

Sandwell and West Birmingham NHS Trust

Board Committee Chair's Report

Meeting:	Charitable Funds Committee
Chair:	Waseem Zaffar, Non-Executive Director
Date:	10 February 2022
Present:	<p><u>Members:</u> Mr W Zaffar, Non-Executive Director (Chair), Mr R Beeken, Chief Executive, Mrs D McLannahan, Chief Finance Officer, Ms M Roberts, Chief Nurse, Ms R Wilkin, Director of Communications</p> <p><u>In attendance:</u> Mr J Shah, Head of Trust Charity, Mr E Edmead, Major Grants Manager, Mr C Higgins, Associate Director of Finance, Mr D Conway, Associate Director of Corporate Governance</p> <p><u>Apologies:</u> None</p>

Key points of discussion			
1.	<p>Finance Report</p> <ul style="list-style-type: none"> - £487k surplus, mainly driven by expenditure underspend - Cashflow – behind normal fundraising activity and also expenditure on MMUH and other charitable activities - Strong performance on investments that will meet expectations - I&E and cashflow will require a refresh based on 21/22 actuals - Asset base review – low level of unrestricted funds compared to others so plan required to grow this, no fixed assets compared to others 		
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2.	<p>Fundraising and business development plan</p> <ul style="list-style-type: none"> - Aiming for growth to reach £2m income by 26/27 - Areas identified for growth include legacies and business development - Charity seeks to accommodate SCORE candidates (programme funded through Prince's Trust) for internships with the charity to support these areas of growth - Charity and finance team to work together on the new plan and to have a clear view on where the costs for the charity team are funded from (eg grants, designated, unrestricted funds, investment income) - Revised plan to come to next CFC meeting 		
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	Committee meeting.	
3.	<p>Charity independence</p> <ul style="list-style-type: none"> - Proposal to go to A&RM Committee to review the risk assessment - Next meeting of CFC to focus on the independence recommendation to Trust Board 	
	<p>Chair's opinion: Due consideration has been given to this subject by Committee members. The Committee decided to request involvement from the Audit and Risk Management Committee to review the business case and the risk assessment due to the significant implications of independence, prior to reconsideration by the Committee. I have reasonable assurance.</p>	Reasonable Assurance
4.	<p>MMUH Fundraising campaign</p> <ul style="list-style-type: none"> - Campaign has been impacted by COVID-19 and the construction programme - Positive position to date - Recent achievements include £97k from Arts Council England for development work and opening festival activities 	
	<p>Chair's opinion: I have reasonable assurance over the fundraising activities and plan to meet the target income of the campaign. Good progress has been made to date despite the challenges of the construction programme and impact of COVID-19. The Committee tracks progress every quarter.</p>	Reasonable Assurance
5.	<p>Charity Grants Pipeline</p> <ul style="list-style-type: none"> - SCORE programme is providing opportunities for young people to be supported with employment within the Trust, charity and partner organisations inc AVFC - Expenditure approved for new equipment in BMEC (£54k) from charity funds 	
	<p>Chair's opinion: The Committee is assured that the grant activities are progressing well in line with the required targets and milestones. The grants are assessed for impact externally and grant income is dependent on achievement of agreed key performance indicators.</p>	Substantial Assurance
Positive highlights of note		
<ul style="list-style-type: none"> • MMUH fundraising pipeline • SCORE programme • Investment income meeting plan • Charity shortlisted in Greater Birmingham Chamber of Commerce Awards for Third Sector Excellence category 		
Matters of concern or key risks to escalate to the Board		
<ul style="list-style-type: none"> • Discussion on independence – request for risks to be reviewed at A&RM. CFC will then consider this and make a recommendation to Trust Board 		
Matters presented for information or noting:		
<ul style="list-style-type: none"> • Finance Report • Grants pipeline 		

- MMUH fundraising campaign

Decisions made:

- Request A&RM to review risk assessment of charity independence proposal

Actions agreed:

- Investment manager update at next CFC meeting
- Charity and finance team to review five year fundraising and business development plan

Assurance classification

	<p>Management cannot clearly articulate the matter or issue; something has arisen at Committee for which there is little or no awareness and no action being taken to address the matter; there are a significant number of risks associated where it is not clear what is being done to control, manage or mitigate them; and the level of risk is increasing.</p>
	<p>There is partial clarity on the matter to be addressed; some progress has been made but there remain a number of outstanding actions or progress against any plans so will not be delivered within agreed timescales; independent or external assurance shows areas of concern; there are increasing risks that are only partially controlled, mitigated or managed.</p>
	<p>There is evidence of a good understanding of the matter or issue to be addressed; there are plans in place and these are being delivered against agreed timescales; those that are not yet delivered are well understood and it is clear what actions are being taken to control, manage or mitigate any risks; where required there is evidence of independent or external assurance.</p>
	<p>There is evidence of a clear understanding of the matter or issue to be addressed; there is evidence of independent or external assurance; there are plans in place and these are being actively delivered and there is triangulation from other sources (e.g. patient or staff feedback)</p>