

Board of Directors - Public

SUMMARY REPORT

Meeting Date: 23 November 2022
 Agenda Item: 20

Report Title:	Charitable Funds Annual Governance update	
Author(s):	Phillip Easthope, Executive Director of Finance	
Accountable Director:	Phillip Easthope, Executive Director of Finance	
Other meetings this paper has been presented to or previously agreed at:	Committee/Tier 2 Group/Tier 3 Group	Finance and Performance Committee
	Date:	15 September 2022
Key points/ recommendations from those meetings	Finance & Performance Committee noted the governance arrangements in place, that the relationship and activity had largely ceased during COVID and that a meeting was planned with Sheffield Hospital Charity to reinvigorate the relationship.	

Summary of key points in report

This paper is provided for assurance and aims to resolve a gap in our governance reporting in respect of the activity and governance around charitable funds.

Our charitable funds are part of Sheffield Hospitals Charity (CLG) and the attached report provides relevant documents for information regarding the governance arrangements and how application can be made to draw down funds.

The Board of Directors can be assured of the governance arrangements, which are compliant with relevant standards that govern charitable organisations. A gap is recognised and acknowledged around our relationship with the Sheffield Hospitals Charity both in terms of the identification of a Trustee and on-going charitable activity and these are key next steps.

Recommendation for the Board/Committee to consider:

Consider for Action	Approval	Assurance	X	Information
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Receive for assurance

Please identify which strategic priorities will be impacted by this report:

	Yes	No	X
Covid-19 Recovering effectively	Yes	No	X
CQC Getting Back to Good – Continuing to improve	Yes	No	X
Transformation – Changing things that will make a difference	Yes	No	X
Partnerships – working together to make a bigger impact	Yes	No	X

Is this report relevant to compliance with any key standards?				State specific standard	
Care Quality Commission Fundamental Standards	Yes		No	X	Charitable activity must pass the additionality test
Data Security and Protection Toolkit	Yes		No	X	NA
Any other specific standard?	Yes		No	X	
Have these areas been considered? YES/NO					If Yes, what are the implications or the impact? If no, please explain why
Service User and Carer Safety and Experience	Yes	x	No		Charitable funds can only be drawn down for specific purposes but must pass a patient benefit test.
Financial (revenue & capital)	Yes	x	No		Summary Income & Expenditure highlighted in the detail
Organisational Development /Workforce	Yes		No	x	
Equality, Diversity & Inclusion	Yes	x	No		While nothing particular has been considered, the charitable fund is accessible by all services and requests are individually assessed against set criteria. This is something we will need to consider in reviewing individual applications
Legal	Yes	X	No		Charity Law & legal documents govern the relationship between Sheffield Health & Social Care NHS FT and Sheffield Hospitals Charity CLG
Environmental Sustainability	Yes		No	x	Sustainability is not considered in the paper but there will be opportunities to explore as part of potential fund raising for therapeutic environments programme

Charitable Funds Annual Review – 2021/22

Section 1: Analysis and supporting detail

Governance

- 1.1 The Sheffield Health & Social Care (SHSC) charitable funds are part of the Sheffield Hospitals Charity (SHC).

SHC is a charity limited by guarantee (CLG) and was formed following a public consultation exercise in 2013 and subsequent legislation changes to enable independent but linked charities. It was formed in 2016 and the multiple existing charities (Sheffield Hospitals Charitable Trust and related charities) were transferred to it with effect from April 2017.

- 1.2 The governance arrangements were approved through organisational governance of relevant FTs during 2016/17, with relevant Deeds and Memorandum of understanding approved at the Open Board of SHSC in April 2017.

The Deed is a legally binding document providing the relevant consent and commitment to establish the charity and transfer any donations / gifts.

The Memorandum of Understanding provides the framework for the relationship including principles and dispute resolution.

(The above two documents are contained in the attached appendix 1)

Accessing Charitable funds

- 1.3 Through relevant schemes of delegation application to use the charitable funds can be made within the Trust. Attached appendix 2.

FPC approved revised delegation limits in October 2019 see Appendix 3 in line with changes to our delegated limits

Fund Balance 31 March 22

- 1.4

	Balance	Income (In year)	Expenditure (In year)
SHSC General Fund (no. 8000)	£45,400	£17,076	£8,779
Chaplaincy Fund (no. 8506)	£3,500	£440	£875

The above include committed or ringfenced funds of £18,500.

Part of the fund involves administering a Grant from the Local Authority re SHINDIG Carers Group of £2,000 per annum

This year's income was higher than normal due to a few donations to specific services and therefore ringfenced - one of £10,000.

The Trust usually draws down an annual festive allocation to support in-patient environments over the festive period amount to c£2,500 per annum (21/22 £2,250), other than this, its use is sporadic in nature.

Fund Balance September 22

- 1.5 Following further discussion and clarification the balance of funds at September 22 is £75,181.78.

