



LYRIC HAMMERSMITH THEATRE FUNDRAISING POLICY

As a registered charity, the Lyric relies on supporters' schemes, donations and bequests (collectively referred to as "Donations") and Sponsorship to fulfil its key objectives. This policy sets out the principles and guidelines for the acceptance of such monies from its individual, corporate supporters and Trusts & Foundations ("Supporters").

The policy is designed as a checking tool to ensure that the financial needs of the Lyric are balanced against its Ethics and other policies and is subject to the Code of Fundraising Practice published by the Fundraising Regulator (as amended from time to time), and the guidance of the Charity Commission.

The policy does not contain guidance on the receipt of statutory (whether local or national) funding or lottery grants. In general the Lyric relies on the Charity Commission's regulation of Trusts & Foundations in terms of the guidance and legitimisation of their giving.

The Trustees of the Lyric (and employees and volunteers on their behalf) have a duty to maximise funding for the Lyric and must act reasonably and prudently in the interests of the Lyric. If the Lyric chooses to refuse a donation, it must be able to demonstrate to the Charity Commission that it has acted within its objectives.

A Development team is employed by the Lyric to research, solicit and process Donations and Sponsorship and their work is supported by a voluntary Development Committee and supported and overseen by the Lyric's Board.

All those involved in fundraising for the Lyric, whether as employees or in a voluntary capacity, are expected to:

- Act in the best interests of the Lyric;
- Act in accordance with the Lyric's Ethics Policy;
- Observe all relevant legislation including but not limited to legislation regarding Tax, Data Protection, Proceeds of Crime and Charities; and
- Read and observe The Code of Fundraising Practice published by the Fundraising Regulator and as amended from time to time.

Where a fundraiser believes that they cannot comply with all the above they should declare this to the Director of Development who can arrange for an alternative fundraiser to represent the Lyric. In the case of the Director of Development any such declaration should be made to the Chief Executive Officer and Executive Director and in the case of the Chief Executive Officer or Executive Director to the Chair of the Board.

COMMITMENT TO SUPPORTERS

The Lyric is grateful to the many Supporters who make financial contributions or contributions in kind to help it meet its objectives. The Lyric is committed to:

- Developing a positive relationship with Supporters through being honest, truthful, transparent and professional in its dealings with them and acting in accordance with the Lyric's Ethics Policy;
- Acknowledging Donations and Sponsorship quickly, handling monies responsibly and applying Donations or Sponsorship to the purpose for which it was requested or given;
- Responding to a Supporter's concerns quickly and efficiently;
- Respecting Supporters' privacy and only releasing the details of a Supporters' Donation or Sponsorship with their consent or if the disclosure is required by law;
- Keeping Supporters informed about how their Donation or Sponsorship was used;
- Not providing a Supporter's details to any third party who intends to contact the Supporter without express permission; and
- Not harassing Supporters or potential Supporters to financially support the work of the Lyric.

For further information refer to the Lyric's [Privacy Statement](#).

COMPLAINTS PROCEDURE

Where an individual or organisation has a complaint regarding fundraising by the Lyric they should contact the Director of Development in writing. The complaint will be acknowledged within 5 working days of receipt. The person dealing with the complaint will seek to resolve it within 10 working days.

If the complainant is not satisfied with the initial response the matter should be referred by them to the Executive Director in writing within 10 days of the response to the initial complaint. An acknowledgement will be sent within 5 working days of receipt. The Executive Director will, in consultation with the Chair of the Lyric Board (or in their absence another senior Trustee), investigate the circumstances leading to the complaint and seek to respond as appropriate within 10 working days.

If the complainant is still not satisfied they should contact the [Fundraising Standards Board](#) who will investigate their complaint and report their findings to the complainant.

POLICY ON REFUSING DONATIONS AND SPONSORSHIP

The Lyric is grateful for all Donations and Sponsorship however, it reserves the right to refuse a Donation or Sponsorship if:

- The Donation or Sponsorship would conflict with the Lyric's legal or regulatory obligations;
- The Donation or Sponsorship would be detrimental to achieving the objectives of the Lyric and outweighs the benefit of the Donation or Sponsorship;
- The actions or activities of the potential Supporter are damaging to the Lyric and its reputation; risk bringing the Lyric into disrepute by association; risk discouraging young people or audiences from attending the Lyric; or risk Donations or Sponsorship from other Supporters
- There are suspicions that it would be unlawful to take the Donation or Sponsorship or it is identified as potentially coming from an illegal source including, but not limited to, money laundering;
- The potential Supporter wishes to exercise undue influence over Lyric activities including the activities for young people or the creative direction of the Lyric;
- Acceptance might give the impression that the potential supporter expects the Lyric to perform some function or activity improperly or to confer on the potential Supporter some form of advantage or benefit;

