

Safe & compassionate care,  
 every time

### BOARD COMMITTEE SUMMARY REPORT

<b>Name of Committee</b>	Finance and Business Performance Committee
<b>Committee Chair</b>	Mr Rajiv Jaitly
<b>Meeting date:</b>	23 <sup>rd</sup> March 2018
<b>Was the meeting quorate?</b>	Yes
<b>Any specific conflicts of interest?</b>	None
<b>Any apologies</b>	Ms Hattie Llewelyn-Davies; Dr Tina Kenny

#### KEY AREAS OF DISCUSSION:

Mr Macdonald's potential conflict of interest around out of hours primary care provision was noted.

Updates were received on the following:

- Allocate rostering tool roll out – some slippage but there was an expectation that the project would catch up within the 18 months
- Theatres electrical resilience scheme – work would start by end of Q1
- Alignment of coding metrics within the various performance reports

The Committee considered the following items:

- Pathology Partnerships – the Trust was working closely with the South 4 Pathology Network on a collaborative basis
- Market analysis
- Service mobilisation for the out of hours Primary Care Access Service
- Working closely with organisations in the Integrated Care System around financial recovery
- Operational performance report – highlighting risks around emergency access, planned care, complaint response times, workforce availability and appraisal rates
- Month 11 Financial Report
- Draft financial operation plan
- Capital plan
- Proposed Agenda for Change pay awards

#### AREAS OF RISK REVIEWED IN THE MEETING

- Workforce risks relating to pathology partnerships
- Emergency C-section rates
- Allocate project delays
- Go-live date for out of hours Primary Care Access Service
- Project leadership around pathology pathways
- Urgent care performance
- Referral to Treatment performance for Trauma and Orthopaedics and ophthalmology
- Delivery of financial control total
- Cash position
- Transformation programme 18/19
- Limited availability of capital

#### ANY EXAMPLES OF OUTSTANDING PRACTICE OR INNOVATION:

**AUTHOR OF PAPER:** Liz Hollman, Director for Governance

Safe & compassionate care,

every time

### BOARD COMMITTEE SUMMARY REPORT

<b>Name of Committee</b>	Finance and Business Performance Committee
<b>Committee Chair</b>	Mr Rajiv Jaitly
<b>Meeting date:</b>	19 April 2018
<b>Was the meeting quorate?</b>	Yes
<b>Any specific conflicts of interest?</b>	None
<b>Any apologies</b>	Ms Hattie Llewelyn-Davies; Mrs Rachel Devonshire; Mr David Williams; Mrs Bridget O'Kelly.

#### KEY AREAS OF DISCUSSION:

Updates were received on the following:

- Marginal cost of temporary staff
- Progress of trainee coders

The Division of Specialist Services provided a presentation on a number of key financial and performance indicators with the following points of note:

- Challenge around agency spend, primarily for medical and technician staff. Recruitment in these areas was an issue and alternative solutions were being explored.
- Cost Improvement Programme 18/19 not yet fully developed in the Division
- Close work with Thames Valley Cancer Alliance
- Medicines and the Model Hospital

The Committee then considered the following items:

- Financial year end
- Contract negotiations
- Operating Plan standards performance trajectories for 18/19
- Corporate Risk Register – need for a focused review of risks that have not changed for a long time

#### AREAS OF RISK REVIEWED IN THE MEETING

- Use of Agency
- Recruitment and retention
- Transformation culture – engaging staff
- Financial plan
- Cash
- Limited capital
- Operational performance
- Non movement of risks on the Corporate Risk Register

#### ANY EXAMPLES OF OUTSTANDING PRACTICE OR INNOVATION:

**AUTHOR OF PAPER:** Liz Hollman, Director for Governance

**BOARD COMMITTEE SUMMARY REPORT FOR QUALITY AND CLINICAL GOVERNANCE COMMITTEE**

<b>Name of Committee</b>	Quality and Clinical Governance Committee
<b>Committee Chair</b>	Professor David Sines
<b>Meeting date:</b>	3rd April 2018
<b>Was the meeting quorate?</b>	Yes
<b>Any specific conflicts of interest?</b>	None
<b>Any apologies (from board members)</b>	Professor Lovegrove; Ms Fox; Miss Hollman

**KEY AREAS OF DISCUSSION:**

The Committee received assurance on the following:

Never Event – wrong lens placed into a patient following cataract surgery. Patient notified and the incident did not result in harm.

Review of Division of Surgery and Critical Care –

- Surgical safety dashboard
- Never Events update
- Theatres safety plan
- Venous Thrombo-Embolic assessment – commended for achievement
- Top 6 surgical risks
- Medicines management
- Discussion around pressure ulcer reduction in 18/19
- External assurance from Getting it Right First Time (orthopaedics) showing challenge around length of stay; and the National Emergency Laparotomy Audit which identified improvements in three major metrics.
- Introduction of the SAFER patient flow bundle

Security of Medicines – improvements being made. Wards 8&9 at SMH cited as examples.

Patient experience report – eight promises aligned with the Trust’s Patient and Carers’ Experience Strategy 2017-2020. Engagement event focused on discharge was commended.

Quality Impact Assessment of the Quality Improvement Programme.

Update on clinical audit.

E-rostering project

Quality metrics within the Floodlight Integrated performance report

Infection control update

Key actions agreed at the meeting:

- Service Review S&CC: verbal update to be provided in July 2018 -
  - HSMR verbal update
  - Falls management and falls at pre-op assessment
  - Patients identified – metal-on-metal hip replacement
- Patient to be invited to attend S&CC review in April 2019

- Patient Experience report Q3: share outcomes from the patient and public engagement event on 22<sup>nd</sup> March 2018
- CIP Programme: process paper to accompany draft minutes from April 2018 Committee meeting
- Clinical Audit update: new sign off target for Audit programme to be confirmed (now June 2018)
- Community Dashboard presentation to come in May 2018
- Letter from R May to accompany draft minutes from April 2018 Committee meeting
- Floodlight Report: Quality exception reports: governance structure report to be presented to the Committee

**AREAS OF RISK:**

- Falls and pressure ulcers
- Medicines management

**ANY EXAMPLES OF OUTSTANDING PRACTICE OR INNOVATION:**

**AUTHOR OF PAPER:** Liz Hollman, Director for Governance

<b>Name of Committee</b>	Quality and Clinical Governance Committee
<b>Committee Chair</b>	Professor Mary Lovegrove
<b>Meeting date:</b>	6 <sup>th</sup> March 2018
<b>Was the meeting quorate?</b>	Yes
<b>Any specific conflicts of interest?</b>	None
<b>Any apologies (Board level)</b>	None

**KEY AREAS OF DISCUSSION:**

Mr McLaren congratulated on his appointment to the role of Deputy Medical Director.

Actions reviewed comprehensively. Assurance that key pad locks had been installed for Wards 8 and 9

Quality risks on the Corporate Risk Register reviewed.

Q4 Quality report reviewed. Sepsis screening performance needed to improve and the complaints response times were disappointed.

Update on the learning arising from the investigation into a wrong lens ophthalmology Never Event. The need to reinforce the principles of human factors in the theatre environment was acknowledged.

Progress report on the position and performance of all the Trust's screening programmes.

There was a discussion about how the Trust complies with Mental health legislation and the actions that were being taken to improve assurance around this.

A Community Dashboard in development was presented to the Committee.

The Infection Prevention and Control report was reviewed by the Committee and the challenge around numbers of cases of Clostridium difficile was discussed.

The Q4 Patient Experience report was presented to the committee which led to a lengthy discussion around various aspects of patient experience.

The Quality Improvement Plan for the close of 2017/18 was presented to the Committee. The 18/19 Quality Improvement Plan would be circulated outside the Committee in advance of the Board meeting in May.

The quality indicators in the Integrated Performance report were reviewed.

The Q4 Safeguarding Adults and Children's report was presented to the Committee.

Actions agreed at this meeting:

Corporate Risk Register: electric safety within theatres Submit the monthly theatres safety checklist report to the Strategic Workforce Committee and Quality and clinical governance Committee for assurance purposes. (COO)	30 June 2018
Quality Report Q4 Thematic analysis of complaint response times; trajectory timeframe sustainability, over 90 days, support and workforce cross-over	July-18
Quality Report Q4: Present recommendations around frailty assessment	July-18
Present report on understanding how frailty is managed	July 18
Complaint response times: development of a timeline to sense check response times	July-18

Winter 2017 pressures debrief (EMC meeting 2.3.18) report to be presented (part of the IM Service review)	June-18
IPC report <ul style="list-style-type: none"> <li>• Follow-up from visit by S Fielder on 2.5.18</li> </ul>	June-18
24/7 Primary Care Governance	June-18
Floodlight Report: integrated report to be introduced	July-18
Serious incident investigation to be shared with the Committee	June 2018
Never Events learning to be shared with the Committee	June 2018
Review Q4 CQUIN	July-18
<b>AREAS OF RISK:</b>	
As per the Corporate Risk Register	
<b>ANY EXAMPLES OF OUTSTANDING PRACTICE OR INNOVATION:</b>	
<b>AUTHOR OF PAPER:</b>	Liz Hollman, Director for Governance

Safe & compassionate care,

every time

**BOARD COMMITTEE ASSURANCE REPORT FOR PUBLIC BOARD  
 30 May 2018**

**Details of the Committee**

<b>Name of Committee</b>	Strategic Workforce Committee
<b>Committee Chair</b>	David Sines
<b>Meeting dates:</b>	14 March 18; 3 April 18,
<b>Were the meetings quorate?</b>	Yes
<b>Any specific conflicts of interest?</b>	No
<b>Author of the paper</b>	Bridget O'Kelly

**14 March 18**

Apologies: Neil Dardis, Hattie Llewlelyn-Davies, Carolyn Morrice, Dr Tina Kenny, Tracey Underhill, Lee Jones, Prof Mary Lovegrove, Liz Hollman

**KEY AREAS OF DISCUSSION:**

The key areas of discussion were:

- An update on the Buckinghamshire integrated care system
- The 2017 Trust national staff survey results
- The Trust's gender pay gap report
- The Guardian of safer working hours report

**AREAS OF RISK TO BRING TO THE ATTENTION OF THE BOARD:**

- Nurse recruitment challenges
- Attrition rates

**ANY EXAMPLES OF OUTSTANDING PRACTICE OR INNOVATION:**

The Committee reflected that the recent BHT workshop had been a success and that there had been a real sense of collaboration

**3 April 2018**

Apologies: Hattie Llewlelyn-Davies, Carolyn Morrice, Tracey Underhill, David Williams, Natalie Fox, Karon Hart

**KEY AREAS OF DISCUSSION:**

The key areas of discussion were:

- An update on the Buckinghamshire integrated care system
- "Go Engage Programme" – a tool developed by Wrightington, Wigan & Leigh purchased by the Trust to support its work on staff engagement
- Agenda for change 2018 contract refresh

The second half of the meeting was held as a workshop to consider nurse recruitment, with a wider group of participants from across the trust.

**AREAS OF RISK TO BRING TO THE ATTENTION OF THE BOARD:**

No new risks identified

**ANY EXAMPLES OF OUTSTANDING PRACTICE OR INNOVATION:**

None

**1 May 2018**

Apologies: Hattie Llewelyn-Davies and Inderjit Bhambra

**KEY AREAS OF DISCUSSION:**

The key areas of discussion were:

- Agenda for change 2018 contract refresh
- Workforce planning submission to NHS Improvement
- Management representatives from Sodexo and Medirest attended the meeting to talk about engagement with their own employees and with the Trust
- An update on the Buckinghamshire integrated care system
- The annual report from the Trust's freedom to speak up guardian
- Transforming the nursing, midwifery and AHP workforce

**AREAS OF RISK TO BRING TO THE ATTENTION OF THE BOARD:**

- Agenda for Change contract refresh
- Number of Doctors on rotation
- Variation of external contracts
- Capacity & infrastructure of student activity

**ANY EXAMPLES OF OUTSTANDING PRACTICE OR INNOVATION:**

The Trust has nominated four colleagues into the NHS70 'Windrush Awards' celebrating black and minority ethnic staff



## SUB-COMMITTEE ASSURANCE REPORT FOR PUBLIC BOARD 30/05/2018

### Details of the Committee

<b>Name of Committee</b>	Charitable Funds Committee (CFC)
<b>Committee Chair</b>	Rajiv Jaitly, Non-Executive Director
<b>Meeting date:</b>	17 <sup>th</sup> May 2018
<b>Was the meeting quorate?</b>	YES
<b>Any specific conflicts of interest?</b>	<p>Rajiv Jaitly (Chair) stated a declaration of interest regarding his investments – he has (immaterial) direct investments in health related businesses and in funds managed by Schrodgers but none in the investments made by the Charitable Funds.</p> <p>Les Broude (Honorary Independent Member) stated a declaration of interest indicating that he is a non-executive director at South Central Ambulance NHS Foundation Trust.</p> <p>The Chair welcomed Mr Mike Mackenzie as a patient representative.</p> <p>Mike Mackenzie stated a declaration of interest indicating that he participates in different roles in the following organisations:</p> <ul style="list-style-type: none"> <li>• Horatio's Garden.</li> <li>• Friends and Patrons of Buckinghamshire County Museum.</li> <li>• The Guttman Trust.</li> </ul>
<b>Any apologies</b>	Rachael Devonshire (NED)

### **KEY AREAS OF DISCUSSION:**

#### **1. Investments**

The Committee received a portfolio valuation report as at 31<sup>st</sup> March 2018, presenting the performance of the charity's investment portfolio over the last quarter. The Committee was informed that the total portfolio market value based on a bid price was £8.27m which represents a decrease of £0.35m compared to the previous valuation of £8.62m as at 31<sup>st</sup> December 2017 that was presented in the February 2018 meeting. The overall performance of the portfolio market value has been a reduction of 0.9% in the last twelve months, due to the market conditions during this period.

