

APPROVED

Minutes of Meeting of
NHS Grampian Charity Committee

On 7th June 2024, 11am

By Microsoft Teams

Board Meeting

Open Session

12.12.24

Item 16.5

Present	Mr Dennis Robertson	Trustee and Non-Executive Board Member
	(Chair)	
	Dr John Tomlinson	Trustee and Non-Executive Board Member
	(Vice Chair)	
	Dr Colette Backwell	Co-opted Advisor to the Committee
	Cllr Ann Bell	Trustee and Non-Executive Board Member
	Prof Siladitya	Trustee and Non-Executive Board Member
	Bhattacharya	
Attending	Ms Alison Evison	Trustee and Non-Executive Board Member
	Mr Steven Lindsay	Trustee and Employee Director
	Ms Sian Mutch	Co-opted Advisor to the Committee
	Mr Alex Stephen	Trustee and Director of Finance
	Ms Julie Anderson	Assistant Director of Finance
	Ms Lisa Duthie	Charity Lead, NHSG Charity
	Ms Linda Logan	Administrator, NHSG Charity
Apologies	Mr Colin Loy	Finance and Business Systems Manager, NHSG Charity
	Ms Nicky MacBeath	Communications and Engagement Officer, NHSG Charity
Apologies	Ms Helen Surgenor	Co-opted Advisor to the Committee

Item		Subject	Action
1		Welcome and Apologies	
		Mr Robertson welcomed everyone to the meeting.	
		Apologies as noted above.	
2		Declarations of Interest	

		None	
3		Minute of Meeting on 5th April 2024	
		The minute was approved as an accurate record	
		Mr Robertson apologised for the lateness of the minutes and papers being received by attendees. He advised that for future meetings the intention is to get the bulk of the papers sent out at least a week in advance to allow attendees time to review, and any papers not ready at that point would follow when finalised.	
	3.1	Action Log of Previous Meetings	
		Trustees reviewed the action log of items from previous meetings, noted the updates provided and the items which were either complete, on the agenda for this meeting or scheduled for future meetings of the Committee.	
		Item 2 Staff Social Fund – Work to explore replacement options for this activity is ongoing as part of the spending strategy.	
		Ms Duthie requested to keep the programme on hold until October, once a decision has been made on the spending strategy. This was agreed by the Committee.	
		Item 8 Community Grants – Monies have now been received and Ms Duthie requested to remove this item from the action log, which was agreed by the Committee.	
		Item 13 Newsletter – This action has now been completed and how to donate information was included in our last newsletter and will continue to be included going forward. Ms Duthie requested to remove this item from the action log, which was agreed by the Committee.	
	3.2	Any Other Matters Not On Action Log	
		None noted	
4		Lead Officer's Report	

		A report from Ms Duthie highlighted recent activities and provided updates regarding ongoing pieces of work.	
		She drew attention to point 2.1.7 where LGT Wealth Management have offered a trustee training session tailored to NHS Grampian Charity's needs. Ms Duthie asked if this was something that would be of interest to the Committee, who agreed that it would be beneficial.	
		Ms Duthie also invited members of the committee to attend the upcoming charity roadshows, as outlined in point 2.1.1. She advised that members of some of the charity's annually funded projects had been invited to attend to help promote their services/activities too.	
		Mr Robertson asked that requests for attendance at events be shared with the committee as early as possible to allow for diaries to be planned around event dates.	
		Action: Trustees to inform Ms Duthie which roadshow(s) they are able to attend	ALL
		Action: Ms Duthie to arrange an 'introduction to investment' trustee training session for later in the year.	LD
		Trustees thanked Ms Duthie for her update	
5		Finance	
	5.1	Finance Update	
		Trustees reviewed the financial report detailing financial activity and the financial position of the charity for the first month of the financial year, ending 30th April 2024. Key points highlighted:	
		<ul style="list-style-type: none"> No trends or issues to comment on at this early stage in the financial year; 	
		<ul style="list-style-type: none"> Financial position shows a net operating deficit for the period of £163,000; 	
		<ul style="list-style-type: none"> These has been some volatility in the investment portfolio in the month of April with 	

		the closing value of the portfolio having dropped £714,000 from the value at 31st March 2024. This represents a decrease of 1.37%;	
		<ul style="list-style-type: none"> The net decrease in value is represented by a decrease in unrealised investment gains of £934,000 which is reflected in the changing value of the Revaluation reserve, together with net gains of £224,000 realised on investments during the period which are shown in the Income & Expenditure account. 	
		Mr Loy advised that the audit would be finalised soon, and a meeting with the auditors is due to take place week beginning 10th June. No significant issues have been raised by the auditors to date.	
		Mr Loy confirmed that should any adverse trends in the portfolio accelerate he would inform trustees as soon as possible and would not wait until the October Committee meeting to update.	
		Trustees noted the financial activities and the financial position of NHS Grampian Charity for the first month of the financial year to 30th April 2024.	
	5.2	Annual Report & Accounts 2023/24	
		Mr Loy presented trustees with the draft annual report and accounts for 2023/24. Key points highlighted:	
		<ul style="list-style-type: none"> The accounts present a positive financial performance for the charity for the financial year with a net surplus for the year of £3.595 million being generated. This consists of an underlying operating surplus of £546,000 combined with a net gain on investments of £3.049 million; 	
		<ul style="list-style-type: none"> Investments ended the year at a value of £52.284 million representing a notable recovery in value from the closing value as at 31st March 2023. A significant proportion of the prior-year investment losses have therefore been reinstated over the last 12 months; 	

