

SOUTH EASTERN HEALTH & SOCIAL CARE TRUST

Minutes of a meeting of the Charitable Funds Committee held on 29 March 2017 at 1.00pm in the Seminar Room, Trinity Conference Centre, Lisburn

- PRESENT:** Mrs H Minford, Non-Executive Director (Chairman)
Mrs L O'Neill, Non-Executive Director
Mr N Guckian, Director of Finance & Estates
Mr M Schubert, Acting Assistant Director, Financial Services
- APOLOGIES:** Mr C Martyn, Medical Director
Ms N Patterson, Director of Primary Care, Older People & Executive
Director Nursing
- IN ATTENDANCE:** Miss I Low, Assistant Director, Risk Management &
Governance/Board Secretary
Mrs H McBurney, Assistant Executive Support Services Manager

ACTION

CHAIRMAN'S BUSINESS

At the outset of the meeting, Mrs Minford said that it was a pleasure to welcome members to her first meeting as Chairman (and member) of the Charitable Funds Committee. She also welcomed Mrs Laura O'Neill, Non-Executive Director, to her first meeting of the Committee since her appointment as a Non-Executive Director, wef 1 January 2017. Introductions took place.

1.0 DECLARATION OF POTENTIAL CONFLICT OF INTERESTS WITH ANY BUSINESS ITEMS ON THE AGENDA

Mrs Minford invited members to declare any items of potential conflicts of interest with business items on the agenda. None were received and the business of the meeting proceeded.

2.0 MINUTES OF THE PREVIOUS MEETING

As the only member present from the previous Charitable Funds Committee at the meeting today, Mr Guckian confirmed the minutes of the previous meeting held on 5 October 2016, having been previously circulated, were taken as read and agreed as a true and accurate record.

3.0 MATTERS ARISING FROM THE MINUTES – 5 October 2016

3.1 Establishment of a Corporate Charitable Fund & Draft Charitable Fund Strategy & Information Booklet

In relation to the establishment of a Corporate Charitable

Fund and draft Strategy and Information booklet, Mr Guckian advised that Belfast H&SC Trust are currently in the process of consolidating their Trust Funds into five funds. To date, this process has incurred considerable legal fees. South Eastern Trust would not be in a position to fund legal fees to this extent and it would therefore be prudent to await the final outcome from Belfast Trust prior to consolidating accounts and developing a strategy, if needed. In terms of options for this Trust, Mr Guckian suggested that we could have a Hospital General Fund and a Community Services General Fund.

By way of informing the recently appointed Committee Members, Mr Guckian provided background information on the Funds currently held by the Trust and the purposes for which the expenditure was used. He advised that funds donated by patients tend to follow the patient's pathway.

With regard to the methods used to promote/encourage donations, Mr Guckian advised that information was available through the Trust's website, in the hospital Wards and Patient Information Leaflet. It was, however, acknowledged there was a need for additional advertising/promotion for donating to Charitable Funds and this will be considered further once the outcome of Belfast H&SC Trust's consolidation is known and a decision on the way forward for the South Eastern Trust was agreed.

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3.2 Update – Application from the Charities Commission

Mr Schubert reported the applications from all Trusts for Charity status had been put on hold by the Charities Commission. Information from Trusts has been collated on a regional basis and this will be presented to the Charities Commission in April 2017. It was noted that the process to gain charitable status commenced over 2 years ago when legislation was changed. All charities must now be registered with the Charities Commission. The Charities Commission are endeavouring to work their way through the applications.

A short discussion took place and Mr Schubert addressed members' queries. It was agreed that an update should be provided at the next meeting.

MS

4.0 NEW BUSINESS ITEMS

For Action/Discussion

4.1 Review of Committee's Terms of Reference and Programme of Work

Members received, for consideration and approval, a copy of the Committee's revised Terms of Reference and Programme

of Work. In presenting the papers, Miss Low highlighted some minor changes (which had been highlighted in tracked changes format) within both documents. Miss Low briefly highlighted the changes in both documents. It was noted that the Terms of Reference had been updated to reflect the change in membership of the Committee.

In terms of the Programme of Work in relation to the Report to those Charged with Governance (RTTCWG), prior to the consolidation of accounts the report had traditionally been presented to the Committee in January of each year. The Programme of Work has now been updated to reflect the receipt of the draft RTTCWG from NIAO in June of each year with the final report being represented to the Committee in September of each year.

Following discussion, members approved the revised Terms of Reference and the Programme of Work as presented at the meeting. It was noted that both documents would require Trust Board approval at the meeting scheduled for Wednesday 31 May 2017.