Section 2: Risks & issues

- 2.1 SHSC has a Trustee on the Board of SHC. This could be clearer and at present this is 'vacant'. I would describe this as something that has fallen between the gaps. We have picked this up with SHC but a clear next step and related action needs to be agreed.
- 2.2 Charitable activity is low and numerous efforts have been initiated to increase activity and build a relationship with SHC. The relationship and activity has largely ceased during COVID and needs to be refreshed.



BOARD OF DIRECTORS SUMMARY REPORT

Open BoD 08.03.17
Item 08

8th March 2017

TITLE OF PAPER	New Governance Arrangements – Sheffield Hospitals Charity
TO BE PRESENTED BY	Mr P Easthope, Executive Director of Finance
ACTION REQUIRED	Final approval and signing of the Deed and Memorandum of Understanding

OUTCOME	Formal approval required
TABLE FOR DECISION	Finance & Investment Committee - February 2017 Board of Directors meeting – March 2017
LINKS TO OTHER KEY REPORTS / DECISIONS	-
LINKS TO OTHER RELEVANT FRAMEWORKS BAF, RISK, OUTCOMES ETC	Department of Health publication; NHS Charities – Conversion to independent status – outline guidance
IMPLICATIONS FOR SERVICE DELIVERY AND FINANCIAL IMPACT	The Charity wishes to continue to manage and increase charitable funds on behalf of SHSC
CONSIDERATION OF LEGAL ISSUES	Withers LLP have been advising the Charity

Author of Report	David Reynolds
Designation	Director, Sheffield Hospitals Charity
Date of Report	23/01/2017



SUMMARY REPORT

Report to: BOARD OF DIRECTORS
FINANCE & INVESTMENT COMMITTEE

Date: 8TH MARCH 2017
27TH FEBRUARY 2017

Subject: New Governance Arrangements – Sheffield Hospitals Charity

From: David Reynolds, Charity Director

1. Purpose

The report updates the Board of Directors as to the transition of governance arrangements pertaining to Sheffield Hospitals Charity, makes explicit the safeguards in place and provides final draft documentation for final approval and signing.

These documents were received and considered at the Trust's Finance & Investment Committee meeting held on the 27th February 2017, where they were subsequently approved for submission to the Board of Directors for sign off.

2. Summary

- 2.1 The Department of Health has made it possible for NHS Charities to transfer assets to an independent charitable company.
- 2.2 The objects of the New Charity replicate current NHS objects.
- 2.3 Safeguards are in place under Charity Law to ensure that charitable funds transferred to the new charitable company continue to be used solely towards the purposes for which they have been originally received.
- 2.4 The purpose of the Deed is to provide SHSC consent to Sheffield Hospitals Charity's transfer to the new charitable company. The Deed is legally binding.
- 2.5 The Memorandum of Understanding is a non-binding overview of the 'guiding principles' which will inform the relationship between the new charitable company and the three Foundation Trusts after completion of the restructuring on 1 April 2017.

3. Next Steps

The process will be concluded on the 1st April 2017

4. Required Actions

Formal approval and signature of both documents

5. Monitoring Arrangements

Trustees will monitor progress and outcome

6. Contact Details

David Reynolds

Charity Director

David.Reynolds@shct.nhs.uk 0114 2711138 x11138

Changes to the governance arrangements of Sheffield Hospitals Charity

1.0 Background

As you may recall from a report to the July 2016 Board of Directors meeting, the Department of Health (DH) undertook a review of the regulation and governance of NHS charities during 2011/12. In November 2012 it published a consultation on proposals for change, seeking responses from interested parties. This was as a response to the concerns of a number of NHS charities about the NHS legislative framework and its inherent inflexibilities for NHS charities.

The consultation closed on 31 January 2013 and 83% of respondents were supportive of the proposals for change. The preferred option was to remove most NHS legislation, including the powers of the Secretary of State (SofS) to appoint trustees and for the Department of Health to support a voluntary transition to a linked but independent charity.

Following the conclusion of this review, NHS charities were given permission to transfer their charitable property to another specifically established charity, subject to a range of agreements.

Sheffield Hospitals Charity has therefore established a new Company Limited by Guarantee (CLG) in the same name, registered with the Charity Commission as a Charitable Company and this new legal entity was incorporated on the 12th October 2016 and entered on the Register of Charities on the 18th October 2016.

The Board of Directors of Sheffield Health and Social Care NHS Foundation Trust (SHSC) can be assured that following safeguards exist:

1. The objects of the New Charity replicate current NHS objects.
2. SHSC will need to continue to provide support and patronage including rights to utilise its name and premises where appropriate. Such agreements have been formalised in the form of a Memorandum of Understanding (MoU) and a Deed.
3. Under Charity law, any funds transferred to the new charity must continue to be used solely towards the purposes for which they have been originally received.

2.0 Deed

The purpose of the Deed at appended is to provide the Foundation Trusts' consent to Sheffield Hospitals Charity's transfer to the New Charity. It contains the binding commitment by the Foundation Trusts to transfer Gifts to the New Charity and is legally binding upon the parties.

