

## Charitable Funds Committee

Item 7.2d

## Minutes

**Date of Meeting:** Tuesday 10<sup>th</sup> March 2015  
**Time:** 2.30pm  
**Venue:** Boardroom, Management Zone, Executive Offices

**Present:** David Bricknell, Non-Executive Director (in the chair)  
Ian Cartwright, Head of Financial Accounts  
Lucy Lavan, Associate Director of Corporate Affairs  
David Jago, Chief Finance Officer

**In attendance:** Jennifer O'Brien, Secretary

**Apologies for Absence:** Ken Morris, Non-Executive Director

### 1. **Apologies for Absence**

As stated.

### 2. **Declaration of Interests relating to Agenda Items**

None.

### 3. **Minutes of the meeting held on Monday 26<sup>th</sup> January 2015**

Lucy Lavan requested that on page 5, paragraph 3, the amendment was made to state that the support administrator role would be a Band 3 rather than a Band 2.

The remainder of the minutes were accepted as a true record of the meeting.

### 4. **Matters Arising & Action Log**

There were no matters arising.

Item 1-Ian Cartwright confirmed that revised letters had been sent out to fund holders asking for a response by the end of March and would provide an update at the next meeting.

Item 2-Jay Wright would provide a report to the May meeting detailing his innovation strategy.

Item 3-This item was completed and would be removed from the action log.

Item 4- This item was completed and would be removed from the action log.

Item 5-This item was completed and would be removed from the action log.

## **5. Review of Committee Business Cycle**

David Bricknell stated his only comment was over the dates of the meeting and whether an April meeting was needed. All members agreed to reschedule the 13<sup>th</sup> April meeting to Tuesday 12<sup>th</sup> May and David Jago would update the business cycle to reflect this.

**DJ**

## **6. Strategy**

### **6.1 Fundraising Strategy**

#### **6.1.1 Revenue Strategy**

Lucy Lavan stated that the document was the final version of the report from Tarnside Consulting on the Trust's revenue fundraising strategy. The report was noted as tabled with no material changed from the previous meeting.

#### **6.1.2 Support from Tarnside**

Lucy Lavan introduced the proposal that Tarnside had produced for their support in developing fundraising, stating that now the strategy had been decided the Trust had to consider the recruitment and development of the Fundraising Team.

Lucy Lavan highlighted that there were three elements to the proposal and it was important to remember that Tarnside had a number of contacts in this field and had the knowledge needed to recruit this critical post.

Lucy Lavan went onto outline the three elements in the proposal which were highlighted as follows;

1. Recruitment of Head of Fundraising where Tarnside would support the recruitment of the new Head of Fundraising, managing the entire process. The total cost would be £5,375 plus expenses, advertising in journals and VAT.
2. On-going mentoring to the new Head of Fundraising including helping to recruit their team as well as developing and implementing the new fundraising strategy. This would be charged at £6,450 over 6 months.
3. Proposal for the development of the Capital Campaign which would be over a 6 month period at 3 consultancy days per month, standing at approximately £19,350 plus expenses, administrative costs and desk research.

Committee members discussed the three elements of Tarnside's proposal

and the Head of Fundraising's role and met the following conclusions;

- Element 1 was essential and Tarnside presented a very reasonable price. This was therefore noted as approved by the Committee.
- The Committee agreed to approve up to £6,500 for part 2 of the proposal on the understanding that they may not need Tarnside's help for the full 6 months, it would depend upon the expertise of the Head of Fundraising. David Bricknell stated that this would need policing and Lucy Lavan confirmed she would ensure this.
- The Committee approved up to £20,000 for consultancy support in the development of the Capital Campaign but would make it clear that the Trust would only be paying for days used and work carried out by Tarnside.

### 6.1.3 Recruitment

Lucy Lavan gave an overview on the recruitment timetable drafted by Tarnside highlighting that the job was to be advertised as of Friday 13<sup>th</sup> March with a closing date of Friday 10<sup>th</sup> April and interviews to be held on Wednesday 22<sup>nd</sup> April.

Lucy Lavan commented that adverts would be placed on NHS jobs and other formal & informal networks with Tarnside suggesting an advert in Guardian Jobs at £900, a Linked In 30 day placement at £189 and a standard placement on Charity Jobs at £185.

Lucy Lavan confirmed it would be a panel interview with herself, David Bricknell, Jay Wright as the clinical representative and Tobin Aldrich as the external panel member. The candidates would be asked to complete an 8 minute presentation.

David Bricknell stated that the Trust would need to ensure that the Charitable accounts were available on the LHCH website and on the micro site set up by Tobin Aldrich.