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4.2 Draft Report on the Review of the Committee's Effectiveness

Members received, for information, a copy of the Draft Report of the Review of the Committee's Effectiveness as at 31 March 2017. In presenting the draft report, Miss Low advised the Committee had developed an annual Programme of Work in August 2013 (similar to other Board Sub Committees) which required it to review its Terms of Reference together with the overall effectiveness of the Committee. The report is in line with the formal report format approved by the Governance Assurance Committee at its meeting in March 2012. The report provides members with assurance that the Committee discharges its' functions effectively.

Miss Low then highlighted the salient paragraphs within the document as contained within paragraphs 2.0 to 7.0. A short discussion took place and Miss Low duly responded to members' queries. Miss Low also invited members to forward comments/suggestions on the report within the next two weeks.

Following discussion, and subject to inclusion of any further comments/amendments from members post meeting, the draft report was agreed. It was noted that this document would be submitted to the next Trust Board meeting to be held on 31 May 2017, for information.

IL

Mrs Minford thanked Miss Low for preparing the draft report.

4.3 Charitable Fund items for inclusion in the Annual Report

A brief discussion ensued in relation to items for inclusion in the Annual Report. Mr Guckian suggested showcasing the funding provided to the Surgical Directorate, Cancer Services for the purchase of a BK Medical Flex Focus 500 Ultrasound scanner, (Business Case being formally approved at meeting today – as per agenda item 5.2) if deemed appropriate. Arrangements will be made for a photoshoot to be taken of Committee Members visiting the Ward.

HMcbB

For Information/Noting

4.4 Discussion on the Joshua Kyle Trust

Members received, for information, letter dated 26 January 2017, from Mr Guckian to Edwards & Co Solicitors concerning the above matter which had been circulated with the papers for the meeting.

By way of background, Mr Guckian provided an overview of this matter which related to a charitable donation from the Joshua Kyle Trust. The Solicitors are attempting to consolidate the Joshua Kyle Trust funds. Mr Guckian proposed, in order to provide maximum impact the funding being offered by the Joshua Kyle Trust to the Charitable Trust Funds be donated to the Northern Ireland Children's Hospice who care for all children from within the Health & Social Care Trust family. He confirmed his contentment that children from the Trust area will continue to benefit from the funds following the winding up of the Joshua Kyle Trust. Mr Guckian wrote to the Solicitors advising of the Trust's position on 26 January 2017. Following a short discussion, members endorsed Mr Guckian's approach to this matter.

4.5 Schedule of dates for meetings – 2017

Members received for, information, a Schedule of Dates for 2017 for meetings of the Committee, which had been circulated with the papers for the meeting. With regard to the June 2017 meeting dates for signing off accounts, Miss Low advised the date will be clarified when confirmation from the auditors was received. Members were asked to update their diaries and schedules accordingly.

ALL

5.0 STANDING AGENDA ITEMS

5.1 Financial Report as at 31 December 2016

Members received, for consideration and approval, the

Financial Report on Charitable Funds as at 31 December 2016. Mr Guckian confirmed that it was the Committee's substantive role to oversee the Charitable Trust Funds.

Mrs Minford then invited Mr Schubert to present the Charitable Trust Funds Finance Report. In presenting the report, Mr Schubert provided a breakdown of the expenditure as follows:-

Section 1 - Finance Overview

A historical finance overview was provided of the year end net budgetary position for charitable trust funds over the period 2008/09 to 2016/17 to date inclusive. The budgetary position for 2016/17 to date is as follows:-

Year	Total budget for year £'000	Total Spend for the year (charitable activities) £'000	Over/(under) Spend £'000
2008/09	514	227	-287
2009/10	696	970	274
2010/11	788	594	-194
2011/12	1,185	609	-576
2012/13	1,324	1,496	172
2013/14	1,480	1,220	-260
2014/15	1,415	1,422	7
2015/16	1,163	537	-626
2016/17 (to date)	778	259	-519

The summary split of expenditure on charitable activities for the 9 months ended 31 December 2016 was reported as follows:

	£000s
Medical Research	0
Purchase on new equipment	126
Building & Refurbishment	6
Staff education & welfare	37
Patient education & welfare	78
Other	12
Total	259

Section 2 - Budgetary Position 16/17 year – cumulative at 31/12/2016

Mr Schubert said that the Charitable Fund Committee had approved the Annual Budget of £0.778m to encourage Charitable Funds spending on charitable activities over the 2016/17 year.

