

Sands

Consultation Report on proposed New Financial Model

May 2017 / Updated July 2017

Clea Harmer

Contents

Recommendation	2
1. Introduction	2
2. Aims	2
3. Methodology	3
4. Timescale	3
5. Feedback	4
5.1 Learning from feedback	4
5.2 Feedback and engagement	4
5.21 Feedback from Sands Groups	5
5.22 Feedback from trustees	8
5.23 Feedback from staff	8
5.24 Feedback from members	8
5.3 Discussion and meetings with Groups to answer questions about new model	8
5.4 Main categories of question	9
5.5 Examples of responses	11
6. Learning from the process	12
7. Implementation	12
8. Conclusion	12
Appendix: Questions about the proposed model	13

Consultation Report on the Proposed New Financial Model

Recommendation

The proposed new financial model is adopted by Sands to ensure that the organisation can fulfil its potential and make a real difference for all those affected by the death of a baby through its strategic objectives

1. Introduction

In February 2017 a proposed new financial model was shared across Sands with Groups, trustees, staff and members. Feedback was sought through a consultation period of 2 months, and this report draws together the results of that consultation.

2. Aims

The process of developing the proposed new financial model has been one of co-creation – Groups, staff, members and trustees were all asked for ideas about what the model should look like, and what it needed to ‘do’ in order for it to work for them.

Clear criteria emerged from this process and provided a robust basis on which to develop a draft model. Obviously the next step was to share this draft model with these same stakeholders, or to put it another way *‘why wouldn’t we seek feedback – it’s the next step in the journey we are all taking together’*.

The aims of the consultation can be summarised as:

- Ensuring that the model meets the criteria specified by all those involved
- Allowing problems or issues that haven’t been considered to be highlighted, and seeking solutions in order to ‘tighten’ the model
- Acknowledging that if no good solution can be found to serious issues that are raised, it is important to question the validity of the model
- Ensuring the process is seen to be, and felt to be, fair and transparent

It is worth noting here that some Groups felt that the fact that this was a consultation period was not communicated clearly enough, and therefore needed more time to engage with the process.

3. Methodology

The proposed new financial model was initially shared with everyone through a range of formats on a specific and 'hidden' page on the website

<https://www.sands.org.uk/proposed-new-financial-model-sands>. The formats used included:

- Formal documents
 - Business case
 - Executive summary
- Films
- Infographic
- Questions and answers

Groups were asked for feedback and offered different routes to provide this, they were also offered different options for further discussion. Every Group was contacted by their network co-ordinator who discussed the model with them. In some cases further discussions and meetings took place with the senior network co-ordinator, the networks and volunteering manager, and the chief executive.

Options for feedback and discussion included:

- Face-to-face meetings
- Telephone calls
- Emails/letters

Weekly Group finance meetings and shared planning documents were used to track progress, share information and highlight Groups needing more information and support. These enabled the project team to focus support where it was needed.

An update was provided to the Board in March, and again at the end of April before the visit to Scotland.

4. Timescale

The proposed new financial model was shared with Groups at the end of February and the consultation period lasted until the end of April 2017 (allowing a full 2 months for discussion and feedback).

5. Feedback

5.1 Learning from feedback

Groups were helpful in providing feedback on elements that we needed to consider/include to ensure that the model could work on a practical level.

Feedback on Group sub-accounts

- Groups would value online access for more than one person to view activity/statements etc.
- Moving 'excess funds' to the central account should only happen every 2 months to allow Groups time to meet and discuss if any of the money needs to be transferred to a 'project pot' first
- Some Groups use personal online accounts (e.g. Next) to pay for soft furnishings as it makes ordering easy, they then claim back – this ease of use needs to be replicated

Feedback on project account

- Some Groups would like quarterly statements to show what is in the 'project pot'
- Other Groups would like online access to view what is in their 'project pot' when they need to
- Groups would like to see all 'project pots' and have the ability to pay into other Groups' projects if they choose to do so

5.2 Feedback and engagement

Groups fed back in a variety of ways and in varying timescales – which reflected both the time they had as volunteers to engage with the topic and their ability to meet/talk about the model.

Although some responses were positive, many had specific questions that fell into 9 main categories (see 5.4). Once these questions were answered most Groups felt reassured and fed back that they understood the benefits of the new model– in some cases an email response was sufficient, but in other cases a face-to-face visit provided the opportunity to really understand what was being proposed.

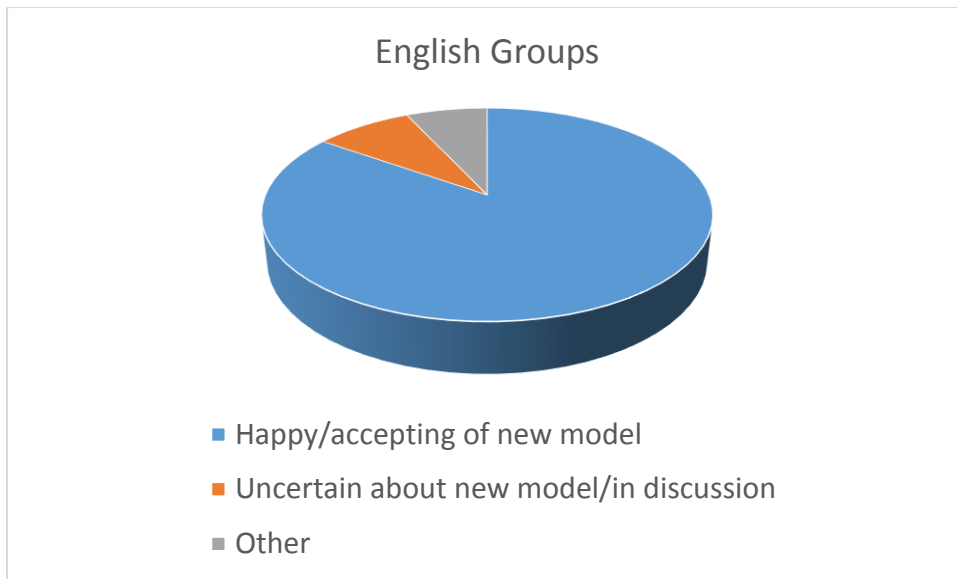
There remain a few Groups who are still uncertain; work continues to engage with them and to offer opportunities for discussion so that we can fully understand the issues.