3.0 Memorandum of Understanding

The Memorandum of Understanding appended is a non-binding overview of the 'guiding principles' which will inform the relationship between the New Charity and the three Foundation Trusts after completion of the restructuring on 1 April 2017. The purpose of the MoU is to focus the parties' attention on how we will work together going forward and to provide continuity in the relationship, even when the personnel of the Foundation Trusts and the New Charity change.

The MoU is intended to be a flexible, living document, which will be reviewed by the Foundation Trusts and the New Charity and adapted as necessary to meet changing needs in the future.

4.0 SHSCFT final approval and signing

The Trustees of Sheffield Hospitals Charity request that the Board of SHSC formally approve and sign these documents, which will allow the Trustees to formally conclude these changes leading into the new financial year.

David Reynolds
Director
Sheffield Hospitals Charity
23rd January 2016

DATE

2016

- (1) Sheffield Teaching Hospitals NHS Foundation Trust**
- (2) Sheffield Health and Social Care NHS Foundation Trust**
- (3) Sheffield Children's NHS Foundation Trust**
- (4) Sheffield Hospitals Charity**

Memorandum of Understanding

withersworldwide

16 Old Bailey, London EC4M 7EG
Telephone: +44 (0)20 7597 6000
Fax: +44 (0)20 7597 6543
DX 160 London/Chancery Lane
www.withersworldwide.com

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DATED

2016

PARTIES

- (1) **Sheffield Teaching Hospitals NHS Foundation Trust** of Northern General Hospital, Herries Road, Sheffield, South Yorkshire S5 7AT;
 - (2) **Sheffield Health and Social Care NHS Foundation Trust** of Fulwood House, 5 Old Fulwood Road, Sheffield S10 3TG;
 - (3) **Sheffield Children's NHS Foundation Trust** of the Mount, Glossop Road, Sheffield S10 3FL;
- (each an '**NHS Body**' and together the '**NHS Bodies**'); and
- (4) **Sheffield Hospitals Charity**, a charitable company limited by guarantee (company number 10422654 and registered charity number 1169762), whose address is 5 Old Fulwood Road, Sheffield S10 3TG (the '**New Charity**').

1. Introduction

- 1.1 The Government Response to the consultation concerning the regulation and governance of NHS Charities published on 14 March 2014 outlined a process by which the trustees of an NHS charity may resolve to transfer the undertaking of the NHS charity to a new independent charity, and the parties have agreed to do so.
- 1.2 The Department of Health's stipulations, so far as the NHS Bodies are concerned, in that response, as amplified in the guidance issued by the Department of Health in November 2014 and updated in April 2015, are satisfied by:
 - (a) the commitment set out between the New Charity and each of the NHS Bodies in separate deeds (the '**Deeds**') copies of which are set out at the Appendix to this memorandum and which are to be executed by the parties on the same date as this memorandum; and
 - (b) the ongoing input of the NHS Bodies into the governance of the New Charity
- 1.3 The parties recognise, however, the importance of recording, at this time of transition, the guiding principles which they intend will apply to the future relationship between the NHS Bodies and the New Charity, and so have prepared this memorandum of understanding for this purpose.
- 1.4 For the avoidance of doubt, it is not intended that this memorandum of understanding be legally binding.
- 1.5 Terms used in this memorandum have the same meaning as the terms defined in the Deeds (where this makes sense in the context).

2. Timing

The assignment will take place on 1 April 2017 and the guiding principles set out below shall apply as between the NHS Bodies and the New Charity from the date of the assignment.

3. Guiding principles

The NHS Bodies and the New Charity shall abide as far as reasonably possible by the following guiding principles:

- 3.1 The mutual over-riding intention of each of the NHS Bodies and the New Charity is that they will put in place suitably co-operative and collaborative arrangements between themselves to ensure benefit to the NHS patients who are the New Charity's beneficiaries.

- 3.2 The New Charity acknowledges the importance of understanding the strategic objectives of each of the NHS Bodies, and the NHS Bodies also each acknowledge the importance of understanding the New Charity's strategic objectives. The NHS Bodies recognise that the New Charity is committed to supporting all three of them, which may, on occasion, require understanding and co-operation on their part in light of potentially competing priorities (for instance, in relation to fundraising initiatives). The NHS Bodies will work with the New Charity, and it with each of them, to achieve a mutually supportive relationship (to the extent compatible with their respective legal obligations).
- 3.3 The NHS Bodies and the New Charity recognise the importance of regular communication with a view to ensuring that these guiding principles are made a reality and drive success, and will maintain a number of bilateral and multilateral relationships at executive and non-executive level to ensure effective working relations and communication between themselves.
- 3.4 In particular, in the interests of the New Charity understanding the priorities of each NHS Body, the NHS Bodies will ensure that the New Charity's trustees are fully briefed, including where relevant by clinical leaders, on any significant projects.
- 3.5 The New Charity will give special attention and resources, as capacity allows, to the encouragement and solicitation of grant applications from the NHS Bodies.
- 3.6 The NHS Bodies will actively promote and support the New Charity (including within their hospitals, centres and other locations) and give special attention to the promotion of funding opportunities and the co-ordination of emerging proposals.
- 3.7 Where the New Charity receives Gifts from one of the NHS Bodies the New Charity will abide by any restrictions on the purpose for which such a Gift may be applied. The New Charity recognises that any unrestricted Gifts it receives from one of the NHS Bodies are likely to relate to donors' desire to recognise that NHS Body's work and to provide benefit to the NHS patients it serves, and the New Charity will have due regard to this when considering grant applications.
- 3.8 The New Charity and Sheffield Teaching Hospitals NHS Foundation Trust will cause to be prepared and enter into an agreement for the secondment of Trust staff to the New Charity. The agreement is intended as a transitional arrangement and will apply only to Trust staff who carry out functions for, or in relation to, Sheffield Hospitals Charitable Trust and Related Charities (the **'Existing Charity'**) at the date of the Assignment. New staff employed by the New Charity after the date of the Assignment will be employed by the New Charity directly. Confirmation on this aspect has been given to the Department of Health.

