**Oxford Health Charity Committee**

**BOD 102/2016**

(Agenda item: 15(ii))

Minutes of the meeting held on
Tuesday, 17th May 2016 at 09:30
in the Warneford Boardroom, Warneford Hospital,

Headington, Oxford

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| **Present:** |  |
| Anne Grocock | Non-Executive Director (the **Chair/AG**) |
| Anne Brierley | Service Director – Older People’s Directorate (**AB**) *deputising for Dominic Hardisty, Chief Operating Officer* |
| Alyson Coates | Non-Executive Director (**AC**) |
| Lyn Williams | Non-Executive Director (**LW**)  |
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| **In attendance:** |
| Yaima Bacallao | Finance Manager, OUH Charitable Funds Department (**YB**) |
| Adam Perryman | Senior Accountant (**AP**) – *part meeting* |
| Kerry Rogers | Director of Corporate Affairs and Company Secretary (the **DoCA/CoSec/KR**)  |
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| Hannah Smith | Assistant Trust Secretary (**HS**) |
| Teresa Twomey | Temporary PA to Director of Corporate Affairs & Company Secretary (Minutes) |

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| **1.** | **Welcome and Apologies for absence** |  |
| abc | Apologies for absence were received from: Ros Alstead, Director of Nursing and Clinical Standards; Dominic Hardisty, Chief Operating Officer; and Geoff Shepherd, external attendee.The Chair reported that she had received a letter from Geoff Shepherd resigning as external attendee for the Committee. The Committee noted the resignation. The Chair noted that she had approached another potential external representative but he had not wanted to join the Committee as a formal regular external attendee. She invited suggestions from other members and attendees as to a new regular external attendee. The meeting was confirmed to be quorate.  |  |
| **2.** | **Register of Interests and declarations of interest/related party transactions** |  |
| a | There were no new declarations of interest or of related party transactions.  |  |
| **3.**abcdefghijklm | **Minutes of the meeting held on 09 February 2016**The minutes of the meeting were approved as a true and accurate record, subject to:* at item 3(m) (MH legacy) replace the third sentence with the following: “YB confirmed that the capital was locked; however an application could be made to the trustees for release of the capital within 80 years of the date of MH’s death”.