5.21 Feedback from Sands Groups

England

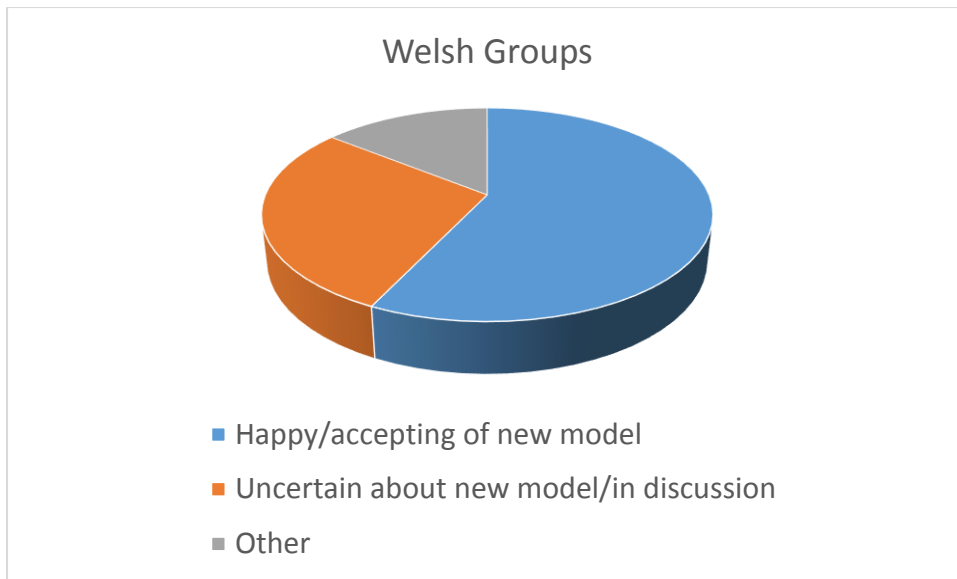
72 English Groups	
61 Groups	<p>Happy/accepting of proposed new model/no specific questions or Initially not happy and had questions, but once these were answered were happy/accepting of proposed new model or Have not expressed any clear preference for the new model, nor any specific concerns about the model</p> <p>Of these Groups,</p> <ul style="list-style-type: none"> • 58 Groups have transferred or pledged as part of the Interim Ask • 2 Groups are engaging with Sands staff • 1 Group considered too new to transfer funds.
6 Groups	<p>Have expressed continuing concerns about the proposed new model despite significant contact with the Sands staff team.</p> <p>Of these Groups,</p> <ul style="list-style-type: none"> • 4 Groups have transferred • 2 Groups are engaging with Sands staff
2 Groups	Require significantly more support due to individual circumstances – in both situations, conversations about the proposed new model may not be appropriate (one Group is due to close)
3 Groups	Closing – not directly as a result of the proposed new model but discussions prompted by the model revealed lack of volunteers to run Group / wish to do something different

Counter balancing the 3 Groups who have closed, we have 4 Groups who have recently set up and are being financially supported by Sands in the interim, ahead of any implementation of the new model.



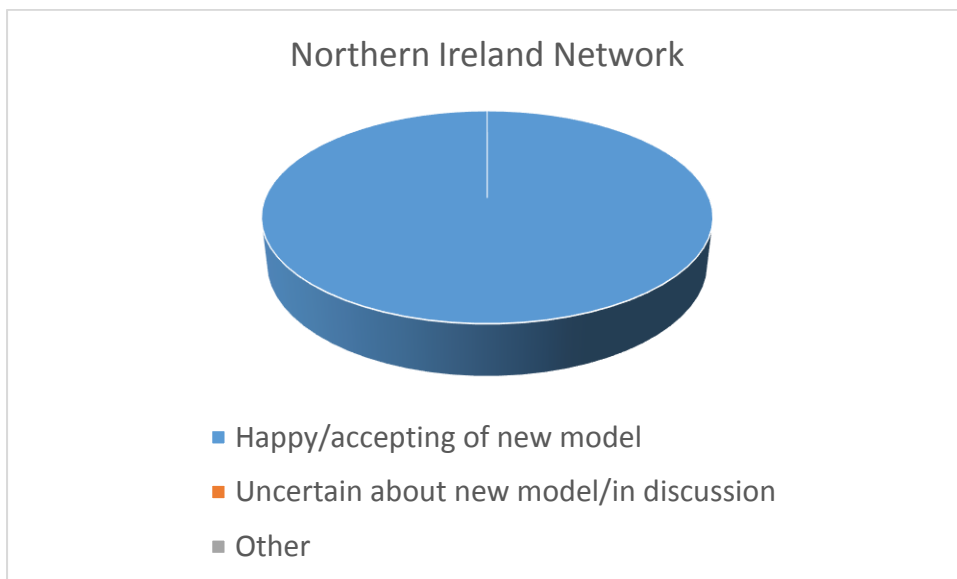
Wales

7 Welsh Groups	
4 Groups	<p>Happy or accepting of proposed new model/no specific questions or Initially not happy and had questions, but once these were answered were happy/accepting of proposed new model</p> <p>Of these Groups,</p> <ul style="list-style-type: none"> • 3 Groups have transferred as part of the Interim Ask • 1 Group is engaging with Sands staff
2 Groups	<p>Have expressed continuing concerns about the proposed new model despite significant contact with the Sands staff team.</p> <ul style="list-style-type: none"> • Both Groups are engaged with Sands staff around their concerns
1 Group	<p>Requires significantly more support due to individual circumstances, conversations about the proposed new model may not be appropriate</p>



Northern Ireland Network

All Groups with single bank account – Network happy with proposed new financial model



Scotland

The proposed new model was discussed at a meeting on 29th April 2017 in Stirling – 9 of the 12 Scottish Groups attended.

