

## BRADFORD HOSPITALS' CHARITABLE FUNDS COMMITTEE MEETING

<b>Date:</b>	Thursday 16 <sup>th</sup> July 2020	<b>Time:</b>	11:00-12:00
<b>Venue:</b>	Webex meeting	<b>Chair:</b>	Dr Maxwell Mclean, Chairman
<b>Present:</b>	<p><b>Non-Executive Directors:</b></p> <ul style="list-style-type: none"> <li>- Dr Maxwell Mclean, Chairman (MM)</li> <li>- Ms Trudy Feaster-Gee, Non-Executive Director (TF-G)</li> <li>- Mrs Julie Lawreniuk, Non-Executive Director (JL)</li> </ul> <p><b>Executive Directors:</b></p> <ul style="list-style-type: none"> <li>- Ms Karen Dawber, Chief Nurse (KD)</li> <li>- Mr John Holden, Director of Strategy and Integration (JH)</li> <li>- Mr Matthew Horner, Director of Finance (MH)</li> </ul>		
<b>In Attendance:</b>	<ul style="list-style-type: none"> <li>- Ms Jacqui Maurice, Head of Corporate Governance (JM) on behalf of Ms Tanya Claridge, Director of Governance and Corporate Affairs (TC)</li> </ul>		

No.	Agenda Item	Action
<b>C.7.20.1</b>	<p><b>Apologies for Absence</b></p> <p>Mr Michael Quinlan, Deputy Director of Finance (MQ) Ms Tanya Claridge, Director of Governance and Corporate Affairs (TC)</p>	
<b>C.7.20.2</b>	<p><b>Declare Conflict of Interests</b></p> <p>There were no declarations of interest to note.</p>	
<b>C.7.20.3</b>	<p><b>Minutes of the Meeting held on 12<sup>th</sup> March 2020</b></p> <p>TF-G queried the references to the Trust as a charity but conversely not being a charity within the Minutes. MH advised this relates to the rate rebate issue across the NHS at present whereby a number of Foundation Trusts have appealed that Foundation Trust status attracts charity status, and as such there should be a significant rate rebate. This is currently with the Court of Appeal and MH's view at present is that Foundation Trust status is considered charitable status but is currently being challenged. Michael Quinlan will be in a position to provide clarity.</p> <p>TF-G requested and the Committee agreed in relation to section C.3.20.5 the Minutes are amended to show surplus cash would be invested with our approved investment broker rather than an approved charity party.</p> <p><b>Minutes of the Extraordinary Meeting held on 24<sup>th</sup> April 2020</b></p> <p>The minutes were accepted as an accurate record of the meeting.</p>	MQ
<b>C.7.20.4</b>	<p><b>Matters Arising</b></p> <p>The Committee reviewed the following actions:</p>	

	<p>C.7.19.5 – BHC Financial Information – The national rate rebate and charitable status legal case continues. MM requested MQ provide a brief update report to the Charity members.</p> <p>C.3.20.13 – Neonatal Unit Family Bedrooms – KD advised the fundraising proposal has been delayed due to Covid but this is now being actively developed. The Trust's Council of Governors to be updated at their meeting on 16<sup>th</sup> July 2020.</p>	MQ
<b>C.7.20.5</b>	<p><b>Finance Information April 19-March 20</b></p> <p>MH highlighted the following points in relation to the financial year ending 31<sup>st</sup> March 2020:</p> <p><b>2.1 – Income and Expenditure Position</b> There are some errors in terms of the brackets (negative figures) in the totals column within the paper, however the current position is £443k was raised for the year against a target of £510k. Expenditure was £521k against planned expenditure of £478k giving a deficit in the year of £43k. A key contributor was the downturn in the investment market following the onset of the Covid-19 pandemic (£125k), noting the Committee agreed to invest cash in January with Rathbones. Initial plan was to invest around £1.5m but actual investment was approximately £1.1m with full commitment in the new financial year. Net reduction in overall funds stands at approximately £200k and overall portfolio has around £2.1m, distribution of which can be seen on page 6 of the paper.</p> <p>Following a query from TF-G, MH advised the plan submitted to the Charities Committee last year set our ambition for the next five years giving a net position for each of the years. As per the paper there is a deficit in 22/23 in terms of our planning assumptions and the table profiles where we expect to incur our expenditure and set an ambition in terms of income. If there is a desire to step up that ambition thought may need to be given to investing in some additional fundraising support and a separate proposal will be submitted to the Committee for consideration.</p> <p>MH confirmed he will circulate an updated paper showing the correct figures, and advised the correct net figure should be around £120k as opposed to (£78.7k) currently shown.</p> <p><b>2.3 Income Trend</b> The fundraising trend continues to improve year on year with £443k raised this year compared to £346k for the previous year.</p> <p><b>2.4 Statement of Financial Position</b> The main change being the transfer of cash into investments.</p> <p><b>3.1 – Fundraising Events</b> All the three key fundraising events this year have generated positive contributions to the overall fundraising position, and the radiology appeal is continuing into the new financial year.</p> <p><b>4. – Covid Income and Expenditure</b> Generous donations received of approximately £258k have been received with current expenditure at £172k. JL asked if these are the figures for 2019/20 and 2020/21 and both MH and KD confirmed that is</p>	MH

