



Donations policy

Adopted and effective from: July 2019

Due for review: July 2022

1. Introduction

The Wordsworth Trust has the following charitable purposes:

- 1.1. to advance the education of the public in the works of the poet William Wordsworth and in particular to maintain Dove Cottage and its environs, and to preserve and develop the Trust's permanent collection as a living memorial to him;
- 1.2. to advance the public knowledge and enjoyment of the literature and culture of the Romantic period (1750 to 1850).

We receive donations from a wide range of generous benefactors who, like us, believe these purposes to be important, and who wish to see them met effectively. This policy helps us to ensure that we can receive such support without any detrimental impact on our funds, assets and reputation.

2. Definitions

In this policy 'donation' means a cash sum, a gift of shares or a service of a quantifiable value and sufficiently material size to warrant scrutiny offered by an individual or an institution, including bequests, grant-aid from charitable grant-making trusts, and sponsorship payments from commercial organisations. It does not mean a grant from a government or public sector source or a lottery distributor, a sum received through a service-level agreement or contract, or an object offered by gift to our collection. Arrangements for receiving the latter are set out in our collection development policy.

'Purposes' means the charitable purposes in our governing documents and listed above.

3. Accepting a donation

We consider each donation on its own merits and ask ourselves the following six questions when deciding whether to accept it. We will only refuse a donation if the answer to any of these questions is 'no'.

- 3.1 Do we know that we can lawfully accept it?
We are aware of the risks to charities of money linked to fraud, theft, money-laundering and other criminal activity.
- 3.2 Will it help us to achieve our purposes, at the present time or in the future?
If we cannot answer this question affirmatively, we may refer the donor to a charity whose purposes are better aligned with his or her intentions.
- 3.3 If there are conditions attached, can we meet them to the donor's satisfaction and without incurring undue cost?

3.4 Will it give a third party undue control over our strategy, policies, procurement or programmes of activity, commit us to an unduly long relationship, lead to unacceptable conflicts of interest, or otherwise compromise our independence?

3.5 Will it oblige us to promote the activities of an organisation whose aims, values and activities are contrary to our purposes?

We will act only in the best interests of the Wordsworth Trust when answering this question, and we won't allow ourselves to be influenced by Trustees' or officers' personal preferences.

3.6 Can we accept it without causing a degree of harm that is disproportionate to the donation's value?

We will act only in the best interests of the Wordsworth Trust when answering this question, and we won't consider harm that may arise to Trustees' or officers' individual reputations.

Prior to accepting a donation, we may require that a right of withdrawal be added to funding agreements or deeds of gift as an extra safeguard to our reputation.

We will publish annually a list of donations received of £2,000 or more.

4. Assessing risk

Risks associated with accepting a donation will be assessed initially by the Development Manager. Low-risk donations can be accepted by the Director, the Development Manager or other officers as appropriate on Trustees' behalf.

If a donation is considered not to be low-risk, the Development Manager will consult the Director, or in the Director's absence, the Finance Director or another senior manager. If, after consultation, the donation is still considered not to be low-risk, the Development Manager will produce a due diligence report and refer it to the Chair for a decision or, if the donation is considered to carry a major risk, for referral to all Trustees.

We ask the following questions when assessing risk, and consider donations to be low-risk if the answer to each of them is 'no'.

4.1 Are we unaware of the donor's identity?

We respect donors' wishes when they ask to remain anonymous, but we follow the Charity Commission's 'Know Your Donor' principles.

4.2 Are we unaware of the source of the funds?

We may assign a higher level of risk to donations in atypical currencies or from countries with less rigorous legal and regulatory environments than the UK's.

4.3 Is the donation of an unusually high value?

We will do a basic due diligence check on all donations above £10,000.

4.4 Are the conditions attached to the donation unusually stringent, or the proposed arrangements for its receipt unusually complex?

- 4.5 If the donation is from a business, are its activities or practices considered controversial or do they have the potential to be so?
- 4.6 If the donation is from a charitable trust, does its acceptance oblige us to promote any organisation whose activities are inconsistent with our aims?
- 4.7 If the donation is a bequest, are we unaware that the legal agent is appropriately regulated, or if an executor is negotiating with us directly, are we unaware of his or her identity and links to the testator?
- 4.8 Are there any other grounds for thinking that receiving the donation might have a detrimental impact?

Whenever possible, we seek to answer these questions before a donation is received.

Many donations are received as a result of our own proactive fundraising activity. The Development Manager will also produce due diligence reports with reference to questions 4.1–4.8 at an early stage of identifying prospective donors, and these reports will be approved by the Director or in the Director’s absence, the Finance Director or another senior manager before an approach is made. Other officers are also responsible for being aware of our due diligence procedures and must communicate to the Development Manager any reasons for thinking that we cannot positively answer the questions in this section or section 3 when requesting or accepting a donation.

5. Due diligence reporting

When creating due diligence reports, we will use reliable sources of information such as Companies House and articles in reputable newspapers. However, we may have to take unsubstantiated information into account if it is sufficiently in the public domain to be material to our due diligence or have the potential to harm our reputation.

We will have due regard to data protection legislation when doing our due diligence checks. Due diligence reports will be kept securely on our fundraising database, to which access is limited and which is governed by terms of use.

6. Refusing a donation

If we decide that it is in our interests to refuse a donation, we will keep a record of how we arrived at that decision, be open about our decision with the donor, and communicate our decision in a timely way.

7. Returning a donation

We prefer to make decisions about donations before they are accepted and received. We aim to be clear with donors about how we will use their donations should a particular appeal exceed or fall short of its target. If we feel that there is an argument for returning a donation, we may consult the Charity Commission before taking any further action.