



Royal College of  
General Practitioners

# **Donations Policy for the Royal College of General Practitioners**

| <b>Donations Policy</b>   |   |
|---------------------------|---|
| Version No                | 1   |
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| Approved by               | Governance Committee and Trustee Board                                  |
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This information can be made available in alternative formats, such as easy read or large print, and may be available in alternative languages, upon request. Please contact Martyn Schofield, Assistant Director Governance (martyn.schofield@rcgp.org.uk)

### **Background and Purpose**

This policy has been drafted to ensure that all those who work for, with or on behalf of the Royal College of General Practitioners ("RCGP" or the "College") have guidance on the following:

- Obligations of charities because of registration with the Charity Commission for England and Wales and the Fundraising Regulator;
- Issues and rationale behind the policy.

The policy follows guidance produced by the Charity Commission for England and Wales 'Chapter 2: Due diligence, monitoring and verifying the end use of charitable funds' revised in September 2016 - specifically 'Know your donor'.

### **Who does the guidance apply to?**

- All staff
- Trustees
- College Officers and devolved Council Chairs
- Chief Operating Officer
- Executive Directors
- Council members (including devolved Councils)
- Faculty board members
- Clinical leads, champions, representatives
- Any clinicians employed or contracted by RCGP

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## 1 Policy Summary

This policy sets out the process to be followed for acceptance of donations above £5,000 including non-cash items. For donations below £5,000 discretion is provided to the Executive Directors to discuss with the Honorary Secretary to decide whether to either accept or refuse. This policy differentiates between donation to organisations and donations by RCGP to individuals (e.g. bunch of flowers).

The £5,000 has been set as a pragmatic level by the Honorary Secretary.

## 2 Purpose

This policy aims to protect the College from harm and to help Trustees understand their legal duties and responsibilities. The 'know your donor' principles outline how the College must comply with legal requirements as well as internal College policies such as the Sponsorship Policy; Human Rights Policy and the Statement on Working with Repressive Regimes.

## 3 Key terms

**Beneficiary** – A person who is intended to receive benefit from a charity

**Due diligence** – Process and steps that need to be taken by Trustees to be reasonably assured of the provenance of the funds received by the College, confident that they know the people and organisations the charity works with and can identify and manage associated risk.

**Governing document** – A legal document that sets out the College's purpose (the Royal Charter)

**Property** – All assets – including cash, investments, land, buildings and the College's reputation.

**Serious Incident** – A serious incident is an adverse event, whether actual or alleged, which results in or risks significant:

- Loss of a charity's money or assets
- Damage to a charity's property
- Harm to a charity's work, beneficiaries or reputation

**Suspicious Activity Report (SAR)** – A disclosure to the National Crime Agency under either the Proceeds of Crime Act 2002 or the Terrorism Act 2000.

**Trustee** – Charity trustees are the people who are responsible for the general control and management of a charity.

## 4 Know your donor

4.1.1 Trustees should know, at least in broad terms, where the money they are being given comes from. Trustees should also be able to identify the donor and undertake a risk assessment of the consequences of accepting a large donation.

## **4.2 Small and One-off Donations**

4.2.1 For donations below £5,000 discretion is provided to the relevant Executive Director to discuss with the Honorary Secretary and decide whether to accept or refuse and to ensure its conditions (if applicable) are kept. An example is if the College was bequeathed a gift or cash of below £5,000 from a former member in their will. If there were regular donations from the same donor that ended up exceeding £5,000 then before accepting additional monies the due diligence as detailed in section 4.3 and Annex 1 must be completed. Records are maintained for seven years and therefore earlier donation acceptances will not be recorded. This is acknowledged to be an unlikely situation.

Even with donations below £5,000 the College could be brought into disrepute and therefore the discretion is applied.

## **4.3 Large Donations**

4.3.1 A donation is considered large if it is above £5,000. In these instances, due diligence must be undertaken by the most appropriate person delegated to investigate by the relevant Executive Director to ensure the following:

- To verify the identity of the donor;
- To undertake a risk assessment of the likely impact of accepting the donation after considering the Sponsorship Policy, Human Rights Policy and Statement on Contact with Repressive Regimes; and/or
- If the donor is an organisation, then the College will need to know what the business is and be assured that the organisation is appropriate for the College to be involved or linked with.

4.3.2 Robust due diligence must be undertaken that will help to assess if any risks to the College may arise from accepting a large donation. Annex 1 details the due diligence to be followed before acceptance of donations above £5,000 are agreed.

4.3.3 International donations above £5,000 need to be reported to Council as part of the annual report on international activities. The Executive Director Membership & International oversees this report.

## **4.4 Anonymous Donations**

4.4.1 The College can accept anonymous donations if adequate safeguards and risk assessments are undertaken. Paragraph 6 provides more information on how to identify suspicious donations and the form at Annex 1 must be completed.