4. Review and amendment

- 4.1 This memorandum will only be varied by written agreement of the NHS Bodies and the New Charity, but all parties recognise that it is a living document and that it will need to adapt to changing circumstances.
- 4.2 On that basis, the NHS Bodies and the New Charity will conduct an annual review of the guiding principles set out in this memorandum and of their relationship in order to ensure they continue to work effectively together, and will make amendments to this memorandum under this clause 4 as agreed.
- 4.3 In particular, one or two of the NHS Bodies may wish to agree a change with the New Charity which relates to it alone or to both of them (rather than to all NHS Bodies). Provided the other(s) is/are notified, and a copy of the change sent to the other(s) and annexed to each copy of this memorandum by way of record, it shall be possible for such a change to be made.

5. Dispute Resolution

Any dispute or disagreement between the NHS Bodies and the New Charity shall be referred in the first instance for resolution by the Chief Executive Officers of the three organisations. If the Chief Executive Officers are not able to resolve the dispute or disagreement themselves, the Chairmen of the three organisations shall meet to attempt a resolution, engaging the services of a mediator if they deem it beneficial.

Signed on behalf of **SHEFFIELD TEACHING HOSPITALS NHS FOUNDATION TRUST**)

Director

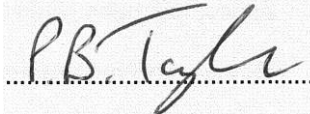
Signed on behalf of **SHEFFIELD HEALTH AND SOCIAL CARE NHS FOUNDATION TRUST**)

Director

Signed on behalf of **SHEFFIELD CHILDREN'S NHS FOUNDATION TRUST**)

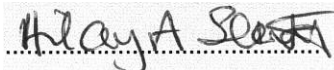
Director

Signed as a deed and delivered by **SHEFFIELD HOSPITALS CHARITY**
acting by two charity trustees



.....

Trustee



.....

Trustee

Appendix - Deed

DATE

2017

(1) The trustees of the Sheffield Hospitals Charitable Trust and Related Charities (registered charity number 1059043)

(2) Sheffield Teaching Hospitals NHS Foundation Trust

Sheffield Health and Social Care NHS Foundation Trust

Sheffield Children's NHS Foundation Trust

(3) Sheffield Hospitals Charity (registered charity number 1169762)

Deed

withers LLP

16 Old Bailey, London EC4M 7EG
Telephone: +44 (0)20 7597 6000
Fax: +44 (0)20 7597 6543
DX 160 London/Chancery Lane
www.withersworldwide.com

DATE

2017

PARTIES

- (1) **Phillip Taylor, Hilary Shenton, Michael Collins, Jeremy Wight, Sarah Anderson, Charlotte Turnbull, John O'Kane and Pam Stirling all care** of Fulwood House, 5 Old Fulwood Road, Sheffield S10 3TG, (together 'the **Trustees**') in their capacity as trustees of the Sheffield Hospitals Charitable Trust (registered charity number 1059043) (the '**Existing Charity**');
- (2) **Sheffield Teaching Hospitals NHS Foundation Trust** of Northern General Hospital, Herries Road, Sheffield, South Yorkshire S5 7AT, **Sheffield Health and Social Care NHS Foundation Trust** of Fulwood House, 5 Old Fulwood Road, Sheffield S10 3TG and **Sheffield Children's NHS Foundation Trust** of the Mount, Glossop Road, Sheffield S10 3FL (together the '**Foundation Trusts**'); and
- (3) **Sheffield Hospitals Charity**, a company limited by guarantee (company number 10422654 and registered charity number 1169762) whose registered office is at [Fulwood House, 5 Old Fulwood Road, Sheffield S10 3TG] (the '**New Charity**').