#### **2. Annual Trustee Report**

The Committee reviewed and noted the draft Annual Report and Accounts for the financial year ended 31 March 2018. It was requested that some amendments should be incorporated before presentation to the external auditors. The Committee requested the final Annual Trustee Report and the audit report to be presented at the next Committee meeting for approval.

#### **3. Bids**

The Committee was presented with the following Bid Application with a value over £100,000, which requires

presentation to the **Trust Board for approval as Corporate Trustee:**

- Bid application seeking funding at a total cost of **£1,357,000** from multiple charitable funds in order to contribute towards a project to implement the Real Time Patient Electronic Observations and Escalation System.

The Committee paid particular attention to the proposed allocation of department and speciality funds by patient's beds and average length of stay that was used to determine the basis to request the funding for multiple charitable funds, as well as the contribution that was requested from the Communities Hospitals Funds.

The Committee noted that funding from the Stoke Mandeville Hospital General Amenity Fund will be used in order to support this project.

The Committee raised specific questions regarding the basis of allocations and receiving confirmation that the fund holders have agreed to support this project and assurance was requested that this project will integrate with the trust's existing IT systems. The Committee agreed with the merit and benefits to the patients of the bid presented and its compliance with the charitable funds guidelines and objectives; requesting presentation to the Trust Board for approval as Corporate Trustee.

#### **4. Management of the Charitable Funds Policy.**

The Committee was presented with the Management of the Charitable Funds Policy in order to be reviewed and ensure compliance with the charitable fund annual business cycle.

The Committee reviewed and agreed with this document and requested presentation to the Board in order to be endorsed. Refer to:

Appendix 1 - Management of the Charitable Funds Policy.

#### **KEY ACTIONS FOR THE BOARD:**

To **NOTE** this report and **ENDORSE** the Management of the Charitable Funds Policy

#### **AREAS OF RISK TO BRING TO THE ATTENTION OF THE BOARD:**

None identified.

#### **ANY EXAMPLES OF OUTSTANDING PRACTICE OR INNOVATION:**

<b>AUTHOR OF PAPER:</b>	Nelson Garcia-Narvaez, Head of Charities Finance & Governance
-------------------------	---

Once printed off this is an uncontrolled document. Please check the intranet for the most up to date version.

February 2018 Version 8

# Management of Charitable Funds Policy & Procedures

**Summary of Changes:**

This version has been significantly revised to take into account the Trust's requirements on the writing of Policies

<b>Version:</b>	<b>8</b>
<b>Approved by:</b>	<b>Charitable Funds Committee</b>
<b>Date approved:</b>	<b>February 2018</b>
<b>Ratified by:</b>	<b>Trust Board</b>
<b>Date ratified:</b>	<b>TBC</b>
<b>Consultation:</b>	<b>TPSG</b>
<b>Name of originator/author</b>	<b>Revision: Nelson Garcia-Narvaez                  Charity Head of Finance                  Originator: Nelson Garcia-Narvaez                  Original Policy: Charity Head of Finance</b>
<b>Lead Director</b>	
<b>Name of responsible committee/individual</b>	<b>Charitable Funds Committee / Charity Head of Finance and Governance</b>
<b>Document Reference</b>	<b>BHT POL 063</b>
<b>Date Issued:</b>	<b>TBC</b>
<b>Review date:</b>	<b>February 2018</b>
<b>Target Audience:</b>	<b>Directors, Non-Executive Directors and Fund managers</b>
<b>Equality Impact Assessment:</b>	<b>March 2016</b>

Version	Issue	Reason for change	Authorising body	Date
1	0	New Document-Issued	Charitable Funds Committee	March 2008
2	0	Formal Review	Charitable Funds Committee	July 2010
3	0	Formal Review	Charitable Funds Committee	February 2011
4	0	Formal Review	Charitable Funds Committee Trust Board	August 2011
5	0	Formal Review	Charitable Funds Committee Trust Board	March 2013
6	0	Update and Formal Review – January 2015	Charitable Funds Committee Trust Management Committee  Trust Board	January 2015  February 2015  March 2015
7	0	Update and Formal Review – May 2016	Charitable Funds Committee  Executive Management Committee	May 2016  July 2016
8	0	Formal Review	Charitable Funds Committee	February 2018

### Associated Documents

BHT Ref	Title	Location/Link
n/a	Charity Commission – NHS Charity Guidance	<a href="https://www.gov.uk/government/publications/nhs-charities-guidance">https://www.gov.uk/government/publications/nhs-charities-guidance</a>
	Charity Act 2011	<a href="https://www.legislation.gov.uk/ukpga/2011/25/contents">https://www.legislation.gov.uk/ukpga/2011/25/contents</a>
	Charity Act 2016	<a href="http://www.legislation.gov.uk/ukpga/2016/4/contents/enacted">www.legislation.gov.uk/ukpga/2016/4/contents/enacted</a>
n/a	Trustee Act 2000	<a href="http://www.legislation.gov.uk/ukpga/2000/29/contents">http://www.legislation.gov.uk/ukpga/2000/29/contents</a>
n/a	SORP 2015 / FRS102	<a href="https://www.gov.uk/government/publications/charities-sorp-2005">https://www.gov.uk/government/publications/charities-sorp-2005</a> ; <a href="http://www.charitycorp.org/download-a-full-sorp/">http://www.charitycorp.org/download-a-full-sorp/</a> <a href="http://www.charitycorp.org/media/619101/frs102_complete.pdf">http://www.charitycorp.org/media/619101/frs102_complete.pdf</a>
	Regulations 2008	<a href="http://www.legislation.gov.uk/uksi/2008/629/contents/made">www.legislation.gov.uk/uksi/2008/629/contents/made</a>
	Fundraising Regulator – new fundraising guidance	<a href="https://www.fundraisingregulator.org.uk/">https://www.fundraisingregulator.org.uk/</a>

## Contents

<b>Section</b>		<b>Page</b>
	<b><u>Trust Policy</u></b>	
<b>1</b>	<b>Introduction</b>	<b>5</b>
<b>2</b>	<b>Purpose</b>	<b>5</b>
<b>3</b>	<b>Scope</b>	<b>5</b>
<b>4</b>	<b>Definitions</b>	<b>6</b>
<b>5</b>	<b>Roles and Responsibilities</b>	<b>7</b>
<b>6</b>	<b>Consultation and dissemination</b>	<b>8</b>
<b>7</b>	<b>Monitoring Process</b>	<b>8</b>
<b>8</b>	<b>Related Policies and Guidance</b>	<b>9</b>
<b>Addendum</b>	<b><u>Detailed Financial Procedures relating to the collection and use of Charitable Funds</u></b>	
<b>1</b>	<b><u>Income</u></b> a) General b) Donations c) Other Issues <ul style="list-style-type: none"> <li>• Gift Aid</li> <li>• Payroll Giving</li> <li>• Charity Aid Foundation (CAF) Vouchers</li> <li>• Just Giving</li> <li>• Donations using Mobile Phones</li> </ul> d) Private Patient Fees and Medical Report Income e) Staff approaching an outside organisation for funding f) Organisations approaching staff g) Non-cash gifts h) Legacies and Bequests i) Investment Income j) Fund raising k) Trading l) Income from other NHS organisations m) Rebates from NHS activities n) Grants o) Gains on disposal of Fixed Assets p) Charging for services to Patients	<b>10-17</b>
<b>2</b>	<b><u>Expenditure</u></b> a) General b) Detailed areas of expenditure <ol style="list-style-type: none"> <li>1. Equipment</li> <li>2. Employment of Staff</li> <li>3. Patient Amenities</li> <li>4. Staff Amenities               <ul style="list-style-type: none"> <li>Training and Education</li> <li>Conferences, Special Events and Speakers</li> <li>Entertaining and Social Events</li> <li>Retirement and long service awards</li> <li>Other gifts</li> </ul> </li> <li>5. Research</li> <li>6. Fund raising/Publicity</li> </ol>	<b>17-26</b>

	<b>7. Trading</b> <b>8. Expenditure approved by another Charity</b> <b>9. Management and Administration</b> <b>10. Brokers Fees</b>	
	<b>c) Procedures for the committing of expenditure</b> <b>1. Authorisations</b> <b>2. Value Added Tax</b> <b>3. Charitable Funds Orders</b> <b>4. Charitable Funds Payments Vouchers</b> <b>5. Cheque/Payment with Order</b> <b>6. Petty cash</b>	
<b>3</b>	<b>Investment of funds</b>	<b>27</b>
<b>4</b>	<b>Banking</b>	<b>27</b>
<b>5</b>	<b>Reporting</b> <b>a) Monthly statements</b> <b>b) Statement of Unrealised Gains and Losses</b> <b>c) Accruals</b> <b>d) The Reserve Policy and annual spending plans</b> <b>e) Annual Accounts and Annual Report</b>	<b>27</b>
<b>6</b>	<b>Audit</b> <b>a) External Audit</b> <b>b) Internal Audit</b> <b>c) Monthly Analysis</b>	<b>29</b>
<b>7</b>	<b>Training</b>	<b>29</b>
<b>Appendix 1</b>	<b>Payment voucher for Charitable Funds</b>	<b>30</b>
<b>Appendix 2</b>	<b>Flowchart on the approval of Charitable Funds Expenditure</b>	<b>31</b>
<b>Appendix 3</b>	<b>Frequently Asked Questions regarding particular items of expenditure</b>	<b>32</b>
<b>Appendix 4</b>	<b>VAT and Charities</b>	<b>33</b>
<b>Appendix 5</b>	<b>Example of Receipt</b>	<b>36</b>
<b>Appendix 6</b>	<b>Gift Aid declaration</b>	<b>37</b>
<b>Appendix 7</b>	<b>Charity donations poster</b>	<b>38</b>
<b>Appendix 8</b>	<b>Charitable Funds Bid application template</b>	<b>39</b>

## **1. Introduction**

This policy governs the way in which the Trust's charitable funds are managed and utilised. The document also incorporates more detailed procedures and templates of some of the forms that are required to be used.

The Health Services Act 1977 as update by subsequent Acts, gives NHS bodies the authority to hold charitable funds. The Trust's charitable funds are derived from donations, legacies and investment returns. The charity's objectives are to utilise the charitable funds for the benefit of the National Health Service rather than to accumulate funds with which to achieve investment returns.

This document reflects charity law and guidance issued to NHS Bodies by the Charity Commissioners for England and Wales. The issue by the Charity Commissioners of the 'NHS Charitable Funds Guide' sets out in some detail the legal requirements and best practice to be followed by NHS Bodies. It can be accessed at <https://www.gov.uk/government/publications/nhs-charities-guidance>

Details of other sources of guidance and law are provided at the end of this document.

It is essential that authorising officers and fund managers familiarise themselves with these procedures and comply with them at all times. If any member of staff is in any doubt about any matter relating to the receipt, ordering or payment of any item relating to Charitable Funds, then they should contact The Charity Head of Finance and Governance.

## **2. Purposes**

To provide clear guidance of the Trustee's Policy on how the Charitable Funds are to be managed, especially procedures around income and expenditure.

## **3. Scope**

### **The Charity Commission**

The Charity Commissioners for England & Wales is the organisation responsible for overseeing all charitable organisations. Under the Charities Act 2011 as amended by Charity Act 2016, the Commission is required to:-

- a) Keep a register of charities
- b) Promote the effective use of charitable resources
- c) Give charity trustees information or advice
- d) Change trustees of a charity where necessary
- e) Investigate and check abuse

The Commission does not have power to administer charities and will not normally interfere with the trustee's exercise of their discretion.

