

HEALTH STARS CHARITABLE FUNDS PROCEDURE

Document Reference	Proc486
Version Number	1.1
Author/Lead Job Title	Clare Woodard Charity Manager
Lead Director name	Steve McGowan – Director of Workforce and OD
Consultation	
Date of Last Changes (This Version)	February 2023
Date of Next Review	February 2026
Approving Group / Committee / Director Date of approval	Director sign off - Steve McGowan February 2023

VALIDITY – Policies should be accessed via the Trust intranet to ensure the current version is used.

CHANGE RECORD

Version	Date	Change details
1.0	Nov 2022	<i>New procedure document.</i>
1.1	Feb 2023	<i>Reviewed with minor amends – staff change. Approved by director sign off (Steve McGowan – February 2023).</i>

Contents

1. Introduction.....	3
1.1. What is Health Stars?	3
1.2. Our Mission	3
1.3. Our Vision.....	3
1.4. Our Values.....	3
1.5. HEY Smile Foundation	4
1.6. Charitable Funds Committee.....	4
2. Key Staff	4
3. Fund Zones	4
3.1. What is a Fund Zone?	4
3.2. What is a Fund?	5
3.3. Creating a Fund/or Fund Zone.....	5
3.4. Closing a Fund/ or Fund Zone.....	5
3.5. Fund Review	5
3.6. External Non-Charity Fund Accounts.....	6
4. Fund Guardians.....	6
4.1. What is a Fund Guardian?	6
4.2. Becoming a Fund Guardian.....	6
4.3. Stepping down as a Fund Guardian.....	6
4.4. Roles and Responsibilities of a Fund Guardian	7
5. Circle of Wishes.....	8
5.1. What is Circle of Wishes?	8
5.2. What can charitable funds be used for?	8
5.3. How to make a wish.....	9
5.4. The wish process	9
5.5. Procurement.....	10
5.6. Delegation Limits.....	10
5.7. Publicity.....	10
6. Donations.....	11
6.1. Where do donations come from?.....	11
6.2. Accepting a donation	11
6.3. Unacceptable donations.....	12
7. Anomalies.....	13
8. Legal.....	13

1. Introduction

1.1. What is Health Stars?

Health Stars is the registered charity for the breadth of NHS services provided across Humber NHS Foundation Trust. We embrace donors to support enhancements to the NHS that are now beyond the financial capabilities of the NHS.

The patients we benefit are some of the most vulnerable in our community. The charitable funds which our NHS teams can access through Health Stars enable enhancements in innovation, environments, and training and research.

We are here primarily for patient benefit; however the by-product of generous donations from the general public, businesses and grant funders also enhance the education, morale and wellbeing of our NHS people.

Any donation, big or small, will have a positive impact on the lives of the 800,000+ patients the incredible teams across the Humber Teaching NHS Foundation Trust care for.

1.2. Our Mission

To promote the development of exceptional healthcare which goes above and beyond NHS core services, through investment in people, environments, resources, training and research.

1.3. Our Vision

Health Stars contributes to a thriving healthcare environment for NHS teams and their patients, by embracing generosity and investing in innovation.

1.4. Our Values

Our Values underpin everything we do; they are the words which describe how we expect the team to operate within the Charity and what we expect from our partners and supporters. Our Health Stars values link and expand upon the HFT values of Caring, Learning and Growing.

Inspire

Enhance positive communication of the HTFT, improving staff morale, wellbeing, motivation and pride, through the Circle of Wishes and a series of internal and external activities allowing us to push the boundaries of care.

Influence

An independent voice that cuts through the politics and complexities of the NHS and challenges the status quo, pushing the boundaries of existing provisions and standards of care to provide solutions and enrich the daily life of the NHS teams, patients and carers.

Engage

Our transparent approach makes us a Charity partner of choice, both internally and externally of the HTFT. We embrace partnerships to resolve the challenges in delivery of care.

Celebrate

With donors, we are able to celebrate the successful operations within HTFT, spotting the small things that make a big difference, partnering with HTFT to deliver recognition that inspires excellence. Externally we are the Voice for our donors, celebrating their efforts big or small.

The registered charity number is 1052727.

