



Lifeboats

Policy Title

Donations Acceptance Policy

Policy Owner

Director of Fundraising Marketing and Media

Owning Dept

Fundraising Marketing and Media

Last Updated

July 2023

Next Review Date

July 2025

Reason for Policy

To comply with the law and relevant codes of practice and protect the RNLI, its staff, and supporters by enabling the refusal of donations that would negatively impact on the Charity

Objective of Policy

To provide an effective and ethical framework for rapid analysis and decision-making on accepting, rejecting and returning donations - that fits the RNLI's ethos and values, provides clarity on lines of responsibility and accountability, and ensures consistency of approach and transparency.

Applicability

This policy applies to everyone who may accept a donation on behalf of the RNLI including staff (whether permanent or temporary) trustees and other volunteers. Financial support provided through a Corporate Association, that are not donations, along with gifts in kind are out of this policy's scope and covered by the Corporate Association Policy.

Policy Introduction

"It is, rightly, difficult for a charity to decide to refuse or return a donation – it will need all the money it can get and trustees are under a duty to use all the charity's resources to further its aims for the public benefit. But there are some rare situations when trustees can properly decide that refusing or returning a donation is going to be in the charity's best interests. They will need to weigh the relevant factors carefully".

Source: Sarah Atkinson – Director of Policy, Planning and Communications, Charity Commission for England and Wales.

This aligns with the wider policy of both Scotland, Ireland, and Isles within the UK

The RNLI relies on donations and fundraising activities to carry out its objectives. The RNLI is committed to complying with the law and ensuring that any donations accepted are in the charity's best interest. In certain situations, it may not be in the best interests of the RNLI or its beneficiaries to be associated with an individual or organisation, and a decision will need to be made by Trustees on the potential risks of accepting the gift.

The RNLI must act in the interests of the charity in pursuing its purpose, and when deciding whether to refuse a donation, do so only if accepting it would be more detrimental to the charity. This should involve a careful analysis of the extent to which the charity is likely to be harmed by accepting a donation and balancing that against the benefit to be obtained by accepting it. The RNLI must decide these matters on a case-by-case basis, and this policy sets out to guide trustees and staff in decision-making.

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Authors: Lucinda Smith & Debra Cummings

Job Titles: Head of Major and Individual Gifts & Head of Data, Evidence and Insights

Department: FM&M & ITS

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Donations to charities can, and should, only be rejected in exceptional circumstances, and this policy states the RNLI's position is to only turn down donations for defined reasons. The policy and process give the framework to demonstrate to stakeholders and the wider public that the RNLI is consistent and takes its position and responsibilities seriously.

Policy

1. Grounds for refusing a donation

Refusing a donation is rare because there are only two grounds for refusing a donation:

- a. That it would be unlawful to accept it (e.g. the organisation knows that the gift comprises the proceeds of crime).
- b. That accepting the donation would be detrimental to the achievement of the purposes of the organisation, as set out in its constitution. Such detrimental or anticipated detriment must be set against the benefit of having the funds from the donor, which enable the organisation to pursue its purposes.

2. Guiding principles: any donation should be accepted provided that:

- It is legitimately given.
- It does not interfere with, or is inimical to, our core purpose of saving lives at sea.
- It does not pose a significant reputational risk which could cause a financial loss greater than the value of the Donation
- The donor is not in vulnerable circumstances
- It does not place any requirements on the RNLI that cause a financial loss greater than the value of the Donation
- Any conditions or restrictions to the donation meet the RNLI's needs to achieve its purpose.
- It has not directly or indirectly come from the tobacco or arms industry

3. RNLI Interpretations

3.1 Some examples of proceeds of crime:

- a. Evidence/suspicion/conviction of offshore gambling/tax evasion
- b. Donor implicated or convicted of money laundering

3.2 Some examples of detriment - accepting the donation from the donor would lead to:

- c. the loss of financial support (over a prolonged period) from other supporters at least equivalent to the value of the donation.
- d. The loss of volunteers whose services would be at least of as great value as the donation.
- e. The loss of staff or the inability to recruit staff.

3.3 Some examples of behaviour/conduct/operations conflicting with the RNLI's constitution to save lives at sea, its values and any formal partner agreements:

- I. A donor in vulnerable circumstances without any advocacy/support wanting to donate a sum significant to their lifestyle
- II. An overseas donation attempting to disinherit family
- III. An individual or company connected to the tobacco or arms industry
- IV. An individual or company connected to activities which have led to the loss or serious harm of life, and or significant environmental damage
- V. A high-profile individual or company with a poor public reputation due to their business practises or personal conduct which have led to convictions/

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sanctions/substantial negative media coverage particularly in relation to health and safety and environmental damage

4. Assessing the risks

The RNLI's policy is to carefully consider all donations from an individual donor, and support is provided to the fundraiser when risk thresholds are met. The Major Gift Team in Fundraising lead this process when donations exceed £/€10,000.

