

Meeting title:	Trust Board (as Corporate Trustee)	Public Trust Board paper O			
Date of the meeting:	9 March 2023				
Title:	Escalation Report from the Charitable Funds Committee (CFC): 17 February 2023				
Report presented by:	Vicky Bailey Non-Executive Director (in the absence of Professor Tom Robinson, CFC Non-Executive Director Chair)				
Report written by:	Helen Stokes, Corporate and Committee Services Manager				
Action – this paper is for:	Decision/Approval		Assurance	x	Update
Where this report has been discussed previously	Not applicable				

To your knowledge, does the report provide assurance or mitigate any significant risks? If yes, please detail which
The report provides assurance re: the appropriate spend and governance of charitable funds, and re: progress on fundraising activities.

Impact assessment
N/A
Acronyms used: CFC – Charitable Funds Committee LHC – Leicester Hospitals Charity

1. **Purpose of the Report**

To provide assurance to the Trust Board as Corporate Trustee on the work of the Trust’s Charitable Funds Committee (CFC), and escalate any issues as required.

2. **Recommendations**

2.1 There are no public items from CFC requiring Trust Board approval as Corporate Trustee.

3. **Summary**

The CFC meeting was quorate. Due to pressure of time, certain items were deferred to the next meeting. The following items from the CFC meeting of 17 February 2023 are summarised for the 9 March 2023 public Trust Board (as Corporate Trustee):

Discussion items:

3.1 **Charitable Funds Investment Manager update**

A representative from Brewin Dolphin (investment manager for UHL’s charitable funds) briefed CFC on the performance of the LHC investment portfolio. LHC’s investment portfolio had seen a -3% return during the last 12 months, and although the previous 12 months had been somewhat turbulent for financial markets, the situation had rallied slightly in late 2022/early 2023. Brewin Dolphin considered that investment performance would improve on the previous year, and provided assurance that LHC’s portfolio was currently well-positioned. The CFC Non-Executive Director Chair particularly raised queries around the impact of currency exchange rates, what

investment performance benchmarking was available, and the level of sustainability within LHC's investment portfolio. Ms V Bailey Non-Executive Director also queried how diverse the portfolio was in terms of UK/world companies. CFC requested that a 3 and 5-year performance benchmark be included in future investment management updates.

3.2 Fundraising and Charitable Donations Policy

CFC reviewed the Fundraising and Charitable Donations Policy – in addition to a number of specific comments CFC requested that the underlying principles of the policy be reviewed further by the Director of Corporate and Legal Affairs and Director of Leicester Hospitals Charity outside the meeting. A further updated version would then be presented to CFC in April 2023, ahead of implementation in June 2023.

3.3 Charitably-Funded Insurance Policies – renewal 2023/24

CFC gave its in-principle approval to the 2023/24 renewal of 2 charitably-funded insurance policies (management liability insurance, and personal accident insurance for staff undertaking emergency retrievals), noting the likely outline cost based on the current year's cover. The final premium would be confirmed retrospectively to the April 2023 CFC meeting.

3.4 Charity Performance 2022/23 – month 10

CFC was briefed on the performance of the Charity against its targets and KPIs (the majority of which were on track). The CFC Non-Executive Director Chair welcomed the positive assurance provided by the report, particularly welcoming the Charity's exceeding of its overall 2022/23 fundraising target at this stage in the year.

3.5 Finance and Governance Report 2022/23 – Month 10

CFC noted strong income performance, with the Charity's year to date income of £3,367k being £670k above plan, while year to date expenditure of £2,340k was £1,781k below plan. The report showed an overall net increase in funds of £700k, giving a closing balance of the Charity's funds (at month 10 of £8,393k. At £1,021k as at month 10 (after commitments), the General Purposes fund available balance continued to be healthy. Investment losses as at 31 January 2023 were reported as £327k.

4. Date of next meeting

Friday 14 April 2023 (9.30am – 11.30am)