The Scottish Groups issues were related to how ‘Sands Scotland’ might be most effective – which is a much broader issue than the structure of the financial model. In principle the

need to change was agreed and accepted, as was the idea of a single structure. The paragraph below is from the summary email:

'... we were all agreed that 'doing nothing' is not an option as far as the current financial model is concerned– and that overall for Sands moving towards a single structure that respects Groups' individual needs and supports local projects will allow us to be much more effective ... It will also allow us to make sure that all the money that comes into Sands is being used really well to make a difference for parents.

But we were also agreed that Scotland's needs are potentially different for a whole range of reasons ... and that we need a strategy and plan going forward that meets these needs. We agreed that in order to do that we need to reconvene the Scottish Steering Group ... to explore how Scotland could sit within a new financial model – though the example of Northern Ireland joining as a network is one that could certainly be considered.'

5.22 Feedback from trustees

The proposed new financial model was discussed in principle at the December 2016 Board Meeting and then presented in more detail during February when there were individual discussions, and further discussions at the March 2017 Board Meeting.

The majority of trustees agreed with the structure of the new model, though a couple of trustees expressed concern about Scotland's response.

5.23 Feedback from staff

The proposed new financial model was shared with staff in February 2017; feedback was positive with a few questions around practical implementation.

5.24 Feedback from members

There were a couple of responses from members who are not part of a Group:

'I think this is an excellent consultation on a sound proposal: many thanks for it. I'm a trustee of arthritis care. Like sands, we have a branch structure and have just implemented an umbrella bank account, much as you are proposing.'

'Thank you for sending the emails with attachments and links for the New Financial Model and the Sands' Values. I have successfully viewed the videos and downloaded all the documents. ... I congratulate you on achieving a huge amount of work in such a short time. I appreciate being included and am willing to contribute and support when I can.'

5.3 Discussions and meetings with Groups to answer questions about the new model

The network co-ordinators worked closely with each individual Group, supported by the networks and volunteering manager and senior network co-ordinator – with the result that each Group has had contact with and discussions with a member of staff.

In addition Groups that were uncertain or wanted further discussion were contacted by the chief executive so that they could have their questions individually answered.

The chief executive worked with Groups in the following ways:

Face-to-face meetings

- 2 Group AGMs
- 1 Group committee meeting
- 7 Direct face-to-face specifically organised visits (including Stirling where 9 Groups attended)
- 5 Network days (with a further 3 planned)

Phone calls

- 7 Network phone calls
- 2 Individual phone calls to specific Groups

Emails/letters

- 19 Individual emails/letters

5.4 Main categories of questions

The nine main categories of questions are listed below with the key points made in the answers, however appendix 1 shows some of the actual questions and answers.

1. Concerns about 'losing control'

Key points in answer:

- Sands unique ability to meet parents' needs in different areas is based on the ability of Groups to understand and respond to those needs appropriately – therefore it is important that Groups retain that element of control that will achieve this
- The proposed new model is designed to support Groups' ability to respond to local need through the Groups' sub-accounts and the project account

2. Concerns around fundraisers wishing money to be used locally

Key points in answer:

- Acknowledgement that fundraisers are attracted to local initiatives
- Reassurance that local initiatives like bereavement suites and memorial gardens are exactly what Groups should be trying to work towards and that money first and foremost should go to local projects
- Acknowledgement that if there are no local projects for money to be spent on, then fundraisers prefer the money to be spent on making a difference for parents rather than sitting in a bank account
- Emphasis on the importance of communication with fundraisers – telling them how their money is used either locally or nationally is critical

3. Concerns around how the project account will work?

Key points in answer:

- Group projects are a key part of Sands' work and as such need to be supported
- 'Project pot' for each project

- Local fundraisers can be told this is what money is being raised for
- Shared information about projects across the charity will enable other Groups to support projects elsewhere if they want to

4. Concerns around capacity issues

Key points in answer:

- Currently system is very labour intensive – the model itself is causing additional and unnecessary work, but inadequate systems and processes are compounding the problem. Introducing the proposed New financial model will include addressing all of these issues
- The staff time that will be freed up from improving the model, systems and processes will be used on ensuring that Group financial support is of an excellent standard
- One member of staff will be specifically assigned to Group support

5. Concerns around implementation

Key points in answer:

- As with any organisational change, it is important to approach this in a phased manner to ensure that learning can occur, and any issues that arise can be addressed in a cycle of continual improvement
- A first ‘wave’ of early adopters who want to trial the new model will start the process
- Further ‘waves’ will follow to allow Groups to receive the individual attention they need
- This is not a race – it is important to get it right rather than do it quickly

6. Concerns around how day-to-day activity and core costs will be covered

Key points in answer:

- Core costs will be agreed with Groups on an individual basis
- Ultimately we want every Group to be able to work really well – so it is about ensuring that Groups have enough money to do this using a model of ‘plenty not scarcity’
- Groups will never be left to struggle financially
- Groups will be supported to provide core activities
- If Groups need to be topped up – then this will happen

7. Concerns around how the ePCS card will work

Key points in answer:

- A debit card with a spending limit – adopted by UK government and recommended by banks
- Pre-set limits
- Provides an audit trail

8. Concerns around how bereavement care training will be covered

Key points in answer:

- A key element of new strategy so will be paid for centrally to ensure it is available to all hospitals, not just those with Groups who can afford it

- Can meet current demand for training
- Need to increase demand in future by campaigning to include bereavement care in the commissioning framework

9. Concerns around memory boxes

Key points in answer:

A key element of new strategy so will be provided free for all bereaved parents

5.5 Examples of responses:

A small sample of actual responses have been included to give a flavour of the comments received.

Positive:

'All in all a positive move so that every group can draw on funds and get the support where it's needed'

'We went through it in quite a bit of detail and it seems very straightforward'

'I think that long term this is a great idea'

'We understand the rationale behind the proposal for a single banking structure with group sub-accounts and the other three elements. This is sensible and should help maintain local groups' identities and empowerment. We also welcome the whole principle of 'one organisation'. The head office and groups' roles are complementary and each is dependent upon the other. It is crucial that we all share the same visions and that we all work towards the same common aims. We also welcome the way in which the whole issue has been addressed – professionally but sensitively and that is the hallmark of a good charity! The business case was well written and gave a good level of information which certainly helped us in our discussions within the group.'