**Matters Arising****Item 3(f) Progress Report from Estates and Facilities – Warneford Meadow**The DoCA/CoSec explained that the Spring Launch had not happened and that the group were keen to have their own launch independent of the 125 years of nursing celebrations event. Otherwise everything was going well with the Meadow.**Item 3(g)** **Older People’s Directorate - Occupational Health work-based assessments recommended for non-clinical staff in recognition of the proportion of non-clinical staff referrals to the MSK (Musculoskeletal) pilot**AB explained that the facility was there but more staff awareness and engagement was needed. **Item 3(h)** **Use of “B” legacy to rejuvenate gardens at the Warneford** YB explained that quotes were being sought and a reminder had been sent to reinforce the need to report back to the Committee on this matter. **Item 3(j)** **Expenditure rules - amendments**AB explained that the division of charitable funds should be between the ambulatory and bed based service and that there was quite considerable overlap between the services that were provided at Chipping Norton. She said that she had not brought forward a proposal yet as it was complicated and that charitable funds did not TUPE over, although the staff did. It was agree to continue as per the status quo. YB explained that she had received a very helpful reply from the Department of Health, who had confirmed with regard to Chipping Norton a special order of transfer was not needed, but that trustees just needed to be satisfied with the use. *AP joined meeting*. The Chair noted that there was also still an option to keep the funds. AC asked for this item to be brought to the next meeting with a paper - Chipping Norton Funds. **Item 3(o)** **125 years of nurse education in Oxford**The DoCA/CoSec explained that she had not yet received a list of items but was aware that the team had received funding from elsewhere. YB confirmed that she had received a request for information about funding and had sent through an application form.**Item 4(t)** **Pilot for rapid access to (Musculoskeletal) MSK physiotherapy for staff in the Older People’s Directorate**AB explained that this initiative was currently on pause, but that it was planned to use the income from the car parking charges to fund the initiative as the revenue had to be spent on staff wellbeing. She said that the occupational health physiotherapist had capacity but there was an issue about immediacy of locality of access. The particular staff member had been employed permanently and it was hoped that this would be the next phase of the staff wellbeing initiative. **Item 6(p)** **Charity – Fundraising Strategy 2016/19** The DoCA/CoSec explained that some progress had been made with the strategy and it was close to completion. She outlined a range of volunteering and fundraising initiatives that were in the pipeline. The Chair asked the DoCA/CoSec to provide a paper/update. **Item 9(b)** – **Charity business plan update** This was to be kept as an action point for the next meeting.**Item 11(d)Management Accounts, October to December 2015**The DoCA/CoSec had sent a thank you letter to the organisers of the MSK pilot.The Committee confirmed that the remaining actions from the 09 February 2016 Summary of Actions had been actioned, completed or were on the agenda for the meeting: 3(n); 4(r); 4(t); 5(c); 6(d); 11(c); 12(a); and 12(d).  | **YB****KR****HS** |
| **INVESTMENT PORTFOLIO PERFORMANCE** |
| **4.**abc | **Update on investment portfolio performance and full report from Cazenove** YB presented paper CC12/2016 which had previously been circulated with the agenda.AC explained that she had attended an informative charity investment event and that it appeared that generally portfolio growth was lower, at around 2%, and investment more cautious than in the past. It was noted that performance was in line with benchmarks, which was felt to be acceptable and that over 3-5 years the benchmark had been outperformed. **The Committee noted the update**  |  |
|  | **BUSINESS ITEMS** |  |
| **5.**abcd | **“G” Legacy Update (paper CC 13/2016)**YB presented CC 13/2016 which had previously been circulated with the agenda and explained that she had originally been informed that there was a legacy of approximately £2m, but this had now been devalued to circa £750,000 and the legacy also involved the Oxford University Hospitals (OUH) charity. The OUH charity had appointed solicitors and had asked if they would consider acting on behalf of the Trust Charity if requested, despite the potential conflict of interest. It appeared, however, that the Trust Charity would only have strong grounds for negotiation if the legator had mental health issues at the time of writing the later wills. OUH had already requested the medical records in order to investigate this. AC noted that, on behalf of the Trust Charity, the Committee had to act in the interests of the Trust Charity exclusively and that it needed independent legal advice in order to do so. It was agreed that the DoCA/CoSec would pursue this with the Trust’s solicitors.**The Committee noted the report and authorised a budget of up to £2,000 to spend on legal advice.** | **KR** |
| **6.**ab | **Staff Lottery Report (paper CC 14/2016)**YB presented CC14/2016 which had previously been circulated with the agenda. The Committee suggested that the lottery be re-launched in connection with the new wider fundraising strategy, and agreed that this did not need to be a standing item on the agenda.**The Committee noted the report**  | **KR** |
| **CHARITY ANNUAL REPORTING – planning and supporting documents** |