## **4.5 Donations with conditions attached**

4.5.1 The College can accept donations with conditions attached provided those conditions are not illegal and are compatible with the College's charitable object. If the conditions are so stringent that they could undermine the College's independence or do not align with the College's strategic priorities, then the donation would need to be refused. Donations which are akin to loans (where the capital is repaid at the end of a term) are never acceptable. Annex 3 details the process for accepting donations with conditions.

#### **4.6 Non-cash donations**

4.6.1 For non-cash physical donations, such as furniture, paintings or historical medical items, responsibility for whether to accept a donation (including funding its storage), remains with the Trustee Board. Trustees will take into consideration costs of accepting the donation (such as insurance, storage, maintenance and any restrictive conditions). Advice may be sought from the Archivist who may choose to liaise with the Heritage Committee. Set criteria is used to assess historical value and whether the College should keep the donation or recommend it is sold.

4.6.2 For non-cash donations such as attendance at an event/spa/hotel the hospitality rules apply whereby registration on the hospitality register is required for any event estimated to cost more than £75. Further information can be found in the Conflicts of Interest Policy.

## **5 Risk Based Approach**

### **5.1 What is a risk-based approach?**

5.1.1 The greater the risks the more charity trustees must do to ensure and to demonstrate that they have discharged their duty of care and other legal duties. The extent, form and detail of the risk will depend on the circumstance of the donation.

5.1.2 Where the risks are higher, such as in accepting anonymous donations or in accepting donations from international organisations, then robust due diligence and risk assessments must be undertaken prior to acceptance.

## **6 Suspicious Donations**

### **6.1 What is a suspicious donation?**

6.1.1 A suspicious donation is one that seems unusual or out of the ordinary and can include unusually large amounts of funding, conditions or complex banking and transfer arrangements.

6.1.2 Unsolicited or anonymous donations may be suspicious especially if trustees are unable to satisfy themselves about the credentials of the donor or organisation involved or the propriety of the donation. Donations may take forms other than money for example shares or goods.

## **6.2 What is the risk of a suspicious donation?**

- 6.2.1 Some criminals look to legitimate organisations to facilitate money laundering or financial crime. The Charity Commission is aware of cases where donations to charities have been used to facilitate money laundering or other criminal activity.
- 6.2.2 Trustees should carry out good due diligence and report concerns and suspicious activities to the appropriate authorities including the Charity Commission.
- 6.2.3 As part of the College's procurement process a financial check is made before signing contracts with organisations and this financial check could be used for additional assurances for those undertaking due diligence on donations. This would flag up if any financial sanctions have been applied.
- 6.2.4 If in doubt Trustees would need to consider whether to refuse the donation and can seek advice from the Charity Commission.

## **7 Responsibilities**

### **7.1 All Staff**

All staff of the College have a responsibility to safeguard the assets of the College as a charity and to escalate concerns. The Whistleblowing Policy provides details of how to safely notify concerns.

### **7.2 Trustees and Trustee Board**

Under the Royal Charter of the College (Article 15A) the Trustee Board is accountable for ensuring that the College object is maintained; ensuring the assets of the College are used for charitable purposes; dealing with all aspects of the College finances, including business planning, budgeting, financial control, audit, investments and operational risk management.

### **7.3 Audit Committee**

Audit Committee has delegated authority from the Trustee Board to:

- Ensure that there is a framework for accountability, for examining and reviewing all systems and methods of control, both financial and otherwise, including risk analysis and risk management;
- Ensure the College is complying with all aspects of the law, relevant accounting and other regulations and good practice.

Whilst accountability remains with the Trustee Board, the Audit Committee is responsible for seeking assurances that the internal controls are working through review of risk registers, internal audit reports and external audit.

### **7.4 Planning & Resources Committee**

Planning & Resources Committee has delegated authority from the Trustee Board to oversee the College's financial planning and management processes and the effective utilisation of resources.

#### 7.5 Governance Committee

The Governance Committee has delegated authority from the Trustee Board to monitor and develop the governance of the College (including its Committees, and the Companies and any other bodies controlled by it) and to provide oversight and guidance on governance matters.

#### 7.6 Executive Director Planning & Resources

Responsible for College work relating to finance, audit, IT, property & facilities, risk management, procurement, programme office, governance and information security.

The Executive Director delegates the day to day work of the above to the following:

- Assistant Director IT & Digital
- Assistant Director Governance
- Group Financial Controller
- Assistant Director Property & Facilities

#### 7.7 General Counsel

The General Counsel is responsible for reporting serious incidents to the Charity Commission and for supporting the Honorary Secretary when implementing the Code of Conduct.

### 8 Responsibilities

This policy will be reviewed in three years unless an earlier review is required. This will be led by the Assistant Director Governance on behalf of the Honorary Secretary.