Questions:

'I suppose my main concern is around organisation. As we all know, things are not that efficient at head office where money is concerned'

'We pay the NHS for items including teas and coffees ... how would they receive their money?'

'Another concern is that we will lose sight of what we have achieved with the money raised by the groups' supporters'.

(for more examples also see appendix 1)

Negative:

'I expect our donations to drop locally if people find money is going into a central pot.'

'We don't want to lose control.'

'We are concerned that relationships we have built up with the hospital will be lost'

'I would like to express our extreme opposition to the proposed new financial model. We are saddened to see that Sands is moving away from the core aims of the charity and heading into the realms of corporate business.'

'This reflects our widespread anger and upset regarding the proposal. It is an initial response as we have not had the opportunity, given the short timescale for consultation offered ... to provide a combined response.'

6. Learning from the process

As well as specific learning about the model, it is also worth noting the 'learning' gained through the whole process.

1. The written word/films were not enough for many Groups – they wanted a discussion. *In future discussions should be formally set up before roll-out of a new proposal – and dates circulated with the proposal.*
2. Many Groups didn't 'believe' that it was a consultation and that their views would be listened to – newer Groups have had very few problems with the proposed model and have expressed surprise at the response from more established Groups. *Trust needs to be earned and built up across the organisation, especially with established Groups.*

7. Implementation

As with any organisational change, it is important to approach this in a phased manner to ensure that learning can occur, and any issues that arise can be addressed in a cycle of continual improvement. It is proposed that a first 'wave' of 12 to 20 Groups who want to trial the new model will start the process as early adopters. Further 'waves' will follow to allow Groups to receive the individual attention they need.

However it is crucial that the project plan reflects the fact that both the systems and processes that will be needed should be in place before any roll-out to the Groups begins. Similarly the project plan needs to be fully discussed with the bank and auditors to ensure that timings and proposals are realistic and acceptable.

8. Conclusion

The proposed New Financial Model is strategically the right structure for Sands to adopt if it is to fulfil its potential and make a real difference for parents. The majority of stakeholders, including Groups, accept the model as meeting their needs and the wider needs of Sands. Further work is needed to ensure the model supports a strategy for Scotland, but the principles on which the new financial model is built are agreed as sound.

Careful planning is needed to ensure that the implementation phase is successful and that the real benefits are realised by all.

Questions about the proposed new finance model

Commitments

- No Group will ever be left to struggle financially
- All Groups will be supported to provide core activities
- All Groups will be able to identify key projects that meet the needs of local families and to fundraise for these

1. Day to day costs/ core activity

- The consultation document does not make it clear what [core costs] may fall under this umbrella and I am disappointed not to see any ideas as to what this may cover. Will this be decided by looking at last 12, 24, 36 months averages? (HEY Sands, Bath Sands)
- How would the maximum level held in the sub-account be determined after which any surplus would be taken? (HEY Sands)
- Will there be a process in place for reviewing the needs of each Group, so that each Group is treated fairly? (Brighton Sands)
- Donations are not regular and can vary in amounts, could limits be placed on groups yearly not monthly. (York Sands)
- Can you give us an idea of what the limits will be? (York Sands)

We would start by looking at the last 2 years, but it is clearly very important to look at each Group on a case-by-case basis as Groups change over time. This will be done in consultation with the Group, and actually your Network Co-ordinator has been having discussions with you about this over the last couple of months.

Ultimately we want to make sure that every Group has what it needs to work well – this is in everyone’s best interests. The amount calculated for core activity for each Group will be reviewed at the end of the year and adjusted accordingly. If, for whatever reason, the initial figure ends up being insufficient part way through the year, then we top the Group up – again, this is clearly in everyone’s best interests.

Each Group will hold funds in their account to cover their annual core activity; up to an agreed limit. A framework will be used to determine the limit on each sub-account based on the amount each Group needs to fund its core activity.

It is assumed that Groups will ‘spend down’ their allocation over the course of the financial year; if their agreed spend is more than anticipated, they will be ‘topped up’ from the Central Current Account to support further activity.

Spending on special projects should fall under the project plan for that project – so again, this is where a conversation with your Network Co-ordinator will be necessary.

Groups will never be left to struggle financially and support will readily and flexibly be available to ensure that local activities continue to thrive.

- Exeter Sands run family events which have worked very well in giving parents confidence to then attend meetings or just chat at these events. Would there be money to continue events such as this in the proposed financial model? (Exeter Sands)

Yes, as these would be considered a discretionary core cost. These services and events are a brilliant way to reach a wider audience, raising awareness of the work that Sands does and offering 'soft support' to parents and families in the community.

Joint Conference questions

- One of our yearly commitments is to fund midwives attending the Bliss/Sands conference. I am correct in assuming that funding will now come direct from National Sands? (Oxfordshire Sands)
- We fund some midwives to go to the Sands / Bliss conference and pay their expenses. Normally this is done via Cheque. How would we do these in future? (Forth Valley Sands)
- Many groups fund local hospital staff to attend the RCM/Bliss/Sands joint conference each year. This obviously has the 'postcode lottery' element to it but staff has found it very beneficial and I expect groups will want to continue funding hospital staff to attend. How would this work under the proposed financial model? (Exeter Sands)
- If we sponsor health professionals to attend the sands conference how will this work, tickets need to be ordered and paid for along with travel expenses, we usually send 3 staff. (York Sands)

At the moment, the Joint Conference is considered to be a discretionary 'core cost' for Groups. This will continue under the new model for the upcoming 2017 Joint Conference, so if you have plans to sponsor places for your local healthcare professionals, please ensure these are noted in your planned spending for the 2017/18 financial year. Payment for most conferences can be made online (especially through Eventbrite). A cheque or BACS payment can be arranged centrally if this is not an option. Expenses can be claimed centrally or pre-paid in advance (train tickets, etc.) by the ePCS card.