- The cost of servicing the Donation or Sponsorship is greater than its value, or unreasonable in terms of its size or impact on the Lyric's work;
- The offer of Donation or Sponsorship is tied to an activity or project which, whilst reflecting the Lyric's objectives, is impractical;
- The Donation or Sponsorship consists of goods, services or property which the Lyric cannot lawfully use, convert, exchange or sell in direct support of its objectives;
- The Donation is over £1000.00 and anonymous, as such donations prohibit a proper risk assessment (for the avoidance of doubt a Donation can subsequently be publically attributed as anonymous);
- The Donation or Sponsorship does not comply with UK government sanctions against certain countries as listed by the Government from time to time;
- The Donation or Sponsorship conflicts with the Lyric's decision not to accept:
 - Sponsorship for which the promotion of tobacco brands, fossil fuels or companies that make or sell armaments is a condition;
 - Sponsorship for initiatives involving young people where the reputation, brand or activities of the potential Supporter conflict or might be perceived to conflict with the educational or social objectives of the project;
 - Sponsorship from alcohol, tobacco or gambling brands where the potential audience or beneficiaries are under 18 years old.

In exceptional circumstances, for example where new information comes to light regarding the issues listed above a Donation may be returned to the Supporter.

DUE DILIGENCE

The Lyric recognises that the risk assessment will differ depending on the size of the Donation or Sponsorship and whether an individual or corporate body or Trust is the Supporter. Where decisions are reserved for the Board, if a full Board meeting is not scheduled in time for a necessary decision, approval can be sought from a minimum of 3 Trustees and/or the Chair of the Board.

The following outlines the Lyric's Due Diligence methodology:-

- **Individual giving under £5,000:** Although gifts worth less than £5,000 may not be subject to detailed scrutiny by the Director of Development or the Executive Director, acceptance will be considered by the Director of Development against this Policy, and may be referred for further scrutiny if there is perceived to be a conflict with any of the principles set out above.
- **Individual giving of £5,000 or more:** The Director of Development will prepare a Due Diligence Report (see APPENDIX A) by conducting a public record research when soliciting or proposing to accept a Donation or Sponsorship that has the potential to be £5,000 or more, and report their findings to the Executive Director. If any circumstances listed above exist which would suggest that a potential Donation or Sponsorship should be refused, the Executive Director will seek a decision from the Lyric's Board before any approaches are made or the potential Donation or Sponsorship is refused or accepted.
- **Corporate support under £10,000:** All Corporate Supporters will be subject to the initial screening of publicly available information, with particular reference to any corporate activity that might be the source of reputational or ethical risk, such as major pending court cases, links to organised crime or terrorism, and prominent allegations. There should be a distinction between mere allegation, rumour or speculation on the

one hand and confirmed fact or legal finding on the other, treating the former with caution although not disregarding the same if it is considered that public perception alone carries a reputational risk for the Lyric, irrespective of underlying truth. If research backs the suspicion that the corporate may be involved in such activities, the Executive Director will seek a decision from the Lyric's Board before any approaches are made or the potential Donation or Sponsorship is refused or accepted.

- **Corporate Supporters over £10,000:** In addition to the section above, this level of Corporate Support will be subject to a Due Diligence Report (see APPENDIX B) prepared by the Director of Development to be reported to the Executive Director. If research raises suspicion that the corporate may be involved in any activities in breach of the Lyric Ethics and/or Fundraising Policies, the Executive Director will seek a decision from the Lyric's Board before any approaches are made or the potential Donation or Sponsorship is refused or accepted.
- **Giving more than £50,000:** Any Donation or Sponsorship of a value more than £50,000 by a Corporate or Individual Supporter or an application to a Trust, shall be referred to the Lyric Board for approval based upon a Due Diligence Report (see APPENDICES A and B) prepared by the Director of Development. Any anonymous donations of £50,000 or more must be referred to the Charity Commission.
- **Naming rights:** Additional research and due diligence should always be undertaken by the Director of Development and Executive Director in the case of a Donation being tied to naming rights. All naming rights for significant public spaces shall be referred to the Lyric Board for approval.

The Lyric reserves right to seek the views of the Charity Commission under section 110 of the Charities Act 2011 regarding the decision on whether to accept any Donation or Sponsorship.

