

Report to:	Trust Board
Title of Report:	Charitable Funds Committee Assurance Report to Board
Date of meeting:	06 April 2017
Recommendation:	For discussion
Chairperson:	Jonathan Rennison, Non-Executive Director
Purpose	The report summarises the assurances received, approvals, recommendations and decisions made by the Charitable Funds Committee at its meeting on 20 March 2016.
Background	<p>The Committee meets quarterly and provides assurance to the Board:</p> <ul style="list-style-type: none">• that robust processes are in place to manage charitable funds and to ensure they are implemented;• that donated funds are utilised in a way that takes into account any stipulations set out by donors and ensure best value is obtained from the funds donated;• that further donations are being encouraged;• that systems comply with regulation and governance of NHS Charities.
Business undertaken	<p><u>Timetable for year-end accounts</u></p> <p>The Committee considered the timetable for the production of the charity's annual accounts. It was noted that the annual accounts would be presented to the Committee on 14 August 2017 for review and recommendation of approval at the Board meeting on 07 September 2017. The Committee was assured that the Annual Report and Accounts would be submitted to The Charity Commission in October 2017 which was within the statutory timeframe.</p> <p><u>Development/review of charitable funds risk registers</u></p> <p>The Committee reviewed an updated risk register and discussed how it could feel assured that the risk scoring of individual risks were appropriate. It was agreed that a number of the risks should be merged and some re-scored. The Committee asked for the risk register to be a standing item on each forthcoming agenda.</p> <p><u>List of fundraising policies and timetable for completion</u></p> <p>Following extensive research, a comprehensive list of policies and procedures that are required in order for the charity to comply with regulations was presented to the Committee. A timetable when the policies would be completed was reviewed and the Committee was</p>

advised that a combination of best practice examples, alignment with current Trust policies and some specifically written documents would be used to develop the suite of policies.

Charity strategy

The Committee considered a draft strategy, which incorporated feedback from a strategy development session held in September 2016. Although the Committee acknowledge the strategy was progressing, it was concluded that further development was required before it could be presented to the Board. Therefore, it was agreed that the strategy would go to the Board for approval in May 2017.

The Committee considered a business case which proposed four options to changes to the current administration of management of charitable funds in order to enable delivery of the charity strategy. The preferred option presented in the paper was the outsourcing of the charitable funds management function to another NHS trust or an accountancy service which had proven expertise in the management of a charity. The Committee had a full discussion on the proposed options, including the benefits and disadvantages of outsourcing the management of funds. It was concluded that further exploration of Option 2b should be considered first, while at the same time getting complete understanding of the full costs and implications of outsourcing. The Committee recommended that this matter required additional engagement from the Trust Chair and Chief Executive in order to ensure that the Corporate Trustee was fully engaged in identifying the best way forward.

Overview of funds

The Committee reviewed the latest financial position of the funds and noted the income and expenditure, the forecast for a change to the fund value over the next twelve months and received an investment update.

Report on breaches in governance

A paper was received which provided the Committee with an overview of how two requests for funding had breached the approval process. The paper advised on the current controls in place and the executive provided assurance on additional controls which had been implemented to strengthen the process in order to avoid a risk of a further breach occurring. The Committee noted the change in practice.

Timetable for investment management tender

The Committee noted and agreed the timetable for the tender process.

Overview of donations and fundraising activities

A paper was received which provided a quarterly review of fundraising activity. The Committee noted the report.

Requests for funds

The Committee received two retrospective requests for funds:

a) Business case for omni-beds

The Committee considered a case for funds to purchase omni-beds for the special care baby unit at a total cost of £43,920. The Committee questioned whether the need for the beds was on the divisional risk register and why the purchase had not been made from capital funds. The funds were approved, subject to additional information being included to the questions posed above.

b) Business case for endoscopy equipment

The Committee reviewed a case to purchase equipment at a total cost of £25,827 to support the Trust to run nationally approved endoscopy training courses at Watford Hospital. The Committee praised the initiative and was assured that the equipment would not have been purchased from capital funds. The Committee approved the funds.

Branding options

Creative Interpartners attended the meeting to present a briefing on plans to establish a brand for the charity. The Committee considered the presentation and agreed the importance of establishing a consistent brand across all areas of the charity, which incorporated the Trust's values. The Committee approved the proposed concept and agreed for Creative Interpartners to explore the vision further and create a brand for consideration by the Committee.

Escalation to the Corporate Trustee

- Further development was underway on the charitable funds strategy which would be presented to the Board in May 2017.
- Recommendation to endorse approval of funds to purchase omni-beds for the special care baby unit at a total cost of £43,920
- Recommendation to endorse approval of funds to purchase equipment at a total cost of £25,827
- An exercise was underway to establish new branding for the charity

Attendance record

Jonathan Rennison, Non-Executive Director
Tracey Carter, Chief Nurse
Don Richards, Chief Financial Officer
Ginny Edwards, Non-Executive Director
Louise Halfpenny, Director of Communications
Onali Mohamedali, Financial Controller
Jean Hickman, Trust Secretary (notes)
Bridget Orchard, Head of Fundraising
Paul da Gama, Director of Human Resources