- If national sands are paying for members to attend AGM and networking days, would individuals need to pay for this first and claim back afterwards? This could take a while to receive leaving members out of pocket. (York Sands)

As above - Expenses can be claimed centrally or pre-paid in advance (train tickets, etc.) by the ePCS card.

- We sometimes make donations via cheque e.g. we make a donation for the use of the church for our LoL service and we donate some of the collection money to the Scottish Cot Death Trust who attend our service. How would we do these? (Forth Valley Sands)

Where fundraising events are run jointly, the 'cash' can be split accordingly and Sands' share lodged to the new account. Groups will also be able to withdraw small amounts of cash using the ePCS card; larger donations can be arranged centrally by BACS, via the Network Coordinator.

- As we have our own website, would hosting and domain costs be covered under our core activity? (HEY Sands)

Yes, although you would be very welcome to join in with the new Group websites that will be up and running within the next couple of months.

- Many groups have Justgiving pages like <https://www.justgiving.com/fundraising/exetersands> and <https://www.justgiving.com/fundraising/memoryboxes>. Would these need to be closed they imply that money raised will go to a specific project/group whereas in these cases this would no longer happen (other non-memory box projects may still work of course) ? (Exeter Sands)

We will work with Groups to ensure that the information on their online donation pages mirrors any new financial model, and reflects how and where the money will be spent. But yes, memory boxes will be paid for centrally so specific fundraising locally by Groups for memory boxes will no longer be necessary.

- What processes/paperwork planned for local groups to request monies and will there be an appeals process? (Brighton Sands)
- What happens if a Groups needs access to substantial funds in an emergency? How will the Group request these and how quick could the funds be available? (Bath Sands)
- Not having a cheque book and having a limited amount of money available to the group to spend monthly will reduce what we can do as a group. (York Sands)
- If money is set at a monthly amount to be left in our account and the rest taken it will discourage the group from volunteering and spend their time fundraising as there would be no incentive, what do you propose to deal with this. (York Sands)

The amount of money that Group has will be enough for the Group's activities for the whole year. You should not need to 'request' monies as there should be enough in your Group's sub account to manage all your requirements for the year. If your Group finds that they need additional funds during the year, speak to your Network Co-ordinator. We take your point about ensuring a clear process to request funds and will take steps to ensure any process implemented will be quick and easy for volunteers to use.

- Will there be open description provided of how auditors "assess" a local group's needs?

Yes - we will provide this to Groups in due course. This will be informed by the size of the Group, their current activities and any plans for the future.

- Do we need to review purchases or payments on a monthly basis? Can we review this on a quarterly basis for example? (South Devon Sands, North Devon Sands)

This depends on the size of the Group and where they sit on our Risk Framework. Most small groups will be quarterly.

- What happens regarding shop purchases? Will the Group just place an order, but won't be invoiced? (Guernsey Sands)

This is exactly the same as before, except you won't need worry about payment. You can order bereavement support items (like memory boxes or leaflets) on behalf of your hospital using the Groups submission order form, or the hospital can order from us directly using the main shop portal on the website. At the moment, invoicing is our most efficient way of tracking our stock, so any Group making an order will be invoiced with a 100% discount for the cost of the order. We are reviewing our systems and this process may change in the future.

2. Card system

- We would like to understand how pre-approval for payments made on these cards will be sought and how the payment level will be set and what this level may look like for Hull Sands. Would a number of quotes need to be sought for every single expense or will there be a monetary level below which spend, as long as approved locally, can be made.

The ePCS is a purchasing card – like a debit card with a spending limit – provided by Mastercard. It has been adopted by the UK Government as a low cost purchasing solution. You can use it exactly what you would use your debit card for – paying for items in shops, paying for items online, and withdrawing petty cash. It is preferable if you use the ePCS card for most payments, to make it

easier for your treasurer and our finance team to provide an audit trail. But you can also withdraw cash using the card, so that treasurers can manage a small float where necessary.

- Also, whilst I can never envisage any of our Committee using the card for an inappropriate spend, as a Treasurer it worries me in general that a card could be swiped (and as such the money spent) without authority. At present, this is just not possible because the money would never be reimbursed in the first place if it is for something not permitted. (HEY Sands)
- What do we do regarding approving payments via the card system? The current system (via cheques and online banking) requires two signatories to approve payments. How will this be actioned under the new system? (Several Groups across the country have raised this and are concerned about any misappropriation of funds)
- How does an EPCS card work – does there need to be two members present for transactions or will one person be able to use it? (Guernsey Sands)

Groups will have access to the money in their sub-account via a payment card with pre-set limits (or more than one card, if appropriate). There will routine 'dual' monitoring of the card expenditure; both by Group committee members who will be able to view and monitor transactions in real time, and by Finance, who will monitor the card spend on a monthly basis. Volunteers using the card will need to retain receipts and provide them to us at intervals. The pre-set limits are adjustable, but we will set them at levels appropriate to the needs of the Group. Other items can be paid for by the contractor invoicing Sands – volunteers will need to maintain regular contact with their Network Coordinator who can make sure invoices are paid in time. Volunteers will still be able to claim expenses for when the card system is inappropriate (e.g. mileage) and our finance team will pay directly via BACs

- Can the EPCS card be used to withdraw cash to pay for room hire? (Guernsey Sands)

Yes

- Would the online banking system require two signatories, and if so do they need to be present together or is it all done electronically? (Guernsey Sands)

Groups will no longer be able to make online transfers directly for the account. But you can use the card for online payment.

- We also have couple of regular expenses for a low cost phone line and a PO box. Could we pay them online from our bank account or do these bills get sent to Finance to pay them? (Forth Valley Sands)

We can set up a direct debit on the Group sub-account, which is probably the most effective way to make these payments and reduce the administrative 'ask' from volunteers.

- We have a money coming into our account from Charities Trust or via standing orders. What do we do with them? (Forth Valley Sands)

They will be redirected to the new sub-account, as part of the switching process to the new Group sub-account. And we will need to communicate with the donor about how the money will be used.