RECITALS

- (A) This Deed is supplemental to the Government Response dated 14 March 2014 which outlined the process by which the trustees of an NHS Charity may resolve to transfer the undertaking of an NHS Charity to an Independent Charity (an '**NHS Transfer**').
- (B) The Government Response provided that an NHS Transfer would be conditional upon the NHS Charity first procuring:
 - (i) the consent of its associated NHS Body, being in this case, the Foundation Trusts (the '**Consent**'); and
 - (ii) a commitment from the NHS Body to transfer from the date of the NHS Transfer any legacies, donations and gifts which the NHS Body may receive to the Independent Charity (the '**Commitment**').
- (C) The New Charity is an Independent Charity for the purposes of the Government Response.
- (D) The Charity Commission's Register of Charities currently indicates that the Existing Charity is linked by Charity Commission direction to 15 charities. However, after reviewing these charities, the Trustees have identified that the Ryegate Charitable Fund is no longer holding any monies and they therefore consider it to be defunct. and - given the Trustees' ability to invest jointly implied in the Trustee Act 2000 - the Trustees deem the Sheffield Hospitals Charitable Trust Common Investment Fund to be dissolved. Details of the remaining 13 linked charities are listed in Schedule 1 (the '**Linked Charities**').
- (E) The charitable objects of the New Charity encompass the statutory functions prescribed in section 51 of the NHS Act 2006 and the current objects of the Existing Charity and the Linked Charities.
- (F) In accordance with the process set out in the Government Response, the Trustees wish to procure the Consent and Commitment of the Foundation Trusts to enable the Trustees to transfer the Existing Charity and Linked Charities to the New Charity, and the Foundation Trusts have indicated that they are willing to do so on the basis set out in this Deed.

OPERATIVE PROVISIONS

1. Definitions

In this Deed

'Articles of Association' means the articles of association from time to time of the New Charity;

'Assignment' means the assignment or other transfer (however effected and whether by the Trustees or by Charity Commission order) of all of the Trustees' rights, title and interest in the Charitable Fund to the New Charity;

'Charitable Fund' means all property including intellectual property, title, rights and other assets of the Existing Charity and the Linked Charities;

'Charity Commission' means the Charity Commission for England and Wales;

'Excluded Charities' means those charities listed in Schedule 2, being charities which have a fundraising presence on the site of one or more of the Foundation Trusts;

'Excluded Gifts' means:

1. any direct charitable contribution received by the Foundation Trusts:
 - a. on behalf of, or in respect of the activities of, another charity; or
 - b. from a third party for an identified aspect of the Foundation Trust's operations whether by way of grant or contract; and
2. any monies received by the Foundation Trusts from the Excluded Charities;

If there shall be any question over whether a payment is an Excluded Gift, the New Charity and Foundation Trust or Trust in question may determine by agreement between them the correct characterisation of such payment, taking appropriate legal advice as necessary. In default of agreement by the Board of the New Charity, acting reasonably, that a gift constitutes an Excluded Gift, it shall be regarded as a Gift;

'Fund Objects' means the charitable objects of the Existing Charity and the Linked Charities;

'Gift' means any bequests (including legacies and devises), donations and gifts received in future by the Foundation Trusts to provide or improve any services or any facilities or accommodation which is or are, or will be, provided as part of the Health Service, or which assist the Foundation Trusts in connection with their functions, save for the Excluded Gifts; and, for the avoidance of doubt, includes any assets or other rights or entitlement due or payable to the Foundation Trusts by virtue of section 218 NHS Act 2006;

'Government Response'	means the Government response to the consultation concerning the regulation and governance of NHS charities published on 14 March 2014;
'Health Service'	means the health service as defined in the NHS Act 2006, being the health service the Secretary of State for Health is under a duty to promote;
'Hospital'	means hospital as defined in the NHS Act 2006;
'Independent Charity'	means a charity which <ul style="list-style-type: none"> (a) is not linked to an NHS body and operates outside the NHS legislative framework; and (b) is subject to the exclusive supervisory, advisory and permission regulatory powers of the Charity Commission;
'NHS Act 2006'	means the National Health Service Act 2006;
'NHS Body'	has the same meaning as provided by the NHS Act 2006 and includes the Foundation Trusts; and
'NHS Charity'	means a charity which is linked to an NHS Body and derives its remit from NHS legislation.

- 1.1 Unless the context otherwise requires the singular includes the plural and the masculine includes the feminine and vice versa.
- 1.2 Clause headings are for reference only and shall not be taken into consideration in their interpretation.
- 1.3 For the avoidance of doubt, references to the Foundation Trusts includes any of their successors, including in particular:
- (a) an NHS foundation trust established pursuant to an application made by any or all of the Foundation Trusts under Part 2 of the NHS Act 2006; or
 - (b) any NHS foundation trust to which the assets and liabilities of any or all of the Foundation Trusts are transferred under Part 2 of the NHS Act 2006.

2. Consent

Provided the New Charity shall hold the Charitable Fund upon trust to apply the income and capital only in furtherance of the Fund Objects, the Foundation Trusts hereby consent to the Assignment.

3. Commitment to transfer Gifts

- 3.1 From the date of the Assignment and in exercise of the powers conferred on them by sections 47 and 222 of the NHS Act 2006 and of all other relevant powers, each of the Foundation Trusts shall, if and insofar as they are legally entitled so to do:
- (a) promptly (and in any event within one month of the date of receipt by the Foundation Trust in question) transfer any Gift to the New Charity subject to any restrictions on the purpose for which such a Gift may be applied; and
 - (b) shall hold any Gift in trust and on a restricted basis for the New Charity until it is transferred or paid.