	<p>the case.</p> <p>KD thanked the finance staff working in partnership with the Charity staff for driving the fundraising agenda forward. She also commented that if we are to make another step-change going forward we need to look at the infrastructure to invest in fundraising resources.</p> <p>The Committee noted the report.</p>	
<b>C.7.20.6</b>	<p><b>Rathbones Investment Update</b></p> <p>MH advised the information is provided in terms of the updates received from Rathbones which concentrate around the general position of the economy and how the markets are looking. MH advised once received he will circulate the updates monthly to the Committee members.</p> <p>MH went on to say from Rathbones' report the current position is looking reasonably positive with an upturn in recent months, though not as yet back to full recovery status. Our portfolio has changed since January 2020 with a move from liquidity towards equity over the last few months. This is reflective of our risk profile that the Committee submitted when the services of Rathbones were procured.</p> <p>MH also highlighted a note of caution around the expected dividends which are not as high as anticipated at around £25k which is a 2.3% return.</p> <p>The Committee noted the report.</p>	MH
<b>C.7.20.7</b>	<p><b>Draft Unaudited BHC Annual Report and Accounts 2019-20</b></p> <p>MH commented that these are the unaudited accounts and Annual Report for the year 2019-20, which are to be audited over the next couple of months before being submitted formally to the next Charitable Committee Meeting.</p> <p>MH also advised the report provides a good overview of the fundraising which has taken place, where the donations have been spent throughout the year, how we are governed as a charity, and also the detailed annual accounts which will be submitted to the Audit Committee where there will be an opportunity to do an analytical review.</p> <p>MM asked where the Annual Report has to be published and MH commented his understanding is that it has to be submitted to The Charity Commission to ensure our objectives have been delivered, and we continue to meet our obligations regarding public benefit. JH commented that he did not think the Report is published on our website and if not it can be added to the schedule of publications. JL also asked if it is included as part of the AGM presentation and MH confirmed it is, as a way of thanking all those who have donated and highlighting where the money has been invested.</p> <p>The Committee noted the report.</p>	

**C.7.20.8**

**Bradford Hospitals Charity Financial Plan 2020/21**

MH advised the plan provides a revision to the original plan with the only changes being where money raised has been moved into grants, and where the Covid money may flow through. He further commented that the plan for the year is to generate £621k worth of donations and income, and to spend approximately £678k. As can be seen from the paper the Covid activities directly offset with each other, and there is a slight change in the pay position for the new year. However there was an over-accrual of costs in the previous year so a non-recurring benefit was taken last year which accounts for the change in the pay cost profile. The plan may change depending on decisions made regarding fund raising investments.

MH also advised it is worthy of note that whilst an ambitious target has been set around income, given the Covid situation there may be challenges raising the income in terms of commitment to some of the appeals, and the ability of people to donate to activities as they have done in previous years. Updates will be provided throughout the year in terms of performance against plan.

JL queried following the reduction in Raise a Smile and increase due to Covid, if our income will have increased by approximately £100k for the year. MH confirmed this to be the case. KD also commented there has been a planned reduction in income due to events such as the Dragon Race not going ahead.

TF-G asked where the £621k income projected for this year is going to come from. KD advised the assumption has been taken that our campaigns will continue, our online presence is to be increased, income continues to come in through the NHS big charity, people continue to donate to our Help the Heroes fund which is one of our key focusses, and also the general fundraising activity taking place. It is hoped the Christmas appeal will also still take place. The main changes from last year are we are getting the additional benefit of Covid income received, particularly in April, May and June, however we are unable to undertake any of the onsite face-to-face activities which would normally take place. If the neonatal proposal goes ahead a separate fundraising plan will then be developed, which would complement and sit alongside the main plan.

TF-G also asked how much of the £621k income is coming from the NHS charity, has it peaked this year and it is unrealistic to expect the team to be generating the same levels of income in future years. KD advised there is a definite willingness of people to donate at this time, and we have opportunities to and are currently bidding for money from the NHS big charity targeting our BAME staff and how we improve their health and wellbeing.

