

BRADFORD HOSPITALS' CHARITABLE FUNDS COMMITTEE MEETING

Date:	Thursday 12 th March 2020	Time:	15:00-16:00
Venue:	Meeting Room, Listening for Life Centre, BRI	Chair:	Dr Maxwell Mclean, Chairman
Present:	<p>Non-Executive Directors:</p> <ul style="list-style-type: none"> - Dr Maxwell Mclean, Chairman (MM) - Ms Trudy Feaster-Gee, Non-Executive Director (TF-G) - Mrs Julie Lawreniuk, Non-Executive Director (JL) <p>Executive Directors:</p> <ul style="list-style-type: none"> - Ms Karen Dawber, Chief Nurse (KD) - Mr John Holden, Director of Strategy and Integration (JH) - Mr Matthew Horner, Director of Finance (MH) - Mr Michael Quinlan, Deputy Director of Finance (MQ) 		
In Attendance:	<ul style="list-style-type: none"> - Ms Tanya Claridge, Director of Governance and Corporate Affairs (TC) - Mr Kursh Siddique, Governor (KS) 		

No.	Agenda Item	Action
C.3.20.1	Apologies for Absence.	
C.3.20.2	<p>Declare conflict of interests.</p> <p>There were no declarations of interest to note.</p>	
C.3.20.3	<p>Minutes of the virtual meeting held on 7 November 2019</p> <p>The minutes were accepted as an accurate record of the meeting.</p> <p>Julie Lawreniuk noted that she was to be included in the minutes as participating in the meeting on the 7th November 2020</p>	
C.3.20.4	<p>Matters arising</p> <p>The Committee reviewed the following actions:</p> <p>C.7.19.5 – BHC Financial Information – MQ gave an overview of the progress to date. A paper was presented to the Charitable Funds Committee stating that if you have a charity connected to the NHS or the local authority the charity commission expects a corporate trustee policy, procedures and guidance to follow which we have in place. The Trust is not a charity so we have a separate charity with its own governance. A discussion took place around the charges to the Trust from the local authority and the Trust rebate rates. The Trust is actually a charity in itself which means a discount is applicable on the rates. The paper doesn't impact on the status of the Trust and the case of reviewing the rates with the council is a separate matter. The issue is going through the courts at the moment. MQ advised that he would monitor this accordingly. Action to remain open.</p>	

	<p>C.7.19.6 – BHC Updated policies – action closed.</p> <p>C.7.19.8 – Investments update – action closed.</p>	
C.3.20.5	<p>Finance Report April 19-January 20</p> <p>MQ highlighted the key points within the report:</p> <p>2.1 – Introduction Last year we agreed the 5 year plan and we agreed that we would invest surplus cash with an approved charity party. Looking at achieving a strong cashflow is when donations are received and the charity is spending the money on charitable purposes. We are aiming for steady gradual growth in donations with a planned target this year of £500k and we achieved £346k last year. The high level summary is shown on page 1 section 1.</p> <p>2.2 Year to date I&E Bridge MQ highlighted on page 2 the I&E Bridge year to date which highlights the position to date in relation to the plan. During the first nine months of 2019/20 the Charity had planned to increase the value of funds by £18k. The total value of the funds increased by £35k (£17k higher than plan). In summary the Year to date income is behind plan by £90k. This is because the Charity has received less than planned income from general donations £53k and fundraising £24k. The Year to date expenditure is also behind plan (£107k) and this is due to the Charity spending less than plan on charitable activities (£97k), in particular patient welfare (£66k).</p> <p>2.3 – Forecast I&E Bridge The Charity planned for an overall increase in funds during 2019/20 by £21k. The Charity is now forecasting an overall decrease in funds by £87k. The main reasons for the reduction in funds are:</p> <ul style="list-style-type: none"> • General donations are expected to be behind plan by £75k; • Fundraising are expected to be behind plan by £42k; • Legacies are expected to be behind plan by £15k; and • Investment income is expected to be behind plan by £9k. <p>2.4 – Income Trend The forecast income (£384k) will be behind plan (£510k) by £126k. Income was broadly in line with plan until October 2020. When comparing 2019/20 income with 2018/19 income (£346k) forecast income is higher by £39k.</p> <p>3 – Fundraising Income and Expenditure By the end of the financial year the Trust is planning to report total fundraising income of £145k and incur £114k fundraising costs. (Net balance of £31k). JL queried the figures and expressed her disappointment that our fundraising efforts are used to offset costs. MQ noted that the fundraising team are putting in a lot of time and effort into branding and raising awareness. Some of the costs for the fundraising team may be actually benefitting in another area so it's not just a small return as we see in paragraph 3. This information needs to be available for the annual report. It was noted that there were no big charity events</p>	

