

CHARITABLE FUNDS COMMITTEE MEETING

Date:	Tuesday 25 April 2023	Time:	16:00-17:30
Venue:	MS Teams Meeting	Chair:	Dr Maxwell Mclean, Chairman
Present:	<p>Non-Executive Directors:</p> <ul style="list-style-type: none"> - Dr Maxwell Mclean, Chairman (MM) (Chair) - Mr Altaf Sadique, Non-Executive Director (AS) - Ms Karen Walker, Non-Executive Director (KW) (from agenda item C.4.23.4) <p>Executive Directors:</p> <ul style="list-style-type: none"> - Professor Mel Pickup, Chief Executive (MP) - Mr John Holden, Director of Strategy and Integration (JH) - Mr Matthew Horner, Director of Finance (MH) 		
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 Amy Stevens, Chief Executive, Gifted Philanthropy , for agenda item C.4.23.8 (ASt) - Ms Jacqui Maurice, Head of Corporate Governance (JM) - Ms Sharon Milner, Charity Director (SM) - Ms Farideh Javid, Public Governor – Bradford South (Observer) (FJ) 		
Minutes:	<ul style="list-style-type: none"> - Ms Katie Shepherd, Corporate Governance Manager (minutes via recording) 		

No.	Agenda Item	Action
C.4.23.1	<p>Apologies for Absence</p> <p>Apologies for absence were noted from Julie Lawreniuk, Non-Executive Director, Mohammed Hussain, Non-Executive Director and Karen Dawber, Chief Nurse.</p>	
C.4.23.2	<p>Declarations of Interest</p> <p>No interests were declared.</p>	
C.4.23.3	<p>Minutes of the Meeting Held on the 11 November 2022 and 12 January 2023</p> <p>The minutes were accepted as an accurate record of the meetings held on 11 November 2022 and 12 January 2023.</p>	
C.4.23.4	<p>Matters Arising</p> <p>The Committee noted the actions greyed out on the action log at Appendix 1 were closed at the previous meeting.</p> <p><u>Action C22005 - Investment and Treasury Management Policy:</u> MQ had amended the policy to state that the cash range was now £50,000 to £450,000. Action closed.</p>	

	<p>Action C22006 - Expenditure Policy: MQ amended the policy to state that the purchase of business as usual items would not be made with charitable funds. Action closed.</p> <p>There were no outstanding actions.</p>	
C.4.23.5	<p>Financial Report – Month 12</p> <p>MQ provided the Committee with the summary of the Month-12 2022/23 finance report, and indicated that the figures were subject to audit and therefore may change:</p> <ul style="list-style-type: none"> - The month-12 2022/23 total value of Charity funds was £2,075k, which was £196k less than planned. This was due to the performance of the investment made by Rathbones. - As at 31 March 2023, fundraising return on investment was 42% against a target of 25%, i.e. for every £1 spent on fundraising, the Charity raised £1.69, against a target of £4. The Charity team would endeavour to improve the return on investment into 2023/24. - 2022 saw the investment market suffer, resulting in a portfolio total return of -7.7% against the Personal Investment Management and Financial Advice Association (PIMFA) income benchmark return of -11.4%. - The 2023/24 plan was to receive £1.4m income which was highlighted as a risk. Work would commence to devise the strategy to support this achievement. <p>The Committee noted the helpful and clear presentation and whilst it was had been a positive year for fundraising; the position had been impacted by the financial markets, and by investments made by the Charity, which were undertaken following careful decision.</p> <p>JH noted that a paper would be presented to the Committee during July 2023 relating to the decision to extend the contract with the Trust's current investment advisors for a further one year as per the contract.</p> <p>SM noted that income had been high from legacies and there was further work to be undertaken to further improve this position.</p> <p>In response to a question by SM in relation to the potential of reinvesting income from investments, it was agreed that the Committee would consider this as an option going forward.</p> <p>Following a question raised by MP, a discussion took place regarding the risk appetite in the current financial climate. MQ reminded the Committee that the Charity had invested in capital growth which would not provide an immediate return on investment.</p>	
C.4.23.6	<p>Operational Committee Report</p> <p>The Committee received a report on the activity of the Charity Operational Committee that took place on 23 February 2023. A further</p>	