1.5. HEY Smile Foundation

In July 2016, the charity officially launched the new name Health Stars with the support of Hull and East Yorkshire Smile Foundation (HEY Smile Foundation).

HEY Smile Foundation worked with Humber Teaching NHS Foundation Trust to create a new brand for the charity. HEY Smile Foundation continues to support Health Stars through employing and managing staff, strategic direction, marketing, human resources and administration.

1.6. Charitable Funds Committee

The Charitable Funds Committee forms the Trustees of the charity. For information on how the committee operates please see the terms of reference.

2. Key Staff

Health Stars staff

Head of Smile Health – Victoria Winterton/ Maternity Cover Clare Woodard

NHS Staff

Chief Executive Officer: - Michele Moran

Director of Finance – Peter Beckwith

Executive Lead – Steve McGowan

Contact Information

Health Stars

Trust HQ

Willerby Hill

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HU10 6ED

Telephone: 01482 389103

Email: hello@healthstars.org.uk

Website: www.healthstars.org.uk

3. Fund Zones

3.1. What is a Fund Zone?

Health Stars holds all the charitable funds across the Trust. Previously there were nearly 200 funds in place, many of which were duplications of other funds. One of the first key objectives of Health Stars was to reduce the number of funds to a manageable number. The

funds were grouped into “zones” for example all funds for Mental Health were grouped into the Mental Health Zone.

A Fund Zone is a fund for an area of the Trust. All Fund Zones must be Trust-wide and have between two and three Fund Guardians.

3.2. What is a Fund?

A Fund may still exist within the structure of a Fund Zone. For example Bridlington Fund Zone has within it a Fund for the Macmillan Ward and a Fund for the minibus. A Fund is for a more specific area of the Trust and is generally historical. Whilst most Funds were closed in the move towards Fund Zones, some Funds have been allowed to remain open. This may be because they are healthy, active Funds that receive regular income and are regularly spent.

A Fund may be used to describe a Fund Zone but a Fund Zone may not be used to describe a Fund.

3.3. Creating a Fund/or Fund Zone

As a general rule no more Funds or Fund Zones will be created. Health Stars has devised a structure that negates the need for any future funds to be created.

Any donation for a specific area can be put into the respective Fund Zone and be ring-fenced for that area.

A new fund will not be created for each new appeal, appeals will run through their normal Fund Zone and any donations will be ring-fenced for the appeal.

Anyone who wishes to create or set up a fund should contact Health Stars. If there are exceptional circumstances that would require a fund to be established a case will need to be taken to the trustees for discussion. **The finance team do not have the authority to create new fund zones.**

3.4. Closing a Fund/ or Fund Zone

The Health Stars team welcome the closure of funds that have become inactive.

A fund will automatically be reviewed if it meets any of the following criteria.

- A fund doesn't receive a single donation over a six month period
- A fund balance falls below £500

The Health Stars team will discuss the Fund with the Fund Guardians and make a recommendation to the Trustees for the closure of the Fund. Fund Guardians' opinion will be taken into consideration but ultimately the decision of closing a fund lies with the Trustees. When a Fund is closed the remaining balance will be transferred into an appropriate Fund Zone.

3.5. Fund Review

Health Stars Charity Manager will review all funds annually to determine if any funds can be closed. If any Funds are identified a case should be taken to the Trustees.

3.6. External Non-Charity Fund Accounts

Health Stars and Humber NHS Foundation Trust do not permit any member of staff to hold an external fund account for the purpose of accepting donations on behalf of a ward or department. If such a fund does exist, the fund holder should notify the Health Stars team immediately.

There should be no accounts held externally that are named with a unit, department, service area, specialism or community service within Humber NHS Foundation Trust.

Staff should be aware that if they hold any other non-charity registered accounts then they are personally responsible to donors, the Inland Revenue and the Charity Commission. Holding external bank accounts that are operating as a charitable account would result in the Inland Revenue treating it as personal income, and therefore liable for taxation.

Any members of staff holding such accounts should make it clear to any donors that their funds are not registered with Health Stars or Humber NHS Foundation Trust.

4. Fund Guardians

4.1. What is a Fund Guardian?

A Fund Guardian is someone who is appointed because they are in a position to recommend appropriate use of charitable funds within their particular service.