	<p>in the pipeline at present.</p> <p>3.1 – Fundraising events MQ highlighted the three key events that had taken place during this financial year including Abseil 2019, Sparkle for Axl and the Radiology Appeal.</p> <p>KD noted the appeals that haven't been captured within the paper including the toy appeal and egg appeals and queried whether these could be quantified. MQ confirmed that he had spoken with the finance team and this would involve changing how we account so that these can be reported. The aim is that from April 2020 to change the ledger so that we can report those. At present it is reported under 'categories'.</p> <p>The Committee felt that they would like to try and be more ambitious in relation to the gap between fundraising expenditure and fundraising income. Any outcomes from this meeting would be considered at the Charity Operational Committee.</p> <p>It was noted that surplus cash would be invested with our approved investment broker rather than an approved charity party.</p> <p>The Committee noted the report.</p>	
C.3.20.6	<p>Rathbones investment update</p> <p>MQ gave an update on progress to date and noted that we have just recently invested the £1.15m to Rathbones in January 2020. The initial value has increased marginally to £1,153,300. The paper shows how the cash has been invested and noted that the initial value has increased marginally to £1,153,300. Further information will be available at the next committee meeting as to where the cash has been invested and what the gains and dividends are.</p> <p>MH suggested that we receive an update from Rathbones on the position to date due to the crash in the market. MQ confirmed that he had sight of the portfolio online and there had been a reduction of approximately £90,000. The committee agreed that we should receive an update report from Rathbones up to the 1st April 2020. MQ agreed to circulate this virtually by email to the Committee.</p> <p>The Committee noted the report.</p>	MQ
C.3.20.7	<p>Elsie Sykes update</p> <p>MQ gave an overview of the paper which notes that at a previous BHC meeting the proposal from the Charles and Elsie Sykes Trustees of relinquishing control of the endowment fund which has a value of £2228,365 in exchange for a promised income of £10,000 per annum to be paid to BHC for five years, followed by adjusted annual donations to reflect the performance of the portfolio was agreed. The Elsie Sykes Trustees recognise Rathbones as the asset manager for BHC.</p> <p>Pending a brief enquiry into the nature of the formal permanent endowment the Committee approved the agreement. MQ agreed to update the Committee if there was any concern in response to this enquiry.</p>	

C.3.20.8	Terms of Reference – Charity Committee There have been minor changes made to this policy. The Committee approved the terms of reference.	
C.3.20.9	Terms of Reference – Charity Operational Committee A number of changes have been made to give additional assurance that the activities are within the law and regulations set by the Charity Commission. The Committee approved the terms of reference.	
C.3.20.10	Workplan The Committee approved the workplan.	
C.3.20.11	Charity Sector Developments The paper highlights the main sector developments which are currently having an impact on charities. MQ drew attention to the table on page 7 which captures the changes that the charity commission had issued. For each of the sector developments listed our external auditors, Deloitte have been working with the Trust to establish at what stage we are in the process. Cyber security breaches, Public reporting by charities in the trustees' annual report and accounts, Public benefit reporting by charities and reserves policies are all rated green. Reporting matters of material significance, Safeguarding and How to report a serious incident are all rated at amber showing room for improvement. A process and protocol needs to be in place for reporting matters of material significance. It has been agreed with the external auditors that we need to update our policies and procedures to reflect these three amber rated sector developments. These will be discussed at the Charity Operational Committee and how to engage with staff. The Charity Operational Committee will provide assurance to the Charity Committee over the next 10 months in terms of updating the policy and to meet the criteria of engaging with staff. The Committee discussed and noted the paper.	
C.3.20.12	Operational Sub Committee Report KD informed the committee that the Operational Committee has met on two occasions and discussed:- <ul style="list-style-type: none"> • Raising our charitable ambitions in relation to "big ticket items". • NNU accommodation expansion supported and is on the agenda for approval. • Four fund proposal letters sent to fund holders in December with some queries raised and dealt with. Letters had been sent out in December to fund holders suggestion an amalgamation of several 	