The supporting process includes tools to enable relevant staff to make assessments and be able to evidence that there either is or is not a reasonable expectation that detriment would occur if a gift was accepted. Responsibility for making decisions on accepting donations varies depending on the assessed risks as set out in Appendix 1.

Trustees review delegated decisions, and consider all cases where refusal is recommended. Decisions on high-risk cases recommended for acceptance also rest with Trustees. When it is not immediately clear what the 'best interests of the charity' are, or to pre-empt possible disputes and/or negative publicity in complex or potentially difficult cases, trustees may also apply to the Charity Commission for an order authorising the charity to refuse a donation.

5. Requesting donations

When planning to make an ask of an individual for a major gift, the same guiding principles apply (2) and the same risk assessment process must be followed and approval granted in line with appendix 1 before an ask is made. Care must be taken to undertake the screening early to prevent inappropriate asks and manage donor expectations.

6. Returning funds that have already been accepted

This may occur in a range of exceptional situations, which may include:

1. If a donation is accepted that subsequently affects our independence or causes reputational issues, this policy and its processes should be used to evaluate whether the RNLI should return the donation or not.
2. Where the RNLI has formally agreed in advance of receiving a solicitors firm's donation from its dormant client assets, to return the donation at a later date if a valid beneficiary subsequently comes forward (see Appendix 2).
3. If the terms of the conditions of the funding received provide for it to be returned in particular circumstances. For example, an appeal does not raise sufficient funds and an alternative redirection of funds was not made clear at the outset; or an appeal for a specific purpose raises too much money (legal authorisation may be needed from the Charity Commission before the excess funds can be directed to a similar purpose); or a project is cancelled or severely delayed.
4. An ex-gratia payment – where the charity has received an order from the Charity Commission for England and Wales
5. If a donor correctly exercises their right to a refund.

Definitions

1. **Donation:** A gift from a living person which is being offered to the RNLI without the expectation of anything being given in return, other than agreed donor recognition.

Disclaimer:

Donations may be received in cash, by cheque, online, via text donation, by bank transfer or by card or as a non-cash gift (e.g. a painting, property, shares, etc.). Where the donation is a non-cash gift, an approximate value should be researched to establish the appropriate referral point. Legacies are not affected by this policy. It is not the RNLI's current policy to accept cryptocurrency, however, due to our previous policy to accept this form of donation, there may be exceptional circumstances that arise as a consequence and we will review and manage these on a case by case basis.

2. Major Donor/Donation: An individual giving £/€10,000 of their own monies (not fundraising on behalf of others). A company or organisation may also be a major donor when a gift is being offered from the company/organisation without the expectation of anything in return.
3. Gift in Kind: products or services that are given to the charity that the RNLI would otherwise need to spend money on (e.g. Pro bono consultancy, equipment, supplies). Gifts in Kind are not Donations.
4. High profile donor: A donor would be deemed as 'High Profile' if their activity, background or personal reputation, scale or type of donation is in scope to attract significant media or social media interest
5. Due diligence: is the process and steps that need to be taken to be reasonably assured of the provenance of the funds given to the charity, confident that they know the people and organisations the charity works with and are able to identify and manage associated risks.

Appendices

Appendix 1: Donations Acceptance Decision Matrix – this sets out the levels of delegation (assessed risks and values)

Appendix 2: Process for Indemnifying solicitors donating from dormant client accounts

Reference Documents

Our Watch 2020 (RNLI)	The Charities Act 2009 (RoI)
RNLI values	https://www.charitiesregulator.ie/en - Irelands Charity Regulator.
RNLI Constitution	Charities Governance Code (RoI) Charities Institute Ireland (Cii)
Code of Fundraising Practice 2021 (Fundraising Regulator)	http://www.guernseylegalresources.gg/article/91269/Charities [2/12 9:40 AM] Simon Payne
Acceptance refusal & return: a practical guide to dealing with donations May 2018 (Institute of Fundraising)	Isle of Man – Charities Registration and Regulation Act 2019
Compliance Toolkit (Protecting Charities from Harm), Charity Commission	Jersey -
Proceeds of Crime Act 2002	https://www.jerseylaw.je/laws/revised/Pages/15.070.aspx
The Charities Act (1992 and 2011)	

Related Policies, Procedures & Guidance

Donations Acceptance Decision Matrix	Anti-corruption and Bribery Policy Research Ethics Policy	Restricted Fund Policy (new/draft)
Donations Acceptance Process	Accessing support from the Data Evidence and Insight DEI front door process (for partnerships research)	World Health Organisation Declaration

