

North Cumbria University Hospitals



NHS Trust

**UNRATIFIED MINUTES OF THE CHARITABLE FUNDS
COMMITTEE HELD ON TUESDAY 1 FEBRUARY 2011,
IN THE BOARDROOM, CUMBERLAND INFIRMARY,
CARLISLE**

PRESENT: Mr M Bonner, Non Executive Director (Acting Chair)
Mr M Little, Trust Chairman
Mr M Evens, Non Executive Director
Mr A Mulvey, Director of Finance and Information
Mr E Gardiner, Associate Director of Finance
Mrs R Duguid, Company Secretary
Mr S Brown, QIPP Director (on behalf of Mrs C Platton, Director
of Nursing)
Dr F Dallas, Clinical Representative
Dr J Nicoll, Clinical Representative

IN ATTENDANCE: Mrs J Lynch, Office Manager (Minute taker)
Mr M Thomas, Director of IM&T (Agenda item CF06/11 only)
Dr C MacDonald, Consultant Physician (Agenda item CF06/11
only)

CF01/11 WELCOME & APOLOGIES

Apologies were noted from Mr P Day.

CF02/11 MINUTES OF THE PREVIOUS MEETING

The minutes were **approved** as a true and accurate record

CF03/11 MATTERS ARISING AND ACTION PLAN

Please see action plan for updated actions.

Matters Arising from Action List:

CF07/10 : Expenditure

Mr Gardiner informed members that meetings continued to take place in relation to spending plans; they were behind schedule but the process was in place. Members held a detailed discussion relating to the length of time this action was taking and the delay in seeing spending plans from fundholders. Dr Dallas questioned what the spending plan was as she had not seen the

document and also requested that support be given to fundholders to ensure that the funds were spent appropriately.

Mr Mulvey informed members that guidance was not necessarily appropriate due to their being a number of grey areas on what can constitute charitable expenditure; the purpose of the fund should help dictate the spending plans. Mr Evens requested that there be a discussion at the next meeting in relation to the funds as he wished to see something in detail. Mr Mulvey reported that to do this, he would have to re deploy staff who were currently working on the year-end accounts and this was not possible. Mr Little supported the necessity to allow fundholders to spend the fund balances and requested that any obstacles be overcome to allow this to happen. Mr Little further stated that there was a need to see spending plans for 1 year, 2 years and beyond. Mr Gardiner agreed to show the spending plans at the next Charitable Funds meeting.

Dr Dallas re-iterated her previous request to allow the use of funds to appoint a member of staff, to which Mr Mulvey stated that this was not necessarily the role of Charitable Funds, and that there would be potential issues if the funds ran out, and the staff member had worked for 2 years and therefore had gained full employment rights.

Mr Bonner **noted** that this item was an ongoing action.

<p>ACTION: Spending Plans Mr Gardiner to bring the spending plans to the next Charitable Funds meeting</p>

CF 9/10: Oncology Extension:

Mr Mulvey tabled a report giving committee members an update on the financial requirements of the Oncology development. The report detailed the costs associated to the project, some of which would be VAT recoverable. Mr Mulvey also asked members to note the ongoing work with MacMillan in relation to the refurbishment aspect of the project. Mr Bonner asked members to note that this item was for the approval of spending funds on the project.

Members discussed the project in detail, looking at the history of this project and how it had been wrongly approved in the past to use Charitable Funds towards the building of the extension, without it being presented before the Charitable Funds Committee. Ms Duguid updated members on the background of this request.

Mr Evens questioned that some of the funds had already been spent and Mr Mulvey stated that there had been agreement at a previous Charitable Funds meeting for money to be used and this had been granted and the funds used.

Members **approved** the use of Charitable Fund general funds for the Oncology extension, to a maximum of £115,482, although it was anticipated that the amount required from general funds would be much lower than this.

Dr Nicoll questioned what would happen following the approval at this meeting and was informed that Mr Mulvey would inform Mrs Gwen Barker of the decision so that the project could continue. Work would also be undertaken to look at the recovery of VAT, and work would continue with MacMillan in relation to the refurbishment aspect of the building.