	<p>meeting had taken place earlier that day and the schedule of meetings would be reviewed to ensure that the two meetings did not take place on the same day.</p> <p>The highlights from the Charitable Operational Committee meeting of 23 February 2023 were:</p> <ul style="list-style-type: none"> - The Committee had supported the proposed recurrent spend for 2023/24, including items such as bank charges and licence fees. - Work was ongoing to rationalise the Trust funds into four main funds (Sunshine, Cancer, Children's and Dementia), meaning that approximately 75 funds would be closed. Efforts would continue to progress this work throughout the remainder of 2023/24. This exercise would support the due diligence process of the move to an independent status for the Charity should this be approved by the Board at a later date. - A £30k development grant was received from NHS Charities Together which would support the development of a charity strategy, stakeholder engagement work, and a new website and customer relationship management system. - The 100 Club had been launched with the objective to have 100 local businesses, organisations or stakeholders to pledge £1,000 each to the Charity. - The Charity's support to the Spiritual, Pastoral and Religious Care (SPaRC) team's Ramadan appeal which had been well received by staff. The provision of the 'fast packs' throughout Ramadan had been appreciated by colleagues with some positive external coverage on the cause. <p>At the meeting that took place on 25 April 2023, a discussion was held regarding the Charity rebrand including that of the website, with a view to launch this in July 2023.</p> <p>In response to a question by MM in relation to a potential disengagement from colleagues if charitable funds are condensed down to just four, SM advised that this had been a consideration throughout the process, however noted that a number of funds were inactive and were not used. The finance team had ensured that departments had been informed of this change taking place.</p>	
C.4.23.7	<p>Charity Case for Change</p> <p>JH provided an update on the Charity's case for change, relating to a conversion to independent status. The process had taken longer than anticipated but this was no surprise as discussed at the previous Committee meeting. Work had commenced with the lawyers assigned to undertake the due diligence process and would review a sample of the Charity's work in order to form their opinion and recommendations. The recommendations were anticipated to be ready in time for presentation at the Committee meeting on 4 July 2023, with a view, if approved by the Committee and the Board, to implement the change at the start of the 2024/25 financial year.</p>	

<p>C.4.23.8</p>	<p>Bradford Hospitals' Charity Strategy Development</p> <p>Following the receipt of a significant grant from NHS Charities Together, the Charity had sourced support from Gifted Philanthropy, alongside Hanif Malik from Embedding Change to further develop three areas:</p> <ul style="list-style-type: none"> - the introduction of a fit for purpose relationship management database, - the rebranding of the Charity including an updated website, - the development of a 3-5 year strategy. <p>The Committee welcomed AS from Gifted Philanthropy to provide an update of progress. The highlights of the report were:</p> <ul style="list-style-type: none"> - Work to develop the strategy had commenced, and there was a lot of involvement from Charity colleagues to ensure that it was realistic and fit for purpose. - Benchmarking against other NHS Trust Charities had formed part of the scoping process. - There would be the development of a case for support and scale of giving which would assess the longer-term vision of the Charity. - Stakeholder meetings would form part of the development process with up to 30 meetings planned to take place to ensure that all aspects of the Charity's potential donor base was covered. - Internal consultation would take place within the Trust divisions in the form of workshops or focus groups to gain an understanding of challenges faced when engaging with the charity and to identify ways that they may wish to be involved in the future. - Further work would include undertaking research into grant-making Trusts and Foundations who may be minded to support the Charity in its work; ensuring the strategy considers communication needs and audiences and the development of a communication to internal colleagues regarding grant applications. - The strategy would be aligned to the Trust's strategic goals whilst remaining an independent charitable organisation. It would be jargon free, accessible and written for both an internal and external audience. <p>In response to a question from AS regarding approach to a personalised strategy that takes into account the complex landscape within Bradford, AS advised that the development of the strategy would take into account the different communities within Bradford, and advised that several meetings have taken place with key leaders from different faith groups.</p> <p>In response to a question from MM regarding the expected progress over the coming two-months, SM advised that alongside the strategy, a fundraising plan would be developed. A Head of Fundraising had been appointed with an expected start date of July 2023.</p> <p>The Chair welcomed FJ to comment on the presentation, who was supportive of the approach.</p> <p>The Committee noted the presentation.</p>	
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C.4.23.9	Charitable Funds Committee Annual Report 2022/23 <p>LP presented the Committee Annual Report 2022/23. It was advised that the annual report would subsequently be presented to the Board on 11 May 2023 and the Audit Committee on 23 May 2023, as part of the Audit Committee's assurance to support the annual governance statement. There were no further comments.</p> <p>The Committee approved the Charitable Funds Committee Annual Report 2022/23.</p>	
C.4.23.10	Charitable Funds Committee Terms of Reference <p>LP presented the revised Charitable Funds Committee terms of reference. There was one minor amendment which saw a request to change the membership of the Committee to remove the Chief Nurse. It was advised that JH was the Executive Lead for the Charity as the Director of Strategy and Integration. If approved this would be presented to the Board for approval.</p> <p>The Committee approved the proposed amendment to the terms of reference.</p>	
C.4.23.11	Any Other Business <p><u>Consultancy support</u></p> <p>JH wished to inform the Committee that Hanif Malik from Embedding Change had been supporting the Charity for some time. The Charity had commissioned Hanif for 20 days during the previous year to improve engagement with local business which was very successful. Hanif had been commissioned for a further 6 days this year to support the development of the new strategy.</p> <p><u>Lord Mayor's Event 20 May 2023</u></p> <p>SM advised the Committee of the Lord Mayor's end of year celebration and would circulate invitations for those that could attend. The Lord Mayor's appeal was expected to raise approximately £50k for the Charity's BIG Neonatal Unit Appeal.</p>	
C.4.23.12	The date and time of the next meeting: <p>4 July 2023, 15:30 - 17:00</p>	