4. Assignment and revocation

- 4.1 The parties agree that the Assignment shall be completed as soon as reasonably practicable, on a date to be agreed by them with the Secretary of State for Health and the Charity Commission.
- 4.2 The Trustees shall liaise with the Secretary of State for Health to procure at the date of completion of the Assignment a revocation of the Secretary of State's order relating to their appointment under section 51 of the NHS Act 2006 which will have the effect of terminating their appointment as trustees of the Existing Charity and the Linked Charities.

5. Independence of New Charity

Each of the Foundation Trusts acknowledges and agrees that, following the Assignment, neither it nor the other Foundation Trusts will have any legal or other right in relation to either the New Charity or the Charitable Fund, including its operations or the application of charitable funds, save as provided for in the Articles of Association of the New Charity.

6. Variation

No variation of this Deed shall be effective unless it is in writing and signed by the relevant parties (which, following the anticipated revocation, referred to in clause 4.2 above, shall mean the Foundation Trusts and the New Charity and, where the context so admits, would enable variation of an obligation as between one of the Foundation Trusts and the New Charity, without, necessarily, the consent of the others).

7. Costs

Except as otherwise expressly agreed by the parties, the parties shall each bear their own costs and expenses relating to the negotiation, preparation, execution and performance of this Deed.

8. Status

Nothing in this Deed is intended to, or shall be deemed to, establish any partnership or joint venture between the parties, constitute either party as the agent of the other party, nor authorise either of the parties to make or enter into any commitments for or on behalf of the other party.

9. Governing law and jurisdiction

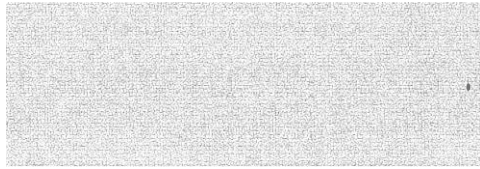
This Deed and any dispute or claim arising out of or in connection with it or its subject matter or formation (including non-contractual disputes or claims) shall be governed by and construed in accordance with English law and each party irrevocably agrees to submit to the exclusive jurisdiction of the courts of England and Wales unless and to the extent that the parties jointly agree to pursue an alternative dispute resolution process.

10. Counterparts

This Deed may be executed in any number of counterparts, each of which when executed and delivered constitutes an original of this Deed but all of the counterparts together shall constitute the same Deed.

This document has been executed as a deed and is delivered and takes effect on the date stated at the beginning of it.

Signed as a deed and delivered by _____ and _____)
on behalf of **Sheffield Hospitals Charity** _____)



Executed as a deed by affixing the common seal of **Sheffield Teaching NHS Foundation Trust** in the presence of: _____)

Authorised Signatory

Authorised Signatory

Executed as a deed by affixing the common seal of **Sheffield Health and Social Care NHS Foundation Trust** in the presence of: _____)

Authorised Signatory

Authorised Signatory

Executed as a deed by affixing the common seal of **Sheffield Children's NHS Foundation Trust** in the presence of: _____)

Authorised Signatory

Authorised Signatory

Signed as a deed and delivered by and on behalf of)
THE TRUSTEES OF SHEFFIELD HOSPITALS)
CHARITABLE TRUST AND RELATED CHARITIES)
by [] and [])
being two of the charity trustees of that)
body under an authority conferred on them under the)
provisions of section 333(3) of the Charities Act 2011)

Pn : -

Trustee

lf \ ,

Trustee

Schedule 1

List of linked charities of Sheffield Hospitals Charitable Trust and related charities

Number	Name	Charity Number
1.	Sheffield Hospitals Charitable Trust	1059043-1
2.	Sheffield Teaching Hospitals Charity	1059043-2
3.	Sheffield Health and Social Care NHS Foundation Trust Charity	1059043-3
4.	Sheffield Children's National Health Service Trust Charity	1059043-4
5.	George Blomfield Fund	1059043-7
6.	Head Injuries Unit Charity	1059043-9
7.	Cancer Research Charity	1059043-11
8.	IDA Siddall Fund	1059043-14
9.	Ellen Webster Legacy	1059043-18
10.	Thomas Blow Patients' Amenities Fund	1059043-19
11.	J Sinclair White Trust	1059043-20
12.	Bequest of the Late Miss Jean Margaret Woodhead	1059043-28
13.	Sheffield Kidney Research Foundation	1059043-29

Schedule 2

List of the Excluded Charities

Number	Name	Charity Number
1.	The Children's Hospital Charity	505002
2.	Weston Park Hospital Cancer Charity	1039885
3.	Neurocare (1997) Charitable Trust	1067575



**Sheffield Health
and Social Care**
NHS Foundation Trust

Finance Department

Fulwood House
5 Old Fulwood Road
Sheffield
S10 3TH

Tel: 0114 2716716
Fax: 0114 2716714
Web: www.shsc.nhs.uk

Requesting Charitable Funds – Supporting Information

The Trust has a 'general' charitable fund. This fund is not for any one specific service area and requests for spending this fund are currently submitted to the Executive Director of Finance for consideration by the Executive Team. If a request exceeds £10,000 then it will be submitted to the Finance & Performance Committee for consideration with a recommendation from the Executive Team.

