



King's College Hospital Charity

Grant Conditions and Expenditure Guidelines

January 2019

Registered Charity No: 1165593

**Changing lives,
pioneering care.**

Grant Conditions and Expenditure Guidelines 2019

1. Introduction

1.1 King's College Hospital Charity

King's College Hospital Charity ('the Charity') is a Registered Charity (number 1165593). It is subject to charity law and to regulation by the Charity Commission. It has its own Board of Trustees, its own policies and procedures and its own annual financial audit. It benefits from the statutory concessions available to charities (e.g. various forms of tax relief).

The Charity is a separate legal entity from King's College Hospital NHS Foundation Trust ('KCH', or the 'Foundation Trust') and is not subject to the NHS regulatory regime (i.e. NHSI). The Charity does however work in close collaboration with the Foundation Trust and other partners of the Academic Health Sciences Centre - King's Health Partners (KHP).

1.2 The Mission of the Charity

The Charity's mission is "to assist and support the Foundation Trust - and, where considered appropriate, other bodies relating to the NHS in England – in order to enhance services and facilities for patients and the working environment for staff, and to support research for the ultimate benefit of patients."

The Charity seeks to 'enhance' the work done by the Foundation Trust and the wider NHS, by funding things which the Foundation Trust and NHS would not normally be able to fund itself.

The Charity's ultimate aim is to benefit present and future patients and this is the basis of its public benefit, which underlies its charitable status.

2. Grant Conditions

In order for funds to be released, or assets to be gifted, to the Foundation Trust or King's College London (KCL, it is the responsibility of the applicant and the organisation to which it is paid to ensure that the following terms and conditions are met:

- i. That **the grant offered is to be used specifically for the purpose given.**
- ii. Funds must be used or have begun to be drawn down within 12 months of being notified that you have been successful in your offer letter. If a project has not started within 12 months the Charity reserves the right to withdraw the offer, unless an extension is agreed in advance.
- iii. Grants must be spent within any timescale that has been agreed as part of the application. All grants must normally be spent within 3 years of being awarded, unless specific conditions have been negotiated in advance with the Charity.

- iv. The Charity's support must be acknowledged in all communications activities about the project (internal and external), and materials including written reports, articles and publications in a format to be determined with the Charity (see section 3.11)
- v. That **the Charity and its Fundraising and Communications Team can use this grant in any publicity**, in written form or on their websites.
- vi. **A progress report must be submitted to the Charity in February each year and a final report detailing the outcomes and benefits of this work must be sent to the Charity within six months of completion of the project.** Please send this to Chief Executive, King's College Hospital Charity, King's College Hospital, Denmark Hill, SE5 9RS and include:
 - Information on deliverables and how the project has benefitted patients i.e. its outcomes and impact;
 - Any publicity or publications arising from the project, including external press or media coverage, journal papers, conference presentations, abstracts etc;
 - Information about further grant proposals and any additional funding obtained arising or following on from the project/research.
- vi. **Grant Holders are expected to comply with all relevant policies, procedures, systems and processes of King's College Hospital NHS Foundation Trust**, and if it is a Research Project under the research protocols of either of the FT or King's College London as appropriate. Grants must not be used as a way of evading any of King's College Hospital NHS Foundation Trust, King's College London's or any other recipient organisations' policies, procedures, systems and approval processes.
- vii. The **detailed conditions relating to expenditure and other matters must all be adhered to and are set out in detail in point 3 below.**

3. Grant Award

3.1 Key criteria for approval of a Grant

All expenditure from a *Grant*:

- must be charitable, be 'over and above' what the NHS can provide and must conform to the *Charity's* overall objective, with the particular purpose of the *Grant* and with any particular wish expressed by the relevant donor;
- must be well-considered, reasonable (i.e. not lavish) and cost-effective;
- must not be used as a way of bypassing the recipient organisation's expenditure governance processes and policies/procedures. As such all expenditure on goods and services must be properly procured through King's College Hospital NHS Foundation Trust's systems to obtain value for money and steps must be taken to avoid the potential of undue influence that would come from gifts and hospitality. All staff should be employed by, or have an honorary contract with, the organisation to which the grant is given i.e. usually King's College Hospital NHS Foundation Trust, complying with all of their employment processes. All equipment (including medical/IT

equipment and software) must be purchased/leased in accordance with the Foundation Trust's policies and procedures and remain wholly in use for the benefit of the Foundation Trust throughout the economic life of the asset;

- must not risk damaging the *Charity's* reputation or risk losing the support of donors or other stakeholders.

3.2 Acceptance of a grant award

On accepting an award from the *Charity*, the applicant(s)/organisation to which it is made agree to abide by these terms and conditions in full.

The application must sign a copy of the award document indicating they will comply with all the conditions set out in these Guidelines and any additional conditions contained within the award document and return this to the Charity.