| **7.**abc | **Charity Accounts year-end timetable** YB presented CC15/2016 which had previously been circulated with the agenda. The Committee agreed that the timetable was acceptable.YB explained that the independent audit work would be completed by the 13th July so that the finalised accounts and annual report would be ready by the next meeting.**The Committee noted the update.**  |  |
| **8.**abcdef | **Reserves and Investment policies** YB presented CC 16/2016 which had previously been circulated with the agenda and explained that the Charity Commission expected policies to be reviewed annually. A further opportunity would be provided with the review of the annual report and accounts. YB explained that it was recommended that the Committee review all legacies to ensure that, if they were wide enough, they could go into a general fund. The Chair noted that the Committee needed to establish its priorities for the charity and this would be part of developing the overall charity strategy which would link into the business plan and objectives for the Trust as a whole, as well as with the capital programme. AC noted that the draft reserves policy on unrestricted funds encouraged the transfer of income to designated funds as opposed to general funds and said that it was preferable for income to go into general funds. The Chair noted that a set of priority projects for the general fund would help so that these could be shared with the people who were donating. AB agreed that a set of priorities was important but suggested listing themes of donations such as ‘improving the environment’ or ‘keeping inpatients occupied’, and specific projects could then provide examples of how the themes had been supported. **The Committee agreed to remove the paragraph below in order to encourage availability through General Funds:**In terms of unrestricted income funds, the policy of the Trustee is to transfer the majority of income into designated funds, in order to ensure that donations are utilised in accordance with the donors' wishes. These funds are administered by Fund Advisors in accordance with policies and procedures set by the Trustee. The funds are monitored in terms of expenditure plans, ensuring they are spent within a reasonable period of time. In line with the Charity Commission’s guidance, a separate reserves policy is not required for these designated funds.**and subject to this, approved the Reserves and Investments policies.**  | **YB** |
| **9.**abcd | **Year-end distribution of investment returns and administration costs** YB presented CC 17/2016, which had previously been circulated with the agenda, and explained that brought forward reserves for the ROSY fund were running very low. The charity had been made aware of this last year and would be reminded again that they would be charged again next year. The Committee agreed to use some of the brought forward gains to cover the shortfall of £9,720. YB noted that the ROSY fund had 18 months’ worth of nursing provision in reserves.The Chair suggested inviting the lead for the ROSY fund to a meeting in the autumn to talk about his plans and how this could fit with the DoCA/CoSec’s strategy.  AC noted that the administration charge was now over 5% of assets, which was quite high for the level of activity, and suggested a more thorough analysis of that as a new tender was prepared. **The Committee noted the report and agreed to distribute an amount of investment gains equal to the income shortfall for the year for the unrestricted funds, and for the ROSY fund.** | **YB** |
| **10.**abcd | **Charity Risk Register** The DoCA/CoSec presented CC 18/2016, which had previously been circulated with the agenda, and explained that it was important to examine the risks associated with fundraising and to make decisions about transparency with regard to risk profile.YB noted that one of the biggest changes in the new Statement of Recommended Practice (SORP) involved risk and how it was disclosed by charities. Whilst this primarily applied to larger charities, she said the Trustees needed to identify what the principle risks were and whether or not it would be beneficial for stakeholders to see this additional disclosure in the annual report in more detail. LW queried whether any action had arisen from the testing of Oxford University Hospitals’ (OUH) IT backup procedures in summer 2015. YB explained that she was confident that the procedures were adequate but agreed they needed to be tested, especially against risks of cyber-attacks. The Chair asked for an update on this at the next meeting. **The Committee noted the report and agreed that the principle risks were already in the risk register and that no additional disclosure was required in the Annual Report.**  | **YB** |
|  | **PERFORMANCE AND COMPLIANCE** |  |
| **11.**abcd | **Update on fund rationalisation/slow moving funds (oral update)**YB explained that this was still in progress and that there was a proposal to merge some funds. The Committee agreed to put this item on hold pending current community hospital consultations.YB noted that legal advice from OUH made it clear that income must be credited to a designated hospital fund and if there was not one then a restricted fund had to be opened. She said that if a hospital was closed, an application had to be made to the Charity Commission for special permission. AB suggested that post consultation the Committee should aim for one fund for bed based *and* ambulatory care and that the legacies be managed separately by putting specific restricted funds in around them. **The Committee noted the update.** |  |