The Executive Team is effectively the 'Fund Advisor' for the Trust's general fund. If the request is for a sum less than £5,000 and falls within the criteria for spending charitable funds then we have delegated authority to approve the request outright. If it is above this amount we can 'support' the request but it has to go to the Sheffield Hospitals Charity Trustees for final approval.

Requests for purchases from Charitable Funds must be for items that 'enhance' service delivery they should not be used to purchase items that are essential to normal service delivery i.e. they can not be used to purchase items that should be funded from normal budgets or income streams. It greatly assists if the wording of the application specifically addresses that this requirement is met & how it is met.

You also need to complete the application summary sheet which needs to accompany the request (attached). This needs to be signed off by the Service or Clinical Director to indicate support for the bid. As the majority of requests/applications are usually for 'one-off' items of equipment or expenditure they very rarely consist of much more than these 2 pages plus perhaps one or two sides of A4 containing additional/supporting information. The wording of any supporting information needs to take in to account the requirement outlined in the paragraph above (sometimes bids have been submitted that state 'we are applying for charitable funds because our departmental budget is over-stretched/overspent and without x, y, z the project will fail' - people believe this will strengthen their case but doesn't as it implies the expenditure is essential to providing the service rather than for enhancing it).

All bids must also take in to account any risk or health & safety issues and ensure that a proper risk assessment has been undertaken e.g. risks to clients if using gym equipment and how this risk will be managed.

Before any bids are submitted that have implications for the Estates function or any other support functions, there must have been appropriate liaison to ensure that there is appropriate capacity and support available within that function and that all appropriate and applicable legislative issues have been considered.

Please note:

Any expenditure from charitable funds must comply with all policies and procedures of the Trust's Standing Orders and Standing Financial Instructions (available on the intranet site), policies on the authorisation of study leave, the governance of medical research, the purchase of computer equipment and other requisitions.

Inappropriate Uses of Charitable Funds include:

- Retirement gifts for individuals as these are perceived to have no public benefit. They cannot be made from Charitable Funds. This would also apply to items such as bouquets to sick members of staff. Retirement buffets and departmental meals that are not open to the entire organisation can lead to tax implications and as such are no longer supported.
- Alcoholic drinks cannot be purchased with charitable donations.

Expenditure on accommodation and subsistence should be kept to a reasonable level.

Expenditure on meals should not include any alcoholic drinks.

All travel claims relevant to any charitable fund bid will be paid at the standard class rate, unless there are specific and justifiable circumstances where first class or business class travel should be considered. In this situation these circumstances must be raised with Sheffield Hospitals Charity in advance of finalising travel arrangements and the rate to be paid agreed. Where a train journey exceeds an hour in each direction, first class travel may be used in off peak times subject to taking advantage of any discounts available and the cost being less than a standard return fare.

Updated July 2021



Sheffield Health and Social Care NHS Foundation Trust

Application for Charitable Funds

The Trust has a 'general' charitable fund. This fund is not for any one specific service area and requests for spending this fund are currently submitted to the Executive Director of Finance for consideration by the Executive Team .

Requests for purchases from Charitable Funds must be for items that 'enhance' service delivery they should not be used to purchase items that are essential to normal service delivery i.e. they cannot be used to purchase items that should be funded from normal budgets or income streams. It greatly assists if the wording of the application specifically addresses that this requirement is met & how it is met.

Charitable funds can potentially be used for a wide range of costs, including medical research, environmental improvements, pastoral and complementary services, professional staff development, and medical equipment. However, all proposals for charitable expenditure should be considered against the following three tests:

The patient benefit test

All charitable expenditure should ultimately be for patient benefit. Such benefit may take the form of improved clinical services and outcomes, or enhanced patient experience. Where the immediate benefit of expenditure is for staff welfare or development, there should be a clear link to improved services for patients – for example through enhancing relevant staff skills, or encouraging staff innovation.

The additionality test

Charitable expenditure should enhance, rather than simply maintain, NHS services. Charitable funds should not be used to provide equipment or other items without which a department could not continue to function. It is appropriate for charitable funds to support innovation in equipment or services, which may later become a mainstream cost. It is also appropriate for charitable funds to be used for complementary services – e.g. therapeutic massage, art projects – which enhance the patient experience, but are not part of the core clinical services.

The public perception test

When considering its use of funds, a person should ask him or herself:

- Would someone who puts a pound in a collecting bucket be happy for it to be spent in this way?
- Would you be proud to tell a donor about this expenditure, and the difference it is making, or would you find yourself defending a purchase which you know should really come from your core budget?

Please provide details of your request on the form below and continue on separate sheet if necessary:

Ward/Department/Area to which the bid relates (please state):

Is the bid for patient or staff amenities? (Please tick box)

Patient Related

Staff Related

Brief description/summary of bid (please attach supporting documentation if/where necessary).

