

Report to:	Public Board of Directors	Agenda item:	19
Date of Meeting:	27 January 2021		

Title of Report:	Charities Committee Annual Report 2019/20
Status:	To Note
Board Sponsor:	Jeremy Boss, Non-Executive Director, Chair Charities Committee
Author:	Adewale Kadiri, Head of Corporate Governance
Appendices	None

1. Executive Summary of the Report
This report summarises the activities of the Charities Committee during 2019/20, and on the extent to which the Committee met its Terms of Reference during the year.

2. Recommendations (Note and Discuss)
The Board is asked to discuss and note the findings of the Charities Committee's Annual Report.

3. Legal / Regulatory Implications
The RUH Charitable Fund is a Charity Commission regulated charity, and as its corporate trustee, the Royal United Hospitals NHS Foundation Trust is required to ensure that the charity is run in accordance with that regulatory framework.

4. Risk (Threats or opportunities, link to a risk on the Risk Register, Board Assurance Framework etc)
Failure to run the RUH Charitable Fund in accordance with the terms of the regulatory framework exposes both the Trust and the charity to regulatory and reputational risk.

5. Resources Implications (Financial / staffing)
It is important to ensure that the charity continues to be run economically and efficiently, and that the vast majority of donors' funds are devoted directly to the achievement of its key aims.

6. Equality and Diversity
Not applicable

7. References to previous reports
Not applicable

8. Freedom of Information
Public

Charities Committee Annual Report

1. Introduction

The Board of Directors acts as the Corporate Trustee for the RUH Charitable Fund, which is registered with the Charity Commission. The Board has delegated the performance of aspects of its role as corporate trustee to the Charities Committee. This paper reports on the extent to which the Committee has met its purpose and objectives as set out in its Terms of Reference.

In addition to analysing the papers that were presented at each of the Committee's meetings during 2019/20, and their minutes, a brief effectiveness questionnaire was developed and circulated to members of the Committee and regular attendees at meetings. The feedback received from this survey has helped to inform the report.

2. The Committee's work in 2019/20

The Committee met on four occasions during the course of the year, in line with the recommended frequency of meetings in the Terms of Reference. At each meeting, the quorum requirement of three voting directors, including one executive and one non-executive director, was met. The Director of Finance attended every meeting, and other representatives from the Finance team were also in attendance on each occasion. The current Head of Fundraising attended her first meeting in February 2020.

The agenda for each meeting contained a range of items, but the following were ever present:

- Update from the Forever Friends Appeal
- Financial position update
- General Fund update, and
- Risk Register.

The Charity's Annual Report and Accounts were completed and signed off at the Committee's meeting in September 2020, and all items of expenditure at the appropriate value were presented to the Committee. The Committee also received regular updates on the charity's investments, providing appropriate scrutiny as the rates of return dipped alarmingly in the early stages of the COVID-19 pandemic.

3. Self-assessment

The self-assessment questionnaire contained the following seven questions:

- Has the Committee fulfilled its Terms of Reference?
- Did the Committee deliver on its stated aims and responsibilities?

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- Do you think that the committee at any time during the year exceeded or went beyond the scope of its Terms of Reference?
- Was the Committee membership adequate to deliver its duties and responsibilities? Are there other colleagues or individuals that you consider ought to attend or be represented at committee meetings?
- Do you consider that the Trust has effectively fulfilled its corporate trustee role during the year? What if anything could be done better?
- Do you consider that the Committee has received sufficient administrative support?
- Any other comments

Five completed questionnaires were received, and an analysis of the responses is set out below:

- 4 of the 5 respondents agreed that the Committee had fulfilled its purpose. However, one respondent was concerned that the potential return of one particular donation indicates that the Committee may need to do more work to ensure that donations are spent in a timelier manner. The proliferation of different funds was also identified as an issue.
- 3 of the 5 respondents agreed that the Committee had delivered on its stated duties and responsibilities. 2 respondents again raised the need for more timely decision making, noting that in some cases, delays had affected the charity's ability to meet its goals. Specific mention was made of the need to resolve the position with regard to arts funding.
- All respondents agreed that the Committee had not at any point exceeded or gone beyond the scope of its Terms of Reference. However, one respondent encouraged greater proactivity in decision making.
- There were mixed responses to the question as to whether the Committee's membership was adequate to deliver its duties and responsibilities. One respondent felt that the membership was adequate, but others made a number of comments and suggestions for improvement – there was a call for more understanding of charity finances, fundraising and carrying out charitable activities among trustees. It was suggested that the Patient Experience Team should work more closely with the committee to ensure that patients' voices influence its work. There was also a suggestion that a second clinician be added to the committee's membership. An issue was raised in relation to the inability of representatives of the charity's bankers to join meetings virtually considering the volatility of investment performance as a result of the COVID pandemic.
- Although all respondents agreed that the Trust had fulfilled its role as corporate trustee, a number of suggestions for improvement were made including:
 - carrying out effectiveness reviews on money spent
 - ensuring that charitable and fundraising activities are given the requisite support
 - receiving assurance that the Board has taken account of reports from the committee
 - highlighting the work of the Committee more widely across the hospital

- All respondents expressed overall satisfaction with the quality of the information presented to support the committee’s work and with the quality of the administrative support provided to the committee.
- Other comments:
 - There is a need for a more joined up approach between the fundraising and finance teams
 - Consideration needs to be given to the way in which legacies are allocated across different funds.
 - There is a need for a Forever Friends strategy.

4. Recommendation and Next Steps

The Board is invited to consider the content of this report, and is asked to note that on the basis of the discussions and conclusions at the Committee’s meeting in September 2020, some changes were made to the Terms of Reference. However, consideration of some of the more far reaching recommendations continue.

In receiving and discussing the initial draft of this Annual Report, the Committee made reference to the impact that the COVID-19 pandemic has had on the income that the Charity derives from its investments, as well as the difficult fundraising environment, caused both by the inability to run events and the economic downturn. The Committee also noted the impact that the HIP2 programme may have including on fundraising activities on site and perceptions among potential donors.

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