CF04/11 **CHARITABLE FUNDS INVESTMENT APPROACH**

Mr Mulvey presented the Charitable Funds Investment Approach and informed members that it was to provide members with a framework for investing surplus cash in the short and longer term, taking into account risk and ethical investments within the overall governance arrangements set out in the SFIs/SOs.

Members had a detailed discussion relating to this report and Mr Evens informed members that a report had previously gone to the Trust Board in April 2010 that had included the ethical element of investing money. Mr Evens also expressed his concern regarding the lack of detail in the report relating to investing in equities. Mr Mulvey reported that at the previous Charitable Funds Committee meeting Mr Day had expressed his concern about investing wisely as it was patient money. It was agreed that this item be deferred to the next meeting when Mr Day would be present so that a detailed discussion relating to the investment of funds could take place.

<p>ACTION: Investments Approach This item to be deferred to the next meeting to allow Mr Day to be present, so that a detailed discussion relating to the investment of funds could take place</p>

CF05/11 **FUND BALANCES**

Mr Gardiner updated members on the current Charitable Fund balances. He informed members that the previous paper presented to the October meeting had been incorrect in relation to the movement of funds. This had been corrected. Mr Gardiner gave further details regarding the income and expenditure levels and reported that no notable legacies had been received within quarter 3.

The members discussed the report and the following key points were noted:

- Dr Nicoll questioned the expenditure in the report relating to the aspect of staff. Mr Bonner informed members that the funds covered staff amenities also, and that this had been discussed within the Charitable Funds committee previously and agreed that this was legitimate

spending, as it was felt that some donations would be given for staff use. Mr Nicoll questioned money donated to the trust at ward/department level and the assurance that it would be paid into an appropriate fund. Mr Mulvey informed members that Internal Audit periodically audited donated money, but we could not be 100% sure that all money was appropriately accounted for. Mr Brown reported that as far as he was aware there was no 'petty cash' kept at ward levels.

- Mr Gardiner reported that at the next meeting, he would give more details about the individual fund balances, showing spending records. Mr Bonner welcomed that suggestion and felt that this would be a valuable asset to the report, and it would show full year effects.

The report was noted.

ACTION: Fund Balances
Mr Gardiner to give more details about the individual fund balances at the next Charitable Funds Meeting.

CF06/11 SCOPE GUIDE OUTLINE BUSINESS CASE

Mr Thomas and Dr Macdonald attended the Charitable Funds Committee meeting to seek agreement to purchase specific items of equipment from Charitable Funds. Mr Thomas informed members that this request for equipment had previously been discussed at the Trust Capital meeting, but it had been agreed that this item should be referred to Charitable Funds to purchase these specific items of equipment.

Mr Thomas and Dr Macdonald discussed the technicalities of the equipment, and also the benefits to patients and to the Trust, both in cost savings and also in the training of students. The Trust currently had one Scopeguide that had been purchased by the Bowel Cancer Screening Hub, but the request was to purchase two more of these items; one to be used at the Carlisle site and one to be used at the Whitehaven site. In addition to these items, Mr Macdonald also requested the purchase of one Insufflation unit, which would be used on the Carlisle site. Members questioned why the request was for only one Insufflation unit and Dr Macdonald reported that this item of equipment would only be used by himself and one other Consultant to start with, but would benefit patients, and it was anticipated that other Consultants would also use this item of equipment over a period of time. Another Insufflation unit could be purchased in due course if required, but would not need to be presented to the Charitable Funds Committee due to the value.

Members discussed the request and questioned Dr Macdonald about technical aspects of the equipment, to which Dr Macdonald responded in detail.

Mr Bonner questioned the VAT aspect of purchasing the items of equipment and was informed that the VAT would be recovered if these items were purchased from Charitable Funds.

Charitable Funds Committee members **approved** the request to purchase the two Scopeguides and one Insufflation unit from Charitable Funds, stipulating that the items be purchased from restricted funds first, with the balance from general funds if needed.

Mr Mulvey questioned the need for the Insufflation unit to be presented to the Medical Devices Committee as it was a new piece of equipment that was not currently used in the Trust. Mr Brown agreed that this would have to take place and would ensure that this was brought to the attention of the Trust Medical Director.

