

TRUST BOARD IN PUBLIC		Date: 24th November 2016	
		Agenda Item: 3.5	
REPORT TITLE:		Charitable Funds Committee Annual Report to the Board 2015/16	
NON-EXECUTIVE SPONSOR:		Alan Hall Chair of Committee	
REPORT AUTHOR (s):		Djafer Erdogan Financial Controller	
REPORT DISCUSSED PREVIOUSLY: (name of sub-committee/group & date)		N/A	
Action Required:			
Approval ()	Discussion ()	Assurance (√)	
Purpose of Report:			
To provide assurance to the Board that the Terms of Reference of the Charitable Funds Committee are being met.			
Summary			
The Committee carried out an annual review to ensure fulfilment of the annual work plan and that the stewardship and the integrity of the charitable funds are maintained.			
The Charitable Funds Committee considers that it met its Terms of Reference during 15/16.			
Recommendation:			
The Board is assured that the Charitable Funds Committee is meeting its terms of reference.			
Relationship to Trust Strategic Objectives & Assurance Framework:			
SO3: Caring – Ensure patients are cared for and feel cared about			
Corporate Impact Assessment:			
Legal and regulatory impact		The Charity is registered with the Charity Commission in accordance with the Charities Act 1993, registered number 1054072. Charitable funds received by the Charity are accepted, held and administered as funds and property held on trust for purposes relating to the health service in accordance with the National Health Service Act 1977, the National Health Service and Community Care Act 1990, the National Health Service Act 2009. These funds are held on	

	<p>trust by the corporate body.</p> <ul style="list-style-type: none"> ▪ The fund is audited by the Trust's External Auditor (Grant Thornton UK LLP)
Financial impact	The report provides assurance about the financial management of the charitable fund.
Patient Experience/Engagement	A deliberate positive impact from the use of the fund to support patient experience.
Risk & Performance Management	The committee, and this report, provides assurance about risk management relevant to the fund..
Attachment:	

CHARITABLE FUNDS COMMITTEE 2015/16 ANNUAL REPORT TO THE BOARD

1. Introduction

The purpose of this paper is to provide assurance to the Board that the Terms of Reference of the Committee are being met, to ensure that the stewardship and integrity of charitable funds are maintained.

2. Context

The Charitable Funds Committee is established under the direction of the Trust Board.

The Surrey and Sussex Healthcare NHS Trust is the Corporate Trustee of the Charity governed by the law applicable to Trusts, principally the Trustee Act 2000 and the Charities Act 2011

The Surrey and Sussex Healthcare NHS Trust has devolved responsibility for the on-going management of funds to the Charitable Funds Committee, which administers the funds on behalf of the Corporate Trustee. As such the Committee acts independently of the Board.

Members of the Committee are not individual trustees under charity law but act as agents on behalf of the Corporate Trustee.

The core duties of the Committee include:

- Safe Custody
- Compliance
- Investments and fund raising
- Accounts and similar requirements

The Committee meets at least three times a year. The members of the Committee are:

- Three non-executive directors, one of whom is appointed as Chair of the Committee
- Chief Finance Officer, Chief Nurse, Director of Corporate Affairs, Director of Information and Facilities, Financial Controller, Fundraising Co-ordinator and Head of Communications
- A quorum shall be no fewer than 4 members present – 2 x Executive Directors (Chief Finance Officer / Deputy plus Chief Nurse / Deputy plus 2 x Non-Executive Directors.

3. Sources of assurance

To meet its terms of reference the Committee:

- publish monthly management accounts detailing income and expenditure including balances of the individual funds
- to authorise expenditure where an individual item has a value of more than £2,000 in line with the Trust's Scheme of Delegation
- Note on delegated authority: Amounts below £2,000 can be approved by Fund Managers if within the objectives of the fund

- above £2,000 they must be authorised by the Chief Finance Officer and the Chair of the Committee and reported to the Committee
- The Financial Controller ensure that policies and procedures are in place to meet the requirements of the Charities Commission and the laws governing charitable funds

4. The year in context

- **Activities and achievements -**

- The Charity has continued to support a wide range of charitable and health related activities benefiting both patients and staff in the Surrey and Sussex Healthcare NHS Trust. In general the charitable donations are used to purchase the very varied additional goods and services that the NHS currently provides. For example charitable funds were used to purchase much needed medical equipment and also to improve the working environment for staff and patients within a shorter timeframe than was possible as part of the NHS Trust capital programme.
- The wards received many charitable donations specifically given to thank the nursing staff. These have been placed in the appropriate fund and used for charitable activities that will benefit staff. They also enabled medical staff to attend courses, not funded by the NHS, which updated them on the new ideas and modern techniques in their specialties.
- During 2015-16 the Charity supported the Staff Awards Ceremony which recognised individual staff and teams achievements. They were presented with vouchers and other awards for their contributions towards improving patient care and experience provided within the Trust.

- **Charitable Receipts - Promotion / Fund Raising**

- The Charity continued its drive to promote the Charity and to increase donations. This included raising prominence of the Charity on the Trust's website with greater visibility of the "donate" option and links to pages with further information on how charitable donations have been spent with pictures of fundraising events, services and items purchased from charitable donations.
- Future developments include the release of a press release to raise awareness in the community about the charitable fund, for example, by way of a personal story of a patient who has benefitted from the use of equipment purchased from charitable funds.
- The Charity appointed a Fund Raising Manager, Paul Skelly in July 2016.

- **Funds**

- In 2011-12 a large amount of work was completed to streamline the number of funds to ensure more efficient and effective governance of the funds. This work continued during 2015-16 and is now considered part of routine operational activity. After review, 7 funds were closed 2015-16.

- In 2012-13 significant work was carried out to review whether funds were correctly designated as restricted or unrestricted funds. This led to a number of funds being reclassified between the two terms as either the restricted or unrestricted intentions of that fund were no longer being met. No funds were reclassified during 2015-16.
- **Financial review**
- The Charity continues to rely on donations as the prime source of income. In 2015-16 voluntary income totalled -£19k (£63k 2014-15). The negative figure is due to Cardiac Fund 9831 having total of £75k of its income (from the DVLA) transferred to SaSH Revenue in August 2015. This income is recognised as income for completing medical paper work on patients by SaSH consultants and not donations made to the fund. Any future income from this source will be transferred to the Trust.
- Investment income for the year amounted to £1.7k (£2k, 2014-15). This is a small decrease from last year.
- Total expenditure was £103k (£144k, 2014-15). An analysis of resources expended on charitable activities is provided in the statement of financial activities.
- The Charity's main asset continues to be the Charities Official Investment Fund (COIF) deposit account, amounting to £300k at 31 March 2016 (£384k, 2014-15). The decrease reflects the £85k cash withdrawal made during the year into the Citibank GBS RE Surrey/Sussex HC CF account.
- The net assets of the Charity at 31 March 2016 were £542k (£644k, 2014-15), a decrease of £102k in the main.
- Reserves - the Charity invested £200k of surplus funds into a long term equity based investment fund in February 2013.

5. Future plans

A key objective for the Charity is to further its use of the Trust website to improve communications with fund managers as well as developing its page on the Trust internet in order to improve the awareness of the Charity by the public in general. This will include news stories of charitable donations and fundraising events as well as examples of purchases made from funds to encourage further charitable donations.

Conclusion

The Board can be assured that the Charitable Funds Committee is meeting its terms of reference.

Alan Hall
Non-Executive Director
Chair Charitable Funds Committee
November 2016



Charitable Funds
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CF Annual Report &
Accounts 31 March 2016