4.2. Becoming a Fund Guardian

All Fund Guardians must be approved by the Trustees at Charitable Funds Committee. Fund Guardians must be a member of staff at Humber Teaching NHS Foundation Trust or be registered at the Trust with a license to attend.

The Trustees of Health Stars delegate certain responsibilities to Fund Guardians. These responsibilities are outlined below. All Fund Guardians must thoroughly read the responsibilities and sign to say they have understood the policy. All Fund Guardians will be asked to sign the policy a minimum of once every three years. This may occur more frequently should changes be made to the policy.

4.3. Stepping down as a Fund Guardian

A Fund Guardian may need to step down for a number of reasons, for example when leaving the Trust. When a Fund Guardian is stepping down he/she must notify Health Stars immediately after handing in their resignation.

A current Fund Guardian may wish to advise Health Stars on an appropriate person to succeed them as Fund Guardian but must be aware this decision remains with the Trustees. If at any time a Fund Guardian is believed to be acting not in accordance with the roles and responsibilities detailed below Health Stars and Trustees reserve the right to remove them as a Fund Guardian.

4.4. Roles and Responsibilities of a Fund Guardian

All Fund Guardians must read the Roles and Responsibilities carefully and sign the declaration at the end.

- To uphold the 7 Principles of Public Life
 - o Selflessness
 - o Integrity
 - o Objectivity
 - o Accountability
 - o Openness
 - o Honesty
 - o Leadership

More information is available here <https://www.gov.uk/government/publications/the-7-principles-of-public-life/the-7-principles-of-public-life--2>

- To ensure that Trust staff make appropriate and wise spending requests against their fund to maximise the benefits to patients
- To act as an ambassador for Health Stars to promote the Circle of Wishes and actively encourage fundraising
- To ensure that information is delivered to meet the charity's governance requirements
- To actively support the Health Stars team in publicity for wishes granted from their fund.
- To abide by Standing Financial Instructions as set out by Humber NHS Foundation Trust.
- To inform Health Stars of any donations, in kind or monetary to the Trust.
- To provide updates to Trustees when requested.

Name _____

Fund Zone _____

Job Title _____

Date _____

5. Circle of Wishes

5.1. What is Circle of Wishes?

Circle of Wishes is the way Health Stars connects Charitable Funds with patient benefit, also known as applying for charitable funds.

You can find the Circle of Wishes on the Health Stars website here

[www.http://healthstars.org.uk/circle-of-wishes](http://healthstars.org.uk/circle-of-wishes)

Anyone can make a wish to Health Stars; it might be a member of staff, a patient, a relative, a visitor to a unit, or community service.

5.2. What can charitable funds be used for?

Legally, all Humber NHS Foundation Trust Charitable funds must be used for charitable purposes in relation to the National Health Service. This section gives guidance on what constitutes legitimate charitable expenditure.

Charitable funds can potentially be used for a wide range of costs, including environmental improvements, pastoral and complementary services, and medical equipment.

All proposals for charitable expenditure should be considered against the following three tests:

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.

The additionality test

Charitable expenditure should enhance, rather than simply maintain, NHS services. Charitable funds should not be used to provide equipment or other items without which a department could not continue to function. It is appropriate for charitable funds to support innovation in equipment or services, which may later become a mainstream cost. It is also appropriate for charitable funds 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.

The public perception test

When considering its use of funds, a person 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?*

*The three tests were taken from Sheffield Hospitals Charity, A Guide to Sheffield Hospital Charity's procedures for charitable funds, October 2012, <https://shsc.nhs.uk/wp-content/uploads/2014/05/CharitableFundsProceduresHandbook.pdf>, 15/05/2017 and Above and Beyond, Fund Advisor's Handbook for use of Charitable Funds, March 2014, http://www.uhbristol.nhs.uk/media/2117518/fund_advisor_s_handbook_-_v1_31-03-14.docx, 15/07/2017

5.3. How to make a wish

Wishes are made through the Health Stars website, www.healthstars.org.uk. The wish maker should provide their first name, last name, phone number, email address and no more than 250 words about their wish.

Wish makers are asked to consider the three tests above when making a wish and answering the following questions within the 250 word limit.