KD went on to say in the next few months if the neonatal proposal goes ahead we would expect to see similar income levels next year as those funds will come in as the Covid demand decreases, unless a second peak is experienced when again it is assumed we will see high levels of generous donations. We also have not captured in true monetary values the number of items which have been donated to the Trust which has eliminated the need to purchase certain items eg bottled water and

	<p>gifts from Amazon Wishlist, electrical goods from Sonic Direct etc. KD stated we have received more in this respect in the last three months than is reflected in the figures.</p> <p>The Committee approved the 2020/21 Charity Financial Plan and noted the finding of the risk assessment.</p>	
<p><b>C.7.20.9</b> <b>C.7.20.10</b> <b>C.7.20.11</b> <b>C.7.20.12</b></p>	<p><b>Investment and Treasury Management Policy</b> <b>Reserves Policy</b> <b>Bradford Hospitals Charity Policy</b> <b>Bradford Hospitals Charity Expenditure Policy</b></p> <p>MH advised the various policies contained in the paper were reviewed in detail 12 months ago and only minor amendments have now been made. The main change is to the general Bradford Hospitals Charity Policy which has been changed to reflect our four fund structure and the work of the Operational Committee. Rathbones has assisted with the Investment and Treasury Management Policy, the Reserves Policy and the Expenditure Policy which have all been amended slightly.</p> <p>KD also confirmed the four policies have all been to the Operational Committee where due consideration was given before being put forward to this Committee for approval.</p> <p>JL and TF-G noted the amendment in relation to staffing costs in the Reserves Policy.</p> <p>The Committee approved the four policies.</p>	
<b>C.7.20.13</b>	<p><b>Operational Sub Committee Report</b></p> <p>KD suggested that for the next Committee Meeting the fundraising team be invited to make a presentation regarding the Charity's activities, achievements and journey over the last couple of years. This was agreed.</p> <p>KD then updated the Meeting on the Operational Committee Meetings held in May and July. She advised the cancelled Development Day is now being replaced by a two hour session over the next few weeks to look at the fundraising initiatives such as the neonatal proposal, and an update will be provided at the next Committee Meeting.</p> <p>KD advised the Christmas Lights were discussed at the May and July meetings, and alternative celebratory culturally sensitive proposals on a smaller scale are being looked into. MM asked if these are for Christmas 2020 and KD confirmed the team are looking into doing something and getting costings for this year, which will need to include fitting costs rather than the Estates team undertaking the installation.</p> <p>In relation to the CT Cone Beam Scanner KD commented that the business case being developed at pace by the CBU should be submitted to EMT in two weeks' time, and then the next meeting of this Committee. KD explained the scanner is a piece of equipment approximately the same size as an x-ray machine which takes CT scans of very small areas and is commonly used for example to do</p>	

	<p>imaging of the ear. There will be some ongoing revenue implications for the scanner, however there will be some offset costs as there will be no requirement for other tests and diagnostics to be done, or referrals of patients to the scanner in Leeds. MM asked what the £50k requested represents and KD advised this is the proportion requested from the Charity, out of the total purchase cost which is £125k with the remaining £75k raised by The Ear Trust. It was agreed following submission of the paper to EMT it is circulated electronically to this Committee. JL queried why the cost of the scanner is not coming out of the Trust's revenue funding and KD advised this is because it is classed as an enhancement to a service we already provide by referral of patients to Leeds.</p> <p>KD also commented that with regard to appeals such as the neonatal proposal these need to be targeted around occasions such as Eid to assist with involving the people in our local community.</p> <p>TF-G commended KD and the team following a brief discussion about adjustments already being made to the usual charitable activities to reflect the diversity of the local population (e.g. the use of Celebration lights not Christmas lights etc.).</p> <p>The Committee noted and supported the activity of the Operational Committee.</p>	KD
<b>C.7.20.14</b>	<p><b>Any Other Business</b></p> <p>Cycle Storage – KD advised this was also discussed at the Operational Committee and has been submitted to the Charitable Funds Committee previously in a different guise, and looks at our intentions to be greener and encourage staff health and wellbeing. On the back of Covid and encouraging staff to cycle to and from work to make the most of the health benefits this brings, the proposal was revisited as detailed in the paper. KD commented that the proposal now covers two sites however there is a revenue cost implication of approximately £15k due to a loss of income from the car parking spaces. The initiative has also been discussed at EMT where, as with the Operational Committee, overwhelming support was provided. KD therefore proposed approval of the scheme and purchase of the cycle compound whilst understanding that we may receive additional charity income on the back of it from the larger NHS charities.</p> <p>MH also commented that in terms of security we will more than likely have to apply the same principles as with staff parking their cars on the premises.</p> <p>MM asked KD if she had any feel for how close to fit for purpose the number of cycles in the compounds are in terms of capacity and potential cyclists we have at the Trust. KD advised a guesstimate had been done but interest will probably grow following installation and usage.</p> <p>JH also commented that changing and showering facilities and possibly support to buy electric bikes etc should also be considered to encourage uptake of cycling to/from work. He went on to say this could</p>	