NHS Charities are within the jurisdiction of the Commission and are regulated by them.

All NHS Charities have to be registered with the Commission.

### **Charitable Purpose**

Health Service bodies are not themselves charities, only the funds and property they hold on trust for exclusively charitable purposes constitute charities.

For a fund to be a charity it must have purposes which according to the law in England & Wales are exclusively charitable. Four main criteria are accepted :-

- a) The relief of those in need, by reason of ill health or disability
- b) The advancement of education
- c) The advancement of religion
- d) Other purposes beneficial to the community not falling in a), b) or c)

The Buckinghamshire Healthcare NHS Trust Charity is not set up for the relief of financial need.

Charities administered by Health bodies fall into category a) the relief of those in need, by reason of ill health or disability.

A purpose is not charitable unless it is for the public benefit. It must be of actual benefit, and must benefit the public as a whole or a sufficient section of the public. **A purpose is not charitable if it is wholly or mainly for the benefit of specific individuals.**

The Charity Commission allows expenditure on staff where it clearly enhances patient care.

Advancement of education - this is a charitable purpose where it enhances staffs knowledge above and beyond that which is required to carry out their duties. It includes funds for charitable medical research and the professional development of staff. If medical research is being financed by a charitable fund, the useful results of the research must be published so that the public will benefit.

Hospital staff welfare and amenity funds - these are charitable only because their immediate non-charitable purpose of providing benefits to the employees of the Trust, is perceived as being conducive to the furtherance of the charitable purposes of the Trust i.e. relieving people who are ill. The benefits must not go beyond what a good employer would consider reasonable to provide for its staff. The Charity Commission does not give specific guidance regarding what is reasonable.

More detailed guidance on expenditure types that meet charitable purposes is given below in the Addendum.

### **Structure, Registration and Objectives of funds**

The Trust has registered with the Charity Commission, the "Buckinghamshire Healthcare NHS Trust General Charitable Fund" as an NHS Umbrella Charity.

Within the Umbrella Charity, the Trust has registered individual Special Purpose Charities. Each Charity includes several "internal" funds, which have been allocated to it.

The funds are a means of earmarking monies internally within the Trust for a specific purpose and are not separately registered with the Charity Commission.

Each Charitable Fund must have written objectives, which state the purpose(s) for which the fund is to be used and all payments from each fund must be in accordance with these. The objectives for each Charitable Fund must be approved by the Charitable Funds Committee and accord with the definition of charitable purposes (see above).

## **4. Definitions**

Legal requirements covered within this Policy are outlined in the Charities Act 2011 as amended by Charity Act 2016 and the Trustee Act 2000.

The Charity: the Buckinghamshire Healthcare Charitable Fund, registered charity number 1053113, is separate legal entity from Buckinghamshire Healthcare NHS Trust.



Trustee: If an NHS body holds charitable funds as sole corporate trustee, the board members of that body are jointly responsible for the management of those charitable funds. Members of both the Trust Board and Charitable Funds Committee are not individual trustees under charity law but act as agents on behalf of the corporate trustee.

Charitable Funds Committee – a sub-committee of the Board whose responsibility is to oversee the management of Charitable Funds. This sub-committee has delegated responsibility under the Trust's Standing Orders and full details of the scope of its responsibilities can be found under its Terms of Reference.

Fund holders – key staff, in particular, wards/departments/services which 'advise' the trustee on spending the charitable funds within those service delivery units. They have delegated authority to make spending decisions within defined spending limits. However, where the Charitable Funds Committee feels that funds are being utilised for purposes that do not meet the definition of Charitable purpose above or disproportionate amounts are being allocated to a narrow group of staff or patients they may restrict this delegation of powers.

The Standing Financial Instructions (SFI's) set out the rules which regulate the financial arrangements within the Trust. The SFI's apply equally to Charitable Funds and, therefore, must be understood and applied by the fund managers acting as Authorising Officers. In addition, members of staff should apply normal ordering, receipting and payment for goods and services procedures for charitable fund purchases. <http://swanlive/policies-guidelines/standing-financial-instructions-and-limits>

'Umbrella' Charity – a charity registered under a single name and number under which several funds are held and administered. These funds may have separate purposes and objectives and the balance will be managed by different fund holders. Income and expenditure is allocated to these fund balances individually, whereas investment returns will be allocated in proportion to the fund balances held.

## **5. Roles and Responsibilities**

This policy complies with Charity law and the Trust's Standing Orders and Standing Financial Instructions.

All members of staff who deal with charitable funds are responsible for following this policy and must ensure they adhere to it.

The Charitable Funds Committee acting as Trustees for the charity are responsible for the development, management and implementation of the policy, with the assistance of The Charity Head of Finance and Governance and finance team.

### **Trustees – Role and function**

Where an NHS body has exercised its powers to accept, hold or administer trust property or funds for exclusively charitable purposes, they will be acting as charity trustees in respect of that property or funds.

Buckinghamshire Healthcare NHS Trust (BHT) holds and administers charitable funds and does so as a corporate body (known as the *corporate trustee*).

#### **5.1 Trusteeship and the Board**

The Trust is the sole corporate trustee of the Charity and the individual persons who, from time to time are responsible for the management of the corporate body, i.e. the Trust Board, are not themselves trustees of the charity. The duties, responsibilities and liabilities of trusteeship lie with the corporate body.

The corporate body must act through individuals to express its will, and therefore if the corporate body commits a breach of duty as trustee, it will have done so as result of a breach by the directors or other officers of their duties towards the corporate body.

The Trust has wide statutory powers to delegate administration of its trusts to officers, committees or sub committees. Where such powers are exercised the corporate body will remain as sole trustee and will be accountable for actions taken on its behalf. The Trust Board has delegated significant powers relating to Charitable Funds to the Charitable Funds Committee.

## 5.2 Charitable Funds Committee

The Committee has the responsibility to monitor performance of the portfolio of investments through the receipt and review of reports from the investment manager. The investment manager will attend each Charitable Funds Committee in order to give the members the opportunity to raise questions about the performance of the investments and the appropriateness of moving investments into other areas. The Committee will update the Board with regard to significant changes or issues with performance of the investments.

## 5.3 Investment Manager

The investment managers appointed will be responsible for investing the available funds as far as possible to fulfil the investment objectives. Further information is included within the Charitable Funds Investment Policy.

## 5.4 Trust managers and staff

For each Charitable Fund within the Trust, day to day responsibility must be vested with at least two members of Trust staff (fund managers). These must be staff members with a reasonable level of responsibility and have delegated authority to make spending decisions within the ward/department where the charitable fund is allocated. The Charity Commission allows delegation but only to the extent that responsibility for exchequer budgets is delegated.

An up to date record of these members of staff must be held by the Charity Head of Finance and Governance, who must be informed of required changes to fund signatories before a new signatory starts authorising expenditure. This should include the names, designation and sample signatures. The Charity Head of Finance and Governance simply verifies expenditure (see Addendum) and is NOT a Fund Manager or Authorising Officer.

## **6. Consultation and Dissemination**

This Policy has been formulated by taking into account the guidance issued by the Charity Commission as well as the previously documented objectives of the Trustees in achieving investment returns. It was presented to the Charitable Funds Committee on 28th February 2018 for their comments before they ratified it.

Once ratified by the Board, this Policy will be published on the Trust's intranet within the Finance Policies section.

## **7. Monitoring Compliance with Policy**

The Charitable Funds Committee, The Director of Finance, The Trust Head of Financial Control and The Charity Head of Finance and Governance have responsibility for the overall monitoring of the policy.

## **8. Related Policies**

The following related policies & guidance are available on the Trust Intranet.

	<b>Document</b>
(a)	Standing Orders / Standing Financial Instructions (BHT Pol 089)
(b)	Limits of Delegation Policy (BHT Pol 061)
(c)	Code of Conduct (BHT Pol 019)
(d)	Standards of Business Conduct (Corporate Policies)
(e)	Charitable Funds Investment Policy (BHT Pol 041)
(f)	Charity Commission website for guidance documents <a href="https://www.gov.uk/government/publications/nhs-charities-guidance">https://www.gov.uk/government/publications/nhs-charities-guidance</a>
(g)	Charitable Funds Committee Terms of Reference
(h)	Charities Statement of Recommended Practice 2005 and 2015 <a href="http://www.charitycommission.gov.uk/Library/guidance/sorp05textcolour.pdf">www.charitycommission.gov.uk/Library/guidance/sorp05textcolour.pdf</a> <a href="http://www.charitycorp.org/media/619101/frs102_complete.pdf">http://www.charitycorp.org/media/619101/frs102_complete.pdf</a>
(i)	Body of charity law including Charities Act 2011 as amended by Charity Act 2016, Trustee Investment Acts 1961 and 2000
(j)	Charitable Funds Reserve Policy
(k)	Fundraising regulator – new guidance <a href="https://www.fundraisingregulator.org.uk/">https://www.fundraisingregulator.org.uk/</a>

### DETAILED FINANCIAL PROCEDURES RELATING TO THE COLLECTION AND USE OF CHARITABLE FUNDS

#### 1. INCOME

##### a) General

**Charitable Funds must be kept separate from NHS Exchequer monies. Neither NHS organisations nor Exchequer funds can make donations to Charitable Funds.**

Monies must not be accepted for the personal benefit of any individual staff member. All members of staff must account for donations and gifts in kind received. See section 7 “Non Cash Gifts”

Any donations or other income received are held in trust and must be paid **promptly** (the next working day) into Charitable Fund bank accounts, via the Cashiers Office.

##### b) Donations

**The receipt of any donation for Charitable Funds must be acknowledged to the donor by way of a receipt which are produced within the Cashiering system**

When a donation is received it is important to identify the area of benefit and to ensure that any condition or direction attached is noted **and is able to be complied with**. Where a restriction has been placed on the donation and the donor is very specific that it should be used for that purpose e.g. it must be used to pay for a certain item of equipment, the donation should be refused unless it is clear that the restriction can be complied with. Ideally donors should be encouraged to donate to a general fund.

Non-charitable income, i.e. payment for a good service supplied by the Trust or one of its employees in Trust time must not be paid into the charitable funds. This includes payments for services or the use of Trust equipment which are not a core function of the NHS. Examples of payments that may be received that are Trust income generating activities rather than charitable are:

- Payments from insurers of other third parties for medical reports, copies of medical records etc. that have been prepared by Trust staff in Trust time using Trust facilities. If Trust staff prepare such information in their own time they are free to state that the payment should be made to the Charity. (see section 1d below)
- Payments from third parties for the hire or use of Trust premises, equipment or other facilities.
- Payments for clinical trials that have taken part using Trust staff, facilities and time.

All donations are reviewed and income identified as potentially non-charitable income will be queried with the department concerned. The income will be transferred into the departmental NHS budget/clinical trial budget if no details are supplied upon request or the information provided shows that the income is not charitable.

As far as possible, there must be an avoidance of the creation of new funds and, where possible, funds of a similar nature should be amalgamated. Requests for new funds will be considered by The Charity Head of Finance and Governance and approved by the Charitable Funds Committee, but will not be set up for anticipated **donations of less than £10,000**. It is also necessary to avoid establishing impossible, undesirable or administratively difficult objectives from any donation received.

If members of staff require advice on any problems relating to donations given or offered they should contact The Charity Head of Finance and Governance.

All Wards and Departments should display the Charity Donations Poster (**see appendix 7**) giving details on how donations should be made. Where possible any staff, patients or visitors who wish to make a donation should be directed to the Cashiers office in order that an official receipt can be given and information and forms on Gift Aid can be provided. If they are unwilling to do this the process below should be followed.

- Wards or Departments.  
A receipt (see **appendix 5** for sample) must be issued to the donor by the ward or department as soon as the donation is received. Cash and cheques should then be taken to the nearest Cashiers office with the blue copy of the receipt as a backing document. **It is up to the fund holder or nominated officer to code the backing document with the fund number, observing the donor wish.** If this is not done the donation will be credited to the general fund. The Cashiers Office will issue an official numbered receipt, which can then be sent with any 'Thank You' letter by the initial recipient.  
  
**To ensure effective security donations must be taken to the Cashiers for banking as soon as possible and not kept on the wards/department.**
- Centrally Received.  
Charitable Funds/Treasury Management Staff arrange for income to be banked and pass the receipt to The Charity Head of Finance and Governance for acknowledgement.

If payment is to be made by cheque, the donor should be advised to make the cheque payable to '**Buckinghamshire Healthcare NHS Trust Charitable Fund**'.

### c) Other Issues

#### **Instruction in how to make a Donation and Donations Posters**

The steps to make Donations are available from the Charity Head of Finance and Governance, Charitable Funds Officer or on the Charitable Funds Website.

