

EXTRAORDINARY CHARITABLE FUNDS COMMITTEE MEETING

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| Date: | Thursday 12 th January 2023 | Time: | 10:00-11:00 |
| Venue: | MS Teams Meeting | Chair: | Dr Maxwell Mclean, Chairman |
| Present: | Non-Executive Directors: <ul style="list-style-type: none"> - Mr Altaf Sadique, Non-Executive Director (AS) - Mrs Julie Lawreniuk, Non-Executive Director (JL) - Ms Karen Walker, Non-Executive Director (KW) Executive Directors: <ul style="list-style-type: none"> - Prof Mel Pickup, Chief Executive (MP) - Mr John Holden, Director of Strategy and Integration (JH) | | |
| In Attendance: | <ul style="list-style-type: none"> - Mr Michael Quinlan, Deputy Director of Finance (MQ) - Ms Laura Parsons, Associate Director of Corporate Governance (LP) - Ms Sharon Milner, Charity Director (SM) | | |

| No. | Agenda Item | Action |
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| C.1.23.1 | Apologies for Absence The following apologies were noted : <ul style="list-style-type: none"> - Mr Mohammed Hussain, Non-Executive Director - Mr Matthew Horner, Director of Finance - Prof Karen Dawber, Chief Nurse The meeting was noted to be quorate. | |
| C.1.23.2 | Declarations of Interest No declarations of interest were noted. | |
| C.1.23.3 | Bradford Hospitals' Charity – Case for Change MM noted that the Committee had been asked to consider the evidence for and against the proposal to formally investigate the option of converting the current corporate trustee charity into an independent model. JH stated that the consensus is that this is the right thing to do based on evidence from other charities in a similar position to the Foundation Trust, as well as NHSE and Charity Commission guidance. The aim is to tap into the philanthropic tradition in Bradford and match others, both locally and nationally. JH pointed out that there will be costs and possible risks, but these may be balanced by the benefits. SM stated that the Agenda for Change process doesn't fit with the charity model in terms of appointing a workforce and an independent charity would result in more staff and better infrastructure. | |

SM confirmed that any legacy donations would continue to be made to the charity were it to become independent and that there is a possibility the work could be completed in less than a year, given the amount of work done already done on reducing the trust funds.

JL stated that from the public's point of view, the charity will remain associated with the hospital and more external fundraising will raise the profile of the Foundation Trust. AS added that Leeds had been able to make links with other countries since becoming independent.

MQ highlighted the importance of getting the costings correct. SM has spoken to charity lawyers in Leeds who she has used before. They provided an estimated figure of £20,000, but stated it could be less or more, hard to say until the preliminary findings are complete.

MP stated that the Foundation Trust has an advantage in terms of the diversity of its population and reach and independent status would make it easier to reach out to community organisations.

KW emphasised the importance of operating the charity as a business and JH stated that clinicians and fund holders are supportive of this approach. SM added that it was useful to have the feedback that the charity was turned down for a potential grant by the Bradford and Leeds Community Foundation due to the current corporate trustee model. This is an early indication that BHC could encounter significant issues when applying elsewhere in the future.

MM requested further detail on the possible risks of the proposal and stressed the importance of these being understood. SM acknowledged that it would involve extra work, particularly for the Finance team, but pointed out that they have a good grip on the charity and trust funds. Issues around administrative costs and accommodation will also need to be discussed as part of due diligence. SM assured that any legacy donations will still be processed through the charity with the new number as the change will be recorded on the Charity Commission Register. Expertise from Trustees in a variety of different areas will need to be explored, such as digital, and legal and HR and more.

In terms of next steps, JH confirmed the proposal will be discussed at the Open Board of Directors meeting on the 19th of January with a request to approve the proposal. Legal advice and due diligence will then be pursued with a recommendation to bring this to the Board in March or April 2023. JH assured the Committee that the process will be completed as soon as possible, however it would not be rushed.

MQ pointed out that the 1st of April in 2024/25 would be a good starting date in terms of tax and accounting as it would be the first day of a new financial year.

MM queried if the charity staff were aware of the situation. SM confirmed that she has spoken to relevant colleagues and discussions continue. If the proposal to convert the charity is ultimately approved, there will be a consultation period through TUPE.

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| | The Committee supported the proposal to formally investigate the option of converting the current NHS Foundation Trust charity into an independent organisation. | |
| C.1.23.4 | Any Other Business MM welcomed SM to her first Charitable Funds Committee meeting. | |
| C.1.23.5 | Date and Time of Next Meeting 7 th March 2023 – 15:30-17:00 | |