		<ul style="list-style-type: none"> While income has remained unchanged over prior year levels, the nature of income received has changed significantly with legacy income increasing by just under £1 million. The underlying position in terms of general donations indicates a reduction in general donations of £220,000; 	
		<ul style="list-style-type: none"> Expenditure for the year has reduced compared to the previous year with grant funding awards reducing by over 20%. This is against a backdrop of an increasing number of grant funding awards having been made in the year, indicating a higher volume of lower value awards having been made in the last year; 	
		<ul style="list-style-type: none"> Restricted funds have increased over the year by £866,000 while general unrestricted funds have increased by £759,000 over the year. 	
		Trustees congratulated the team for the performance made and progress shown during the 2023/24 year, and acknowledged the hard work that has gone into this.	
		Trustees queried why the investment income shows a decrease whilst the valuation of investments has increased. Mr Loy proposed that this may be a timing issue in terms of when dividends are received, with some falling into the 2024/25 year. He will request a more detailed answer from Mr Brisbane to be provided at the AGM.	
		The Annual Report & Accounts for 2023/24 was approved by Trustees with no amendments.	
		Action: A detailed response on the investment income decrease in relation to the increased value of investments to be requested from Mr Brisbane.	CL
6		Charity Spending Strategy	
		Ms Duthie presented the charity spending strategy. The spending strategy has been progressed with the support of a short life working group, with the final	

		strategy due to be presented at the charity AGM on 25th June 2024.	
		Over a series of meetings, members of the working group highlighted the following key points, as outlined by Ms Duthie:	
		<ul style="list-style-type: none"> The charity must remain focused on the impact the funds could achieve, the intention for which they were donated, and the charitable purpose 	
		<ul style="list-style-type: none"> The current backdrop of the cost-of-living crisis and growing health inequalities experienced by the most vulnerable in our communities, and against current health system pressures, has created the perfect opportunity for us to make use of our funds to make a positive impact at a time it is most needed 	
		<ul style="list-style-type: none"> Expenditure should be framed against Grampian's public health priorities 	
		<ul style="list-style-type: none"> There is a desire to tackle focused health challenges to achieve significant impact 	
		<ul style="list-style-type: none"> Current and proposed expenditure opportunities should be reviewed against the charity's strategic objectives 	
		<ul style="list-style-type: none"> The right financial model and utilisation rate is key to ensure the charity takes a staged approach with robust controls in place 	
		Mr Loy outlined four proposed financial models – three of which are based on utilisation rates for designated funds, restricted funds and the charity's revaluation reserves at 10%, 15% and 20%, with a fourth option being set at the 20% utilisation rate but excluding the utilisation of the revaluation reserves.	
		The options give rise to expenditure budgets for the five year period from 2024/25 to 2028/29 ranging from £25 million to £39 million. This equates to an average annual expenditure of between £5 million and £7.7 million. Implementation of the expenditure plans would see overall charity reserves reduce from	

		the current level of £49 million to between £40 million and £29 million dependent on the option chosen.	
		Trustees thanked Ms Duthie and Mr Loy for setting out the financial modelling in a clear and understandable manner, and acknowledged the hard work that had gone into producing this strategy.	
		They sought clarification that the fourth (hybrid) option is based on a utilisation rate of “up to” 20%, which Mr Loy confirmed was accurate.	
		Trustees acknowledged that the current period is a critical period for health and care, which is why the decision has been made to draw out additional monies.	
		Discussion points:	
		Trustees queried if restricted funds dovetail into some of the spending areas the charity is looking at, then would these be utilised ahead of unrestricted funds. Mr Loy confirmed this was correct.	
		Trustees acknowledged the £2 million currently earmarked for the Lasting Impact programme, and queried if the funding criteria should be reviewed to make the monies more flexible in their use. Ms Duthie confirmed that this could be explored.	
		Trustees acknowledged the value in continuing the working group, and expressed an interest in exploring the membership of the group and the creation of terms of reference.	
		Trustees highlighted that the reason a balance is maintained on unrestricted funds is to support the charity in the longer term, and suggested an approach to be made to OSCR to ensure the spending strategy meets the spirit of the charities act.	
		Trustees highlighted the challenges with raising unrestricted funds. Mr Loy confirmed that the financial modelling assumes an increase in unrestricted funds due to wider charity activities including rebranding and increased fundraising resource.	