The Charity's website and the posters provide donors with information on how to donate to Buckinghamshire Healthcare NHS Charitable Fund and all the fundraising activities that could be organised in order to help our charity. The Charity's website address is <http://www.buckshealthcare.nhs.uk/gettinginvolved/charitable-funds.htm>

#### **Gift Aid**

In 2000 substantial changes regarding donations given under the Gift Aid scheme came into effect. If a donor is a tax payer the Trust merely needs to obtain a Gift Aid Declaration from the donor. The Charity Head of Finance and Governance has these forms or they are available on the [Charity's website](#). The basic information needed is the donor's full postal address and the number of the receipt. The donor's National Insurance number is not required. The Gift Aid Declaration can relate to a specific donation or to all donations made after the date of the declaration, provided the donor clearly informs the Trust that further donations have been made. It is however vital that the donor themselves sign the form otherwise the Trust will not be able to reclaim tax. If a donation is from a couple it is important that both parties sign the declaration.

## **Payroll giving**

Under the Payroll Giving scheme, any employee can authorise their employer to deduct charitable donations from their pay before calculating Pay As You Earn tax. This way, the employee automatically gets tax relief at his or her top rate of tax.

From 6 April 2000, the £1,200 per year ceiling on the amount that an employee can give was abolished. There is no limit on the amount that can be given under the scheme.

If any employee is interested in this method of donation they should contact the Payroll department of their employer who can supply a form for completion.

Additionally, payroll giving can be directly requested, simply by completing the **Payroll Giving in Action form** on line. Just link to <https://www.givingonline.org.uk/>

## **Charity Aid Foundation (CAF) Voucher**

If a voucher is received, it should be sent to The Charity Head of Finance and Governance as the voucher is not a cheque and cannot be paid into a bank account. The Charity Head of Finance and Governance will process the voucher and arrange payment into the appropriate charitable fund.

## **Just Giving**

The Trust commissions a “Just giving” website, <https://www.justgiving.com/bucksnhs/donate/>, which allows donors/fundraisers to make donations over the internet. This is extremely useful for fundraisers who may receive donations from all over the country or world. Details of the website are provided on the donations poster and the Trusts external website.

## **Donations using Mobile Phones**

**General public and staff are able to donate from £2 to £10 using their mobile phones by texting BEST22 £2, £3, £5 or £10 to 70070. The Charity receives 100% of the donation.**

### **d) Private Patient Fees and Medical Report Income**

Gross **Fees Earned by individuals** (e.g. hospital clinical consultants) **MUST NOT BE** allocated directly to NHS Charitable Funds. Instead, if the fee earner (e.g. Consultant /Clinician) wishes to make a charitable donation:

1. **The monetary donation** should be made directly to the charity of the consultant’s choice at any time during the tax year.
2. The fee earner (e.g. Consultant) should declare the total amount paid over to all charities on his/her self-assessment tax return (form SA 100).

The income generated from signing medical reports, **CANNOT** be paid into the charitable funds. If this work is undertaken in Trust time, the income must be paid into the departmental revenue budget where the doctor is charged. If work is undertaken in the individual’s private time, and wishes to make a charitable donation, the related income should be treated in the same way as **Fees Earned by individuals**.

If fees are donated then the donor can restrict the donation to particular limited purposes. However it will be up to the Trustees to decide whether to accept the donation and, if accepted, how it is to be spent. Although the donation may be passed on to medical staff who donated it to administer (e.g. because the specified purposes is in that person’s area of responsibility) **the decision on spending is the Trustee’s and not the donor’s**.

If a donor were to provide a gift to a charity effectively under a gift aid arrangement and then gain personal benefit by the way in which that gift was used, this could invalidate the gift aid arrangement and therefore a taxable benefit for the donor would result.

Under current legislation, **it is unwise for a charity to enter into an arrangement whereby a third party (e.g. a patient) makes a payment directly to a charity for services provided by another party (e.g. a member of staff).** The payment is the taxable income of the service provider and must be declared by them to HM Revenue and Customs.

#### **e) Staff approaching an outside organisation**

A member of staff should not approach an outside organisation for financial/non-financial support/sponsorship to undertake charitable activities without prior approval of the Trustees. This approval may be gained by :-

- a) Contacting The Charity Head of Finance and Governance who will require detailed information concerning the request for support.
- b) The Charity Head of Finance and Governance will satisfy himself as to the charitable nature of the request, that it fits in with the charitable objectives of the individual fund concerned or the overall charitable objectives of the Trust.
- c) The Charity Head of Finance and Governance may refer the request to the Chief Executive if appropriate.
- d) The Charity Head of Finance and Governance will ensure that the request for approval is placed on the next Charitable Funds Committee agenda, if appropriate.

#### **f) Organisations approaching staff**

A member of staff who is contacted by an outside organisation should refer the organisation to The Charity Head of Finance and Governance, who is responsible for ensuring that:

- the offer is of a charitable nature,
- that it meets the charitable objectives of the individual fund and the overall Charity,
- that it does not impose any legal requirement on the Charitable Funds.

The Charity Head of Finance and Governance will ensure that the request is placed on the next available Charitable Funds Committee agenda, if appropriate.

#### **g) Non-Cash Gifts**

Small gifts of a personal nature e.g. boxes of chocolates, bouquet of flowers, where the whole ward or department is to benefit need not necessarily be refused. However, gifts given specifically to an individual for their sole use should be politely declined. Gifts may be offered to a ward to be used for instance, in a raffle.

Any ward/department wishing to hold a raffle should contact The Charity Head of Finance and Governance for advice.

All staff should ensure they follow the Trust's policy relating to Code of Conduct which is available on the intranet.

#### **h) Legacies and Bequests**

A significant level of income to the Charitable Funds arises from legacies or bequests, where a hospital or department is specified as a beneficiary in a Will.

The types of legacy gift are:

- Pecuniary legacy: this is a specific amount of money, decided by the donors.
- Residuary Legacy: this legacy means that after the donor's gifts to family and friends and other expenses, they can leave the remainder of their estate to be divided between their favourite charities. This is the most flexible option – They don't have to decide on an exact amount and it keeps pace with inflation.
- Reversionary legacy: this is a gift which is only paid after the death of someone else. If the donor has a spouse or partner, the donor may want to leave his/her entire estate to him/her on the donor's own passing, but the donor can specify that after their death, all or part of the remaining estate is paid to his/her favourite charities.

If any member of staff is approached by, or receives correspondence from, a solicitor/the Executors of a Will concerning a legacy they **MUST** refer the information to the Director of Finance who will ensure the legacy/bequest is passed to The Charity Head of Finance and Governance to administer and reclaim tax where applicable. **Only the Director of Finance can extinguish liability and discharge a legacy.**

Appropriate records of all legacies received, together with information on potential legacies must be kept by The Charity Head of Finance and Governance. The Charity Head of Finance and Governance will provide advice in respect of the wording of Wills.

Legacies are recognised and accounted for when it is probable that it will be received. This will be once:

- i) There has been grant of probate,
- ii) The executors have established that there are sufficient assets in the estate, after settling any liabilities, to pay the legacy; and
- iii) Any conditions attached to the legacy are either within the control of the charity or have been met.

**The Charity adopted a policy of discounting the value of legacies where:**

- i) The expected receipt date is more than 12 months after the balance sheet date
- ii) AND the expected nominal value of the legacy is over £1 million or the expected receipt date is more than 3 years after the balance sheet date
- iii) AND the effect of discounting is material.

Material legacies which have been notified but not recognised as incoming resources in the Statement of Financial Activities are disclosed in the balance sheet notes.

The discount rate will be the prevailing rate in line with the Trust's General Discount rate disclosed in the Department of Health Group Accounting Manual

**i) Investment Income**

The principal source of dividends and interest are those derived from the Charitable Funds Investment Portfolio held with the Trust's investment manager.



The Director of Finance is responsible for the recovery of tax from the HM Revenue and Customs Charities Division in appropriate cases where such interest is received net of tax.

Interest is also received from funds held in the Trust's Charitable Funds bank account.

Distribution of Investment Income to individual Charitable Funds is made quarterly, based on the average monthly balance of each fund over this period.

Details of the Charitable Funds Investment Policy are included at section 3 (page 26) of these procedures.

## **j) Fund-raising**

Fund-raising traditionally includes activities such as jumble sales, bazaars, fetes, lotteries, raffles and special appeals.

Fund-raising for the general purposes of an existing Charity does not create a new charity and fund-raising is not a charitable purpose in itself. It has to be carried out in support of charitable purposes (see section 3 of these procedures for the definition of a charitable purpose).

The Trust as Trustee to the Charitable Funds, is responsible for ensuring that:

- a) Fund-raising is properly carried out in line with the current Fundraising Regulator guidance;
- b) Expenditure is properly validated;
- c) All funds raised are properly accounted for;
- d) They are not seen to be speculating with charitable funds and that the costs of fund-raising are not excessive
- e) Fund raising is not prejudicial and does not harm the reputation of the Charity or Trust
- f) It is being carried out for purposes that the Charity considers meet its objectives
- g) To ensure that the charity does not need to purchase additional insurance cover.

In order that the conditions set out above are achieved, The Charity Head of Finance and Governance deals with all matters relating to fund-raising throughout the Trust. **Any member of staff who is proposing to carry out a fund-raising project must, in all instances, contact The Charity Head of Finance and Governance prior to any action being taken.**

For all fund-raising activities The Charity Head of Finance and Governance will need the following information:

- a) name and designation of the fund-raiser
- b) the name of the Ward/Department/Group or organisation
- c) contact address, telephone/fax number
- d) purposes, nature and period of the fund-raising
- e) the estimated cost of the fund-raising activity
- f) the amount expected to be raised

No commitment to fund-raising should be made until approval has been given by The Charity Head of Finance and Governance.

Under Charity regulations any donations received as a result of fund-raising or an appeal must be used for the purposes that the fund raising advertised. If the proceeds of the fund raising cannot be used for the advertising purpose, or more funds are raised than required, then under Charity regulations they are required to be returned. All fund raising literature should also include the caveat of 'for the purpose of XXXXX except where this is not possible or practical, where they will be used for an alternative charitable purpose within Buckinghamshire Healthcare'.

Members of staff and other organisations who wish to fund-raise independently of the Trust Charitable Funds **must make clear to potential donors that they are doing so independently**

**and not on behalf of the Trust.** Members of staff must comply with the conditions detailed above.

More detailed information about the issues relating to fund-raising for charitable funds is contained in the Charity Commission Guide number CC20 and the Fundraising Regulator guidance. A copy of these Guides are kept by The Charity Head of Finance and Governance.

The Charity Head of Finance and Governance should be contacted for advice regarding the running of a raffle in accordance with the Lotteries and Amusements Act 1976, as amended by the National Lotteries Acts of 1993 and 2006.

## **k) Trading**

Charity law does not permit charities to exercise a trade on a substantial or regular basis simply for the purpose of raising funds. Trading is only allowed if it is undertaken in pursuance of the principle charitable objectives of a charity, for example training and education by a school run as a charitable foundation. **The principal objective of the BHT charity is the relief of those who are ill; therefore we are NOT permitted to trade.**

The following will generally be regarded as the exercise of a trade:

- a) the provision of services for reward
- b) the sale of goods which have been bought in
- c) donated goods which have been altered or improved prior to sale

The straight forward sale of donated goods will not generally be regarded as the exercise of trade.

Members of staff should therefore, seek advice from The Charity Head of Finance and Governance before considering any form of Charitable Fund activity which could be regarded as trading.

HM Revenue and Customs is the primary arbiter of what constitutes a “trade” for tax purposes and the fact that all profits or surpluses are to be used for charitable purposes is irrelevant. A tax liability arises if any surplus/profit results from the trade.

## **l) Income from other NHS organisations**

Where income is generated from **non-charitable activity**, this income must be credited to the Exchequer funds of the Trust and **NOT** to Charitable Funds.

Income from other NHS Organisations will usually relate to Exchequer funds, as NHS organisations are not able to make charitable donations.

If a member of staff is in any doubt about the source of such an item of income generated to the Trust, they should contact their Finance Manager or The Charity Head of Finance and Governance for clarification.

## **m) Rebates**

Where income is generated from Exchequer **rebate activities**, this income must be credited to the Exchequer funds of the Trust and **NOT** to Charitable Funds.

## **n) Grants**

Where members of staff are aware of any grants received from **government and public bodies** which are attributable to Charitable Funds (i.e. for a charitable purpose) these grants must be

identified as charitable and not included in Exchequer funds of the Trust. The Charitable Funds Annual Accounts must identify separately all such grants and it is therefore essential that members of staff make this information available to The Charity Head of Finance and Governance.