- We provide quite a few items to our local hospital e.g. camera memory cards, small handmade cribs for early losses, bereavement gowns, etc. Most of these are bought from Amazon or Ebay through personal accounts using Paypal, etc then claimed back via expense claims. How would that work going forward? (Forth Valley Sands)

The Group can use ePCS card(s) assigned to the Group to purchase smaller items and eliminating the need to submit a separate expense claim.

- We pay the NHS for items including teas and coffees at our services or provide funds to the Bereavement Ward Rubislaw Ward. How would they receive their money for example? (Aberdeen Sands)

You would use your ePCS cards in exactly what you would use your debit card for – paying for items in shops, paying for items online, and withdrawing petty cash

3. Projects Accounts

- We would like to understand what expenditure comes under this. Does for example a bereavement suite project mean a brand new fit out of a room or would on-going "maintenance" of a bereavement room such as soft furnishings like bedding, a lamp, crockery etc would also fall under this or would that be classed as "core activity / running cost" and therefore be allocated as an amount given to our Group in our sub-account. What happens when furniture starts to look tired in a bereavement room and requires replacement - would that be classed as a project? (HEY Sands)
- Also, I understand that if we have a project that is midway through when the new model kicks in or even if unstarted but has been identified by this time, we should (? - this is the word I have been given, which is a little worrying as surely, as long as Hull Sands has the money at this stage, it should be a "will" not "should") have the appropriate amount set aside for our Group within the Projects Account, but how would we go about requesting and accessing funds in the future. We do not understand how our Hospital Liaison will be able to sit with the Bereavement Midwife and say we would like to support the Hospital in a specific project when we would have no idea what funds we would have access to. Currently, we are aware of our bank balance and therefore as a Committee we could decide whether a project was possible. Again, how would requests for funds be prioritised between Groups? Will we have to submit business cases? How quickly would these be reviewed and decisions received? (HEY Sands)
- The only point we would query at this stage is with regard to funding projects, events, etc where extra funding is needed. How much information would need to be provided and how in depth would that information need to be, i.e. would quotes need to be obtained etc? (Gloucestershire Sands)
- The projects account is proposed to be one account for all the Groups' projects. But there is a contradiction. On one hand we are assured that the money we put into the Projects account will be available for all our needs, but on the other we are assured that no Group will be left in need. What does that mean? Supposing a Group with very little money plans a project they can't afford as a Group? The implication is that money will be taken from other Groups' fundraising to cover their costs. Of course some Groups raise money far in excess of their needs, but the worst-case scenario is that hard working Groups who raise a lot of money are going to see some of it go to disorganised Groups who haven't got it together to raise much. We understand that not all the money can be spent locally and most Groups are very keen to donate to national causes like research and campaigns. But they may not be keen to see their hard-raised funds taken from their hands and spent in other regions without knowing the true situation and needs of these regions. How will the Projects Account be operated fairly? (Bath Sands)

- How do we access the Project Account? If we have a charity ball for example, how do we pay up front for all the things we need like room hire etc.? Do we ask the payee to invoice National Sands? I am very wary about asking anyone to invoice National Sands, as I know from experience how slow the response is when ordering goods. The Sands Shop takes weeks to process orders. I have been assured that National Sands as a whole pays its bills on time, but this, in a sense, is even more annoying: it is only the volunteers, it seems, who are left hanging, waiting for goods that take weeks to arrive. Can we be sure that our local fundraising is not impacted by slow payments from the National Office? (Bath Sands)
- Will there be any central control over how we spend our money in future e.g. if we want to spend money on the bereavement suite at the local hospital at a time when Sands central is focusing on a media awareness campaign, will we be able to decide on how much is spent and when it is done? Or will there be practical constraints and if so, what? (South Devon Sands)
- How can identified existing monies be ring-fenced or given special consideration before going into the central fund i.e. if we were looking for maybe £10k for Worthing refurb, how do we guarantee this will still be available post centralisation? (Brighton Sands)
- What happens to the funds already raised, the fundraisers have allocated it for a special cause and would not want it spent on anything else. (York Sands)
- If money is raised for a certain project or costly item and funds are held nationally for groups that it could be months before we could access this and limits maybe placed on how much we can spend. Currently disbursements are not coming to us very quickly the time is usually 6-18 months and sometimes even longer. (York Sands)

Under the proposed model, any projects you are currently saving for will be put into a 'project pot' that you have visibility over – so exactly as you do at the moment, you will be able to see how much money you have saved towards the project and how much you might still need. All income and expenditure within the 'pot' will be coded to the relevant Group – like the way we currently disaggregate fundraising income for disbursement purposes – and regular statements will issue to the Group, so that they have a clear audit trail of all transactions. The Hospital Liaison will know how much there is for that project. If you want to start a new project, you have a new 'project pot' that the money you fundraise locally goes straight into.

As a part of implementing the new model we will draw up and agree with Groups a list of project priorities to help decide how we prioritise any further central funds that might be available. Again, as part of implementing the new model we will draw up and agree clear timelines for activity but we would hope to complete all financial activity within 28 days.

We would encourage every Group to have an idea of a project or something you would like to do, in development or underway, as long as you have the resources to carry it out. You will need to bring your Network Coordinator into your planning process at the initial stage. By doing so:

- **Together we will make sure we have a well-planned, fully costed, timescaled project**
- **We will be able to support you throughout the project, making sure work is completed according to plan in the event volunteers step away**
- **Together we will be able to demonstrate to our fundraisers the project meets our strategic aims, and is the best way to meet an identified need**
- **Together we will make sure we have developed a way to measure the success of the project**
- **We can make sure we include a budget line for overheads**

Funds that have already been raised for a specific project will continue to be restricted, and placed in a specific project 'pot' in the Projects Account. You will update your Network Co-ordinator with progress on your project, and we will release funds as you need them.

In the case of a new project, once a completed project plan has been accepted, a 'pot' will be set up in the project's name within the Projects Account. Any money that is raised for that specific project will be deposited into the Project Account and ringfenced for that project. The Group will receive regular updates, so they can plan accordingly. When a Group needs money for a project, let us know and we will arrange for it to be paid centrally - these dates should be included in the project plan.

