



# WINCHESTER CATHEDRAL

## Fundraising Policy

Approved by Chapter on 21 July 2022

*Scheduled for review in July 2024*

### Introduction

Winchester Cathedral is an organisation with a charitable purpose as recognised by HMRC. Chapter are committed to its charitable aims and all its fundraising activities support these aims. All fundraising carried out by Winchester Cathedral will be driven by these four key values:

- **Open**
- **Honest**
- **Fair**
- **Legal**

Those carrying out fundraising activity on behalf of the Cathedral are expected to abide by this fundraising policy and uphold these four values.

The Development Office at Winchester Cathedral is responsible for fundraising income generation and partnerships with grant-giving bodies, individual donors and corporate organisations.

In undertaking these activities, the Cathedral recognises the need to conduct its fundraising within the context of best practice including the Institute of Fundraising's Codes of Fundraising Practice

The Chapter of Winchester Cathedral welcomes offers of donations of all sizes, whether in connection with specific campaigns or to the general and ongoing needs of the Cathedral, provided they meet the criteria set out in this policy.

### Definitions

**'Donor'** means a person or persons who may give, gives regularly, or has given philanthropically to the Cathedral, and can include individuals, charitable trusts and foundations and corporate organisations.

**'Donation'** means all forms of philanthropic support received by the Cathedral, including philanthropic gifts, pledges, endowments, legacies, planned gifts, cultural gifts, in-kind gifts, or sponsorship funding from corporations, private donors, trusts and foundations.

## 1. Donor Rights

1.1 All fundraising solicitations by or on behalf of the Cathedral will disclose the Cathedral's name and the purpose for which funds are requested.

1.2 All Donor records maintained by the Cathedral will be kept confidential to the greatest extent possible in accordance with all relevant Data Protection legislation. Donors have the right to see their own donor record, and to challenge its accuracy.

1.3 Donors' requests to remain anonymous will be respected.

1.4 Donors and prospective donors will be treated with respect. Specifically:

- Donors will be given appropriate acknowledgement and recognition for all Donations and sponsorships.
- Every effort will be made to honour requests to limit the frequency or mode of solicitations.
- Undue pressure will not be placed on Donors, especially those who could be considered in vulnerable circumstances or lacking capacity.

1.5 Donations will be applied at the discretion of Chapter for its charitable purposes except where the Donor has given written instructions for their Donation to be used for a specific area of the Cathedral's work (e.g. music) and where Donations have been solicited for a specific purpose (e.g. Winchester Bible).

1.6 All restricted Donations will be used as agreed with the Donor. If necessary due to programme or organisational changes, alternative uses will be discussed where possible with the Donor or the Donor's legal designate(s). If the Donor is deceased or legally incompetent, and the Cathedral is unable to contact a legal designate, the Donation will be used in a manner that is as consistent as possible with the Donor's original intent.

1.7 Donors and prospective donors are entitled to the following, promptly upon request:

- the most recent published financial statements of the Cathedral
- a copy of this fundraising policy

1.8 The Cathedral will respond promptly to any complaint by a Donor or prospective Donor about any matter that is addressed in this fundraising policy. A member of the Development Team will attempt to satisfy the complainant's concerns in the first instance. A complainant who remains dissatisfied will be directed to the Cathedral's Complaints Policy.

## 2. Donation Acceptance

2.1 There are occasions when it is not appropriate for the Cathedral to accept a gift or sponsorship. The Cathedral reserves the right to refuse any gift:

- which is considered to have arisen through illegal activity;
- whose acceptance may damage the reputation of the Cathedral, or
- where conditions imposed conflict with policy, the overall objectives or the independence of the Cathedral

2.2 The Cathedral will take all reasonable steps to check the provenance of Donations and will not accept gifts and sponsorship where acceptance would result in material adverse risk to the Cathedral, for example, where:

- acceptance might lead to undue and inappropriate third party influence, or perception of such influence, on the decisions of the Cathedral and/or Dean and Chapter;
- acceptance is highly likely to deter actual or potential supporters from future support;
- acceptance would result in reputational damage to the Cathedral, or compromise to its status, or
- there are grounds to believe that the support derives from the proceeds of crime, including fraud, tax evasion, modern slavery or money laundering.

2.3 The Donation Due Diligence Procedure [Appendix 1] will be followed to conduct, document and authorise due diligence research into the sources of all donations that meet the risk threshold and other criteria outlined therein, to ensure that ethical and reputational concerns are identified and considered systematically and at the appropriate level for each supporter.

2.4 Gifts in Kind will be valued and accounted for at value where practicable. In all cases where the gift value is likely to be over £25,000, an appropriate independent external authority such as an architect, project manager, quantity surveyor or other qualified person will be asked to assess them. Once valuation has been established the Cathedral will confirm this in a letter to the Donor.