ACTION: ScopeGuide Business Case

Mr Brown to speak to Mrs Platton to ensure that the Insufflation unit would be brought to the attention of the Trust Medical Director, as it would be required to be discussed at the Medical Devices Committee, as it was a new piece of equipment that was not currently used in the Trust

CF07/11 **HSBC INFORMATION RELATING TO ACTION POINT CF07/10**

Mr Gardiner updated the committee members in relation to the recent correspondence received from HSBC, following requests made at the October meeting and stated that this agenda item was for information only.

Mr Gardiner also informed members that he was in possession of a copy of the Annual Report that had also been requested but had not copied it for the meeting as it was a large document, and potentially difficult to copy. Any members wishing to see a copy of the document would receive a copy on request

Mr Evens questioned the information received and the presentation given at the previous meeting. Mr Mulvey informed Mr Evens that the presentation had not been what the Trust had expected to see and the information was not what the committee had expected to receive. Mr Bonner confirmed this information.

ACTION: HSBC Annual Report:
Any member wishing to see a copy of the Annual Report would receive a copy on request.

CF08/11 **ANY OTHER BUSINESS**

There was no other business to discuss.

CF09/11 **DATE AND TIME OF NEXT MEETING**

Tuesday 17 May 2011 at 10am in the Boardroom, Cumberland Infirmary, Carlisle

CHARITABLE FUNDS ACTION LIST MAY 2011

DATE OF MEETING: 17/5/2011

<u>Minute Point Reference</u>	<u>Details of Action agreed</u>	<u>Action by whom</u>	<u>Timescale</u>	<u>Progress</u>	<u>Governance coding</u>
MARCH 2010					
CF07/10	<u>2009/10 Expenditure</u> c). Mr Birtle to meet with fund holders of large accounts and discuss their spending plans	Chris Birtle	July 2010	Complete – Mr Gardiner to take the spending plans to the May 2011 meeting	
JULY 2010					
CF16/10	<u>Assessment of Governance Arrangement Action Plan:</u> Mr Mulvey to update the framework document and bring back to the October Charitable Funds meeting	Alistair Mulvey	October 2010 Completion date moved to January 2011 -	Ongoing - Mrs Duguid to circulate action plan to colleagues but explained that this piece of work was behind schedule.	
OCTOBER 2010					
CF25/10	<u>HSBC Presentation:</u> 1. Spending Plans/Criteria to be agenda item for January 2011 meeting	Alistair Mulvey	January 2011	Complete - item linked to Action CF07/10	
CF27/10	<u>Clinical Oncology Extension</u> 1. A formal paper was required for the Charitable Funds	Alistair Mulvey	31 December	Complete	

	<p>Committee in relation to the second phase of the project. Mr Mulvey to pick this up with Gwen Barker. The paper to be concluded by 31 December 2010.</p> <p>2. To look at involving Macmillan in the process, to enable the department go forward towards gaining the charter standard. Mr Mulvey to pick this up with Gwen Barker also.</p>	Alistair Mulvey	<p>2010</p> <p>31 December 2010</p>	Complete	
FEBRUARY 2011					
CF04/11	<p>Investments Approach</p> <p>This item to be deferred to the next meeting to allow Mr Day to be present, so that a detailed discussion relating to the investment of funds could take place</p>	Alistair Mulvey	17 May 2011	Complete - agenda item May meeting	
CF05/11	<p>Fund Balances</p> <p>Mr Gardiner to give more details about the individual fund balances at the next Charitable Funds Meeting</p>	Eric Gardiner	17 May 2011	Complete – Agenda item May Meeting	
CF06/11	<p>ScopeGuide Business Case</p> <p>Mr Brown to speak to Mrs Platton to ensure that the Insufflation unit would be brought to the attention of the Trust Medical Director, as it would be required to be discussed at the Medical Devices Committee, as it was a new piece of equipment that was not currently used in the Trust</p>	Chris Platton	17 May 2011		
CF07/11	<p>HSBC Annual Report:</p> <p>Any member wishing to see a copy of the Annual Report would receive a copy on request.</p>	All	17 May 2011		