All Group funds held will be disaggregated and monthly statements provided to Groups. This will allow all funds to be held in a clear and transparent way, without Groups feeling that they need to 'fight' for their designated project funds. Annual reporting will be much lighter, reducing the input required of volunteers and allowing them to focus on activities in the community

4. Concerns around the impact on fundraising locally

- I strongly believe that most donors wish to make a donation to their own local Sands Group as that is the Group that touched their hearts at arguably the hardest point in their lives. We understand from the consultation document that they can donate towards a specific project but not having local visibility (six monthly analysis is not the same as being able to tell straight away what is happening with our balance on a daily basis) will make it much harder to feed back to donors and also if all projects at that point in time are covered, I am assuming and please correct me if I am wrong, their donation would go into the central or the reserves account. Or would it even be spent somewhere else in the country "where the money is needed"? I know that a number of individuals would not wish to donate to a "central pot" and I fear it therefore may have an overall negative impact on fundraising generally. It is a lovely, idealistic thought that money goes where it is required but it may also happen that because people believe they can get the money from someone else who has raised it, fundraising in general will reduce as you can no longer guarantee, it can be used to make a difference locally. In our area, we already have a specific issue in that memory boxes, which as we know have a huge impact on parents in those early weeks and months and are a very tangible help, are supplied by another charity called Abbie's Fund. We already have to "compete" for fundraising with Abbie's Fund and I am pretty certain that no being able to donate at a local level going forward would probably mean that families in our area will fundraise for Abbie's Fund because they will know that their donation will touch lives and make a difference locally. (HEY Sands)

I think the most important thing is to talk to fundraisers and to communicate with them really clearly about how their money could be used. If you have local projects that you want to raise money for, that is excellent, and you can tell fundraisers that is what the money is to be used for. Equally, if there is no specific local project, we need to be able to explain to parents that by fundraising for Sands they are ensuring we can do a whole range of things including providing support for parents through the helpline, through free memory boxes everywhere, and through training for healthcare professionals everywhere. We also need to be able to explain that we use the money that is raised to work towards reducing the number of babies dying – including through research, lobbying for policy change, putting research into practice, working to improve review and the ability to learn from what has happened.

You are absolutely right that fundraisers are attracted to local initiatives, but through talking to them I have found they are also very focussed on making sure that other parents don't have to go through the same devastating experience that they have had to. They would rather their money is used than left sitting in a bank account.

Groups will still have local control over their running costs and the surplus will be held in the Projects Account centrally where the combined funds can earn significant interest. One charity we surveyed who had adopted this approach raised almost £35k in interest, just by changing this policy. The holding of one year's worth of expenditure is consistent with successive statutory audit recommendations.

The new model will ensure that cash is available where it's needed. We aim to continue to grow our income – which has grown by 40% since 2012 – through better awareness and information about the work of the charity.

- Currently we receive a number of smaller direct donations, say if someone has raised for us at a funeral or has done a small fundraiser. How would this money be treated under the new model? Would it be paid into the sub-account or would it need to be passed to Head Office? (HEY Sands)

You would be welcome to bank this locally into your Group's sub-account. We respect the relationships that Groups have with local fundraisers.

- I EXPECT OUR DONATIONS TO DROP EXTENSIVELY AND GO TO THE OTHER LOCAL CHARITIES IN ABERDEEN, WHEN THEY FIND OUT THE MONEY IS GOING INTO A CENTRAL POT. People often say 'that's what we like about Aberdeen SANDS we know the money will ALL be spent locally to help other parents like us and that is why we choose you to donate too.' (Aberdeen Sands)
- When groups fundraise the public have asked questions about whether money will be kept local. This has also been the case on occasions when applying for funding. If the money is essentially going into a central pot this may therefore affect income in this way? (Exeter Sands)
- Parents who raise money locally may want it only spent locally. (York Sands)
- Fundraising increases the sands profile to both bereaved parents and the local community, this will be reduced. If the parents in the group do not feel valued they will join another support group and not sands if they feel they are not been supported, valued or listened to by national sands. How will you combat this. (York Sands)
- What formal notification do local groups need to give to local donators (something on website, something at events?) and what is impact on local groups applying Gift Aid (in terms of transferring to central SANDS?) Given the mismanagement of the SANDS shop - how can local groups gain sufficient comfort that centralised funding will be managed to an acceptable standard? (Brighton Sands)

Answer as above.

5. Resourcing concerns

- Are the network coordinators experienced in project management and costing? Will they get training? Overseeing a number of parallel projects and bringing in multiple projects in on budget and time takes a lot of experience and is time consuming. If the network coordinators are going to have to support multiple group projects they can't just be thrown into it. We are hoping they've evaluated the skill sets of the network coordinators before coming up with this or have a plan to train them? I was concerned by the number of questions raised on the network call that were met with, firstly, lengthy congratulations on our honesty for raising the questions, and then simply with the assurance that the plans for the New Financial Model were 'not set in stone'. No actual answer was forthcoming. Many volunteers who manage projects for a living have their suspicions raised by this sort of response because it sounds as if someone is buying time before they answer, because the plan has not been thought through. We were definitely disappointed by this response when it was given to our query number 1. About the Projects Account, set out above. Surely issues

like these should have been addressed by the New Financial Model planners before presenting the model to us? (Bath Sands)

There will be an expectation that Groups will create and manage their projects, but with the consultation of the Network Co-ordinators. Groups will still be in charge of their projects.

- As excess funds raised will now be going to the Projects account, will we get more support from their fundraising & media teams? National Sands let us down with publicity for the Bath Half when we wanted a national FaceBook post to help fill places. It wasn't a lack of resources on their side, but more that they wanted to keep the advertising of places to the races they were buying places in for National Sands. (Bath Sands)

Yes, this proposed model will free up staff time – including staff in the Fundraising team, who spend significant amounts of time organising the disbursement process.

- National Sands are going to be paying for web hosting & development for new groups. Do we continue as we are and just invoice the charges, or have it accounted for in our core activities? (Bath Sands)

If your Group has a website, you can continue to run this (and it will be a core cost) or you could take advantage of the new Groups websites that Sands is developing at the moment.

