



Trust Board – 27th April 2021

Raising Health Overhead Budget

Purpose of the report

The report provides an update on the Raising Health budgeted overhead costs for 2021/22. The total cost of running the charity exceeds the Charitable Funds Committee approval limit of £50,000. The Board is asked to approve the budget for 2021/22 which totals £118,541

Analysis of the issue

The details of the annual overhead running costs of the charity are given below with an explanation of the movement since the previous year. The overheads consist mainly of staffing costs which are needed to deliver our 4 strategic aims of:

- **VISIBILITY** : Increase the charity brand awareness and profile to all relevant audiences
- **INCOME** : Increase the level of donations to the charity using the appropriate fundraising mix
- **GRANTS** : Invest in initiatives that support the vision of the charity
- **PARTNERSHIPS**: Develop partnerships which increase the reach of the charity

For 2021/22 we have added a one year fixed term Band 2 role to support the Fundraising Manager, so that they can redirect some of their time to strategic projects which will grow the charity. The Band 2 role accounts for most of the increase in cost and is a support role to help staff create and deliver bids that will enhance the patient experience or improve staff wellbeing. This role is initially for a one year fixed term and will be reviewed for its impact as the end of the term approaches.

Proposal

2021/22 Budget Setting				
Raising Health Running Costs Review				
	20/21	21/22		Note
	Cost	Cost	(increase)	
	£000	£000	£000	
<u>Fundraising</u>				
Fundraising manager (pay and nonpay)	(47,968)	(53,230)	(5,262)	Part year vacancy in 2020/21
Band 2 role to support charity	0	(19,062)	(19,062)	New role create in 2021/22 as one year fixed term
Marketing & fundraising (inc website costs)	(4,770)	(4,770)	0	
	(52,738)	(77,062)	(24,324)	
<u>Governance & Support</u>				
Finance staff	(28,029)	(28,316)	(287)	
Harlequin Finance software	(2,806)	(2,890)	(84)	
Internal audit recharges	(6,090)	(6,273)	(183)	
	(36,925)	(37,479)	(554)	
<u>Investment Manager</u>				
Investment fee	(2,000)	(4,000)	(2,000)	Fee reduction secured in first year of contract 2020/21
Total	(91,663)	(118,541)	(26,878)	
<u>Overheads as % of income</u>				
Realised income	893,000	315,000	(578,000)	Income likely to be higher in 2021/22, set at minimum level
Overheads as % of income	10%	38%		
<u>Overheads as % of expenditure</u>				
Expenditure	(452,000)	(701,000)	(249,000)	2021/22 expenditure funded from previous year's donations
Overheads as % of expenditure	20%	17%		

Decision required

- The Board is asked to approve the budget for 2021/22 which totals £118,541

Governance table

For Board and Board Committees:	Public Trust Board	
Paper sponsored by:	Cathy Ellis	
Paper authored by:	Jackie Moore / Cathy Ellis	
Date submitted:	19 April 2021	
State which Board Committee or other forum within the Trust's governance structure, if any, have previously considered the report/this issue and the date of the relevant meeting(s):	Charitable Funds Committee 7 th December 2020 (first draft – now updated)	
If considered elsewhere, state the level of assurance gained by the Board Committee or other forum i.e. assured/ partially assured / not assured:	Assured	
State whether this is a 'one off' report or, if not, when an update report will be provided for the purposes of corporate Agenda planning	Annual report to Board	
STEP up to GREAT strategic alignment*:	High Standards	
	Transformation	
	Environments	X
	Patient Involvement	
	Well Governed	X
	Single Patient Record	
	Equality, Leadership, Culture	
	Access to Services	
	Trust Wide Quality Improvement	X
Organisational Risk Register considerations:	List risk number and title of risk	
Is the decision required consistent with LPT's risk appetite:	Yes	
False and misleading information (FOMI) considerations:	Yes	
Positive confirmation that the content does not risk the safety of patients or the public	Yes	
Equality considerations:	Yes	