Actions from BTHFT Charitable Funds Committee 25 April 2023



There were no open actions from the meeting dated 25 April 2023

Action ID	Date	Agenda Item	Required Action	Lead	Timescale	Comments/Progress

Appendix 1: Actions Closed at Previous Meeting



Action ID	Date	Agenda Item	Required Action	Lead	Timescale	Comments/Progress
C22001	11. 1.22	C.1.22.4	Operational Committee Oversight –Currently a verbal oversight was given to this Committee - to discuss and clarify if there was a need to change the way the OC reports to the Committee and what reporting was required	Director of Strategy and Integration		Discussed – <u>Action closed.</u>
C22002	11.1.22	C.1.22.4	Investment Strategy – MH was interested in the Ethical considerations and the advice and guidance provided from Rathbones. However, there was an opportunity for discussion with Rathbones later in this meeting. MaH also agreed to check assurances with regard to investments with companies involved with Russia in current climate.	Deputy Director of Finance	5 July 2022	5.7.22 meeting cancelled. Agenda item added to November meeting – <u>Action closed.</u>
C22003	8.3.22	C.3.22.8	Rathbones Investment Update MQ to confirm details of Rathbones Tender and expiry date	Deputy Director of Finance	5 July 2022	5.7.22 meeting cancelled. Agenda item added to November meeting – <u>Action closed.</u>
C22004	8.3.22	C:3.22.7	Charity Sector Development (Including Cyber Security) Update on the cyber security risk RAG rating at the November Committee meeting in the hope that this would have progressed from amber to green.	Deputy Director of Finance	1 November 2022	The Charity uses the Trusts informatics services and their response was : 1. The Informatics Team completes the annual Data Security Protection Toolkit (formerly the IG Toolkit) and submits to 2. to the trust using Always on VPN – which was a very secure VPN used by a vast majority of NHS trusts including NHS England and NHS Digital. If the VPN goes down then you lose access to the trust from home, therefore you won't have a connection in to the trust and pose no risk. All of our laptops are encrypted and have

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						<p>good AV/DLP running on them, and we run Microsoft's ATP software on each device for global insights and protection etc.</p> <p>3. Access to Charity systems and other financial systems are locked down to specific individuals, all requiring unique login credentials to gain access.</p> <p>To conclude, I am assured from Informatics that there are adequate controls in place to mitigate the IT security breaches as a result of more staff working remotely – <u>Action closed</u>.</p>
C22005	01.11.22	C.11.22.15	Investment and Treasury Management Policy MQ to amend the policy to state that the cash range was now £50,000 to £450,000.	Deputy Director of Finance	12.01.23	Policies updated – <u>action closed</u>
C22006	01.11.22	C.11.22.18	Expenditure Policy MQ to amend the policy to state that the purchase of business as usual items would not be made with charitable funds.	Deputy Director of Finance	12.01.23	Policies updated – <u>action closed</u>