4. Drawdown of a grant either through reimbursement of expenditure or gift of asset

4.1 Drawdown of grant through reimbursement of expenditure

Unless the grant award is made in the form of a gift of an asset to the Foundation Trust, grants will normally be paid in arrears, after the goods or services have been provided.

Requests to make payments in advance will only be agreed by the *Charity* in exceptional circumstances. Where a grant comprises a number of different expenditure items, the Charity will usually only pay on receipt of individual payment requests for each item within the grant.

All payment requests must:

- be made using the *Charity's Grant Payment Authorisation Form which can be found on the Charity's [Kwiki page](#)*.
- supported by adequate original documentation (e.g. invoices or receipts). A bank or credit card statement will not normally be considered adequate.
- be authorised with the signature of the grant holder. A scanned signature is not acceptable.

Payment requests that do not meet these criteria will be returned to the Grant Holder.

Requests for payment must be made within six months of the date set out in the grant application unless an extension is approved in advance by the Charity.

A grant fund will be closed and any remaining balance returned to the Charity's General Fund within six months after the scheduled end date, if not drawn down.

4.2 Gift of assets

Where the grant relates to medical equipment, the Charity may purchase the asset and then gift it to the Foundation Trust. In this case, the Charity will make the procurement order in its own name and issue a VAT zero rating certificate. Where the Foundation Trust is making an order for equipment as part of a larger order, or ordering IT Equipment, they will make it as agent for the Charity and the Charity will reimburse the Trust through the monthly recharge process.

4.3 Right of audit

The Charity reserves the right to audit the finances of a grant award at any time.

4.4 Conflict of interest

The Trustees realise that conflicts can occasionally arise and are concerned that these are managed in such a way to protect the integrity of the *Charity* and the Grant Holder. Grant Holders should comply with their employer's policy on disclosure of interest as well as disclosing to the *Charity* any conflicts of interest.

A conflict of interest could be perceived to be present if, for example:

- i. the Grant Holder or another person closely associated with him/her may benefit in some way from the Grant. No Grant Holder may authorise expenditure from which they will benefit personally. Any payment to a Grant Holder must be authorised by their manager, or
- ii. a Grant Holder's family members or friends are personally supplying services relevant to the Grant and the Grant Holder wishes to pay them from the Charitable funding. In this instance, if approved, their expense claims/invoices should be signed by their manager.

This is not an exhaustive list.

4.5 Expenditure which benefits staff

4.5.1 Key Principles

All grant expenditure should be focused ultimately on benefiting patients. Expenditure which benefits staff is only acceptable where it can be clearly demonstrated that this is an effective way of achieving a benefit for patients.

There is an obvious risk that such expenditure may be perceived as wasteful or self-interested by donors or other stakeholders and may consequently damage the *Charity's* reputation. *Grant Holders* must therefore only incur such expenditure where it is capable of being defended and justified publicly. The *Charity* will not normally pay for the costs of alcohol.

This is a sensitive area and the *Charity* reserves the right to veto expenditure which it deems not to meet these criteria. If requiring clarification, *Grant Holders* are encouraged to contact the *Charity's* accounts office in advance of incurring the expenditure.

4.5.2 Hospitality, Entertainment and Gifts

- a) **Direct Staff benefits** are not of itself a charitable act. Where expenditure is to be incurred in this way, the following rules apply:
- it must be available to all staff who are eligible to benefit from the Fund and not go beyond what a good employer would normally provide
 - a party at Christmas is reasonable; but more frequent events (e.g. a mid-summer party as well as an Xmas party) will need justification
 - the catering costs for parties should remain within the agreed per head meal and refreshment limits listed in section 3.5.3
 - venues that would be wholly inappropriate for a charity (e.g. night club, casino) should not be used

- the costs of alcohol and bottled water will not be reimbursed except with prior approval of the charity
- staff/departmental meetings: meals and refreshments must be within the agreed meal limits. Expenses relating to venue and AV hire is allowable if the need can be demonstrated (e.g. lack of meeting space in the dept)
- leaving and retirement or other gifts may not be purchased. Gifts to staff beyond a 'token of appreciation' should be avoided. If a token of appreciation is provided (e.g. flowers), they should be purchased in exceptional circumstances only and at a cost of no more than £20 a head.

Under no circumstances will the costs of expenditure for partners, friends and family be reimbursed.

Charitable funds may not be used to reimburse the cost of damage to or loss of personal clothing or personal property.

b) Other forms of Hospitality / Entertainment

The Charity accepts that in some circumstances, for example, international conferences and meetings, delegates may need to meet for the benefit of research or clinical activities at meal times outside the main core conference or meeting agenda. In these circumstances the Charity may be prepared to fund the cost of the meal for hospital staff or for a visiting speaker giving their time free, provided that:

- the expenditure is proportionate and cost effective;
- the rationale can be demonstrated to meet the criteria in this paragraph;
- the expenditure has been approved in principle by the Charity CEO in advance.