REFUSAL OF DONATION OR SPONSORSHIP

Ultimate responsibility for the rejection of any Donation or Sponsorship lies with the Lyric Board. The Lyric Board must make decisions referred to them by the Director of Development or Executive Director where:

- A Donation or Sponsorship might be rejected;
- The Director of Development, Executive Director or the Chief Executive Officer is in doubt over whether acceptance is advisable; or
- There are conflicting views as whether the Donation or Sponsorship should be accepted.

If the Lyric Board decide to refuse a Donation or Sponsorship, it is their responsibility to keep a careful minute of their decision and the reasons for it including a record of any negative financial or other impact on the Lyric.

Any refusal of a Donation or Sponsorship must be communicated by the Development Director, Executive Director or the Chief Executive Officer to the potential Supporter in writing.

APPEALS

In the event of an external appeal against declining a Donation or Sponsorship by the Lyric, the decision will be reviewed in the first instance by the Finance and Resources Committee. Appeals must be received in writing within 10 working days of the notification of the rejection of the Donation or Sponsorship to the appellant. The findings of the review will be referred to

the Chair of the Lyric Board and, if appropriate, the appeal will be referred to the Board within 21 days of receipt of the appeal and a final decision taken. The decision shall be communicated in writing to the appellant within 3 working days.

REPORTING INTERNAL CONCERNS

The Lyric has a Whistleblowing and Anti-Bribery Policy which can be referred to if staff and/or volunteers have concerns about internal processes around fundraising.

Disclosures should be made in good faith and will be treated with complete confidentiality. Any individual wishing to report an irregularity should do so to either the:

- Chief Executive Officer
- Chair of the Board.

Any disclosure will be fully investigated. This will usually be done by the Finance and Resources Director, unless the complaint is against them or is in any way related to their actions. In these cases, the complaint should be passed to the Chief Executive Officer. Complaints against the Chief Executive Officer should be passed to the Chair. If there is evidence of criminal activity then the police will be informed. The Lyric will ensure that any internal investigation does not interfere with a formal police investigation.

DECISION-MAKING CHECKLIST

This list is designed to help the Director of Development, senior management and the Lyric's Board address dilemmas and arrive at well thought through, clearly articulated decisions that are rigorous and defensible. With the assistance of any Due Diligence Report required the following issues should be addressed:-

1. Does the proposed course of action support the Lyric's objectives and core values?
2. Is it consistent with the Ethics Policy?
3. Have the risks been weighed against the benefits?
4. Has the course of action been discussed to an appropriate extent across the Lyric?
5. Has the Lyric done sufficient research and taken sufficient advice from outside the organisation?
6. Has the Lyric Board been sufficiently involved in the decision-making process, so that it is fully informed and able to endorse a decision?
7. If the Lyric decides to proceed, does it have a clear articulation of why it is pursuing the course of action and has it logged the decision-making process?

DECISION TO PROCEED

If the Lyric decides to proceed with a potentially controversial course of action there are two steps to consider:

- Managing the escalation of controversy working with the Director of Communications and Culture and external PR agency
- If necessary, refer to Disaster Recovery plan

FUNDRAISING METHODS

In accordance with the Lyric's 'Action Plan for Change' it is acknowledged that:-

- We will be mindful of how young people of colour are engaged in fundraising working with Young Lyric and marketing teams.
- All case studies will be anonymised unless the participants permission is expressly given.

- Any fundraising assets available to the public through any channels (print, online etc) will only use images which have been made available by the marketing department.
- We will seek opportunities to fundraise for roles that are ring fenced for creative teams who identify as a person of colour.

POLICY REVIEW

The Lyric's Director of Development and Executive Director must review this policy every 2 years, but ensure any significant changes are added more frequently in line with policy changes.

Review

This policy was approved by the Lyric's Board of Trustees on 20 January 2022 and takes effect from that date.

In the event of any significant change to legislation, this policy will be subject to immediate review. In the absence of such a change, the policy will next be reviewed every two years.

APPENDIX A

Lyric Development Dept. Due Diligence for Individual Donors

Individual Name:

Author(s):

Report Date:

Section 1: Scope and Process

Due diligence need	WHAT HAS BEEN ASKED FOR AND WHY?
Due diligence scope	WHAT IS THE SCOPE? I.E. WHAT DO PARAMETERS HAVE TO BE TO ENSURE INFORMATION IS ACCURATE, RELEVANT AND FEASIBLE TO COMPILE? (NOTABLE INFO OUTSIDE THE SCOPE CAN BE ADDED IN WHEREVER APPROPRIATE)
Resources used	LIST RESOURCES USED I.E. GENERAL ONLINE RESEARCH, DOW JONES, FUNDS ONLINE ETC
Limitations	WAS THERE ANY INFORMATION THAT WAS UNAVAILABLE? WHAT ARE POTENTIAL RESEARCH GAPS?

