

Assurance report of the Chair of the Charitable Funds Committee for the period ending October 2018

Overview

This Chair's report outlines the activity undertaken by the Charitable Funds Committee held on 16 October 2018. The Trust Board is asked to note the content of the chair's report for assurance purposes.

Successful Outcomes and Assurances

The Annual Report and audited accounts were submitted and approved. Although income is 44% below plan at the end of Q2, the Charity is forecasting income of £3.16m by the year end, which is only 3% below plan. This is supported by the legacy pipeline of £1.365m, which is steadily growing. The 2018 Annual Charity Ball raised in excess of £150K gross (£125K net) the highest Ball income recorded for the Charity, with over 400 guests attending.

Areas of Concern

Income at Q2 is 44% below planned target, raising concerns that the annual Appeal income target (i.e. contribution to TCC) of £2.0m will not be achieved, with a forecast underachievement of £0.1m in year. This situation will be reviewed in Q3. Income shortfall is primarily in major gifts; a revised Major Donor strategy aimed at improving this income stream will be presented at the next Charitable Funds Committee. Due to the risk associated with delivering the planned income target the committee has requested a revised strategy on all fundraising income will be presented at the January meeting. This will give the committee the opportunity to consider the updated strategy in the context of the Q3 financial position.

Alison Hastings
Chair
Charitable Funds Committee

Strategic Objectives

During the period the Committee received and rated assurance against achievement of the following key objectives or milestones as: -

Objective/Milestone	YTD Activity	Outcomes	*Assurance	
			Level 1,2 or 3	No → high
Continue to develop brand loyalty by establishing the Clatterbridge Cancer Charity as the local charity of choice.	Social media followers increased by 7% during the first 6 months. 1,138 new donors contributed in the first 6 months of the year.	Achieved 10% increase in social media interactions by March 2019. Achieved 5% increase in donor acquisitions by March 2019.	Level 2	Significant
Achieve £20m gross income generation target by March 2021. (£11.7m net)	£5.3m net raised towards Appeal target to date representing 45% of £11.7m total.	Achieve 29% overall growth across income streams in 2018/19.	Level 2	High
Establish an Appeal Board or alternative means to raise £3m net income by March 2021	Additional member appointed to the Appeal Board. Approaches have been made to secure a Chair.	Appointment of Appeal Board Chair and additional Appeal Board members through actions planned during quarter two or identification of alternative income generation activity.	Level 2	No assurance
Enhance transparency of Charitable activity that		Detailed breakdown of £400,000 annual charitable	Level 2	High

contributes to enhanced patient care and experience.		fund expenditure to enhance patient care and experience.		
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Exception/Emerging Issues Reporting

Operational Improvement

During the period the Committee received and rated assurance against achievement of the following KPIs or target measures as: -

KPI/Target	Outcomes	*Assurance	
		Level 1,2 or 3	No → high
Achieve £3.2m annual fundraising income target.	Q2 £882,074 income achieved against a target of £1,587,417 (56%)	Level 2	Medium
Achieve 22% Return on investment (ROI) in income generation activities.	Expenditure within annual budget constraints. Q2 Expenditure £389,399 with Lego investment ROI 2.26. Without Lego investment ROI 2.8	Level 2	High

Exception/Emerging Issues Reporting

Compliance

During the period the Committee received and rated assurance against scheduled reporting on compliance/performance in the following areas of policy, regulation or operational practice as: -

Scheduled reporting from Cycle of Business	Outcomes	*Assurance	
		Level 1,2 or 3	No → high
Fundraising & Finance Report	Income stream and appeal updates.	Level 2	High
Charity annual report and accounts	Charity report and accounts sent to Charity Commission for publication by January 2019.	Level 3	High
Charity Investment report	Tender for investment portfolio October 2018	Level 2	High

Exception/Emerging Issues Reporting

Risks

During the period the Committee considered the performance in relation to management and mitigation of BAF risks assigned to them and provide the following summary of highlights for the Board to consider as part of their deliberation of risk; -

BAF Strategic Risk	Identified Key Risk Area	Outcomes
To be enterprising strategic risk 9	The Charity does not provide the £20m (£11.7m net) capital required for the capital build.	Major donor income strategy to be reviewed to identify opportunities and restraints to achieving target otherwise there is little confidence the strategic

		objective will be achieved and on time.
Risk Escalation New or Emerging Risks		

**Assurance is rated by reference to the Assurance Quality Matrix which can be found in the ‘Guidance to Chairs’ of Committees and sub-committees of the Board*

Minutes of the meeting provide a full account of the work of the Committee and can be accessed here [www....](#)