4.5.3 Professional subscriptions

The *Charity* will not pay for professional memberships or subscriptions to UK bodies, regarding these as the professional obligation of the individual. The *Charity* may agree to pay for subscriptions to foreign or sub-speciality bodies, where these can be shown to bring genuine added knowledge to the staff team (and not simply to an individual). Please contact the *Accounts Office* for advice.

4.5.4 Travel and Accommodation

a) Travelling expenses

Mileage allowances will be paid in line with the FT's mileage rates, and only where other forms of transport are not feasible or do not represent better value. On production of receipts, reasonable car parking, toll and ferry charges will be refunded but not parking or other motoring fines. If claimants use their own vehicle, it is their responsibility to ensure they have appropriate insurance cover and the vehicle is road worthy.

Taxi fares will be paid only where evidence is provided that other forms of public transport are not feasible or do not represent better value and their use is essential – examples of this include the following:

- On journeys for which no other suitable means of transport is available
- On journeys to connect to suitable transport e.g. early morning to mainline train station for connection to an airport

- Where heavy or awkward baggage has to be transported locally
- Where the saving in time or cost is significant
- Where travel is required during anti-social hours i.e. before 7am or after 9pm
- Personal safety issues
- Physical ability issues.

Car hire will only be reimbursed for the duration of the meeting where evidence is provided that other forms of transport are not feasible nor represent better value.

Rail travel will be reimbursed for standard class only, unless approved otherwise by the Charity CEO in advance. If a claimant travels first class, they may claim the cost of a standard fare and personally pay the difference.

Air travel is permitted where no other form of travel is suitable. Only the costs of economy/tourist class will be reimbursed. For travel outside Europe and in exceptional circumstances, premium economy or business class travel may be approved with prior agreement of the Charity CEO. First class air travel will not be refunded in any case. If a claimant wishes to travel business or first class, they may claim the cost of an economy fare and personally pay the difference.

b) Accommodation

Receipted costs up to £75 a night may be claimed for hotel and accommodation costs. The Charity will only reimburse accommodation above that limit (e.g. for a 4 or 5 star hotel) if the claimant is attending a conference held in such accommodation and the accommodation is included with the conference fee. Accommodation costs may be claimed for the duration of the conference and where reasonable a night before it starts or after it ends. Claimants may not claim any other incidental costs.

4.6 Salary costs

Staff whose salaries are supported by the Charity must be employees of, or have an honorary contract with, the organisation to which the grant is made.

KCH *Foundation Trust*, KCL or another KHP partner will be responsible for ensuring all tax and other employment obligations are met. Grading and salaries should have the approval of the relevant HR department.

It is the *Grant Holder's* responsibility to ensure that all the contractual arrangements with the relevant HR and payroll departments are met.

Even when these requirements are met, the *Charity* will not pay for any staff undertaking work which is considered to be the normal function of the NHS. Any cost met will have to clearly fall within the charitable mission of the *Charity*, e.g. research, or other service enhancement above and beyond the NHS.

Any additional staff costs that may arise subsequent to an award being agreed (including, for example, any costs relating to redundancy/termination of employment) are the responsibility of the employing organisation and will not be reimbursed by the Charity.

4.7 Equipment, including IT equipment and software

All purchased equipment donated to the FT or acquired using charitable funds must remain in the use of the other organisation to which it is given for its entire

economic life. Purchases or leasing of equipment should be made through the Foundation Trust's *Procurement Department*, in compliance with their procedures, and then recharged to the *Charity* in order to ensure that the equipment is listed on the Foundation Trust/relevant organisation's asset register and that value for money is obtained.

Prior to approving the procurement requisition, equipment purchases will be referred by the Charity to the Medical Equipment Maintenance Team, to ensure that maintenance arrangements can be funded. The responsibility for any ongoing costs associated with all equipment lies with the organisation to which the grant for equipment is donated.

It is particularly important that any purchase of IT equipment, mobile phones or software is made in compliance with the Foundation Trust's policy and procedures, involving their IT Department. Licencing and ongoing maintenance remains the responsibility of the Foundation Trust and the licences and the associated revenue budgets for maintenance must be approved by the Foundation Trust in advance.

Purchases of equipment with charitable monies are often eligible for VAT zero-rating (thus considerably reducing the cost). The equipment is then donated to the FT. Grant Holders should complete the *Charity's* 'Sprinter' Procurement Authorisation form. Expenditure using KCH's 'Sprinter' procurement system will only be authorised by the *Charity* when a completed 'Procurement Authorisation Form' is received by the Charity Accountant.

