

**Minute of the Endowment Committee Meeting
19th November 2021**

Microsoft Teams

Present:

Ms Luan Grugeon, Trustee, NHS Grampian Endowment Funds (Chair)
Professor Siladitya Bhattacharya, Trustee NHS Grampian Endowment Funds
Mr Alan Gray, Director of Finance, Trustee NHS Grampian Endowment Funds
Ms Rachael Little, Trustee, NHS Grampian Endowment Funds (excl. Item 4.4)
Dr John Tomlinson, Trustee, NHS Grampian Endowment Funds

In Attendance:

Mr Garry Kidd, Assistant Director of Finance
Mrs Sheena Lonchay, Operational Manager for NHSG Charities
Mr Stuart Walker, Financial Accountant, NHS Grampian
Mr Gair Brisbane, abrdn Head of Charities Scotland (Item 5.1)
Mr Craig Joiner, abrdn Senior Client Portfolio Manager (Item 5.1)
Ms Else Smaaskjaer, Minutes

Item	Subject	Action
1.	Welcome and Apologies Ms Grugeon welcomed everyone to the meeting. Apologies from Committee Members: None	
2.	Declarations of Interest Ms Little noted a professional interest in the request for GAPF Additional Resources, and confirmed she would leave the meeting for Item 4.4 No direct or pecuniary interests were declared.	
3.	Previous Meetings	
3.1	The minute of 24 th September 2021 was agreed as an accurate record of the meeting. No matters arising.	
3.2	Action Log 26.03.21 Item 7 (Grant Application) – Mrs Lonchay confirmed that she had met with the Director of Grampian Hospital Arts Trust (GHAT) and they had discussed priorities and future collaborations.	

	<p>24.09.21 Item 4.1 (Staff Social Fund) – Mrs Lonchay had circulated emails from Turcan Connell which restated previous advice that to include staff employed by other organisations (Health and Social Care Partnerships and Local Authorities) would fall outwith the original purpose of donations made to support the work, and the wellbeing, of NHS Grampian staff. It was agreed that Mrs Lonchay should seek further clarification and also seek advice regarding the status of Volunteers in relation to the Staff Social Fund.</p> <p>24.09.21 Item 4.2 (NHSCT Stage 3 Application) – Mrs Lonchay confirmed that the application had gone through a positive peer review process and some minor queries had been dealt with.</p> <p>24.09.21 Item 4.4 (Grants Programme) – Mrs Lonchay informed Trustees that the Grants Programme had been launched. Applications will be aligned to the priorities agreed at the AGM of Trustees in July 2021 and a report on applications received will be presented at the next meeting of the Committee in January 2022.</p> <p>24.09.21 Item 4.5 (Baird and ANCHOR Memorandum of Understanding) – Mr Kidd informed Trustees that he had made a minor amendment to the document to clarify that, following transfer of funds from Friends of Anchor to Endowment Funds, authority to spend would rest with Trustees in line within the charter, policies and operating instructions of the Charity.</p> <p>24.09.21 Item 4.1 (Christmas Village) – Mrs Lonchay advised there had been no further communication from staff regarding this item.</p> <p>24.09.21 Item 6.2 (Research: Fast Field Cycling Imaging) – Mr Kidd informed Trustees that a funding package had been identified from specific funds.</p> <p>24.09.21 Item 6.4 (Research: Staff Development) – Mrs Lonchay confirmed that the assurances requested by Trustees in relation to this application had been received.</p>	<p>SL</p> <p>SL</p>
4.	Operational Update	
4.1	<p>Operational Managers Report</p> <p>A report from the Operational Manager highlighted recent activities and the following items were discussed.</p> <p>Staff Development – Mrs Lonchay reported a small increase in applications for staff development events which include a</p>	