### 9 Associated documentation

Whistleblowing Policy  
Code of Business Conduct  
Sponsorship Policy  
Financial Regulations  
Procurement Manual  
Modern Slavery Statement  
Equality, Diversity & Inclusion Statement  
Financial Crime Policy  
Hospitality Register



## Annex 1 Known and unknown donations with no conditions

This form to be completed prior to acceptance of a donation with no conditions (if value is above £5,000). Once completed the form to be submitted to the Honorary Secretary for a decision ([Hon.Sec@rcgp.org.uk](mailto:Hon.Sec@rcgp.org.uk))

|    |  |   |
|----|--|---|
| 1. | Name of person and their department completing the form  |   |
| 2. | What is the donation?<br><br>If not cash estimated value of donation   |   |
| 3. | Do you know who the donation is from?<br><br>Please list the name or organisation including contact name, and contact information. (If easier attach a copy of the correspondence to this form). | Yes/No<br><br>If no, please provide as much information as possible on how the donation was communicated to the College |
| 4. | Has the donor stated a wish to be publicly recognised for their donation? If yes, please complete the form at Annex 2 (donations with conditions) of the Donations Policy.                       |   |
| 5. | What is the relationship of the College with the donor?<br><br>(i.e. member of the College; organisation the College has worked with etc)  | If unknown leave blank  |
| 6. | Did the College proactively seek the donation?<br><br>If yes, please explain how   |   |

|   |   |  |
|---|---|--|
| 7.  | If cash, how is the donation to be paid to the College?<br><br>(i.e. instalments; one off)  |  |
| 8.  | Has the donor specified any conditions as to how the donation is spent?<br><br>If yes, please complete the form at Annex 2 of the Donations Policy. |  |
| 9.  | Is there anything else the Honorary Secretary should be aware of before deciding?   |  |
| <b>Decision of Honorary Secretary Checklist</b><br><b>(to be completed by the Honorary Secretary)</b>   |   |  |
| <b>Reputational risk to the College</b>   |   |  |
| Does the donor or organisation contravene any aspect of the Sponsorship Policy?   |   | Yes/No<br><br>If Yes, please specify:  |
| Does the donor or organisation have any international links that may contravene the Statement on Working with Repressive Regimes/Human Rights Policy?   |   | Yes/No<br><br>If Yes, please specify:  |
| <b>Financial risk to the College</b>  |   |  |
| Does the donation flag up any of the 'suspicious donations' criteria?   |   | Yes/No<br><br>If Yes, please specify   |
| <b>Decision:</b><br><br>(i) <b>Donation approved</b><br>(ii) <b>Request for Heritage Committee to consider the value of a non-cash donation</b><br>(iii) <b>Donation rejected</b><br>(iv) <b>Further information required</b> |   | If rejected, please state reasons<br><br>If further information required, please state |
| Signed  |   | Date   |

**Annex 2**

**Known donations with conditions**

This form to be completed prior to acceptance of a donation with conditions attached (if estimated value is above £5,000). Once completed the form to be submitted to the Honorary Secretary for a decision ([Hon.Sec@rcgp.org.uk](mailto:Hon.Sec@rcgp.org.uk))

|    |   |  |
|----|---|--|
| 1. | Name of the person and their department completing the form.  |  |
| 2. | What is the donation?<br><br>If not cash estimated value  |  |
| 3. | Who is the donation from?<br><br>Please list the name or organisation including contact name and contact information. (If easier attach a copy of the correspondence with this form). |  |
| 4. | What are the conditions attached to the donation?<br><br>Please attach correspondence.  |  |
| 5. | What is the relationship of the College with the donor?<br><br>(i.e. a member of the College; organisation the College has worked with etc)   |  |
| 6. | Did the College proactively seek the donation?<br><br>If yes, please explain how  |  |

|   |  |  |
|---|--|--|
| 7.  | If cash, how is the donation to be paid to the College?<br><br>(i.e. instalments; one off) |  |
| 8.  | Is there anything else the Honorary Secretary should be aware of before deciding?          |  |
| <b>Decision of Honorary Secretary Checklist</b><br><b>(to be completed by the Honorary Secretary)</b>   |  |  |
| <b>Reputational risk to the College</b>   |  |  |
| Does the donor or organisation contravene any aspect of the Sponsorship Policy?   | Yes/No<br><br>If Yes, please specify   |  |
| Does the donor or organisation have any international link that may contravene the Statement on Working with Repressive Regimes/Human Rights Policy?  | Yes/No<br><br>If Yes, please specify   |  |
| Are the conditions acceptable to the College?   | Yes/No<br><br>If No, please specify  |  |
| <b>Financial risk to the College</b>  |  |  |
| Does the donation flag up any of the 'suspicious donations' criteria?   | Yes/No<br><br>If Yes, please specify   |  |
| <b>Decision:</b><br><br>(i) <b>Donation and conditions approved</b><br>(ii) <b>Request for Heritage Committee to consider the value of a no-cash donation</b><br>(iii) <b>Donation rejected</b><br>(iv) <b>Further information required</b> | If rejected, please state reasons.<br><br>If further information required, please state    |  |
| Signed  | Date   |  |