1. What's your wish?
2. Where can we make it happen?
3. Why is this so important to you?
4. Who will benefit if your wish comes true?

5.4. The wish process

Once a wish has been submitted the Health Stars team will assign it a wish number and reply to the wish maker within three days.

The Health Stars team might need to ask the wish maker for more information at this stage. For example, if the request is for training or education the charitable fund training request form will need to be completed.

The Health Stars team will consider whether the wish is charitable or not. They will take into consideration the three tests above and make a decision. If the team are unsure they make seek advice from the Charitable Funds Committee or ask questions of NHS staff.

If a wish is deemed to be not charitable the wish will then be rejected by Health Stars. If the wish maker is not happy with their decision they can appeal the decision and the wish will be taken to the Trustees for the final decision.

If a wish is deemed charitable then Health Stars will work with the procurement team to obtain the best price available for the requirements of the wish maker. Health Stars aims to get three quotes for each which where possible.

For each wish a charitable funds expenditure form must be completed, this includes obtaining checks from all the necessary departments depending on the wish. These departments include estates & facilities, medical engineering, infection control and health and safety.

The following additional rules apply for approving wishes.

- Wishes for Core Equipment or Supplies

Wishes for any core equipment or supplies which can be found on the NHS Supply list, will not be funded by Health Stars.

- Wishes for Training and Education

The charitable funds training request form must be completed by the wish maker. Health Stars does not fund any mandatory training.

- Wishes with ongoing maintenance or consumable costs

Health Stars does not cover any ongoing consumable or maintenance costs. Any costs must be covered by the department or group budget. Health Stars requires sign off from the respective group before it can proceed with any order. The charitable funds additional approvals form must be completed by the business accountant for the respective group.

- Wishes for individuals

Health Stars does not support requests for individuals there should always be a public benefit to any request granted.

- Travel and Transport

Health Stars does not support travel costs, for patients or for staff.

5.5. Procurement

Once a wish has received all the necessary approvals :

- Non medical equipment will be purchased by Health Stars.
- Medical equipment for Humber NHS Foundation Trust will be purchased by HTFT and an invoice raised for Health Stars.

Both the finance team and the procurement team of the relevant organisation will inform Health Stars when their stage is complete that Health Stars can inform the wish maker on the progress of the wish.

5.6. Delegation Limits

The Trustees of the Charitable Funds Committee delegate the approvals for Charitable Funds expenditure. The delegations limits are:

£1 - £1,000	Authorisation from Health Stars Charity Manager
£1,001 - £5,000	Further authorisation from Fund Guardian and Service Lead
£5,001 - £25,000	Further authorisation from Charitable Funds Committee
£25,001 and above	To be noted by HTFT Board

5.7. Publicity

If willing, wish makers may be required to participate in publicity once their wish has been delivered. This may include a picture with the item granted and a press release so that Health Stars can effectively communicate how charitable funds are spent. When something is not a physical item to be photographed, the wish maker should submit a short write up about the impact on patient benefit.

6. Donations

6.1. Where do donations come from?

The majority of donations to Health Stars are from fundraising and grateful patients. Health Stars prides itself on ensuring all donors are properly thanked and looked after.

Donations may come in a variety of forms and as much as possible Health Stars should be notified about all donations.

External charities must not accept or solicit donations in units, departments or clinics without prior agreement from Health Stars Charity Manager.

6.2. Accepting a donation

Donations may be accepted by units or through Health Stars staff. All staff are permitted to accept donations to Health Stars. The Health Stars team are also available to accept donations. NHS staff are encouraged to make the most of the Health Stars team when it comes to accepting donations. The Health Stars team can complete the receipt book and ensure thank you letters are written and delivered to donors.

Accepting cash & cheques

The following steps should be completed.

If cash:

- a. Count the money and verify the amount with a second member of staff.