Related Forms & Instructions

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Donations Acceptance Checklist;
Joint Donations Acceptance Report
RNLI Indemnity form template
Process for Indemnifying solicitors donating from their dormant client accounts
Philanthropy Due diligence Process
Trusts and Grants Due diligence process
Donor error refund process

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Appendix 1: Donations Acceptance Decision Matrix

Assessed Risk level	Value of donation	Joint report with research required?	Accountable role	Trustee involvement
No assessed risk flags	Less than £/€10K	No	Fundraiser (Community Manager, Fundraising and Partnerships Lead, Philanthropy Manager, Trusts and Grants Manager, Customer Experience Manager)	No
Risk(s) identified but benefits assessed as greater than risks	Less than £/€10K	No	Team Manager (Fundraising & Partnership Lead, Strategic Trusts and Grants Funding Manager, Strategic Philanthropy Manager)	No
No assessed risk flags	£/€10,000 but less than £100K	No	Team Manager (Strategic Philanthropy Manager, Strategic Trusts and Grants Funding Manager, Regional Engagement Lead)	No
Risks identified, but benefits assessed as greater than risks	£/€10,000 but less than £100K	Yes	Leader (Head of Engagement or Head of Major and Individual Giving)	No (reviewed through FMM Director's report to Trustees)
No assessed risk flags	£/€100K+	Yes	Head of Major and Individual Giving	No (reviewed through FMM Director's report to Trustees)
Risks identified, but benefits assessed as greater than risks	£/€100K+	Yes	Head of Major and Individual Giving	No (reviewed through FMM Director's report to Trustees)
Risks identified and refusal recommended	Less than £/€1M	Yes	Director of Fundraising, Marketing and Media	Trustee approval required
No assessed risk flags	£/€1Million+	Yes	Director of Fundraising, Marketing and Media	No (reviewed through FMM Director's report to Trustees)
Risks identified, but benefits assessed as greater than risks	£/€1Million+	Yes	Director of Fundraising, Marketing and Media	No (reviewed through FMM Director's report to Trustees)
Risks identified and refusal recommended	£/€1Million+	Yes	Director of Fundraising Marketing and Media	Trustee approval required to refuse
Risk identified (anonymous donation over £/€25K)	£/€25K+	N/A	Director of Fundraising Marketing and Media. (Needs to be reported to the Charity Commission as a serious incident (this does not apply in Scotland and Northern Ireland)).	Trustee approval required to accept or refuse
Returning funds that have already been accepted	Where an error has been made by the supporter; less than £/€1,000	n/a	Managed through the Donor error refund process	No
Returning funds that have already been accepted	£/€1,000 - £/€9,999.99	n/a	Leader (Head of Engagement or Head of Major and Individual Giving) , with approval from Director of Fundraising Marketing and Media (may wish to apply to the Charity Commission for an order authorising the charity to refuse a donation or advice)	No
Returning funds that have already been accepted	£/€10,000 - £/€49,999.99	n/a	CE with recommendation from Director of Fundraising Marketing and Media and CFO (may wish to apply to the Charity Commission for an order authorising the charity to refuse a donation or advice)	No

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Returning funds that have already been accepted	Greater than or equal to £/€50K	n/a	Trustees with recommendation from CE, CFO, Director of Fundraising Marketing and Media (may wish to apply to the Charity Commission for an order authorising the charity to refuse a donation or advice)	Trustee approval required
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Risk flags indicating referral for support required

1. The donation is given with conditions attached (exclude requests for specific funding opportunities or standard donor recognition)	2. The donor has an HMP address
3. The donor is connected to the tobacco or arms industry	4. There are some allegations of the individual being connected to some illegal activity
5. There is a concern that the donor may be vulnerable or in a vulnerable circumstance	6. An intermediary is involved (e.g. IFA, solicitor, relative) (does not apply to Trusts and Grants)
7. The donation is from the proceeds of any gambling activity arranged offshore	8. The individual or any of their close associates is deemed high profile (activities are likely to attract significant media/social media interest) and has not had research completed in the last year
9. The donation is coming from overseas	10. There is some evidence of behaviours/questionable conduct which may conflict with RNLI values or ethical principles
11. You have some other concerns about accepting the donation	12. The donation is anonymous

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Appendix 2 Process for Indemnifying solicitors donating from dormant client accounts

1. If a donation is received from a solicitor's firm where the funds come from a dormant client account then, in exchange the RNLI is required to provide an indemnity to refund the solicitors firm in the unlikely event a client subsequently makes a legitimate claim against the sums donated to the RNLI. This indemnity will oblige the RNLI to refund all sums from the dormant client account to the solicitor's firm for bona fide claims.
2. Anyone issuing an indemnity form to a solicitor's firm must first gain their team manager's approval, then use the RNLI indemnity form template. Any other indemnity forms must be reviewed by the RNLI legal team prior to signature.
3. A copy of the signed indemnity must be stored on the supporter database against the donation

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