The Cathedral reserve the right to refuse any Gift in Kind, which does not meet the gift acceptance criteria set out in paragraphs 2.1 and 2.2 above. In addition to the refusal criteria outlined above, Gifts in Kind will be refused which:

- cannot be usefully applied to the work of the organisation;
- cannot be sold in aid of the Cathedral's objectives;
- incur undue costs in their acceptance or their management, or
- are given with unacceptable conditions for their use or acknowledgement.

2.5 Chapter will make decisions on the acceptance of Donations unless otherwise specifically delegated in the Statement of Delegated Authority or this Policy.

2.6 If information comes to light after a donation has been accepted that gives rise to the risks set out in paragraph 2.1 and 2.2, the relevant information will be passed to the Director of Development. The Director of Development will produce a document summarising the situation and discuss it with the CFO. They will make a recommendation to

Chapter as to the action to be taken, which may include the returning of the gift and the making of a public statement. Chapter is required to approve any actions taken.

### **3. Gift Management and Recognition**

3.1 On receipt of Donation the Development Office will make a judgement as to the appropriate response depending on the amount given. The following will be adopted for all Donations in excess of £1,000 and may be considered appropriate at the discretion of the Development Office for other Donations:

- Issue a letter of thanks (signed by the appropriate person) confirming details of the Donation and receipted within two business days of receipt of the Donation.
- For donations in excess of £10,000, initiate a thank you from a senior person within two business days, preferably by phone or in person, where appropriate.
- Record gift details securely in the Development Office
- Ensure that any incoming cheques are banked and standing order mandates are dealt with promptly.

3.2 Where appropriate, Donors of specific gifts will be updated regarding progress made with the project, that they supported, and kept informed about the Cathedral's current development plans.

### **4. People in Vulnerable Circumstances**

4.1 We understand that some of the people with whom we will come into contact through fundraising activities may not always be in a position to understand the nature of the donation we ask them to give and the purpose for which it is being asked.

4.2 We will take care and make reasonable effort in our interactions with Donors to determine whether they are able to make decisions about their giving. We will not deny anyone's wish to donate to the Cathedral based solely on age, appearance or condition. Our intention is to inform, support and protect our donors so that they are able to make informed decisions about donating to Cathedral.

4.3 The Cathedral will follow the guidance on indicators of vulnerability as laid down by the Institute of Fundraising. This guidance includes considering if the individual is:

- asking irrelevant and unrelated questions, or displaying signs of forgetfulness;
- unable to read and understand the information they are provided with, and asking for it to be continually repeated;
- responding in an irrational way to simple question;
- saying 'yes' or 'no' at times that it is clear they haven't understood;
- taking a long time or displaying difficulty in responding to simple questions or requests for information;
- repeating simple questions such as 'who are you', 'what charity is it' and 'what do you want';
- wandering off the subject at hand and making incongruous statements;

- saying that they are not well or not in the mood to continue;
- displaying signs of ill-health like breathlessness or making signs of exasperation or discontent;
- giving a statement such as 'I don't usually do things like this, my husband/wife/son/daughter takes care of it for me';
- indicating in any way that they are feeling rushed, flustered, or experiencing a stressful situation;
- having trouble remembering relevant information, for example that they are already a regular donor to that charity or have recently donated, or
- donating an unexpectedly large gift with no prior relationship. (Note - There being no prior relationship before a gift is made does not on its own constitute 'vulnerability': many legacy and major donor gifts to charities are given without the existence of a relationship between the donor or charity).

4.4 If the Development Office suspects that a potential donor lacks the capacity to make a decision about a Donation, the guidance given in the Fundraising Regulator's Code of Fundraising Practice will be followed. This states that: "If a fundraiser knows or has reasonable grounds for believing that an individual lacks capacity to make a decision to donate, a donation MUST NOT be taken."

4.5 If information comes to light following a Donation being made and it is agreed that the Donation was given by someone who lacked capacity at the time of donating, the Donation MUST be returned to the Donor (or in some circumstances) to a designated person or family member.

# APPENDIX

## Due Diligence Procedure

### 1. Introduction

1.1 This policy is intended to ensure that the Cathedral has a clear, comprehensive and auditable approach to due diligence in place for donations.

1.2 Due Diligence covers the consideration of any potential conflicts of interest, and any legal, ethical or reputational risks, attached to accepting a donation from an individual or organisation.

1.3 This policy is intended to conform with the 'Know Your Donor' principles developed by the Charity Commission:

- Identify – know who you are dealing with;
- Verify – where reasonable and the risks are high, verify this;
- Know what the organisation's or individual's business is and be assured this is appropriate for the Cathedral to be involved with;
- Know what the donor's specific business is with the Cathedral and have confidence they will deliver what the Cathedral wants;
- Watch out for unusual or suspicious activities, conduct or requests.