4.8 Capital/building works

These are the responsibility of the *Foundation Trust/recipient organisation* and should be arranged through the organisation's Estates Department (or equivalent), in compliance with their procedures, and then recharged to the *Charity*.

4.9 Expenditure on Research

4.9.1 What research can be funded?

The Charity can only fund research that is in furtherance of its charitable objectives. Charity research follows the principles set out in the Charity's Commission's guidance on 'Research by Higher Education Institutions'. The leading court decisions on charitable research establish that research will normally qualify as charitable only if:

- the subject matter of the proposed research is a useful subject of study;
- it is intended that the knowledge acquired as a result will be disseminated to others; and
- the research is conducted for the benefit of the public or a section of the public.

If a grant provides money to support any research, e.g. whether it be funding the entire research project or part of it, such as buying consumables, the research and its governance remains the responsibility of the Applicant organisation. It must be registered with the Foundation Trust's Research & Development Office and be undertaken in full compliance with all of the Foundation Trust's policies and procedures. This requirement applies even when the project is not using the Foundation Trust's resources e.g. if the research is located in a KCL non-clinical

laboratory. The research undertaken by research fellows funded by the Charity must therefore comply with the conditions for charitable research.

Grant holders are responsible for ensuring that any research work that is funded from charitable income is approved in advance by King's College Hospital NHS Foundation Trust and that all their governance and ethical requirements are complied with. All research using charitable funds must have ethical and regulatory approval from the organisation employing the Principle Investigator using their policies and procedures, along with meeting any other external regulatory requirements. *Grant Holders* are personally responsible for complying with all ethical requirements, regardless of the source of funding.

Please note that the Charity cannot fund or manage funds for commercial research.

4.9.2 Scientific Integrity/Fraud

In the event of a scientific fraud or any other irregularity being suspected in the course of a project, the Charity should be notified immediately and kept informed of all future developments. It is the responsibility of King's College Hospital NHS Foundation Trust to investigate. If adequate steps are not taken to investigate, the grant will be suspended. If fraud or any other irregularity is proven the grant will be terminated immediately.

5. Processing Times and Administration

If items to be funded need to be procured through the Trust's procurement process then the time for processing a grant will depend on the timescales required for procurement; these vary depending on whether the supplier is an approved supplier of the Trust and the tender requirements.

For other grants payable through reimbursement, we aim to process requests for payment as efficiently and quickly as possible, but *Grant Holders* should be aware that it may take up to 3 weeks for cheques to be raised. If there is a genuine need for an urgent payment (e.g. items can only be purchased at a discounted price for a given period) then please contact the *Charity's* Finance team so that arrangements can be made to try and accommodate this. The *Charity* is open 9-5 Monday to Friday.

The Charity's main points of contact in relation to payments within the Finance Team are as follows: Email Address Finance@supportkings.org.uk ; Telephone Contact: 020 3299 4042. The Charity's Office is located on the hospital site: 1st Floor, On Call Building, corner of Bessemer Road.

6. Acknowledgements and Publicity

The support of the Charity must be acknowledged in all academic publications, presentations and posters arising from grants. The wording should read as follows: With thanks to King's College Hospital Charity for charitable grant that has made this [research/paper/conference] possible. Please include a copy of the charity logo and registration number where appropriate as in Appendix A. The Charity's registered number and logo may not be used by Grant Holders in other circumstances without the express permission of the Charity.

Wherever possible, **buildings and equipment should also display a plaque, the design and content of which should be agreed with the Charity before production**, indicating the source(s) of funding, please get in touch to discuss

Grant Holders should contact the Charity before making any comments to the media about the project as well as having obtained the consent of the recipient organisations (e.g. King's College Hospital NHS Foundation Trust or King's College London) agreed processes for communicating with the media.

7. Termination and Changes

The Charity reserves the right to terminate a grant at any time. In this very unlikely event, due notice and the reason will be given in writing. Any expenditure properly and necessarily incurred under the grant up to the termination date will be reimbursed.

Grant Holders are responsible for ensuring they comply with these conditions. The *Charity* aims to support its Grant Holders and they are encouraged to contact the Charity for information and advice in the event of a difficulty in fulfilling the terms of the grant. Where a Grant Holder repeatedly fails to produce information or comply with these terms and conditions the *Charity* may freeze the Grant or, ultimately, withdraw it. In the event of work being discontinued by the recipient organisation, written notice must be given to the Charity along with a report on the work carried out to date and the reasons for the termination. The Charity reserves the right to reclaim the grant.

The Charity reserves the right to change these terms and conditions. If an amendment is made a full explanation of these will be given.

Appendix A: Charity Logo and Number



Registered Charity Number 1165593

Companies House Registration Number 09987908