Grants that are received from **non-public bodies** for a charitable purpose are treated as Charitable Fund **donations**, and therefore should be identified as such.

#### **o) Gains on disposal of Intangible and Tangible Fixed Assets**

The Annual Accounts of the Charitable Funds must record all gains on the disposal of Intangible and Tangible Fixed Assets.

Based on current definitions there are no intangible or tangible fixed assets held within the BHT Charitable Funds.

The only examples of Intangible Fixed Assets so far identified are copyrights and logos.

#### **p) Charging for services to Patients**

The HFMA current guidance states that NHS charitable funds considering to charge for part or all of their services, should bear in mind important considerations whether to charge, and if so, how much.

This guidance also states that the fees charged can more than cover the cost of the relevant services or facilities, provided that the charges are reasonable and necessary to carry out the charity's aims. However, where the amount charged means that the benefits are NOT available to a sufficient section of the public, this may cause difficulties. Charging MUST NOT result in the people with less resources being excluded and if the Trustees consider that charges are too high, provision must be made so that the people with less resources can benefit and such provision MUST BE more than minimal.

Making a charge without first properly considering the issues may jeopardise the fund's charitable status and be a breach of trust. Therefore, in order to ensure the compliance with this guidance, the Committee requires that these activities are assessed before implementing any recharge to patients in order to ensure that the appropriate provisions have been considered and the charges are justified.

## **2. EXPENDITURE**

### **a) General**

Charitable expenditure must be for the public benefit and cannot be for the benefit of a specific individual or group of individuals. It must have a direct or indirect link to actual benefit for the public or a wider group of individuals. Given that the principle purpose of the NHS is to deliver services to patients, then, in simple terms, the outcomes to be achieved using charitable funds should always be patient focused.

The Charity's funds are held as two main types:

- Unrestricted funds comprise those funds which the Trustees are free to use for any purpose in furtherance of the charitable objects. Unrestricted funds include designated funds, where the donor has made known their non-binding wishes or where the trustees, at their discretion, have created a fund for a specific purpose.
- Restricted funds which also have to fall within the purpose of the Charitable Funds, but which may have further restrictions placed upon them e.g. for the benefit of certain areas or

departments or for certain types of expenditure e.g. training. The fund holders of these funds are expected to have a clear understanding of what restrictions are to be applied to those funds and ensure that the restrictions are complied with.

The statutory purpose of the Charitable Funds is defined as:

Any charitable purpose or purposes relating to the National Health Service wholly or mainly for Buckinghamshire Healthcare NHS Trust.

In addition for all funds, further criteria should be applied before expenditure can be approved:

- Is the proposed expenditure for the public benefit/patient benefit?
- Does it fit with Buckinghamshire Healthcare's own priorities?
- Will it incur additional costs e.g. staffing, training, consumables?
- What arrangements are in place for when the funding ceases – is there an “exit” strategy?
- As a charity the activities are open to scrutiny by the public and all expenditure should be capable of being robustly defended in case of any query from a donor, the Charity Commission or the media.

If these criteria can be met, expenditure can be authorised if it falls into one of the following categories and is compliant with the fund purposes (e.g. a member of staff should not be paid from an equipment fund).

Charitable Funds can be used to supplement or subsidise public services when:

- They are within the charitable objects;
- They are in the interest of the Charity and its beneficiaries; and
- There is a clear justification for doing so.

The Trustee must be able to demonstrate that, before applying charitable funds towards service delivery, there has been a clear, independent and open decision-making process.

### **Benefits to Patients**

- Improvements in the patients' physical conditions while in hospital over the level that would normally be expected to be provided in an NHS hospital
- Improvements in the patient's clinical care through:
  - Research (see section b.5 below for further information)
  - Education
  - Introduction of new technologies
  - New equipment
  - Advances in diagnosis
  - Advances in management

### **Benefits to Staff**

For expenditure on staff to be charitable it should have a direct or indirect link with improving the level of care provided to patients. The Charity Commission accepts that, so long as a direct benefit to staff translates demonstrably to relief of sickness of NHS patients, it is a legitimate use of the unrestricted charitable funds to provide such a benefit. This may include, in certain circumstances, expenditure to improve staff recruitment, retention and morale.

- Improved conditions of work and welfare. As a rule this must be for a whole group of staff and not for specific individuals.
- Support for research
- Support for education
- Support for training

In deciding how to spend funds available for staff welfare purposes the Trustees need to consider:

- To what extent the intended charitable outcome from a particular payment can be measured and demonstrated.
- How effective the particular payment used will be in delivering the ultimate outcome.
- How strong the connection may be between the particular payment used and the charitable outcome intended.

This approach does not rule out funding to individual member of staff where there is a clear link to the care of patients.

## **b) Detailed Areas of Expenditure**

### **1. Equipment**

Charitable funding should normally be seen to be used to supplement the Trust's usual activities, which benefit the patients that are, were or will be treated at Buckinghamshire Healthcare NHS Trust.

Medical or other equipment can be purchased through the Charity if it meets the tests outlined above, the direct benefit to patients can be demonstrated and its compliance with the charity's objectives and purposes.

Trust procedures on the procurement of medical and IT equipment will apply. This includes infection control procedures.

The purchase of medical equipment must be approved by the Medical Equipment Panel and Capital Management Group before any order is placed. The Charitable Funds Bid should be submitted to this panel before being passed to The Charity Head of Finance and Governance for him to seek the required level of authorisation. Any bid or request for the purchase of medical equipment will be returned if approval has not been given.

The Medical Equipment Panel and/or Capital Management Group should indicate the equipment priorities that need to be considered, in the financial year, to the Charitable Funds Committee.

The Charitable Funds Committee may call fund holders to attend a Committee meeting to provide information in how the charitable funds monies are being used in line with the objective of the fund and for the benefit of patients that are/were treated by the Trust.

In most cases IT equipment is now seen as essential equipment and should usually be purchased through the Trust. IT equipment can only be bought through charitable funds where the equipment is going to be used primarily for charitable purposes e.g. direct patients activities or services, research, education and training or where it is necessarily, included as part of a larger project undertaken by the charity.

Only IT equipment which has been authorised by the Trust's IT department will be purchased to ensure that it is compatible with Trust systems. Therefore requisitions for IT equipment will be passed to the IT department for approval before any order can be placed.

Equipment for individuals e.g. Phones, laptops or other mobile devices, will not be funded unless it can be demonstrated that it will be used for charitable purposes or is in the public benefit.

The Charity will not fund the upkeep of such equipment or any consumables such equipment requires.

### **2. Employment of Staff**

The Charity does not directly enter into contracts of employment with staff. Any members of staff, whether working directly for the Charity or on projects paid for by the Charity, enter into contracts of employment with Buckinghamshire Healthcare NHS Trust and the costs are recharged to the Charity.

In order to consider whether to fund staff costs the Charitable Funds Committee will need to take into account:

- The project to be funded and whether the aims of that project meet charitable objectives. The Charity will not fund staff costs on an ongoing basis for undefined general purposes e.g. 'research'.
- Whether the fund has restrictions applied to it that prevent the funding of staff costs e.g. equipment only funds
- Whether the particular fund has sufficient monies to cover all the costs associated with staffing over the lifetime of the project . As well as salary costs, the total cost will include Employer's National Insurance and Pension Scheme contributions.
- Whether an 'exit strategy' has been considered for the staff costs. Either staff will need to be seconded into posts and their substantive post filled with temporary staff or staff will need to be recruited on a 'fixed term' basis. However fixed term contracts which are extended past a certain period can confer permanent employment rights so HR should be contacted for further information. The Charity will not cover any type of severance pay.

All bids sent for approval must include consideration of all the points above for it to be presented for approval.

Costs of employing Trust staff cannot be recharged to the Charity except in the circumstances above. For example the staff advertising is not a charitable purpose in itself and should not be paid for by the Charity in cases where the Trust will not fund the advertising.

### **3. Patient Amenities**

Expenditure that improves the patient experience or the patient's environment meets one of the Charity's key purposes. Some issues that may need to be considered are:

- Is the proposed expenditure over and above the level that would normally be considered reasonable for an NHS Trust to provide?
- Is the level of expenditure proportionate with the number of patients that are likely to benefit from it? The larger the expenditure the greater the number of patients that could be expected to be able to benefit.
- Are there any ongoing running or maintenance costs associated with the initial expenditure? These will need to be considered as part of the approval for expenditure. For example the installation of a water cooler in an outpatients department will have ongoing costs of supply and maintenance.
- Are there any issues with infection control or security, or any other health and safety issues. The Trust's normal policies will need to be complied with.
- Could the expenditure adversely affect other patients' experiences or the Trust's reputation? Equality and diversity guidelines should be taken into account. Also people's perceptions of artwork etc. may vary if this is purchased when rooms are being refurbished.

### **4. Staff Amenities**

What constitutes appropriate expenditure on staff amenities is a far more complex and problematic area. The overriding principles of expenditure leading to public benefit and being in line with the Charity's objectives should always be borne in mind. This can be translated into whether a donor, the Charities Commission, a patient or other stakeholder would consider the expenditure to be fair and

reasonable and in the public interest. Areas of expenditure and issues that need to be considered are outlined below:

- **Training and Education**

The Charity will fund staff training and education **where it can be shown that there is a direct or indirect benefit to the patients or staff of Buckinghamshire Healthcare NHS Trust**. The member of staff who is to attend the training event/course/conference must have the approval of their line manager or Head of Service and the fund holder before approval for the expenditure can be given. Attendance at a training event or conference, the subject of which, however commendable, **is not likely to benefit the health of the people of Buckinghamshire, cannot be funded**.

The benefit of the training or education must be available for some time after it is undertaken i.e. members of staff on rotation or who are due to leave the employment of the Trust would not normally be entitled to be funded through the Charity.

Travel and subsistence expenses will be reimbursed in line with the Trust's normal expenses procedure, although the claim should be made to the Charity. For the avoidance of doubt:

- Travel expenses will be refunded for standard fares on trains or economy flights. First class or business class tickets may only be partially reimbursed to the extent that the member of staff pays any premium above standard or economy fares for these tickets themselves.
- Reasonable subsistence and accommodation expenses will be refunded. Although it is recognised that costs vary according to geographical location, claims for reimbursement must be capable of being defended and information on costs of accommodation in that location should be able to be provided. Again members of staff may choose to 'upgrade' but any additional costs will need to be met by themselves.
- Travel or subsistence for any person accompanying the member of staff will not be refunded.
- If attendance at a conference is extended to cover a period before or after the conference days as a holiday the additional costs will be payable by the member of staff. The Charity will not fund any additional costs of 'open-ended' tickets and will only refund a scheduled return journey.

Where the costs of attending a training event or conference have been significant the member of staff benefitting from this event may have to provide a presentation on their learning to the Trustees, demonstrating that it benefits the Trust's patients or staff.

Individual membership of professional organisations will not be reimbursed. Subscriptions to any magazines, journals or other information sharing sources should benefit a number of individuals and must not be of personal interest of one member of staff.

Books, leaflets, posters, newsletters etc. that are used to educate or inform patients over the level that may be expected to be provided by the Trust is an appropriate use of Charitable monies.

- **Conferences, special events and support by visiting speakers arranged by the Trust**

Training events, conferences and dinners are sometimes arranged using charitable funds. Where these are modest events e.g. a lunchtime or evening lecture, it is reasonable to make small payments or reimburse reasonable expenses to the speaker. Any lunches and dinners arranged can only be attended by professional colleagues and must be directly relevant to the speaking event. The reputation of the Trust and the Charity must be taken into account when

arranging such events and the venue and cost of meal must be carefully considered and seen to be appropriate.

Where the event is opened up to outside attendees as a method of fund raising (as opposed to meeting a part of the cost) then the income and expenditure must be separately accounted for, and the guidance on fund-raising above taken into account.

Where there is a major event to be organised The Charity Head of Finance and Governance may need to be contacted in advance for advice.

- **Entertaining and Social events**

Staff entertaining (even if funded by the Charity) is a taxable benefit except when specific criteria are met. In order for a taxable benefit not to be incurred the event needs to be open to all staff, or those in a specific department or location. These events cannot be open to guests without a taxable benefit occurring, unless the guests are paying the full cost of the event. In addition the costs of these events, including those available to all staff, cannot exceed £150 per annum.

When arranging staff events the reputation of the Trust and the Charity should be considered. Events that may be seen to be 'stunts' or lead to disrepute will not be supported by the Charity. The Charity will not fund the costs of alcohol.

Routine expenditure on general benefits for staff, such as tea, coffee, milk or water will not be funded by the charity. Occasional events such as modest departmental team events may have a strong motivational impact on staff and indirect benefit to patients. These can be supported at the discretion of the fund manager. The provision of water coolers is only appropriate if they are primarily for the use of patients.