### 2. Scope

2.1 A 'formal due diligence' is a research process co-ordinated by the CFO, carried out by designated member of staff or volunteer and resulting in a Due Diligence Document that has been authorised by the Senior Executive Team (SET).

2.2 This policy applies to all members of staff who are faced with making decisions about whether to solicit or accept donations of any kind.

2.3 All donations are subject to this Due Diligence Policy, regardless of whether the Cathedral or Dean & Chapter are responsible for their solicitation, acceptance or management and subject to the criteria in 3.1 below.

2.4 This policy will be applied to legacy gifts during the process of final acceptance, not at the point of legacy pledging.

2.5 Due Diligence Documents are strictly confidential and must not be shared without explicit approval. The Development Team is responsible for associated data and record-keeping. In accordance with the Data Protection Act 2018, individual subjects of a formal due diligence process are entitled to request access to the Due Diligence Document and other relevant records. Requests by the subject to exercise other data protection rights, including the right to erasure, will be considered by the Dean.

### 3. Initiation of Due Diligence:

3.1 A formal due diligence is required prior to accepting a donation if any of the following conditions are met:

- The value of the donation, singly or combined with other donations from this source over the last three years, is £20,000 or greater (including Gift Aid if applicable);
- Information has come to light about a prospective donor that is likely to indicate a potential conflict with the Cathedral's Donation Policy;
- Discretionary due diligence has been requested by any member of SET or the Dean

### 4. Reporting

4.1 The outcome of a formal due diligence process is a Due Diligence Document prepared by the Development Team to provide a factual, impartial summary of relevant issues, risks and background related to the subject.

4.2 All Due Diligence Documents will contain a short biographical summary of the subject(s), in line with the Charity Commission's 'Know Your Donor' principles.

4.3 All Due Diligence Documents will contain summaries of any legal, ethical, reputational, or other issues found during the course of the research including their outcomes and any related actions undertaken by the subject where appropriate.

4.4 All Due Diligence Documents will detail any financial issues found during the course of the research, with consideration for issues related to creditworthiness and cross-border transfer of money where applicable.

4.5 All Due Diligence Documents will detail any known existing relationships or partnerships between the donor and the Cathedral, including any potential conflicts-of-interest.

4.6 Where applicable, Due Diligence Documents will additionally include issues relating to relevant associates of the donor.

4.7 The format of the Due Diligence Document will depend on whether any potential risks are identified during the course of the research process.

- Where no potential risks are identified, the Due Diligence Document will take the form of a brief Due Diligence Checklist.
- Where at least one potential risk is identified, the Due Diligence Document will be a formal, fully referenced Due Diligence Report that states and summarises the potential risks found, to which the CFO will append a formal Recommendation.

4.8 At any point during the reporting and recommendation stages, a formal due diligence process may be cancelled. This may be due to the conclusion of the Cathedral's relationship with a prospective donor or a reduction in the value of proposed gift such that the due diligence triggers outlined above are no longer met.

## 5. Authorisation

5.1 Completed Due Diligence Documents will be sent to the Dean, CFO, Head of Development for their review, resulting in either a request for further research, escalation to a higher-level approver or a final authorisation decision.

5.2 The Development Team can authorise a Due Diligence Document if all of the following criteria are all met:

- only Minimal Risks are identified by the due diligence;
- the value of the donation is less than £100,000

5.3 The authorisation of the Head of Development is required for a Due Diligence if any of the following criteria are met:

- a Low or Medium Risk is uncovered by the due diligence;
- the value of the donation is £100,000 or above

5.4 The authorisation of the CFO is required for a Due Diligence if any of the following criteria are met:

- a High or Critical Risk is uncovered;
- the value of the donation is £500,000 or above.

5.5 Higher-level authorisation should be sought in the following circumstances:

- absence of the usual authorising officer;
- potential conflict-of-interest
- the usual authorising officer deems higher-level approval to be necessary.

5.6 The authorising officer for due diligence into a donor should not also sign the written agreement formally accepting their donation.

5.7 The authorising officer completes the formal due diligence process by either approving or rejecting the Due Diligence Document.

5.8 If due diligence into an existing donor of the Cathedral is rejected, further discussion will take place regarding the future of this relationship,

5.9 Where the Due Diligence Approver deems ongoing scrutiny to be necessary as a result of risks identified by the due diligence, a 'Watching Brief' may be requested. This will be regularly monitored for the duration of the relevant risk or relationship.

## 6. Suspicious Donations

A record of all suspicious donations will be kept in a Suspicious donations log

[https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment\\_data/file/550696/Tool\\_7.pdf](https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/550696/Tool_7.pdf)