Total Cost:

Amount before VAT	£	_____
VAT	£	_____
TOTAL	£	<u>_____</u>

Are there any on-going running costs related to this application?

Yes

No

□ **Name of person submitting application:**

□ **Signature:** _____ **Date:** _____

□ **Signature of Service/Clinical/Support Director:** _____
(if amount up to £4,999)

Please print name: _____

□ **Executive Director Sponsor (Name):** _____

□ **Signature of Executive Director Sponsor :** _____
(if amount over £4,999)

Please print name: _____

Please note:

Any expenditure from charitable funds must comply with all policies and procedures of the host NHS Trust including (but not limited to) Standing Orders and Standing Financial Instructions, policies on the authorisation of study leave, the governance of medical research, the purchase of computer equipment and other requisitions.

Please return this form to:

**Jeanine Hall,
PA to the Executive Director of Finance,
Sheffield Health & Social Care NHS FT,
Fulwood House,
5 Old Fulwood Road,
Sheffield. S10 3TH**



FINANCE, INFORMATION AND PERFORMANCE COMMITTEE
28th October 2019

FIPC 28.10.19
Item 19

TITLE OF PAPER	Charitable Funds – Review of authorisation arrangements
TO BE PRESENTED BY	Mr J Sabin, Deputy Director of Finance
ACTION REQUIRED	This report is provided to review as part of a routine annual update.

OUTCOME	To provide an update on proposed adjustments to wording of Scheme of Delegations with regards to the Charitable Funds' authorisation arrangements; and to provide an opportunity for comments and suggestions.
TIMETABLE FOR DECISION	This report is provided as an annual standing agenda item.
BAF OBJECTIVE NUMBER & TITLE	Links to wider financial Strategic aim 5, "To continue to perform as a financially viable, effective and well governed organisation".
LINKS TO OTHER KEY REPORTS / DECISIONS	Delivery of the Trust's financial plan and IBP objectives
IMPLICATIONS FOR SERVICE DELIVERY AND FINANCIAL IMPACT	Annual Plan & Integrated Business Plan NHS Constitution: Patients' Rights <input type="checkbox"/> Public Rights <input type="checkbox"/> Staff Rights <input type="checkbox"/> Principles <input type="checkbox"/> Values <input type="checkbox"/>
CONSIDERATION OF LEGAL ISSUES	N/A

Author of Report	Mr Gabriel Recalde
Designation	Head of Financial Accounts
Date of Report	21 st October 2019

SUMMARY REPORT

Report to: Finance, Information and Performance Committee

Date: 28th October 2019

Subject: Charitable Funds – Review of authorisation arrangements

From: Gabriel Recalde, Head of Financial Accounts

1. Purpose

<i>For Approval</i>	<i>For a collective decision</i>	<i>To report progress</i>	<i>To seek input from</i>	<i>For information</i>	<i>Other (please state below)</i>
Y			Y	Y	
<p>To provide an update on proposed adjustments to wording of the Scheme of Delegation with regards to the Charitable Funds' authorisation arrangements; and to provide an opportunity for comments and suggestions, as part of an annual update in line with the agreed revised Terms of Reference.</p>					

2. Summary

SHSC's Charitable funds are administered by Sheffield Hospitals Charities which funds are currently in excess of £50k. The core mission of the Charity is to enhance the care and treatment of patients accessing SHSC's services, by supporting high priority areas which are beyond the scope of government funding.

The purpose of this paper is to revise the current governance arrangements and to propose minor changes to the wording of the Scheme of Delegation with regards to the level of authorisation required.

Currently the Scheme of Delegation reads as follows:

<p>8. Expenditure on Charitable and Endowment Funds</p>		
<p>a) Up to £4,999 per request</p>	<p>Chief Executive; Deputy Chief Executive, Director of Finance or Deputy. Finance, Information and Performance Committee</p>	<p>SFIs Section 17</p>
<p>b) Over £5,000 per request</p>	<p>Chief Executive/Director of Finance; Finance, Information and Performance Committee and then referred to the Board of Sheffield Hospitals Charitable Trust.</p>	

Proposed changes are in red below:

8.	Expenditure on Charitable and Endowment Funds		SFIs Section 17
a)	Up to £4,999 per request	2 signatures from Chief Executive; Deputy Chief Executive, Director of Finance or Deputy Director of Finance . Finance, Information and Performance Committee	
b)	Over £5,000 per request	1 signature from Chief Executive or Director of Finance; in addition to Finance, Information and Performance Committee's approval , and then referred to the Board of Sheffield Hospitals Charitable Trust.	

3. Next Steps

The Committee is asked to note the proposed changes to the wording and to consider if the thresholds on points “a” and “b” are still appropriate. Consideration can be given to increase these values to £9,999 in “a”, and to over £10,000 on “b” on the Scheme of Delegation section 8.

4. Required Actions

The Committee is asked to note, consider, and approve the proposed changes to the Scheme of Delegation and provide feedback or comments as necessary.

5. Contact Details

For further information, please contact:

- James Sabin
- Deputy Director of Finance
- 226 3384
- James.Sabin@shsc.nhs.uk