- **Retirement and long service awards**

The Charitable Funds Committee has enjoyed supporting these activities for several years. However in order to comply with the guidance and regulations from regulatory bodies, it is necessary that all funds should be spent in activities that directly benefit the patients of the Trust and translate demonstrably to relief of sickness of patients. Therefore the Charitable Funds Committee is no longer able to support expenditure related to retirement and long service awards.

Retirement functions will not be funded through the charity.

- **Other gifts**

Routine expenditure on gifts for staff will not be supported.

## **5. Research**

Medical research financed from Charitable Funds may only be commenced when there is the intention at the outset that the results will be published, for example as an article in a professional journal.

Medical research is not always successful, and therefore there would be no point in publishing the results unless it is likely to assist future research. However the Research and Development Department will monitor and review the progress of all research and the planned programme of



payments.

The support by a charity of private commercial research is not permitted.

A research project funded by Charitable Funds must be for the public benefit and not for the benefit of a private individual or organisation (i.e. where the results are owned by the sponsoring drug company). Such research projects are exchequer income generation schemes.

Details of any proposed research to be met from Charitable Funds must be approved by the Research & Development Department prior to commencement. All intellectual property rights arising from any research must accrue to the benefit of the Trust.

The Research and Development Department will be pleased to advise and assist on any proposed research projects.

**Below is an excerpt from the NHS Executive's Funds held on Trust guidance**

*Where charitable funds are used to provide grants or other funding for research, the Trustees have a duty to ensure that they have power to do this and that the research they are funding is charitable.*

*In any case of charitable research to which the charity devotes any resources, the basic duties of Trustees are to ensure that:*

- a) the research falls within the scope of the charity's purposes and its powers, and is an effective way of fulfilling those charitable purposes*
- b) the research is well managed and cost effective*
- c) the research is good quality and*
- d) the research is used with the aim of achieving public benefit.*

*These duties are onerous and should not be undertaken lightly.*

*Charitable purposes are those that the law acknowledges as carrying a public benefit in their fulfilment. It is important to understand that there is nothing charitable, and no inherent public benefit, in conducting research or in paying someone else to conduct it. A body whose purpose is merely to conduct or fund research in a particular field is not a charity. The charitable element, and the realisation of public benefit, lies in the use of research and its products to achieve the broader purpose, recognised as charitable. The task of charity trustees is to ensure that the useful products of the research which the charity has resourced are devoted to the active fulfilment of their charity's purposes and, thus, to the realisation of a public benefit.*

*When a drug company contracts with a researcher to undertake a clinical trial on its behalf, the contract, which is made between the researcher and the drug company, invariably makes it clear that the results are owned by the drug company. Therefore, even if in due course the results are made available to the public, it is the drug company that receives the results first in order to see if they are capable of being exploited commercially. This is therefore a business service undertaken by the researcher or by the NHS trust (depending on who signed the contract) and not a charitable activity.*

*If such research is being undertaken on NHS premises, using NHS resources, then the NHS Trust may be entitled to recover its costs – dependant on the terms of the agreement between researcher and NHS Trust. Any such income should be accounted for within its **exchequer** funds as income generation and should not pass through NHS charitable funds – even as a matter of convenience.*

*If it is the researcher rather than the NHS trust which signed the contract then at the end of the drugs trial, and after deducting any allowable costs including those due to the NHS, the researcher may be left with an amount of "profit". This clearly has tax implications for the researcher. They can defray some (or all) of this tax liability by making an outright gift of the amount into one of the*

*charitable funds registered with the NHS trust – the donation should follow the tax rules e.g. gift aid.*

The practicalities of carrying out the research must be considered, especially with regard to staff costs and the guidance contained in this document on the Charity funding staff costs should be complied with.

## **6. Fund-raising/Publicity**

All proposed fund-raising schemes for Charitable Funds must be approved by The Charity Head of Finance and Governance (see Section 2)

Any proposed fund-raising scheme application must clearly identify all estimated costs in carrying out the scheme, including those of publicity and give an indication of anticipated income.

All publicity in respect of Charitable Funds must be approved in advance by the Communications Department and The Charity Head of Finance and Governance.

## **7. Trading**

**The BHT Charity is not set up to undertake trading activities.** If any member of staff is proposing any fund-raising activity, which could be construed as trading, to provide for Charitable Fund income, they must in the first instance consult The Charity Head of Finance and Governance.

## **8. Expenditure approved by another Charity**

Where another Charity (for example Scannappeal) has agreed to fund or part-fund a purchase this needs to be marked clearly on the paperwork in order that a recharge invoice can be raised to that Charity.

The charitable funds will proceed to purchase this equipment or service, only when a “Mandate” has been received from the external charity authorising this transaction and when a charitable funds authorised non-stock requisition is received from the department/ward that requested the funding.

The charitable funds will raise a recharge invoice to the external charity for the equipment or service provided. A recharge invoice will not be raised, until the supplier invoice and the goods received notification, have been received and paid for by the charity.

Invoices are raised with a 30 day payment terms and are chased accordingly when these terms are exceeded.

## **9. Management and Administration**

Management and Administration costs incurred by Charitable Funds includes central management and administration costs, which include the costs of legal advice, audit fees, payroll, creditors, financial information etc.

Costs are recharged to each fund on a quarterly basis, in proportion to fund balances. This is achieved by netting the costs against the Investment Income due to each fund. (See section 2). Distribution of Investment Income to individual Charitable Funds is made quarterly at the end of March, based on the average monthly balance of each fund over the past financial year.

## **10. Brokers Fees**

Brokers fees are charged for the management of the investments within the Charitable Funds Investment Portfolio. These costs are billed separately on a quarterly basis in arrears. Therefore Investment Income shown in fund balances is net of these costs.

### **c) Procedures for the committing of expenditure**

The Trust's usual Requisitioning, Ordering, Receipt and Payment for Goods and Services procedures apply to both Charitable Funds and Exchequer funds. They must be complied with on all occasions charitable funds are to be committed. **In all cases, The Charity Head of Finance and Governance must be aware of orders being placed against Charitable Funds. All expenditure from Charitable Funds must be within the terms of any general and specific restrictions placed upon the relevant funds. All requisitions, payment requests etc. must be verified by The Charity Head of Finance and Governance following authorisation by one fund signatory.**

After receiving all the appropriate and authorised documentation, the Charitable Funds department requires **at least 10 clear working days** to process and pay expenditure. This is to enable the charity to process the paperwork in a timely manner for the BACS weekly pay run. Please note the charity no longer pays by cheque, unless in exceptional circumstances.

Purchases should not be undertaken until The Charity Head of Finance and Governance has seen and authorised the proposed expenditure.

In instances where The Charity Head of Finance and Governance is not sure that the expenditure meets the definition of being charitable he may request further information from the fund holder. In cases where the expenditure does not meet the appropriate threshold for being charitable it will be refused.

#### **1. Authorisations**

The current Limits of Delegation Policy sets out the authorisation limits for Charitable Funds.

Where proposed expenditure on an item exceeds £5,000, a Charitable Funds Bid form must be completed (see appendix 2) and the appropriate levels of authorisation must be obtained.

#### **2. Value Added Tax (VAT)**

Certain purchases from charitable funds require completion of a VAT Exemption Declaration form. The VAT Exemption Declaration forms are held by The Charity Head of Finance and Governance, who will complete the form, where applicable, and ensure that it is attached to the order.

There is no general relief from VAT for charities. However, zero rating can be obtained on the purchase of medical, scientific, computer, video, sterilising, laboratory or refrigeration equipment which will be used in medical research, training, diagnosis or treatment. The equipment must be purchased wholly from charitable funds in order to obtain the relief.

#### **3. Charitable Funds Orders**

Once the appropriate level of approval has been given a non-stock requisition should be completed, signed by the fund holder and forwarded to the Charitable Funds department, together with any supporting paperwork or quotations.

The Charitable Funds department will raise a Charitable Funds order and record the proposed expenditure as a commitment against that fund. Where goods have been ordered a copy of the order will be sent to Stores to receipt delivery.

Invoices will be paid against the order once receipt of the goods/services has been recorded, so it is important that this is notified to the Charitable Funds Department as soon as the goods or services

have been provided.

There may be some instance, for goods that that are over and above what the Trust should supply (in order to benefit the patients and staff), where companies require payment of goods before delivery and therefore will not accept an official Charitable Funds order. When this occurs and there is a clear cost benefit and best value for money in procuring the goods directly from recognised high street/on line retailers/wholesalers (e.g. Ikea, DFS, Amazon, etc) the charity will give written authorisation to the department/fund holder for these goods to be purchased via the Trust using their computerised ordering system. These items will then be recharged to the Charity.

#### **4. Charitable Fund Payment Requests**

**Payment requests are only to be used in an emergency when an urgent cheque is needed. Charitable Funds orders should be used in normal circumstances.**

A Payment Voucher should be sent to The Charity Head of Finance and Governance (Appendix 1) containing details of the reason for the request (with supporting documentation) and signed by one fund signatory, will ensure a cheque is raised.

Receipts/supporting documentation **must** be provided for reimbursements. Where payment is made in a currency other than British Pounds, using a credit card, the reimbursement will take place on production of the credit card statement showing the exact sterling amount charged. For foreign currency payments not made on a credit card, the exchange rate on the day the reimbursement request is received by The Charity Head of Finance and Governance will be used to calculate the amount owed.

Travel/mileage must be claimed using the Trusts travel and subsistence form as the amount reimbursed is calculated by Payroll, based on vehicle size and distance travelled.

Claims for reimbursement to a fund holder cannot be signed by that fund holder. In normal circumstances the fund holder's direct line manager should be asked to countersign the reimbursement. Where that line manager is not themselves a fund holder another fund holder on that fund may be requested to confirm that the expenditure is charitable.

#### **5. Cheque/Payment with Order**

In normal circumstances payments should be made only on the receipt of goods and services. However in some instances, such as training courses, payments need to be made in advance. **Payments in advance for goods are not usually acceptable.** On receipt of the requisition marked "Cheque with Order" The Charity Head of Finance and Governance will request a cheque to be raised.

All payment requests must be verified by The Charity Head of Finance and Governance.

#### **6. Petty Cash**

**Petty Cash should only be used for payments under £50.**

Disbursements from Petty Cash may be made for Charitable Funds expenditure when adequate supporting documentation is provided i.e. receipts. The fund holder will need to sign and code the documentation before the recipient of the payment takes it to Cashiers.

### **3. INVESTMENT OF FUNDS**

The Charitable Funds policy related to the investment of funds is covered separately within the Charitable Funds Investment Policy (BHT Pol 147)

- Investment fixed assets are shown at market value.
- Quoted stocks and shares are included in the balance sheet at mid-market price, excluding dividends.
- Other investment fixed assets are included at trustees' best estimate of market value.

### **4. BANKING**

All banking arrangements for Charitable Funds must be in line with the procedures set out in the Standing Financial Instructions.

All income to the Charitable Funds must be deposited in accounts held with the Government Banking Service.

The Director of Finance is responsible for ensuring that bank account balances do not become overdrawn or excessively high. Surplus funds are invested in the investment portfolio.

Under no circumstances should a separate bank account be held or operated for any fund or appeal sitting within the Umbrella charity.

The Director of Finance is responsible for ensuring the secure operation of all Charitable Fund bank accounts.

### **5. REPORTING**

#### **a. Monthly Statements**

All Fund Holders will be issued with monthly statements of income and expenditure.

It is the responsibility of all authorised officers to review the accuracy of Account Statements and to raise any queries with The Charity Head of Finance and Governance.

A written record should be kept of all agreed amendments that are required to be made in order that these amendments can be checked against subsequent Statements.

#### **b. Statement on Unrealised Gains and Losses**

Unrealised gains and losses on investments of Charitable Funds are allocated quarterly, based on the average monthly balance of each fund over this period. Any significant unrealised loss on the value of the investments may require specific action by the Trustees to temporarily curtail any further expenditure on all the charitable funds

#### **c. Accruals and Commitments**

While the Charitable Funds team try to ensure that commitments are recorded for all orders processed by the department, Account Statements may not currently include the value of all requests for payment placed or where goods and services have been received but not yet paid. It is imperative that fund holders take into account any outstanding commitments before placing further orders that would place their fund in an overdrawn situation.

#### **d. The Reserve Policy and annual spending plans**

The Trustees are under a legal duty to apply charitable funds within a reasonable time of receiving them but should also hold some money in reserve. The appropriate level of those reserves (the reserve policy) should be considered and reviewed regularly by the trustees. This policy should be available to any fund advisers and other NHS staff dealing with charitable funds.