		Trustees discussed the risk of restricting the charity's ability to fund impactful projects if they cannot be supported from restricted funds, and requested Ms Duthie share further information with the Committee as to which projects outlined in the spending strategy can and cannot be supported through restricted funds. They acknowledged that setting an 'up to' amount for the use of unrestricted funds but with an agreement to exceed that if an appropriate project application is received may be an appropriate way to progress.	
		Trustees discussed the proposed change to funding for staff-focused initiatives including retiral teas and the staff social fund. These have historically been funded by the charity and trustees acknowledged the value of these. Ms Duthie highlighted that alternative options to support staff wellbeing with more sustainable benefits had been requested by trustees and that other NHS-linked charities have moved away from supporting this type of project as it does not provide a benefit to patients, who are the beneficiaries of the charity, and instead only benefits staff. It was acknowledged that an appropriate transition would need to be considered. Trustees queried if the recognition of retiring staff should be considered core expenditure, and asked Ms Duthie, Mr Stephen and Mr Lindsay to discuss and feed back to the committee.	
		Trustees discussed the wording around the 'impact' of research funding, and where the charity sees itself in filling the gap between research and implementation. They agreed that research done in Grampian will have benefit to patients all over the country, but the charity is not responsible for the implementation of research findings by the health board. Ms Duthie and Professor Bhattacharya will review the narrative about this area.	
		Trustees confirmed their support for option four (hybrid) with increased flexibility on the use of unrestricted funds	
		Trustees noted the charity's robust financial position	
		Trustees noted the position of the reserves policy	

		Trustees agreed to continue the short life working group with a new remit to progress the strategy	
		Trustees agreed further work will be undertaken to refine the guiding principles	
		Action: Ms Duthie to explore options for the utilisation of restricted funds for the Lasting Impact programme	LD
		Action: Ms Duthie to develop new terms of reference and continue working with the short life working group to develop spending plans	LD
		Action: OSCR to be contacted to ensure the spending strategy meets the spirit of the charities act	CL
		Action: Ms Duthie to provide an update on the presented projects seeking support, outlining which could be funded from restricted funds	LD
		Action: Ms Duthie, Mr Stephen and Mr Lindsay to discuss funding of retiral teas	LD/SL/AS
7		Updated Fund Guidance	
		Ms Duthie presented the updated Fund Guidance which included a number of small amendments made to wording and processes	
		Trustees agreed to the updated Fund Guidance	
8		NHS Grampian Charity Charter	
		Ms Duthie presented the Charity Charter, which has been updated	
		Trustees agreed to the updated NHS Grampian Charity Charter	
9		Policy on Acceptance of Donations	
		Ms Duthie presented the policy on Acceptance of Donations, which has been updated	

		Trustees agreed to the updated policy on Acceptance of Donations	
10		NHS Grampian Charity Meeting Planner	
		Ms Duthie presented a planner of where meetings for Trustees fall throughout the year, as requested at the previous Committee meeting, and proposed a move to quarterly meetings along with the AGM and two development sessions each year. This allows the opportunity for papers to be developed in a timely way.	
		Trustees queried if a specific Research & Development meeting or group is required. Ms Duthie advised that this has been noted at a previous discussion and will depend on the direction taken by the spending strategy, so will be considered as work develops.	
		Trustees agreed to the charity meeting planner	
11		Policy on Conflict of Interest	
		Ms Duthie presented the policy on Conflict of Interest, which has been updated	
		Trustees agreed to the updated policy on Conflict of Interest	
12		Reserves Policy	
		Mr Loy presented the Reserves policy, which has been updated	
		Trustees agreed to the updated reserves policy	
13		NHS Grampian Charity Research Programmes	
		Ms Duthie presented an outline of the charity's research programmes including proposed timelines for the Lasting Impact and Annual Small Research Grants programmes	

		Ms Duthie thanked Professor Bhattacharya for his very valuable support throughout this process	
		Trustees agreed that the projects were progressing satisfactorily	
14		Funding Applications	
	14.1	Application for the research into benefits of dietary fibre supplements	
		Ms Duthie presented one application for research into the benefits of dietary fibre supplements.	
		Ms Duthie queried if Trustees were happy with the more detailed information provided in terms of peer reviews and rebuttals. Trustees confirmed this additional information was useful.	
		Ms Duthie highlighted that Dr Dunmore can attend future Committee meetings if required to provide further information and background. Ms Duthie will extend an invitation to Dr Dunmore to attend the AGM.	
		Trustees felt that the application had good, detailed responses to peer reviews, and that Dr Dunmore's peer review was very balanced. They highlighted that ethical approval would need to be in place before research took place.	
		Trustees approved the application for research into the benefits of dietary fibre supplements on condition of ethical approval	
		Action: Ms Duthie to extend an invitation to Dr Dunmore to attend the AGM	LD
		AOCB	
		Trustees wish to acknowledge that this was the final meeting for Professor Bhattacharya and thank him for his support and invaluable contributions as a member of the Committee. Trustees wish Professor Bhattacharya all the very best in his new role.	

		Future Meetings	
		25 th June (AGM) 14:30 (Summerfield House or via Teams)	
		4 th October 11:00 – 13:00 (via Teams)	
		29 th November 11:00 – 13:00 (via Teams)	