If cheque:

- b. Cheques should be made payable to **Health Stars** with the service or fund zone written on the back of the cheque

Then complete the following steps:

1. Complete the receipt book filling out the donor's name and contact information
2. Ask the donor if they are a tax payer and gift aid can be claimed on their donation. If they are a taxpayer, Health Stars receives an additional 25% for every donation.
3. Enter any additional information in the "reason for donation" box. As a minimum this must include anything written on the back of a cheque. Additional information might be if the donation is in memory, as a result of care for themselves or a relative.
4. The fund zone number should be entered at the bottom of the receipt
5. The receipt should be signed by the donor and the member of staff and the white copy to be given to the donor.
6. Contact the Health Stars team to come and collect the donation and receipt.

Alternatively and if the Health Stars team are not available take the donation to the Finance team. If neither is available, lock the donation in a secure place until such time as the donation can be handed over.

The Health Stars team will then record the donation onto their database and write a thank you letter to the donor. This must be completed within 10 days of the donation being made.

*** If a donation is taken but a receipt has not been issued, please ensure that the donors' full name and address as well as reasons for the donation are passed to the Health Stars team with the donation itself so that appropriate thank you letters can be issued. ***

Accepting legacies

Patients and relatives can show their appreciation for Humber NHS Foundation Trust by choosing to make a bequest in their will for the Health Stars.

All correspondence from will executors must be passed to the Financial Controller of the trust who will process the donation and carry out the formalities required for this form of donation.

6.3. Unacceptable donations

All income to be credited to the charity must be available for wish funding at the discretion of the Trustees. Income cannot be accepted which will create funds that are not under the ultimate control of the charity's Trustees.

Fees earned by individuals

Fees earned by individuals cannot be credited gross to charitable funds. These should be treated as income of the individual and declared as such in order that the correct amount of tax can be paid. The net amount received can then be donated to the charity, which can then reclaim the tax deducted under the Gift Aid scheme. Failure to adhere to this procedure may lead to tax implications at a future date.

Donations for other charities

Only partner charities highlighted in this document, or added to at a later date, can fundraise on behalf of Health Stars.

A letter of authority is required for groups, individuals or organisations fundraising on behalf of Health Stars. This excludes online giving, when fundraising is automatically permitted through our own Virgin Money Giving page/s.

Gift Aid

With every pound donated, Health Stars can receive an additional 25 pence from the government at no extra cost to you.

Donors should ensure that they submit their house name/number and postcode to confirm eligibility.

Gift Aid can be claimed on both individual and sponsorship donations provided they are gifts. Your donation **does not qualify** for Gift Aid if:

- You have been charged an entry fee e.g. a ticket for performance or a sports event
- You have bought something
- You have entered a competition e.g. a raffle

7. Anomalies

Any anomalies with donations should be highlighted as soon as possible and investigated with the donor, fundraiser, charity team and finance colleagues. Records of actions taken and any financial account amendments should be noted and approved for auditing purposes.

8. Legal

The statutory and legal framework relating to charitable funds is extremely complex: a brief summary of the main elements are shown below.

NHS Trusts are empowered by the NHS and Care in the Community Act 1990 to accept, hold and administer monies and property in trust for purposes relating to health services. The statutory framework in which charitable funds must be managed is controlled by the NHS Acts of 1977, 1980 and 1990.

A number of circulars are also relevant, those being:

- i) HC(80)11 Part I issued in December 1980 with Part II issued in May 1981 relating to fund-raising by health bodies, which should be read in conjunction with section 96a of the 1977 Act.
- ii) HC(91)25 Financial Directions, which has been built upon by Conduct and Accountability and the new model Standing Financial Instructions.
- iii) FDL(93)24 Transfer of Funds held on Trust
- iv) FDL(93)86 NHS (Charitable) Trust Funds
- v) FDL(94)61 NHS Charitable Funds

Please note an FDL (Financial Direction Letter) has the same significance as a Statutory Instrument and must be complied with.

Charitable Funds must also comply with the law of England and Wales laid down in:

- i) The Charities Act of 1992 and 1993 which mainly consolidates the Charities Act of 1960 and 1985.
- ii) The Trustees Act 1925
- iii) The Trustee Investments Act 1961

The objects of the Charities Act are to provide a tighter framework for the operation of charities and to ensure that everyone can have greater confidence donations will be properly used.

Charities are also subject to the rules and regulations laid down by HM Revenue and Customs (VAT,) and the Inland Revenue (Income Tax, National Insurance and Corporation Tax).