Trustees are required to have a formal reserves policy, review this regularly and report on it in their annual report (Refer to CC19).

In the trustees' annual report should be reported:

- why you need to keep money aside instead of spending it on your charity's aims
- how much your charity holds in reserve
- why your charity needs to hold this amount in reserve

The Trustees consider that reserves should be set at a level which is equivalent to estimated planned commitments' in the next financial year covering a period of three months. At this level, and in the event of a significant reduction in charitable funding, Trustees feel that they would be able to continue with the current programme of activity for such time as is necessary to allow for a properly planned and managed change in the activity programme and/or the generation of additional income streams. (Refer to Charitable Funds Reserve Policy)

The reserves are maintained in a readily realisable form within the Portfolio Investments.

The Trustee is expected to ensure that charitable funds are spent, on the purpose for which they were donated, within a reasonable timescale, unless funds are being amassed for a large piece of expenditure. Delays in spending funds may result in a breach of Trust.

Account balances are continuously monitored. The Charity Commission can hold the trustees in breach of trust if they accumulate funds without good reason.

Fund Managers are required to forward their spending plans for the next financial year to The Charity Head of Finance and Governance by 31 March, for collation and presentation to the Charitable Funds Committee.

#### **e. Risk Management Report and registry**

Due to the Adoption of the 'FRS 102 SORP' by The Charitable Funds Committee (CFC), an Analysis of Risks and a Risk Register are required. This risk register should provide a description of the principal risks and uncertainties as identified by the Trustees, together with a summary of their plans and strategies for managing them and this information should be disclosed on the charity annual report (Balance Sheet notes).

The risk register should be monitored by the Charitable Funds Committee, periodically, to ensure actions are taken in the areas that have been identified to strengthen the position of the Charity. This is to ensure that the Trustees are covered for liability in line with the Charity Commission and SORP expectations.

#### **f. Annual Accounts & Annual Report**

The Trust must submit an Annual Report and the Director of Finance is responsible for producing Annual Accounts for Charitable Funds. These reports must be submitted to the Charity Commission to the deadline set and must comply with all charity law and the Statement of Recommended Practices issued by the Charity Commission.

## **6. AUDIT**

### **a. External Audit**

The Charity Commission requires that our charity has an independent audit. The auditor appointed for the Buckinghamshire Healthcare NHS Trust Charitable Fund is Grant Thornton.

External auditors are now required to report separately to the Charity Commission on any matters of concern.

### **b. Internal Audit**

All systems within the Trust relating to Charitable Funds are subject to continuous internal audit. All records within Divisions relating to Charitable Funds should be made available whenever required by internal audit staff.

### **c. Monthly Analysis**

All charitable income and expenditure is reviewed on a monthly basis. If you are asked to provide further information about income or expenditure you must do so. If any transaction (income or expenditure) appears to be non-charitable and no explanation is provided to the Charitable Fund Accountant, the transaction will be removed from the funds and coded to the department's exchequer budget.

## **7. TRAINING**

Training is available from the Charity Head of Finance and Governance at the request of the Charitable Fund Managers.

**BUCKINGHAMSHIRE HEALTHCARE NHS TRUST**

**CHARITABLE FUNDS**

**PAYMENT VOUCHER**

PLEASE PAY

NAME OF PAYEE
ADDRESS
POSTAL CODE

DATE	DETAILS	£	P

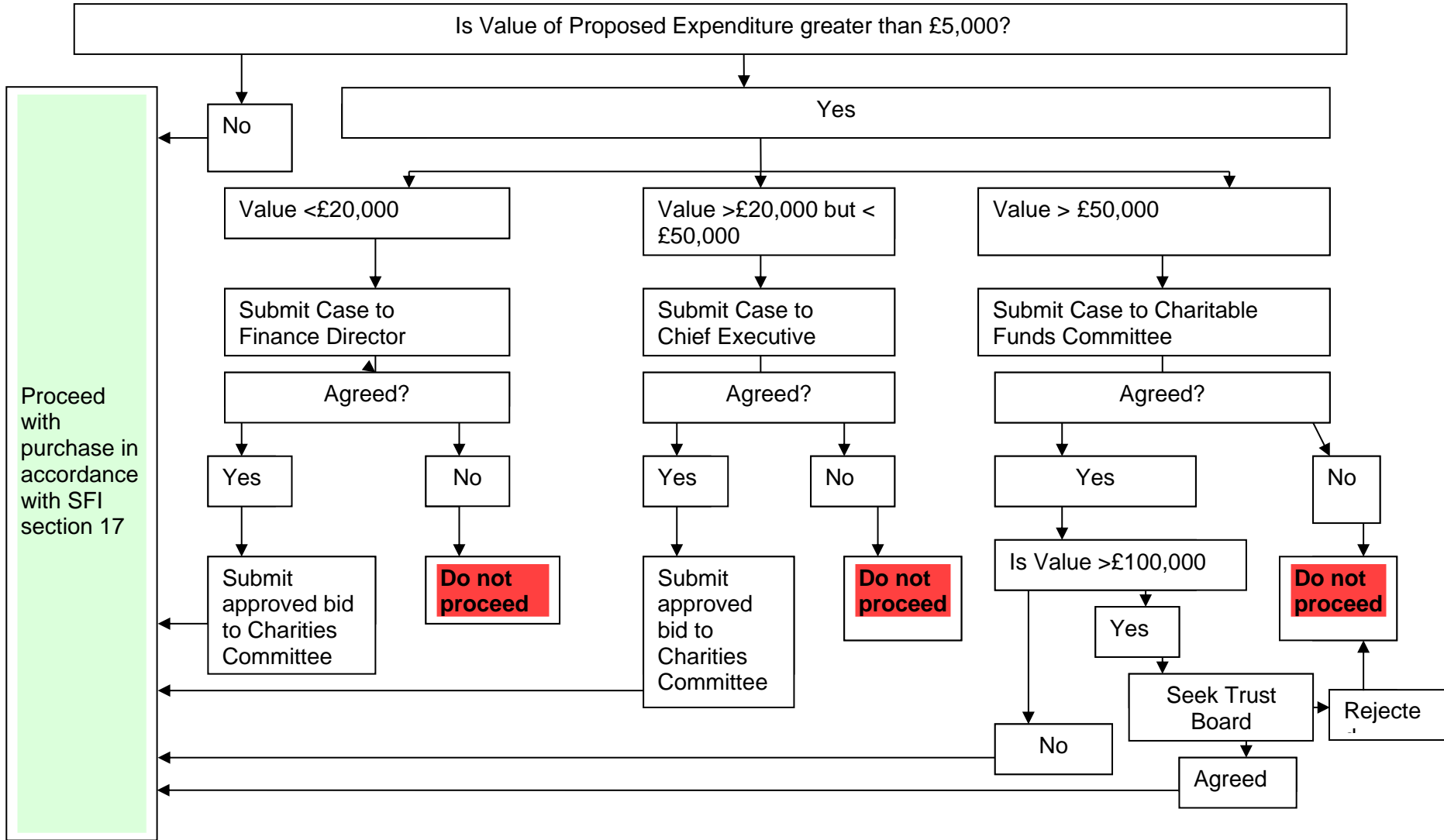
Certified for Payment.....(Name) .....(Signature)

Payment Approved.....(Name) .....(Signature)

<b>TRUST DIVISION REQUESTING PAYMENT (Compulsory Information)</b>	
---	--

Fund Number	Ledger Code	£	p
<b>Total Cost</b>			





**Examples of expenditure that is not charitable or which does not have the Committee's approval**

Routine expenditure on gifts for staff will not be supported.

Expenditure which may be seen as inappropriate for a health organisation such as alcohol;

Routine expenditure on general benefits for staff, such as tea, coffee, milk or water will not be funded by the charity. Occasional events such as modest departmental team events may have a strong motivational impact on staff and indirect benefit to patients. These can be supported at the discretion of the fund manager.

Expenditure on events which may have a poor effect on the Charities' or the Trusts' reputation such as "stunts";

Attendance at a conference, the subject of which, however commendable, was not likely to benefit the health of the people of Buckinghamshire

Attendance at any event, accommodation or travel for a spouse or other person not employed by Buckinghamshire Healthcare NHS Trust. If an event has been arranged that other people can attend they must contribute the full cost of the event;

Items essential to the structure of the hospital

This would be refused as it is a clear case where an item should be provided by the Bucks Healthcare Trust and constitutes exchequer funding

Purchase of a PC that is incompatible with BHT Trust equipment.

A study day when the individual concerned is leaving the employment of BHT

Membership of professional organisations for the benefit of an individual will not be supported by the charity. Where the membership has a clear group benefit in terms of access to publications or training at preferential rates, such that the cost is outweighed by the financial benefits of avoided costs, the fund manager will have the discretion to support the membership.

Expenses incurred when normal purchasing guidelines have not been adhered to (e.g. express delivery charges, maintenance agreements on equipment) unless there are valid reasons.

These guidelines will be reviewed regularly. If you have any comments or questions please do not hesitate to contact The Charity Head of Finance and Governance, on 01494 734777 or on the Trust's e-mail system.

## VAT AND CHARITIES

### **Purchases made by the Trust**

Certain goods purchased or hired by eligible bodies, which include Regional, District and Special Health Authorities, and NHS Trusts using funds provided by a charity or from voluntary contributions are eligible for zero-rating by the supplier. (Throughout this section the term Health Authorities should be taken to mean also NHS Trusts).

The relief covers "relevant goods", as follows:-

- Medical, scientific, computer, video, sterilising, laboratory or refrigeration equipment for use in medical or veterinary research, training, diagnosis or treatment. Zero-rating is also available for parts and accessories for use in or with these items. Please see below for further details.
- Computer services by the way of provision of computer software solely for use in medical research, diagnosis or treatment.

These items must be purchased or hired using money **wholly** from charitable funds or voluntary contributions to qualify. Health Authorities cannot pay in part for the purchase or hire of such items. When goods are being bought or hired out of such funds it is worthwhile ensuring wherever possible that the goods being purchased will be eligible for zero-rating under these rules to maximise the relief available.

### **Examples of articles, which are eligible for relief as medical, scientific, computer, video, sterilising, laboratory or refrigeration equipment, or as parts and accessories.**

Anaesthetic apparatus	Graduated medicine measures
Bandages and dressings	Hoists and other patient lifting devices
Highly specialised beds, designed to prevent deterioration in a patient's condition or materially assist recovery (e.g. net suspension beds, medical waterbeds)	Laboratory glassware and plastic ware Patients' stretchers and trolleys
Adjustable hospital beds, which have either a tilting action or a variable height feature	Physiotherapy apparatus (including specialised play equipment designed for sick or handicapped children)
Centrifuges	Refrigeration equipment
Clinical thermometers	Resuscitation equipment
Computers and peripheral units	Sphygmomanometers (blood pressure equipment)
Drip poles	Stethoscopes
Electron and other microscopes	Surgical gloves

First aid boxes and medical kits containing both eligible and ineligible items provided they are only supplied as single pre packed units

Surgical instruments  
Tapes and disks specially designed for computer use

Video equipment (including cameras and tapes)

X-ray equipment and X-ray films

Computer equipment includes any computer, its peripherals and parts and accessories. This includes disks and tapes specially designed for use with the computer, but general purpose tapes or items such as paper are not included.

Refrigeration equipment includes both freezing and cooling equipment and parts and accessories designed solely for use with such equipment.

Video equipment includes all types of video equipment and systems including accessories and tapes.

**Examples of articles, which are ineligible for relief as medical, scientific, computer, video, sterilising, laboratory or refrigeration equipment, or as parts and accessories.**

Air conditioners

Drugs

Amenities for patients or staff (e.g. television or radio sets, tape recorders, soft furnishing, easy chairs)

Drug Trolleys

Handicraft materials for occupational therapy

Blankets and towels

Medical stationery

Catering equipment

Over bed tables and patients lockers

Standard camera equipment and films

Tapes and disks not specially designed for computer use

Closed circuit television systems

Toys (unless specially designed for sick or handicapped children)

Consumable items for use in with medical, scientific or computer equipment (e.g. chemicals, gas cylinders, paper, ink and cleaning fluids)

Training equipment e.g. first aid dummies

Tape recorders

**Amersham Hospital**

Whielden Street  
Amersham  
Buckinghamshire  
HP7 0JD

Tel: 01494 434 411

www.buckinghamshirehospitals.nhs.uk

**DONATED MEDICAL AND SCIENTIFIC EQUIPMENT ETC.  
PURCHASING BY AN ELIGIBLE BODY**

Buckinghamshire Healthcare NHS Trust  
Charitable Funds  
Amersham Hospital  
Whielden Street  
Amersham  
Bucks HP7 0JF

01494-734783

Declare that the above named organisation is buying from:

[Supplier name]

[Supplier address]

the following services:

[description of good or service]

And is paying for this supply with funds provided by a charity or from voluntary contributions.