This breaks down as £0.616m across 52 Trust Funds with individual balances >£10k (as listed in Appendix A of the report) and £0.162m across 98 Trust Funds with individual fund balances <£10k, it was noted that these are not listed in the report.

At 31 December 2016 cumulative expenditure on charitable activities totals £259k, an underspend of £519k against budget, (£366k for Funds Accounts >£10k; £153k for Funds Accounts, £10k).

Total Charitable Fund Balances at the beginning of the year is £5,3335k (£5,004k for 52 Funds >£10k listed, £331k for 98 funds <£10k not listed).

The largest underspending budgets as at December 2016 amount to a total of 6 budgets accounts equating to 40% of the total budget underspend to date. Five of the budgets fall within the remit of Hospital Services Managed Funds and one relating to Adult Services Managed Fund.

Fund Name	Under/Over Spend (-/+) £000s
McDermott Fund	-69
UHD Ethel Agar	-34
UHD Special Care Baby Unit	-24
UHD Clinical Haematology	-38
LVH Diabetic Fund	-72
Rowan Centre	-18

Mr Guckian advised that Fund Managers continue to be encouraged to spend the funds against the applied criteria.

Section 3 - Details of expenditure over £5000

Mr Schubert provided details of expenditure over £5000 over the 9 months ended December 2016 totalling £95,856.17. The Trust Capital Accounting Team will undertake a review of these items and make a decision if any of the items are to be transferred to public funds as donated assets.

Section 4 - Items requiring Committee approval

Mr Schubert said that approval of a business proposal for the purchase of a BK Medical Flex Focus 500 Ultrasound scanner £60k is being sought. A business case has been prepared and presented on the proposal. This was agreed with members via email during March 2017, in the absence of an imminent Committee meeting being held. It was noted that this item is not included in the Finance Report for the 9 month period ended December 2016 as it is outside the reporting period (see item 5.2 below).

Mr Schubert summarised the Funds (as at December 2016) with an overspend against budget of more than £20k and thereby requiring Committee approval totalling £29,387. The overspends were approved by members of the Committee.

Section 5.0 - Detail of income/donations

Mr Schubert confirmed that for the 9 months ended 31 December 2016 Charitable Trust Funds have received a total of £146k of income (£333k for 2015/16) made up of £144k Donations and £2k legacies. He provided an overview of the largest individual donations made which totalled £39k.

Dividend income for 2016/17 from the Common Investment Fund is still outstanding for the 3 quarters of this year (2015/16 £144k) and is to be accounted for in the last quarter of that year.

The budget set for 2016/17 is done so on the basis of an assumed income level plus the Funds' previous year underspends. The assumed income for 2016/17 is taken indicatively as that received in the 2015/16 year.

5.2 New and/or updated Request for Approvals for Charitable Funds

New Proposals - BK Medical Flex Focus 500 Ultrasound Scanner

Mr Guckian referred to previous communication to members via email on 3 March 2017 seeking the approval of a business proposal for the purchase of a BK Medical Flex Focus 500 Ultrasound Scanner for £60k. This was done in this instance to avail of a discount pre the end of March 2017.

A copy of the business case (circulated with papers for meeting today), together with confirmation of funds available noting that these were in line with the nature of the fund were provided to aid decision making.

In addition, it was noted that it was not appropriate to purchase this equipment from public funds as it is not a regular piece of equipment from capital.

Both Mrs Minford and Mrs O'Neill responded via email confirming their approval to this expenditure. This decision was formally endorsed by members at today's meeting.

Carried forward from previous meetings

There were no items carried forward from previous meetings for consideration.

5.3 Update – Common Investment Fund (CIF)

Mr Guckian reported that the next meeting of the Common Investment Fund was scheduled for 21 April 2017. The focus of the next meeting will be to approve the accounts for sign off by the Accountable Officer. In response to Mrs O'Neill's query about risk issues associated with the fund, Mr Guckian said that the main risk issue was that the CIF was not yet a registered charity. However, advice on this matter had recently been sought from PWC and the response is awaited. Mr Guckian stated that the fund had originally been set up via a statutory instrument.

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6.0 ANY OTHER BUSINESS

There were no items raised for discussion under this item.

7.0 DATE AND VENUE OF NEXT MEETING

It was agreed that the next meeting should be held on **Friday, 2 June 2017 at 11.30 am in the Board Room, Trust Headquarters, Ulster Hospital (or Wednesday 7 June 2017 at 09.30am in the Board Room, Trust Headquarters, Ulster Hospital)**. Miss Low to confirm actual date once confirmation is received from the auditors. Members were requested to continue to hold both dates until further notice.

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