

TRUST BOARD
26th March 2015

TITLE	Minutes of the Charitable Funds Committee meeting held on 18th December 2014
EXECUTIVE SUMMARY	<p>The attached are minutes of the Charitable Funds Committee meeting held on 18th December 2014.</p> <p>The main points considered were: -</p> <ul style="list-style-type: none"> • Quarterly Accounts to 30th September 2014 – reviewed and noted the latest quarterly position with respect to the funds; • Funds Plans – discussed the nature of the current structure of funds and agreed that a draft structure would be prepared for discussion at the next meeting; • Fundraising – discussed the issue of fundraising and whether a dedicated fundraising post was required; and • Investment Portfolio – reviewed an update from Barclays Wealth on the performance of the investment portfolio.
BOARD ASSURANCE (Risk) / IMPLICATIONS	The Board is assured by the scrutiny provided by the Charitable Funds Committee on matters relating to the Charitable Fund of which the Trust Board is Trustee.
STAKEHOLDER / PATIENT IMPACT AND VIEWS	The Charity relies on donations from members of the public and the Charity has a duty to spend in accordance with its purpose.
EQUALITY AND DIVERSITY ISSUES	None that we are aware of.
LEGAL ISSUES	Compliance with Charity Commission regulations.
The Trust Board is asked to:	Note the minutes of the Charitable Funds Committee meeting held on 18 th December 2014.
Submitted by:	Carolyn Simons, Non-Executive Director/Committee Chair Paul Doyle, Deputy Director of Finance
Date:	19 th March 2015
Decision:	For noting

TRUST BOARD
Date: 26th March 2015**Title: Draft Minutes of the Charitable Funds Committee Meeting held on 18th December 2014**

PRESENT:	Ms. Carolyn Simons Ms. Aileen McLeish	Non-Executive Director and Committee Chair Chairman
IN ATTENDANCE:	Mr. Simon Marshall Mr. Paul Doyle Dr. David Fluck Ms. Suzanne Rankin Mr Richard Docketty Mr Keith Bradley	Director of Finance and Information Deputy Director of Finance Medical Director Chief Executive Governor Governor
SECRETARY:	Ms. Miriam Bateson	Head of Financial Services
APOLOGIES:	Mr. Philip Beesley	Non-Executive Director

1. Apologies for Absence

Apologies are as listed above.

2. Minutes of Previous Meeting**Minutes of the Meeting held on 4th April 2014**

The minutes of the meeting held on 4th April 2014 were approved.

3. Matters Arising – Action List

The Committee reviewed the Actions List and the Deputy Director of Finance confirmed that the first action point had been completed with the funds having been transferred to the Diabetic Clinic Trust Fund. The remaining five items were on the agenda.

4. Charitable Fund Accounts**4.1 Accounts to 30th September 2014**

The Deputy Director of Finance presented the Charitable Fund Accounts for the six months ended 30th September 2014 and confirmed that the other income shown in the Statement of Financial Activities was from an externally held Heart fund which had been wound up. The Committee began to discuss the fund balances of £2.4m as per the accounts and it was agreed to move on to the next agenda item regarding Fund Types before continuing the discussion.

The Committee noted the quarterly accounts.

4.2 Fund Types

The Deputy Director of Finance presented the paper on the classification of charitable funds which outlined the type of funds available and their use historically within the Trust. The Committee discussed this historical use as well as the current culture and attitudes of fund holders and agreed that a different approach was required moving forwards which was likely to include funds being merged.

The Committee agreed that a framework should be drawn up setting out what the new fund structure should be and how the Trustees wish the funds to be spent i.e. by whom and on what. It was agreed that a proposed framework should be brought to the next meeting covering governance, spending, rationalisation etc for further discussion after which agreement at TEC would be sought. Once the structure was agreed the standard form for donations recommended by KPMG could be considered.

PD

The Committee noted the report.

4.3 Spending Plans Update

Superseded by the discussion on point 4.2 on a framework for the charity.

4.4 General Amenities Fund

The Deputy Director of Finance presented a paper outlining the background to the General Amenities Fund (S031A) and proposed criteria if it were to be used for innovation fund bids.

The Committee agreed that plans to use the fund for innovation bids should be put on hold until the framework for the structure of the charitable funds referred to in 4.2 above has been agreed.

5. Barclays Wealth Portfolio Update

The Deputy Director of Finance presented a Barclays Wealth Portfolio Update which showed good performance over the period of 5 years to October 2014, but not so good over the last 12 months. The Committee agreed that once the new fund structure and spending plans had been agreed the Director of Finance and Information would need to talk to Barclays Wealth about changing the investment strategy in order to free up the necessary cash.

The Committee noted the report.

6. Fundraising Post

The Deputy Director of Finance presented a paper for discussion based on a Head of Fundraising post currently advertised by Oxford University Hospitals NHS Trust.

The Committee discussed the suitability of such a post for the Ashford and St. Peter's Hospitals Charitable Fund, in particular the banding, whether or not performance-related pay could be considered and who the post would report to.

The Committee also discussed the possibility of recruiting a fundraiser on a contract basis. It was agreed that the matter should be discussed again at the next meeting once the latest on the potential merger with Royal Surrey was known and in particular whether or not phase 1 approval had been obtained

from the Competitions and Mergers Authority (CMA).

7. KPMG Audit Recommendations

The Deputy Director of Finance presented a report showing the recommendations made by the external auditor, KPMG, following the completion of their audit of the 2013/14 annual report and accounts.

The Committee discussed the recommendation concerning the methodology for the calculation of the management charge being re-considered and noted that a charge based on actual costs would be considerably more. It was agreed that an estimate of the actual costs would be brought back to the next meeting for further discussion.

PD

The Committee noted the report.

8. Risk Register

The Deputy Director of Finance presented a draft schedule of risks intended to form the basis of a risk register for the charitable funds. The schedule included two risks (i) reputational and (ii) investments and also proposed that the risks are rated in accordance with the Trust's current risk matrix.

The Committee noted the report.

9. Items for Information

There were no items for information.

10. Any Other Business

- (i) Aileen McLeish asked the Committee to consider whether the proposed merger with Royal Surrey would be a good time to make the break from being a charity with a Corporate Trustee and the Committee discussed the advantages from a donor's point of view but no action was agreed; and
- (ii) Aileen McLeish asked for an update on the proposed A&E fundraising and the Director of Finance and Information informed the Committee that the plan was nearing completion and was likely to go to Trust Board at the end of January. It was agreed to put the fundraising on the agenda for the next meeting.

SM

11. Date and time of Next Meeting

Thursday 19th March 2015, at 4.00pm in Room 3 Chertsey House, St. Peter's Hospital.