The Committee approved the timetable and the prospective advertising detailed in it.

Lucy Lavan discussed the draft advert which the Committee then formally approved.

The Committee then discussed the job description provided by Lucy Lavan and formally approved it.

Lucy Lavan confirmed that she would move forward with this work immediately with David Jago stating all actions agreed would be noted in the final year-end report.

## **7. Charitable Funds Report April-January 2015 (IC)**

The report was taken as read by all Committee members with Ian Cartwright highlighting the following;

- The total research income at month 10 was £0.999m with expenditure also at £0.999m which included a Charitable Funds contribution of £0.042m which reflected a balanced position year to date.
- Income stood at £330,000 as of end of January 2015, which included an LHCH appeal fundraising income of £119,000, other funds fundraising income at £95,000 and a legacy income of £116,000.
- Percentage of costs to income stood at 7.88%
- The Charity bank accounts stood at £1.293 million as at 31<sup>st</sup> January 2015, the majority of which is invested with the Governing Banking Service earning just over £2000 in interest January to April.
- The Trust has £400,000 invested in the Charity Official Investment Fund (COIF) with the market value of this investment standing at £534,604.35.
- The first two quarters dividends on COIF had been received, totalling £16,950.45 with quarter three expected imminently.
- The balance of Charitable Funds at the end of January 2015 was £1.7 million which represented an increase of £270,000 on the opening balance with the most significant movements shown in the table in the report.
- There had been 2 donations over £1000-a legacy donation at £66,750 and a cystic fibrosis donation of £1000.
- The 2 main items of expenditure were Harlequin software licence renewal at a cost of £1,736 and a Gardener Mawsdley invoice for £2,257.
- Robert Owen House had received 3 donations and Amanda Unit had received 1.
- At the end of January 2015, there had been 12 payments to Quayside Catering coming in at £15,055, well within the £20,000 annual approval.
- Booker was already at £19,968 of the £22,000 approval with Ian Cartwright advising this may go over by £2000 which the Committee approved as an overspend but anymore would have to be referred back to the Committee.

The Committee noted the financial position of the Charitable Funds reported at the end of January 2015 as highlighted in this report.

## **8. Annually**

### **8.1 Annual Review of Effectiveness of Committee**

Lucy Lavan explained that Charitable Funds Committee were required to provide an annual report to the Board of Directors to provide assurance that it had met it's terms of reference during the 2014/15 year. Lucy had

provided a draft report for consideration and refinement by Committee members with a view to presenting a final report to the Board of Directors in April 2015.

David Bricknell recommended a brief paragraph highlighting the Funds finances for the year.

The report was approved subject to the above addition and would be submitted to the Board of Directors in April showing that Charitable Funds Committee had always met quorum and frequency, complied with the formal requirements expected and the business cycle had always reflected the terms of reference.

## 8.2 Approval of Admin Charge Budget

Ian Cartwright explained that there were two elements to the 2014/15 budget; pay admin and non-pay admin costs at an overall cost of £29,000. There will be a marginal increase to £30,000 in 2015/16, however Ian explained that there is an increase in the audit threshold for 2015/16, which may result in the Charitable Funds accounts not requiring a statutory audit in 2015/16 and therefore there may be a reduction in the £7,800 audit fee included within the admin charge.

Ian Cartwright explained that the Charitable Funds accounts were available for approval in May as a separate set of accounts.

David Bricknell stated that as the auditors had now indicated a shorter audit period, formal approval would be given to the audited Charitable Funds accounts in July.

## 8.3 Review Level of Investment Reserve

David Jago stated that he would look at the cash deposit balances in the first quarter of 2015/16 then review what to do with cash investment. When the Committee meets in May it would need to look at any residual and make a decision on COIF.

DJ

## 9. Any Other Business

Ian Cartwright brought 2 approvals to the Committee which the members reviewed and made the following decisions;

- Paul Modi requested £10,000 for Lucid Innovations to develop improvements on the mitral retractor and develop some initial prototypes. David Bricknell requested further information before approving this request and would be happy to sign it off line should the necessary information be provided.
- The second bid was for a sum of £20,569.61 for The LHCH Grand Awards 2015 to be held on Friday 4<sup>th</sup> December 2015 at the Crowne Plaza Liverpool. The Committee agreed to fund a maximum cost of £21,000 for the cost of the Christmas event.

**10.**

**Date & Time of Next Meeting**

Tuesday 12<sup>th</sup> May 2015 10.00am-12.00noon, Committee Room 1

DRAFT