I also declare that the goods are to be used in medical research, training, diagnosis or treatment.

I claim that the supply is eligible for relief from Value Added Tax under Group 15 of the Zero Rate Schedule to the Value Added Tax 1994 – VAT Notice 701-6

Signature: .....

Date:

Buckinghamshire Healthcare NHS Trust  
Charitable Fund Order No ...

Date:

**Registered Charity Number 1053113**

Signature: .....

Date: .....

Buckinghamshire Healthcare NHS Trust  
Charitable Fund Order No.....

Date: .....

**Registered Charity Number 1053113**

---

**The Trustees for the Buckinghamshire Healthcare NHS Trust Charitable Fund**

**A registered Charity No. 1053113**

Finance Department  
 Trust Headquarters  
 Amersham Hospital  
 Whielden Street  
 Amersham  
 Bucks HP7 0JD  
 Telephone 01494 734783 / 734557

**Receipt No.**.....  
 (Cashier Dept. Only)

I,.....Address:.....  
 ....., Post Code:....., UK.

Give to Buckinghamshire Healthcare NHS Trust Charitable Fund, The sum of £....., which I wish to be used for (Please select one):

The General Purposes of the Charity  Patients  Staff  Research

Or without imposing any special restriction, it is my wish that my donation should be used for:

Special Purpose .....

This Donation has been given in:

Cheque (No/(s)).....  Cash

Donor's Signature..... Date: ..... / ..... / .....

Donor's e-mail Address.....

Staff Member Receiving Donation..... Date: ..... / ..... / .....

\*\*\*\*\*

**Gift Aid Declaration**

I would like the charity to reclaim tax on my donation and confirm that I am a UK tax payer.  (Please tick).

(Please note that you must pay an amount of Income Tax and/or Capital Gains Tax for this tax year at least equal to the tax that the charity will claim from HM Revenue & Customs on your Gift Aid donation.)

Please, ensure that your address and postcode are correct, without this information the charity will not be able to claim Gift Aid.

Signature: ..... Date: ..... / ..... / .....

**Thank you**

Finance Department Amersham Hospital Whielden St. Amersham Bucks HP7 0JD

**CHARITABLE FUNDS**  
**Reg. No. 1053113**

**Telephone 01494 734783**

**Gift Aid declaration**

**I want the charity to treat**

\*the enclosed donation of £.....

\*the donation(s) of £.....which I made on ...../...../.....

\*all donations I make from the date of this declaration until I notify you otherwise

\*all donations I have made since 6 April 2000, and all donations I make from the date of this declaration until I notify you otherwise as **Gift Aid donations**.

\*Delete as applicable

**Details of donor**

Title.....Forename(s).....Surname.....

Address.....

.....

Post Code.....

Signed.....Date.....

\*\*\*\*\*

**Notes**

- 1 You must pay an amount of Income Tax and/or Capital Gains Tax at least equal to the tax that the Charity reclaims on your donations in the tax year (currently 28p for each £1 you give).**
- 2 You can cancel this declaration at any time by notifying the charity**
- 3 If in the future your circumstances change and you no longer pay tax on your income and capital gains equal to the tax that the charity reclaims, you can cancel your declaration (see note 1).**
- 4 If you pay tax at the higher rate you can claim further tax relief in your Self-Assessment tax return.**
- 5 If you are unsure whether your donations qualify for Gift Aid tax relief, ask the charity. Or ask your local tax office for leaflet IR 65.**
- 6 Please notify the charity if you change your name or address.**

# CHARITY

If you wish to donate to Buckinghamshire Healthcare NHS Trust Charitable Funds, **(Registered Charity No. 1053113)** by cash or cheque please give your donation to a member of staff who will issue an acknowledgement receipt or to the Hospital Cashiers Office where an official receipt will be issued for your donation.

For every £1 donated the Trust can reclaim 28p of tax through Gift Aid. If you are a taxpayer please also sign a Gift Aid Declaration in the official receipt.

You may, if you prefer, post your donation (Only Cheques) by using our Charity's Donation Envelope (Ask to the Hospital Cashiers Office), or by sending your cheque to the address below, stating which Fund you wish your donation to be allocated.

Buckinghamshire Hospitals NHS Trust  
Charitable Funds Office  
Trust Headquarters  
Amersham Hospital  
Whielden Street  
Amersham Bucks HP7 0JD

**Please make cheques payable to Buckinghamshire Healthcare NHS Trust Charitable Funds with unique fund number in brackets if known.**

Alternatively you can:

- Visit the Trust's '**Just Giving**' webpage on [www.justgiving.com](http://www.justgiving.com) and search for 'Bucks Hospitals' to make an on-line donation or pay by card at one of the Cashiers Offices.
- Donate using your mobile phone by sending a text to **70070**, enter **BEST22 £5** (donations from £2 - £10)
- Complete online the **Payroll Giving in Action form**, you can choose to support our charity, directly from your pay. Just link to <https://www.givingonline.org.uk/>

**Thank you for your kind support. Donations make a real difference to patients and staff at Buckinghamshire Hospitals.**





## BOARD COMMITTEE SUMMARY REPORT FOR AUDIT COMMITTEE

<b>Name of Committee</b>	Audit Committee
<b>Committee Chair</b>	Mr Graeme Johnston
<b>Meeting date:</b>	10 May 2018
<b>Was the meeting quorate?</b>	Yes
<b>Any specific conflicts of interest?</b>	None
<b>Any apologies</b>	Mr Paul Grady
<b>KEY AREAS OF DISCUSSION:</b>	
<p>The Committee considered the following:</p> <ul style="list-style-type: none"><li>• Draft Annual Governance Statement</li><li>• BAF deep dive – urgent care pathway</li><li>• Freedom to Speak up Guardian annual report</li><li>• Internal Audit progress report, recommendations follow up, Head of Internal Audit Opinion</li><li>• Local Counter Fraud Specialist (LCFS) – Fraud Risk Assessment and outcome of review by NHS Counter Fraud</li><li>• Minutes of Finance and Business Performance Committee, Quality and Clinical Governance Committee, Strategic Workforce Committee and Charitable Funds Committee</li><li>• Single Tender Waivers</li><li>• Losses and Special Payments Schedule</li></ul> <p>There was an extraordinary Audit Committee on the 23<sup>rd</sup> April to consider the draft accounts for 17/18, and an extraordinary Audit Committee on the 24<sup>th</sup> May 2018 to consider the final accounts and audit.</p>	
<b>MATTERS TO BE ESCALATED TO BOARD:</b>	
<ul style="list-style-type: none"><li>• Outcome of the review by NHS Counter Fraud</li><li>• Confirmation that controls and processes were in place for good management of the urgent care pathway.</li><li>• Assurance around the data capture and analysis for the 4 hour standard</li><li>• Challenge around ensuring the independence of the Freedom to Speak Up Guardian.</li></ul>	
<b>ANY EXAMPLES OF OUTSTANDING PRACTICE OR INNOVATION:</b>	
The draft Annual Governance Statement was commended at the meeting.	
<b>AUTHOR OF PAPER:</b>	Liz Hollman, Director for Governance

## BOARD MEETING IN PUBLIC

### 30 May 2018

#### Details of the Paper

<b>Title</b>	Private Board Summary 28 March 2018
<b>Responsible Director</b>	Trust Chair
<b>Purpose of the paper</b>	<p>The purpose of this report is to provide a summary of matters discussed at the Board in private on the 28 March 2018. The matters considered at this session of the Board were as follows:</p> <ul style="list-style-type: none"> <li>• Serious Incident Report</li> <li>• Excluded practitioners</li> <li>• Out of hours primary care</li> <li>• Financial Performance</li> <li>• Annual Accounts and Annual Report</li> <li>• Stoke Mandeville Arena cycle link</li> <li>• Independent risk assessment of fire separation provisions at Amersham Hospital</li> <li>• Proposed changes to directors of Bucks Healthcare Projects Ltd (BHPL) Board</li> </ul>
<b>Action / decision required</b>	The Board is asked to note the contents of this report.

#### IMPLICATIONS AND ISSUES TO WHICH THE PAPER RELATES (PLEASE MARK IN BOLD)

<b>Patient Quality</b>	<i>Financial Performance</i>	<i>Operational Performance</i>	<b>Strategy</b>	<i>Workforce performance</i>	<i>New or elevated risk</i>
<i>Legal</i>	<b>Regulatory/ Compliance</b>	<i>Public Engagement /Reputation</i>	<i>Equality &amp; Diversity</i>	<b>Partnership Working</b>	<i>Information Technology / Property Services</i>

#### ANNUAL OBJECTIVE

*Which Strategic Objective/s does this paper link to?* Relates to all objectives

*Please summarise the potential benefit or value arising from this paper:*

#### RISK

Are there any specific risks associated with this paper? If so, please summarise here.	<i>Non-Financial Risk:</i>
	<i>Financial Risk:</i>

#### LINK TO CARE QUALITY COMMISSION ESSENTIAL STANDARDS OF SAFETY AND QUALITY

Which CQC standard/s does this paper relate to?	Relates to outcome 4, Care and Welfare of Persons using our service
---	---

**Author of paper:** Elisabeth Ryder

**Presenter of Paper:** Liz Hollman

**Other committees / groups where this paper / item has been considered:**  
No other committee

**Date of Paper:** 8 May 2018

Safe & compassionate care,  
 every time

## PUBLIC BOARD MEETING 30 May 2018

### Details of the Paper

<b>Title</b>	Board Attendance Record
<b>Responsible Director</b>	Director for Governance
<b>Purpose of the paper</b>	To keep the Board informed of the attendance of Board members at Board meetings and Board committees.
<b>Action / decision required (e.g., approve, support, endorse)</b>	None

### IMPLICATIONS AND ISSUES TO WHICH THE PAPER RELATES (PLEASE MARK IN BOLD)

<i>Patient Quality</i>	<i>Financial Performance</i>	<i>Operational Performance</i>	<i>Strategy</i>	<i>Workforce performance</i>	<i>New or elevated risk</i>
<i>Legal</i>	<b>Regulatory/ Compliance</b>	<b>Public Engagement /Reputation</b>	<i>Equality &amp; Diversity</i>	<i>Partnership Working</i>	<i>Information Technology / Property Services</i>

### ANNUAL OBJECTIVE

Which Strategic Objective/s does this paper link to?  
 Relates to all objectives

Please summarise the potential benefit or value arising from this paper:

### RISK

Are there any specific risks associated with this paper? If so, please summarise here.	<i>Non-Financial Risk:</i>
	<i>Financial Risk:</i>

### LINK TO CARE QUALITY COMMISSION ESSENTIAL STANDARDS OF SAFETY AND QUALITY

Which CQC standard/s does this paper relate to?	Well led Domain <i>(if you need advice on completing this box please contact the Director for Governance)</i>
---	--

**Author of paper:** Elisabeth Ryder

**Presenter of Paper:** Liz Hollman

**Other committees / groups where this paper / item has been considered:**  
 No other committee

**Date of Paper:** 22 May 2018



	Strategic Workforce Committee					Finance and Business Performance Committee				Quality & Clinical Governance Committee				Trust Board Seminars		Commercial Development Committee		Charitable Funds Committee			Audit Committee			Trust Board	
	10 Jan	13 Feb	14 Mar	03 Apr	01 May	25 Jan	23 Feb	23 Mar	19 Apr	06 Feb	06 Mar	03 Apr	01 May	28 Feb	25 Apr	27 Feb	10 April	17 Jan	22 Feb	17 May	11 Jan	8 Mar	10 May	31 Jan	28 Mar
Carolyn Morrice, Chief Nurse *	x	✓	x	x	✓	✓	x	✓	✓	✓	✓	✓	✓	✓	✓									✓	✓
James Drury Director of Finance *						✓	✓	✓	✓					✓	✓			✓	x	✓	✓	✓	✓	✓	✓
David Sines, Associate NED	✓	✓	✓	✓	✓					x	x	✓	✓	x	✓									x	✓
David Williams, Director of Strategy	✓	✓	✓	x	✓	✓	x	✓	x					✓	✓	✓	✓							✓	✓
Bridget O'Kelly Director of HR	✓	x	✓	✓	✓	✓	✓	✓	x					✓	✓									✓	✓
Tom Roche Associate NED	✓	✓	✓	✓	✓	✓	✓	✓						✓	✓	✓					✓	✓	✓	x	✓
Natalie Fox Chief Operating Officer*								✓	x			✓	✓		✓										✓

NB: greyed out fields indicate committees the individual would not be expected to attend. NED = Non-Executive Director. A \* indicates a voting member of the Board