

CHARITABLE FUNDS COMMITTEE

15th February 2011 at 08:30am – AD77

MINUTES

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| <p>Attendees: Yvette Robbins (YR) Paul Simpson (PS) Majid Bhatti (MB) John Power (JP) Edward Cooke (EC) Norma Christison (NC) Monica Palmer (MP)</p> <p>Apologies: Lorraine Clegg (LC) Ian Mackenzie (IM) Mary Sexton (MS)</p> | <p>Chair Chief Financial Officer Head of Financial Accounts Non Executive Trustee Non Executive Trustee Non Executive Trustee Note taking</p> <p>Deputy Chief Financial Officer Director of Informatics & Environment Chief Nurse</p> |
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| | | By Whom | Feedback |
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| 1. | <p><u>APOLOGIES</u></p> <p>Apologies were noted.</p> | | |
| 2. | <p><u>MINUTES OF LAST MEETING ON 26th OCTOBER 2010</u></p> <p>The minutes were approved as a true and accurate record of the meeting held on 26th October 2010.</p> | | |
| 3. | <p><u>OUTSTANDING ISSUES FROM PREVIOUS MEETINGS</u></p> <p>LC to produce an analysis of the sources of charitable funds to date and to review potential fund raising strategies appropriate to a trust of our size in the current financially sensitive climate. Due to time constraints, a review of how other Trusts operate their funds and generate income has not been carried out.</p> <p>ACTION – MB to review source and generation of funds by other Trusts.</p> <p>All other outstanding actions are included within the agenda.</p> | MB | |

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| 4. | <p><u>FINANCIAL OVERVIEW</u></p> <p>Management Accounts – Dec 2010</p> <p>Quarterly management accounts were produced, by JS2, to the end of December.</p> <p>Expenditure for the period totalled £95k and income £60k of which £3k was investment income.</p> <p>Most income has been received from voluntary donations, the largest donation being from the University of Warwick for Diabetes nurse training.</p> <p>EC queried the use of the Tandridge Golf Club donation, which is shown to have been utilised for a study day. His understanding was that it should have been utilised for/by the baby unit.</p> <p>ACTION: MB to investigate and confirm what the money was spent on.</p> <p>More feedback should be given to donors, to communicate how funds were used, including pictures where applicable.</p> <p>ACTION: LC to talk to Fund Managers about giving feedback to donors.</p> <p>ACTION: Fionnula Robinson (FR), Director of Communications, as external face of the Trust, to be invited to future meetings.</p> <p>Concern was expressed about the low level of interest received on the balances/investments. It was felt that a rate higher than 0.5% should be achieved.</p> <p>ACTION: MB to ascertain whether the level of interest received can be improved by investing in other COIF products available.</p> <p>The Trust has successfully moved its banking arrangements, currently with the OPG onto a new banking platform comprising of 2 commercial accounts (Citi-Bank and also RBS). This initiative was led by the Government Banking Services and the Trust completed this migration within the prescribed time.</p> <p>Management Accounts – admin costs have reduced significantly. YR requested that the net assets were split between Unrestricted Designated and Unrestricted General.</p> <p>ACTION: Net assets to be split between Unrestricted Designated and Unrestricted General.</p> <p>The Audit Commission have completed their independent examination of the 09-10 charitable funds accounts and a positive assessment was given by them. The accounts have also been filed on line with the Charities Commission on time.</p> <p>The Management Accounts are currently prepared by JS2 and once the</p> | <p>MB</p> <p>LC</p> <p>MP</p> <p>MB</p> <p>MB</p> | |
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| | accounting function is brought back in-house the accounts will be prepared on a monthly basis. | | |
| 5. | <p><u>UPDATE ON ACTION PLAN TO IMPROVE OPERATIONAL EFFECTIVENESS IN ADMINISTERING THE CHARITABLE FUNDS</u></p> <p>Letters have been sent out to fundholders. Responses are being monitored and there is 50% response rate to date.</p> <p>In house forms have been amended.</p> <p>The Charitable Funds policy has been ratified. The Appendix gives an example of how the Fund would operate.</p> <p>LC has been in touch with the Charity Commission to ensure that the merger of funds from restricted to unrestricted is acceptable. It was confirmed that this was acceptable but would have to be approved by this committee.</p> <p>Capital Purchases v Charitable Funds & League of Friends - a more co-ordinated approach has been developed. The Capital Programme has a quite robust equipment replacement programme, which allows Managers to make the decision.</p> <p>Where money donated for a particular cause is surplus to requirements, it was agreed that the remaining funds should be used for items closely associated with the original cause. In respect of the surplus funds for the Scanner, it was agreed that the funds would remain within the Imaging Department.</p> <p>ACTION: MB to talk to FR re the communication about the utilisation of surplus funds.</p> <p>YR asked if the Finance Department aims to complete all actions by end of June.</p> | MB | |
| 6. | <p><u>ACTION PLAN OF HANDOVER FROM JS2</u></p> <p>5% of Oma Lal's (OL), Finance Assistant, time has been allocated to Charitable Funds and 20% of Djafer Erdogan's (DE), Senior Financial Accountant. OL is now the main point of contact for Fund Managers and monthly accounts. It was agreed that OL should be invited to future meetings.</p> <p>By the end of February, the software will have been selected and purchased (budget of £2-2,500).</p> <p>The contract ends at the end of April and MB is confident that all the information will be handed over by JS2 at that stage. A meeting is being held today with JS2 in preparation for the Trust's take over of the administration of the Funds.</p> | | |