- How much is all of this reshuffling of finances going to increase staffing costs by? We only object where group volunteers are already doing a great job for free. (Bath Sands)
- Communication needs to be increased with national sands and a specific person allocated to answer groups quickly when dealing with funds, is there anything in place for this. (York Sands)
- We are busy enough supporting parents, working with RGU and the Aberdeen Maternity Hospital and the design of the new hospital we should not have to time and remember to chase National up for payments. If National SANDS is not efficient just now how will this change when you will have so much more work to do for each group. WHAT DO YOU INTEND TO HAVE IN PLACE FOR THIS? (Aberdeen Sands)

The proposed model recognises that communication between Sands and it's Groups is key and is recommending a new Group Liaison Officer, based in the Finance Team, to help Groups deal with their queries about their sub-account or project 'pots'.

- I suppose my main concern is around organisation. As we all know, things are not that efficient at head office where money is concerned. Money currently takes a long time to be allocated out, invoicing is appalling and slow and your databases are inadequate. (you may agree or not, but that is what we see at our end and it has been fed back many times) As part of the new model, I'm assuming new systems and processes will be brought in and these things will improve. If groups are relying on invoices being paid on their behalf, money being allocated to group accounts or personal expenses being paid in a timely fashion, these all need to be reliable. If not, the whole thing will be a shambles. I think this is one of the biggest things you will need to convince people on. (Forth Valley Sands)

See above – re Group Liaison Officer.

- What level of protection exists for local groups if centrally, SANDS goes under financially? (Brighton Sands)

None – under either model.

6. Memory Boxes

- Both Exeter Sands and Swindon Sands as well as other groups in the UK provide their own custom memory boxes to their local hospital. In the case of Exeter Sands getting any form of memory box into the hospital was a massive achievement that took many years and a compromise was reached as they wouldn't take Sands boxes. Would Exeter Sands still have funds for these? (Exeter Sands)

We would ensure that Groups had funds to continue their activities as planned, and this includes local versions of memory boxes. However, we are committed to looking at our Memory Boxes and would very much appreciate your Group's input into any consultation we undertake in the future.

7. Bereavement care training

- I understand that these will be funded centrally going forward with no invoicing required for groups to settle. In Hull, we feel very passionate about training as we believe that until we can stop baby loss happening, the best thing we can do is make that heartbreaking experience of losing a child as best as possible and bereavement care is paramount in that. We were the first Group in the country to deliver the doula training and have funded a number of days at our local Hospital and also annually for the final year midwifery students, all of which get first class feedback. This year, we have reached out into the community and in April we will be funding a multi-disciplinary workshop to health visitors, doulas and counsellors from different locations within the City. This has taken a lot of my time to organise but the uptake has been incredible. We would like to understand whether there will be a limit on the number of days that a Group can request going forward and how demand for these courses will be prioritised across the country and the different Groups. (HEY Sands)
- How many training days can we offer to a hospital? Will this be capped per Group, for example? (multiple Groups)
- If national sands intend to offer training for professionals and fund it then they maybe along waiting list for one to be undertaken locally. How will this work. (York Sands)

It is crucial that parents are offered the best bereavement care possible at this incredibly distressing and isolating time. We want to ensure that the relationships you have already forged are not disrupted in any way. We would like to see best practice rolled out across the country so that as many healthcare professionals as possible are trained, and this includes developing relationships with the local training providers to ensure that student midwives are trained.

As I am sure you know, one of the barriers to reaching all healthcare professionals is that bereavement care is not included in the commissioning framework. We are working with the Department of Health to try and address this issue and hope to reach the stage where all healthcare professionals can access bereavement training.

We have grown our IBC team of trainers to ensure that we can meet current demand from Groups; and we would hope to continue to meet the demand from Groups that have currently built a relationship with hospitals. Ultimately we need to aim to continue to grow so that we can eventually reach other hospitals as well.

8. My own view on the model - preferred option

- I appreciate that a number of alternatives have already been sought and looked at and you believe you have arrived at the best solution. I understand that unspent money cannot sit forever in local Group bank accounts and there is a need to get these amounts either spent down or reinvested

in some way. However, in my view, a much better solution would have been to ask Groups at each year end to look twelve months ahead and identify what they planned to spend their money on, using sensible costings and wherever possible support these costings either with quotes or with examples of similar historic expenditure. This would have become the "allocated" bank balance which in some cases would have left a surplus. Head Office could have then said that they will take X% of this unallocated balance and use this centrally in whatever way they would see fit. Not taking it all, even if only a small percentage, would have left Groups with a certain buffer, should they run short in the coming twelve months. It would have retained local control but would have instilled a discipline of ensuring spending donations and if not spent, Head Office would have still been able to take and spend the unallocated amounts. (HEY Sands)

In the past, the Trustees explored this idea but it was ultimately rejected. However, one of the biggest issues with this approach is that it doesn't fully address the issues of unspent reserves building up. Even where Groups plan to spend their savings within one financial year, the funds can sit in the account for a considerable period of time.

Another issue is that a percentage return approach would still require enormous internal circulation and movement of money which wastes capacity and resources that could be better used making a difference for parents.

Groups will still have local control over their running costs and the surplus will be held in the Projects Account centrally where the combined funds can earn significant interest. One charity we surveyed who had adopted this approach raised almost £35k in interest, just by changing this policy. The holding of one year's worth of expenditure is consistent with successive statutory audit recommendations.

9. Implementation questions

- It would also be helpful to discuss in the network meeting the setting up of new accounts. We have fairly recently opened the Unity account, in accordance with Sands advice and have had issues in the past with setting up accounts, or changing signatories at banks such as NatWest. With there be a mass bank account opening by National Sands, or will we be expected to take on the task individually? (Oxfordshire Sands)
- What is the time frame for the changes to occur. (York Sands)

We will be back in touch with you about the model that is adopted, and its implementation, once the consultation process has been completed.

Once the detail of the new financial model has been agreed, we will devise an implementation plan which will be piloted across a number of 'early adopter' Groups, before we roll out across the wider organisation.