	<p>treat for staff, for example, afternoon tea. Applications had been examined to ensure compliance with Operating Instructions of the Charity but there had also been a willingness to acknowledge the work of staff during a period of ongoing pressures.</p> <p>Grant Advisors - Mrs Lonchay asked Trustees to advise on the appointment of a 'neutral' adviser to avoid recruitment of those with expert knowledge in a particular specialty and the risk of bias towards specific applications. Ms Grugeon suggested this could be dealt with during induction and training for advisors which should include advice on how to manage conflict of interest. She also noted that the Medical Director as a Trustee of Endowment Funds could be asked to advise on applications. Mr Kidd noted the importance of ensuring appropriate challenge and scrutiny and proposed that a standard checklist of questions could be prepared to ensure objectivity.</p>	
4.2	<p>Community Grants Programme</p> <p>Mrs Lonchay presented a paper which outlined the purpose of the Community Grants Programme. Trustees had agreed an indicative budget of £200,000 and the criteria for applications would align with the priorities agreed at the AGM of Trustees in July 2021. This would widen the scope of 2020 applications which had been mainly Covid related. The 2021 Programme had been launched on 19th November with a deadline for receipt of applications at 31st December 2021.</p> <p>A small advisory panel would be asked to review applications and make recommendations to Trustees. The three Third Sector Interface groups (TSIs) in Grampian will be consulted to ensure a coordinated approach between the Community Grants Programme and the Scottish Government Communities Mental Health and Wellbeing Fund.</p> <p>Trustees agreed that it would consider applications to the Community Grants Programme at the next meeting of the Endowment Committee on 28th January 2022. If applications exceed the indicative budget of £200,000 Trustees will consider any action required.</p>	SL
4.3	<p>Charity Engagement</p>	

		<p>Mrs Lonchay presented an SBAR providing information relating to the recognised decrease in donations to the Endowment Fund. A review of donations over the previous five years had highlighted some gaps in the information held and recording systems will be reviewed by the Endowment Team.</p> <p>The report detailed the actions proposed to raise the profile of the Endowment Fund and the Director of Marketing and Communications will be asked to provide further advice on marketing opportunities.</p> <p>Dr Tomlinson asked if the decrease in donations reflected a national trend and whether comparisons could be made or lessons learned from other Boards. Mr Kidd confirmed that discussion at national network meetings would indicate it is a national trend and work would continue to provide an analysis of donations and provide comparisons with other Boards.</p> <p>Trustees endorsed the immediate steps to raise the profile of the Endowment Fund and agreed the new Endowment Team will be asked to develop a longer term charity engagement strategy for implementation in future years.</p>	GK
	4.4	<p>GAPF – Additional Resource</p> <p>Ms Little left the meeting for this item.</p> <p>Mrs Lonchay informed Trustees that the Grampian Area Partnership Fund Endowment Committee had for some years received an annual allocation of £50,000 which until this year had never been fully utilised and unspent balances returned to General Endowment Funds each year. In the current year the allocation had already been oversubscribed mainly due to applications to undertake vocational or academic staff development by individuals or groups of staff. This could reflect the efforts made by the GAPF Endowment Committee to publicise availability of funding. All applications are examined to ensure compliance with the Operating Instructions of the Charity.</p> <p>Trustees approved a non-recurring increase from General Endowment Funds to the GAPF Endowment Committee from £50,000 to £100,000 for 2021/22. The budget will revert to £50,000 for 2022/23 and future years, subject to annual review.</p>	
5.	Finance		
	5.1	Investment Performance	

	<p>Mr Brisbane and Mr Joiner of abrdn attended for this item. An information pack had been circulated prior to the meeting.</p> <p>Mr Joiner outlined general market trends during the previous twelve months and compared this with the previous three month period. He noted indications of market recovery and increased economic activity in some areas. He highlighted some of the strengths across world markets but also the negative performance in emerging markets which could reflect the poor vaccine roll-out in some countries, for example, India and Brazil.</p> <p>Mr Brisbane noted the importance of ethical investment to abrdn and its commitment to avoid harm, buy better companies and contribute to solutions and highlighted the benefits of active engagement with companies included in the portfolio.</p> <p>Mr Brisbane highlighted the value of the portfolio at 12th November 2021 as £55.1M which represented an increase from March 2021. The annual income had been estimated at £1.66M which was more than the benchmark of £1.25M.</p> <p>The top 10 and bottom 10 performers were listed in the information pack. Dr Tomlinson noted the overall positive performance and asked if there had been consideration of moving towards renewable energies. Mr Brisbane confirmed that the portfolio still included some fossil fuel companies and challenges had been acknowledged across the charity sector regarding whether closing out fossil fuel companies would risk losing income from some high performing companies. The balance of achieving the best outcome with the least harm could be included in discussions regarding the investment policy of the charity on 18th January. Mr Kidd confirmed that Dr Hobkirk, NHSG Head of Sustainability, Compliance and Risk had been asked to provide a presentation to Trustees on the wider sustainability agenda.</p> <p>Mr Brisbane concluded that abrdn were comfortable with the current position of the portfolio and will continue to monitor performance.</p> <p>Ms Grugeon thanked Mr Brisbane and Mr Junior for the positive update and for their ongoing support in managing the NHS Grampian Endowment Funds portfolio.</p>	
<p>5.2</p>	<p>Financial Position</p> <p>A report detailing the financial position of the Charity at 31st October 2021 had been distributed. Mr Kidd suggested that as</p>	