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| 7. | <p><u>MEMBERSHIP – A REVIEW OF CURRENT MEMBERSHIP ARRANGEMENTS AND AFFIRMATION OF CHANGES.</u></p> <p>Terms of Reference - (as approved in the Jan 2010 Trust Board)</p> <p>Since that time, all the Committee structures have been reviewed and membership of this committee needs to be confirmed.</p> <p>ACTION: YR to finalise the NED membership with Alan McCarthy prior to the next meeting.</p> <p>The Director of Communications will replace the Director of Estates and Facilities.</p> <p>Performance will be measured through KPIs and presented to this Committee. The draft SLA and reporting template will be worked into a 1 page document.</p> <p>Item c – Investments and fund raising should be separate items</p> <p>Item g – the following should be added:-</p> <ul style="list-style-type: none"> • Encouraging the appropriate use of Charitable Funds • Fund Managers to carefully consider the use of these funds based on the Donor’s intentions/wishes. <p>ACTION: The revised document to be circulated to the NEDs prior to the next meeting.</p> | YR | |
| 8. | <p><u>APPROVED FUNDING REQUESTS</u></p> <p>These were circulated for information purposes.</p> <p>Conflict Resolution Training £2,000 (approved 29/10/2010)</p> <p>Long Service Awards £2,875 (approved 16/11/2010)</p> <p>Course: Management of Diabetes £10,892.50 (approved 24/11/2010)</p> <p>E&F Christmas costs £7,250 (approved 03/12/2010)</p> <p>Garden Project £10,333 (approved 18/01/2011)</p> | | |
| 9. | <p><u>ANY OTHER BUSINESS</u></p> <ul style="list-style-type: none"> • SFI breach – PS informed the Committee of funds which had been spent prior to approval and sourced directly. The correct procedure had therefore not been followed. The individual concerned had been advised by both Procurement and Estates to go ahead. PS is satisfied that the individual had followed the right process and PS & YR had subsequently signed off the | | |

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| | <p>request. The matter is now closed.</p> <ul style="list-style-type: none"> • Commons Announcement - Henry Smith announcement in the Commons that a Mammograph machine had been installed in Crawley, which had been funded by Charitable/League of Friends Funds. This was, in fact, financed by the Trust Capital Funds. | | |
| 10. | <p><u>DATE OF NEXT MEETING –</u></p> <p>The next meeting is 2-June 2011 at 13:00 – 14:00.</p> | | |