	<p>funds into four main funds. Further letters will be sent out confirming the next steps and this will be followed through by the Charity Operational Committee.</p> <ul style="list-style-type: none"> • Enquiries being made in relation to staff payroll Just Giving donations. Staff can already donate to some charities through payroll and the proposal is that we move that to allow staff to give to our own charity through payroll and this will be discussed at the Charity Operational Committee and HR. • The group received a presentation from Hey Smile on expanding charity – agreed that we would pursue internally and a Charity away day has been planned for 22 April 2020. All Non-Executive Directors have been invited to attend. • The Rays a Smile campaign has now successfully completed early. It was felt that the charity boosts staff morale. Staff enjoy participating in the dragon boat yearly event and the abseil event. <p>The Committee noted the paper.</p>	
C.3.20.13	<p>Neonatal Unit Family Bedrooms</p> <p>The paper request that the Bradford Hospitals Charity Committee support the development of additional family bedrooms within the Neonatal Unit as the Trust's preferred large scale, "corporate", charitable fundraising scheme.</p> <p>Some work has already been undertaken to develop plans for the family bedrooms. Potential donors have become aware and have previously expressed an interest in making a donation. Architectural plans have been drawn and costed on a charitable basis courtesy for Bowman Riley Architects and DKP consulting.</p> <p>It is estimated that it will cost £972k to build the additional 5 family bedrooms set out in the plans. Raising this level of funds will be a considerable task. The Executive Directors approved that the NNU family bedrooms development is adopted as the Trust's preferred large scale fundraising project and the Charity Operational Committee should develop a fundraising project plan that will include the need to fully consider the need to commission additional resource for the fundraising team.</p> <p>This has been previously discussed at an Executive Team Meeting and JH noted that there were a couple of questions raised which still needed considering with one being the overall cost of 5 bedrooms and the size of the investment. The second issue raised was the strip of land marked for the build and investigating whether this is already earmarked for development in other projects. KD noted that we can test out these issues as we draw up the fundraising plans. In light of the answers to the above two queries the Committee approved the family bedrooms project is adopted as the Trust's preferred large scale fundraising project and that the initial steps towards fundraising are implemented.</p> <p>MP suggested approaching Ronald McDonald House Charities to investigate the possibility of them providing funding for the project. This is being looked into</p> <p>It was suggested that there is some degree of flexibility in the use of the</p>	

	<p>rooms for other areas particularly families on ITU.</p> <p>The Chair requested KD email the Committee confirming the intended number of family bedrooms which would be on site and if some of the money is being used to refurbish two of the rooms on M2.</p> <p>The Chair requested that a short briefing paper be provided at the next COG meeting advising the committee of what our large scale fundraising project is and to enquiry if any governors are able to assist.</p> <p>The Committee approved the proposal.</p>	<p>KD</p> <p>KD</p>
C.3.20.14	<p>Any other business</p> <p>No other business discussed.</p>	
C.3.20.15	<p>Date and time of next meeting.</p> <p>9 July 2020, time to be confirmed, Meeting Room, Wolfson Centre, Institute of Health, BRI</p>	

ACTIONS FROM BRADFORD HOSPITALS CHARITY COMMITTEE MEETING 12 March 2020

Date	Agenda Item	Required Action	Lead	Timescale	Comments/Progress
11.7. 19	C.7.19.5	BHC Financial Information MQ to research whether the rate rebate project that is ongoing will have implications on our Charitable status as a Foundation Trust.	Deputy Director of Finance	July 2020	12.3.20 – MQ to monitor progress. <u>Action to remain open.</u>
12.3.20	C.3.20.6	Rathbones Investment Update The committee agreed that we should receive an update report from Rathbones up to the 1 st April 2020. MQ agreed to circulate this virtually by email to the Committee.	Deputy Director of Finance	July 2020	Added to July agenda – <u>action closed</u>
12.3.20	C.3.20.13	Neonatal Unit Family Bedrooms The Chair requested KD email the Committee confirming the intended number of family bedrooms which would be on site and if some of the money is being used to refurbish two of the rooms on M2.	Chief Nurse	31.3.20	<u>Action closed</u>
12.3.20	C.3.20.13	Neonatal Unit Family Bedrooms The Chair requested that a short briefing paper be provided at the next COG meeting advising the committee of what our large scale fundraising project is and to enquire if any governors are able to assist.	Chief Nurse	15.4.20	Added to COG July meeting. <u>Action closed</u>