	<p>be an important first step of a wider sustainable solution and recommends it should go ahead.</p> <p>MM asked for it to be noted that the Operational Committee still finds the original business case from 18 months ago perhaps to be disproportionately expensive and challenging to implement, and that this is the correct step to take.</p> <p>TF-G asked if the Charity Committee are able to contact the local bike stores advising them of our plans, ask if they would like to contribute and in return they can put up advertising materials for their goods and services. KD advised asking for contributions at this time may delay things, but there is certainly an opportunity for advertising and there may be the prospect to get something back from them so agreed it was worthwhile approaching them.</p> <p>The Committee agreed to the request for approval.</p> <p>Hospital Heroes Funds – as the next Committee Meeting is not until November KD to provide the members with an email update on how the money has been spent to date.</p>	<p>MQ</p> <p>KD</p>
<b>C.7.20.15</b>	<p><b>Date and Time of Next Meeting</b></p> <p>An Extraordinary Meeting with Exec support to be arranged towards the end of September 2020 or first week in October for one hour with the fundraising team invited to do a presentation around the work they have been doing, what their priorities have been etc, with particular focus on the Hospital Heroes campaign. The presentation to be for 30 minutes with the remaining 30 minutes for Exec input and questions. Following the meeting consideration then to be given to communicating the work of the Charity to the Board of Directors.</p> <p>The next scheduled meeting is 12<sup>th</sup> November 2020, 8.30am – 9.30am, Meeting Room, Wolfson Centre, Institute of Health Research, BRI.</p>	<p>Corporate Governance</p>

## ACTIONS FROM BRADFORD HOSPITALS CHARITY COMMITTEE MEETING 16<sup>TH</sup> JULY 2020

Action ID	Date	Agenda Item	Required Action	Lead	Timescale	Comments/Progress
C20005	16.7.20	C.7.20.6	<b>Rathbones Investment Update</b> Rathbones' monthly updates to be circulated to Committee once received.	Director of Finance	Monthly	MH agreed to circulate on a monthly basis – <u>action closed</u>
C20006	16.7.20	C.7.20.3	<b>Minutes of the Meeting held on 12<sup>th</sup> March 2020</b> MQ to provide clarity to Committee via email regarding if the Trust's Foundation Trust status is considered Charitable status.	Deputy Director of Finance	July 2020	Added to November agenda – Business rates paper – <u>action closed</u>
C20007	16.7.20	C.7.20.5	<b>Finance Information April 19-March 20</b> 2.1 – Income and Expenditure Position – MH to circulate updated paper showing correct figures.	Director of Finance	July 2020	MH circulated the paper to the committee on 12.8.20 – <u>action closed</u>
C20008	16.7.20	C.7.20.13	<b>Operational Sub Committee Report</b> CT Cone Beam Scanner business proposal to be circulated by email to Committee following submission to EMT.	Chief Nurse	August 2020	To be discussed at EMT 10.8.20 - action complete
C20009	16.7.20	C.7.20.14	<b>Any Other Business</b> Hospital Heroes Funds – KD to provide the members with an email update on how the money has been spent to date.	Chief Nurse	August 2020	Spreadsheet circulated to Committee on 12.8.20 - Charity team to attend Extraordinary Charity meeting arrange for 30 September 2020 – <u>action closed</u>
C20010	16.7.20	C.7.20.13	<b>Operational Sub Committee Report</b> The fundraising team to be invited to make a presentation regarding the Charity's activities, achievements and journey over the last couple of years.	Corporate Governance	September 2020	Extraordinary Charity meeting arranged for 30 September 2020 – <u>action closed</u>
C20011	16.7.20	C.7.20.14	<b>Any Other Business</b> Local bike stores to be approached to ask if they	Deputy Director of Finance	September 2020	



Action ID	Date	Agenda Item	Required Action	Lead	Timescale	Comments/Progress
			would like to contribute to the cycle storage in return for advertising for their goods and services.			
C20012	16.7.20	C.7.20.15	<b>Date and Time of Next Meeting</b> Extraordinary meeting to be arranged end September/beginning of October and the fundraising team to be invited to present with Exec support.	Corporate Governance	September 2020	Meeting arrange from 30 September – <u>action closed</u>
C20013	11.7.19	C.7.19.5 C.7.20.4	<b>BHC Financial Information</b> 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	November 2020	Added to November agenda – Business rates paper – <u>action closed</u> 16.7.20 – Brief update report to charity members required from MQ.
C20014	16.7.20	C.7.20.13	<b>Operational Sub Committee Report</b> Update to be provided on the shortened Development session which will be looking at the fundraising initiatives such as the neonatal proposal.	Chief Nurse	November 2020	