Section 2: Overview

Brief Biography	BRIEF EDUCATION, CAREER HISTORY AND PERSONAL DETAILS OF INDIVIDUAL
Relationship with the LYRIC	WHAT PREVIOUS CONTACT OR RELATIONSHIP HAS THE LYRIC HAD WITH THIS INDIVIDUAL?
Associates	ANY KEY ASSOCIATES TO BE CONSIDERED E.G. FAMILY, FRIENDS, CONNECTION TO LYRIC BOARD MEMBER?
Nationality and residency	

Section 3: Due Diligence Assessment

Topic	Notes
Finance and assets	What is the source of this individual's wealth? Is there any evidence of financial mismanagement? Is there any evidence of tax avoidance? What property does the individual own?

	<p>Is there any evidence of money laundering? Is there any suspicious financial activity? Where are the funds coming from? Directly from the individual, via a company etc.? Are there any requests to pay using crypto currency or unexpected currencies? Which jurisdiction are the funds coming from? Is there any offer of a loan, requests to change currencies or other unusual requests? Does the individual use a tax haven? Are the funds unsolicited? Are there any conflicts of interest in how the individual makes their money? Is there any involvement of a third party? Has there been any adverse media or criticism of the individual?</p> <p>Notable events outside scope of this due diligence -</p>
Philanthropy	<p>What are the individual's patterns in philanthropy? Do we know the individual's philanthropic motivations? Are there any patterns of concern? Has there been any adverse media or criticism?</p> <p>Notable events outside scope of this due diligence -</p>
Associations	<p>Are there any associates of the individual who are of concern?</p> <p>Notable events outside scope of this due diligence -</p>
Legal	<p>Are there any outstanding court cases? Have there been any legal proceedings involving this individual personally?</p> <p>Notable events outside scope of this due diligence -</p>
Other	<p>Are there any concerns about discrimination, gender equality or sexual harassment? Are there any environmental concerns? Are there any reports of arms dealing? What awards or commendations has the individual received? Has the individual made any public pledges (e.g. the Giving Pledge)? Has there been any adverse media or criticism?</p>
Risk summary	<p>Legal risk Will accepting this donation breach legislation such as the Proceeds of Crime Acts 2002? Or expose us to legal or regulatory challenge?</p> <p>Financial risk Can the donor honour the donation in full or in part? How dependent are we on the anticipated donation to fund key strategic expenditure?</p>

	<p>Reputational risk Does accepting this donation create an association with an individual or entity which is perceived to be inappropriate or unethical by other stakeholders? For the Lyric this includes employees, other significant donors and the general public.</p> <p>Dependency risk Does accepting this donation give the donor an undue level of influence over our organisation and trustees?</p> <p>Answers to these questions should be given alongside a risk summary - LOW – All questions answered with satisfaction and no indications of issues that could arise MEDIUM – Some indications of issues that could arise but no immediate risks HIGH – Immediate risk likely and questions to be asked on proceeding VERY HIGH – Immediate risk and evidence to suggest we should not proceed</p>
<p>Overall Assessment</p>	<p>BASED ON THIS RESEARCH, WHAT IS THE RECOMMENDATION FOR HOW THE CONVERSATION SHOULD PROCEED? IS THERE ANYTHING WE CAN DO TO MITIGATE RISKS IDENTIFIED?</p>

APPENDIX B

Lyric Development Dept. Due Diligence for Corporate Donors

Company Name:

Chief Executive Officer:

Author(s):

Report Date:

Section 1: Scope and Process

Due diligence need	WHAT HAS BEEN ASKED FOR AND WHY?
Due diligence scope	WHAT IS THE SCOPE? I.E. WHAT DO PARAMETERS HAVE TO BE TO ENSURE INFORMATION IS ACCURATE, RELEVANT AND FEASIBLE TO COMPILE? (NOTABLE INFO OUTSIDE THE SCOPE CAN BE ADDED IN WHEREVER APPROPRIATE)
Resources used	LIST RESOURCES USED I.E. GENERAL ONLINE RESEARCH, DOW JONES, FUNDS ONLINE ETC
Limitations	WAS THERE ANY INFORMATION THAT WAS UNAVAILABLE? WHAT ARE POTENTIAL RESEARCH GAPS?