	<p>Income and Investment had been covered at item 5.1, and in the interests of time, Trustees should consider the report and contact him directly with any queries.</p> <p>Trustees noted the overall financial position of the charity.</p>	
<p>6.</p>	<p>National Review</p> <p>The Review of Governance of NHS Endowment Funds published by the Scottish Government had been circulated prior to the meeting. Mr Kidd advised that the report was as expected and when the legislation is in place there will be a clearer indication of the timescale to implement changes. He suggested that Trustees should consider the content of the report and prepare for a more detailed discussion at the planned Trustee development session on 3rd December.</p> <p>The following key points were raised:</p> <ul style="list-style-type: none"> • There will be a recruitment process to appoint new non-Health Board Trustees who will form the majority membership of Trustees. • Health Boards will recommend nominations for the minority appointed Trustee roles. • Trustees should consider the impact of introducing changes to governance of endowment funds at the same time as proposal to introduce a National Care Service for Scotland. • Has there been consideration of where the non-Health Board Trustees will be found and who will manage the appointment process. • How will non-Health Board Trustees be supported to undertake the role. • The impact on public perceptions if branding refers to NHS-Linked Charity. • If Non-Executive Board Members form the minority of Trustees what are the implications when decisions/approvals are agreed which NHS Trustees do not agree with. • Trustees should consider any concerns relating to governance and due diligence. <p>Mr Kidd suggested that the development session on 3rd December would be an opportunity for Trustees to consider what changes are required to take the Charity from where it is now to where it needs to be in the future.</p>	
<p>7.</p>	<p>Application: Data Manager Clinical Trials</p> <p>An application had been received for the continued employment of a specialist staff member to support the running of clinical trials. This</p>	

	<p>data management post had been jointly supported by NRS Cancer Research Network and Endowment Funds since 2008. The joint support by NRS Cancer Research Network is expected to continue. The post supports oncology clinical trials hosted at ARI and open to eligible patients across Grampian, Orkney, Shetland and other Health Board areas.</p> <p>Professor Bhattacharya supported the application and highlighted how the nature of clinical trials relating to difficult to treat cancers had changed in recent years. Data collection and management had become increasingly complex and important. He noted that this post supports patient recruitment and contributes to local availability of trials.</p> <p>Ms Little asked if there was a longer term strategy to support the post rather than leave it dependent on five year funding applications. Mr Kidd advised the Committee that a precedent had been established in relation to a post to support Huntingdon's Disease where the continual flow of funding and the fund manager monitors the budget to ensure it does not fall beneath a certain level. He suggested that something similar could be applied to this application to ensure some continuity.</p> <p>Trustees agreed to support the application for £129,843 from NER11482 Colorectal Study Fund and NER11574 Aberdeen Lung Cancer Fund.</p> <p>Trustees agreed that clinicians should be informed that this will be based on previous funding arrangement in relation to Huntingdon's Disease.</p>	
8.	<p>Update to NHS Grampian Board</p> <p>Items to report to the Board should include:</p> <ul style="list-style-type: none"> • Financial Position • Application Approved • Launch of Community Grants Scheme • Additional Resources to GAPF • National Review • Reminder of Investment Review Meeting on 18th January 	
9.	<p>AOCB</p> <p>Trustees noted that this would be Mrs Lonchay's final attendance as the Operational Manager of NHSG Charities at the Endowment Committee. Her contribution in taking the charity forward and</p>	

	<p>improving processes was recognised and Ms Grugeon added that appreciation for her hard work would be acknowledged at the meeting of Trustees on 3rd December.</p>	
	<p>Future Meetings</p> <p>Friday 3 December (Trustee Update) 11.30 – 13.00</p> <p>Tuesday 18 January 2022 (Investment Review) 11:00-12:30</p> <p>Friday 28 January 2022 (Endowment Committee) 10:00-12:00</p>	