.org.uk

23. Dissemination and Implementation

- 23.1. This guidance will be held on the Trust's document library as a source of information for Fund Signatories and other Trust employees.
- 23.2. This document will also be distributed electronically to all current Fund Signatories.
- 23.3. New Fund Signatories attending Charitable Fund Signatory Training will be made aware of this guidance.
- 23.4. Finance Managers will be made aware of this guidance.

24. Monitoring Compliance and Effectiveness

Compliance with this document will not be formally monitored; however the Charitable Fund accounts are subject to regular internal and external audit reviews.

Furthermore, as part of their duties, the Charitable Funds Accountant will seek to ensure all Fund Signatories adhere to this guidance.

25. Updating and Review

This document will be reviewed annually and updated at least every two years from the date of approval.

26. Equality and Diversity

This document complies with East Suffolk & North Essex NHS Foundation Trust Equality and Diversity statement.