Section 2: Company Overview

Company Description	WHAT DOES THE COMPANY DO?
Company History	WHAT IS THE BACKGROUND OF THE COMPANY?
Key Stakeholders	WHO ARE THE STAKEHOLDERS (CEO, BOARD MEMBERS, OWNER, LYRIC CONTACTS)?
Lyric background	WHAT PREVIOUS RELATIONSHIP HAS THE LYRIC HAD WITH THIS COMPANY?
Headquarters	WHERE IS THE COMPANY'S HQ?

Section 3: Due Diligence Assessment

Topic	Notes
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Finance and assets	<p>How does the company make it's money? Is there any evidence of financial mismanagement? Is there any evidence of tax avoidance? Has the company grown unusually fast? What property does the company own? Is there any evidence of money laundering? Are there any competition issues? Is there any suspicious financial activity? Are the funds coming from the company directly, or being paid via another company? Are there any requests to pay using bitcoin or unexpected currencies? Which jurisdiction are the funds coming from? Is there any offer of a loan, requests to change currencies or other unusual requests? Does the company use tax havens? Is the company profitable? Does it suffer large losses? Are the funds unsolicited? Are there any conflicts of interest in how the company makes its money? Is there any involvement of a third party? Has there been any adverse media or criticism?</p> <p>Notable events outside scope of this due diligence -</p>
Stakeholders	<p>Who controls the company? Who is on the board and governance? Who is the owner? Are there any Directors of concern? Are Directors connected to anyone of concern? Is the company connected to anyone of concern? Are there any politically exposed stakeholders? Would this gift give any of the stakeholders undue influence in the operations of the Lyric? Are there any investigations outstanding into any of the stakeholders? Has there been any controversy or scandal around any of the stakeholders? Are there any conflicts of interest? Has there been any adverse media or criticism?</p> <p>Resources - <u>Disqualified Directors Register</u> <u>https://www.gov.uk/search-bankruptcy-insolvency-register</u></p> <p>Notable events outside scope of this due diligence -</p>
Corporate social responsibility and philanthropy	<p>What are the company's patterns in philanthropy? What are the company's CSR aims? Are there any patterns of concern? Are there any concerns around human rights or working conditions? Are there any concerns about discrimination, gender equality or sexual harassment? Are there any environmental concerns? Are there any reports of arms dealing?</p>

	<p>What initiatives is the company a member of? E.g. <i>Global Reporting Initiative, UN Global Compact, FTSE4Good Index, Dow Jones Sustainability Index</i></p> <p>What awards has the company won?</p> <p>What pledges have they made?</p> <p>Has there been any adverse media or criticism?</p> <p>Notable events outside scope of this due diligence -</p>
<p>Partnerships and subsidiaries</p>	<p>Does the company have subsidiaries and are there any concerns with them?</p> <p>Notable events outside scope of this due diligence -</p>
<p>Legal</p>	<p>Are there any sanctions on the operation of this company?</p> <p>Are there any outstanding court cases?</p> <p>Have any fines been issued to the company for wrongdoing?</p> <p>Resources -</p> <p><u>US Sanctions List</u></p> <p><u>UK Sanctions List</u></p> <p><u>https://www.gov.uk/government/publications/financial-sanctions-consolidated-list-of-targets/consolidated-list-of-targets</u></p> <p>Notable events outside scope of this due diligence -</p>
<p>Risk summary</p>	<p>Legal risk Will accepting this donation breach legislation such as the Proceeds of Crime Acts 2002? Or expose us to legal or regulatory challenge?</p> <p>Financial risk Can the donor honour the donation in full or in part? How dependent are we on the anticipated donation to fund key strategic expenditure?</p> <p>Reputational risk Does accepting this donation create an association with an individual or entity which is perceived to be inappropriate or unethical by other stakeholders? For the Lyric this includes employees, other significant donors and the general public.</p> <p>Dependency risk Does accepting this donation give the donor an undue level of influence over our organisation and trustees?</p> <p>Answers to these questions should be given alongside a risk summary -</p> <p>LOW – All questions answered with satisfaction and no indications of issues that could arise</p> <p>MEDIUM – Some indications of issues that could arise but no immediate risks</p> <p>HIGH – Immediate risk likely and questions to be asked on proceeding</p> <p>VERY HIGH – Immediate risk and evidence to suggest we should not proceed</p>

Overall Assessment	BASED ON THIS RESEARCH, WHAT IS THE RECOMMENDATION FOR HOW THE CONVERSATION SHOULD PROCEED? IS THERE ANYTHING WE CAN DO TO MITIGATE RISKS IDENTIFIED?