

Trust Board Report

Meeting Date:	22 April 2013
Title:	Proposals for Regulation of NHS Charities
Executive Summary:	The report outlines the New Regulatory Framework for NHS Charities and the options for the Charity that the Board notes the options under the New Regulatory Framework.
Action Requested:	That the Board Ratifies the Charitable Funds Committee decision that <ul style="list-style-type: none"> • Charity remains in its current form, linked to the Trust • This decision is reviewed in March 2014
Report of:	Kevin Stringer
Author: Contact Details:	Kevin Stringer, Chief Financial Officer Tel: 01902 695954 Email: kevin.stringer@nhs.net
Resource Implications:	None
Public or Private: (with reasons if private)	Public Session
References: (eg from/to other committees)	N/A
Appendices/ References/ Background Reading	Review of Regulation and Governance of NHS Charities – Department of Health publication
NHS Constitution: (How it impacts on any decision-making)	In determining this matter, the Board should have regard to the Core principles contained in the Constitution of: <ul style="list-style-type: none"> ✚ Equality of treatment and access to services ✚ High standards of excellence and professionalism ✚ Service user preferences ✚ Cross community working ✚ Best Value ✚ Accountability through local influence and scrutiny

Background Details

Overview

From April 2013 new regulations are introduced on how NHS Charities can operate. The change in regulations means that there are two options for the Trust Charity:

- The Charity continues to operate as it does currently, with the Board acting as Corporate Trustee for the Charity. For accounting purposes International Accounting Standard on consolidation of accounts (IAS 27) would apply. The Charity would be viewed as linked to the Trust and its accounts would be consolidated with those of the Trust.

- The new regulations allow the constitution of a separate Charity which is constituted with its own Trustees. This would operate independently from the Trust with its own objects which would be expected to be similar to those of the current Charity.

The Charitable Funds Committee agreed that the Trust Charity should remain in its current form with a review of this position in twelve months' time. The Board is asked to ratify this decision.

Detail

New Charity Regulatory Framework

From April 2013 there is a change in the regulatory framework for NHS Charities allowing the creation of separate NHS Charities which would have independent Trustees rather than a Corporate Trustee as present. It would be expected to operate within objects that would guide its activities but would be independent of influence from the Trust.

Options For the Trust Charity

The following options were reviewed by the Committee:

The Trust Charity remains as it is currently constituted.

There would be no change in the way the Charity operates. The only change would be that the April 2013 the exemption that NHS Charities had from regulations requiring the Charity accounts to be consolidated into the main Trust accounts disappears so consolidation would have to take place.

A separate Trust Charity is created.

This would require:

- The Objects of the new charity to be agreed
- A new Board of Trustees to be recruited

It was noted that from discussions with neighbouring Trusts and with External Audit that we are not aware of any similar sized Trusts setting up an independent Charity with the additional work requirement being cited as the main reason.

Conclusions

After reviewing the requirements for setting up a new charity against the benefits the Charitable Funds Committee felt that the Royal Wolverhampton Charity should remain in its current form and that this decision should be reviewed in March 2014.

Recommendations

That the Board ratify the Charitable Funds Committee decision that the Charity remains in its current form, subject to this decision being reviewed March 2014.