| **12.**abcde | **Review of Charitable Funds Department internal processes relevant to the Trust Charity** YB presented CC 19/2016 which had previously been circulated with the agenda, and explained that, whilst YB was unable to share the audit report procured by OUH for its trustees, she could share the relevant findings from it.  She said that an issue had been identified with fund advisors/ signatories leaving employment and records being out of date. She said that this was not so great a risk for the Trust as the Trust required two signatures for every payment so there was a lower risk of fraud. She proposed that work be carried out with HR to review the list of signatories/fund advisors to confirm whether they were still employed by the Trust. This could be done quarterly through payroll. She also suggested updating the signature form to make it clear that the Charity should be informed when employees had left the Trust.  YB noted that the audit had also suggested that training on charitable funds was incorporated into the induction for new staff in order to make people aware of the Charity. The DoCA/CoSec suggested that raising awareness of the charity could be incorporated with encouraging Trust membership at induction.AB suggested that inter-directorate tournaments and staff events with a fundraising platform might be more effective and fun than trying to raise awareness at induction. YB noted that the Fraud and Bribery Act do not feature on the Charity's policy documentation. It was agreed to add ' The Trust's Counter Fraud Policy and Standing Financial Instructions apply'.**The Committee noted the report.** |  |
| **Income, Payments and Management Accounts** |
| **13.**abcdef | **Income, Legacies and Payments/Expenditure Reports, January to March 2016** YB presented papers CC 20/2016, 21/2016, and 22/2016, which had previously been circulated with the agenda. AC suggested that the Charity should publicise what had been done with  donations, for example via a booklet in a waiting room. She asked whether donors were thanked and YB explained that this happened through solicitors. AB noted that letters could identify the key themes that had been supported. AB explained that there had been a final attempt to get the CCG to agree to fund the Circles of Support until the Cabinet Office evaluation had been issued. She said that the staff were working as part of the integrated locality teams on a range of initiatives but the CCG was clear that unless clinical benefits could be demonstrated, then funding would not continue. She said it was not appropriate for the project to be funded out of the Trust’s operating budget as that was designated for direct healthcare. YB noted that the Committee had agreed prior to Christmas 2015 that the Charity would provide for festivities for patients on wards. The Chair queried the funding of the service for a hospital vehicle. YB explained that the Charity had been paying for the maintenance and MOT on the vehicle for several years. AB noted that this was used to transport patients, and should not be funded by charitable funds. She said it had arisen from a former Community Health Oxfordshire organisation at a time when there was insufficient governance around charitable funds administration, or clarity over what constituted operational delivery. She suggested that the current payment be allowed to stand but future funding needed to come from elsewhere. She requested that YB write to the department and inform them that the funding would no longer continue, copying AB into the communication. **The Committee noted the Income, Legacies and Payment/Expenditure reports.**  | **YB** |
| **14**.abc | **Management Accounts for the Charity – January to March 2016**YB presented CC23/2016, which had previously been circulated with the agenda and explained that the figures accounted for accruals for the year end as well as accruals for the last quarter for ROSY and the Circles of Support project. She noted that the ROSY fund had dropped to 18 months of funding for nursing from the standard 24 months, and that they would need to secure another grant provider.  AC noted that 3 months should be adequate time for drawdown on a trading portfolio and asked for clarification of this. YB agreed to pursue this again with Cazenove. **The Committee noted the report.**  | **YB** |
| **Governance and regulatory arrangements** |
| **15.**ab | **Charity Legal, Regulatory and Policy Update** The DoCA/CoSec presented CC 24/2016, which had previously been circulated with the agenda, and explained that the Charity Commission had been doing a lot of work to remind trustees of their responsibilities. She noted that there was always a need to consider independence, but said that it was not urgent at this stage, given the size and activity of the Charity, although that might change in the future. **The Committee noted the report** |  |
| **ANY OTHER BUSINESS** |
| **16.** ab | **Any Other Business**AB raised the use of charitable funds for the district nursing induction programme, which had previously been agreed by the Committee as an appropriate use of funds. She asked the Committee to agree funding for a period of 12-18 months, subject to review after that time, and agreed to bring a paper to the next meeting to set out the future funding requirements.The Committee agreed to pay any outstanding invoices from the District Nursing Induction Programme and asked HS to start routinely inviting Service Directors in addition to AB to try and encourage them to “attend” and participate (whether or not deputising for the COO).  | **AB****HS** |
| There being no further business the Chair called the meeting to a close at 11am |  |
| **Next meeting: 20th July 2016 09:30-11:30**  |  |