

**STRICTLY PRIVATE AND CONFIDENTIAL****UNIVERSITY HOSPITALS OF LEICESTER NHS TRUST****CONFIDENTIAL MINUTES OF THE CHARITABLE FUNDS COMMITTEE VIRTUAL MEETING HELD ON  
FRIDAY 11 FEBRUARY 2022 AT 9.30AM**

	<b><u>RESOLVED ITEMS</u></b>	<b>ACTION</b>
<b>4/22</b>	<b>MATTERS ARISING</b>	
4/22/1	<u>Report from the Director of Leicester Hospitals Charity: Funding of a Capital Projects Manager for LHC (Minute 46/21 of 17 December 2021)</u>	
	<p>The CFC Non-Executive Director Chair advised that he considered this item to have been approved in principle at the 3 February 2022 private Trust Board. Corporate Trustee members of the CFC should therefore progress (outside the meeting) obtaining the assurance sought by the Director of Estates and Facilities re: reporting lines and Facilities support for the post.</p> <p><i>** post- meeting note: the appointment was subsequently approved by the private Trust Board as Corporate Trustee on 3 March 2022.</i></p>	<b>Corporate Trustees</b>
	<b>Resolved – that the additional assurance sought by the Director of Estates and Facilities in respect of the Capital Projects Manager post for LHC be progressed outside the meeting.</b>	<b>Corporate Trustees</b>
<b>5/22</b>	<b>KEY ISSUES FOR DISCUSSION/DECISION</b>	
5/22/3	<u>Report from the Director of Leicester Hospitals Charity: Charity Annual Benchmarking Report</u>	
	<p>The annual benchmarking report for LHC was presented at paper E, noting a broad continuation of trends from the previous such exercise (albeit skewed slightly by the Children’s Hospital spend). As previously, the report focused on key metrics covering 4 areas of Leicester Hospitals Charity, namely its [i] efficiency; [ii] reliance on types of income; [iii] fulfilment of mission, and [iv] resilience, and benchmarked LHC against 20 NHS Charities. Key findings related to LHC’s position as being:</p> <p>(a) a very efficient Charity, with its overall running costs of 18% in 2021 comparing favourably to the average of 38%. LHC’s cost of fundraising was 15% compared to the NHS Charities average of circa 24%;</p> <p>(b) heavily reliant on fundraised income, with only 2% of its 2021 income derived from investments compared to 19% in comparable charities;</p> <p>(c) above the sector average in terms of mission fulfilment, as illustrated by the % of annual expenditure on grants, and</p> <p>(d) potentially not as resilient as comparative NHS Charities, as LHC was heavily reliant on donors and below the sector average in terms of the % of net assets made up by endowments (0% at LHC).</p>	
	<p>Paper E therefore set out recommendations to be included in the 2021/22 annual Charity Plan for LHC, namely to continue to:</p> <p>(1) invest in supporting work on the ‘donor journey’, including a structured individual giving programme, improving communications and marketing etc’</p> <p>(2) bolster resilience, including building LHC’s investments and growing its e-commerce activity (eg online audience building);</p> <p>(3) invest in the fundraising team and trying new fundraising approaches, and</p> <p>(4) building up LHC’s unrestricted funds, as these offered the most flexibility in grant-making and in responding to emergent needs.</p>	
	<p>The CFC Non-Executive Director Chair queried where the risks to LHC (and their mitigations) were captured, noting the response that these were shown in the fundraising performance report presented to each CFC meeting, in addition to the monitored targets and KPIs in place for the fundraising team itself. The CFC Non-Executive Director Chair emphasised the need for a strong fundraising team (as reflected in the recommendations), noting the need to balance fundraising risks and opportunities.</p>	

	<p>With regard to the comparison table at appendix 1 of the report, Professor T Robinson Non-Executive Director queried whether a more focused list of peer charities was available for comparison, eg involving those with similar investment levels to LHC. It was agreed to explore this, although recognising the difficulties in obtaining consistent benchmarking data (as now outlined by the Director of Leicester Hospitals Charity). The CFC Non-Executive Director Chair commented on the lack of endowments held by LHC, and noted the need for a wider Corporate Trustee discussion on whether it wised the Charity to increase its endowments; development plans could then be tailored accordingly. CFC supported the recommendations in paper E, and (subject to the comments above) considered that it would be useful to use the benchmarking report to inform the planned Trust Board workshop session on Leicester Hospitals Charity.</p>	<b>CFC NED CHAIR/ DLHC</b>
	<p><b><u>Resolved</u> – that (A) the recommendations in the report be approved and progressed, and (B) the benchmarking report be updated as outlined below and then used to inform the Trust Board workshop session on Leicester Hospitals Charity:</b></p> <p><b>(1) report to be updated to reflect CFC comments on the need for:</b></p> <ul style="list-style-type: none"> <li>• a more focused list of comparative peer charities, eg involving those with a similar level of investments to LHC (if obtainable), and</li> <li>• a wider Corporate Trustee discussion on whether to look at increasing endowments (eg as part of a wider discussion on the direction of travel for the Charity).</li> </ul>	<b>DLHC</b>  <b>CFC NED CHAIR/ DLHC</b>
<b>6/22</b>	<b>ITEMS FOR ASSURANCE</b>	
<b>6/22/2</b>	<u>Reports from the Director of Leicester Hospitals Charity: Appeals Update</u>	
	<p>Paper H updated CFC on the Charity's appeals, noting that due to changes linked to the reconfiguration programme the timing of some of the large capital appeals had been moved further into the future (eg maternity hospital). Work would therefore take place in 2022/23 to identify alternative appeals for those original timeframes – schemes would be presented to the CFC for discussion once identified. The Director of Leicester Hospitals Charity advised CFC that progress was now being made in finalising the design and costings for the Spiritual Care Centre, which was welcomed. She also confirmed that the Chemotherapy Suite appeal was on track, and noted a recent £50k donation to that appeal. The CFC Non-Executive Director Chair welcomed this evidence of continuing donor interest in LHC's capital projects.</p>	
	<b><u>Resolved</u> – that the position be noted.</b>	<b>DLHC</b>

The meeting closed at 10.47am

Helen Stokes – **Corporate and Committee Services Manager**