

Branch finances: funding sources and use of funds 2017

The following information is designed to inform you about the different sources of branch funds and the type of activities that it can be used for.

In summary there are four types of funding:

- **branch administration funds**
- **Congress funding**
- **branch activity funding (which has replaced historic branch funds)**
- **income from members**

1. Branch administration funding

Also known as 'core funding', this funds the running of the branch for the year and should be used to benefit all members in the branch. It is provided by the RCN based on branch membership as at September of each year, and the funds are allocated by way of a budget to each branch.

Each branch receives £100, plus an additional 15 pence per member. For example, if a branch has 1,000 members they will receive £250, as $(15p \times 1,000) + £100 = £250$.

The total budget allocated to the branch will be notified to the branch treasurer by 1 January each year.

Branch administration funding can be used for activity such as:

- meeting room hire for branch meetings, AGMs and events
- travel to branch meetings, branch AGMs and branch events for branch officers*
- travel and parking at meetings and events for members if they are formally representing the branch
- travel to the RCN main AGM by members asked to attend on behalf of a branch
- stationery, postage and other materials to support engagement with members
- printing costs at 0.4p per page black and white and 3.8p per page colour

- the cost of using teleconference facilities
- branch recruitment activity and materials
- speakers at branch events
- hospitality for speakers and guests at branch events.
- gifts up to a value of £25 (such as flowers in the case of retirement, or serious illness or death of a serving member)

*Branch officer means branch chair, secretary or treasurer.

All expenses should be paid in accordance with the [members' expenses policy](#).

Administration funding cannot be used to send members to Congress (please see the following section) or for awards, bursaries, travel or training for representatives, or attendance by individual members on courses.

Any funding remaining at the end of the financial year cannot be carried over into the following year.

2. Congress funding for voting members

The RCN makes a contribution to the cost of voting members attending Congress.

The number of voting members funded to attend is based on the formula of one member per 1,000 members of the branch or part thereof as at 31 August. If a branch has 6,300 members they will receive funding for seven voting members to attend Congress.

The August dates means that branches can agree their representation at Congress at their branch AGM.

Country/regional offices notify the branches of the total sum of money they have to spend on sending their voting members to Congress. This money can be used to send as many members as possible.

All expenses should be paid in accordance with the [expenses policy](#).

Any funding not used will be returned to general reserves after Congress each year.

3. Funding to support branch activity.

This has replaced the historic branch funds which come to an end on 31 December 2016 after a period of three years 9 months.

At its meeting in July 2016 RCN Council agreed that £200k (the equivalent of the historic branch funding) would be allocated in 2017 to country and regional boards (on a per capita basis as at 30 June) to support branch

activity. The board budget for this will be based on £ 0.45 per member in the country/region.

The amount allocated to each Country/Regional Board will be calculated as part of the budget process and communicated to boards at the beginning of September each year. Boards will report to Business Committee and Council on how the additional funding is being used as part of the mid-year and annual planning and accounting process.

Council hopes that this new funding arrangement will enable boards to provide more support to branches to engage with, and better meet the needs of, local members.

These funds can be used:

- to run continuing professional development events (CPD) and recruitment and retention
- recruitment and retention activity
- lobbying and campaigning activity
- sending non-voting members to Congress
- to meet the cost of members attending national trade union marches
- Computers and printers can be purchased by branches using these funds.

NB Boards may decide to spend some of the available funding on activities or events that will benefit branch members across the whole Country/Region

NB Any member who is funded to attend Congress from these funds cannot also use Congress funding

Branches will be asked to confirm that any computers purchased will not be used for case management and will not be used to hold personal data of any RCN members. In addition, each year the branch chair will be asked to sign an inventory held by the country and regional board confirming existence of the equipment.

All expenses should be paid in accordance with the expenses policy.

Boards will work with branches to decide how to make the best use of the available funds

Board Chairs working with Country / Regional Directors will ensure that the criteria by which they will be making decisions regarding the allocation of the funding and the dates of meetings at which funding allocation decisions will be made are clearly communicated to all their branches in a consistent and timely manner.

Board Chairs in liaison with country / region offices must ensure there is a clear and auditable trail of all funding decisions made and also that such decisions are communicated to all branches in a timely manner.

An application form has been developed, attached at Appendix A for branches to use to request funding for specific activities.

4. Income from members

This section reflects the RCN's legal status and the fact that income generated from non-members is now taxable. This has meant the RCN has to change the way we raise and account for income now that it is no longer a charity.

Income can only be generated from other members, rather than the general public, and in future any income generation activity will be planned in conjunction with the country/regional office for activities in the country or regional operational plan. This is because income generated from non-members would be taxable and we have to be able to account for how all income is generated, from whom and for what purpose.

We can no longer fundraise as we did previously as we are no longer a charity. You can still raise money for charity but not through branch funds. For example you can raise money for the RCN Foundation and pay the funds directly into the RCN Foundation accounts. Donations from other charities cannot be made from branch funds but branches can income generate for other charities and any funds raised should be paid direct to that charity.

5. Planning and budgeting

Budgets replaced branch bank accounts from April 2013.

From April 2013 each branch will receive a monthly management report for each of its three budgets – administration funds; Congress funds and any branch activity funds it has received from the Board.

Boards prepare a country/regional board plan which includes branch activity and a budget which includes all expenditure planned by branches during the year in question. This means that your board will be responsible to Council for pulling together your country/regional business plan and budget and monitoring the delivery of the plan within budget. The branch will be accountable to the board for the delivery of their part of the plan in budget.

January 2013

Updated September 2016

These guidelines will be reviewed by the Business Committee in October each year.

Appendix A

Application form for RCN branches to use to request funding for specific activities.

Name:.....

Country/region:.....

Name of branch:

Activity	Timing of activity	Costings	Target audience	Purpose of activity / event
<i>Example: Run a study day</i>	<i>June 2017</i>	<i>Example: Venue Hire -£500 Catering - £300 Publicity materials - £200 Total - £1,000</i>	<i>Example: Students (member & non-member) in x region catchment</i>	<i>Example: Recruit new members / promote and raise awareness of RCN</i>

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