

APPROVED

NHS Grampian Charity

Minutes of Meeting of
NHS Grampian Charity Committee
On 2 June 2025 at 11:00-13:00
Virtually by MS Teams

Board Meeting 11.12.25 Open Session Item 11.2
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Present	Dr Colette Backwell	Trustee and Non-Executive Board Member
	Chair	
	Prof David Blackburn	Trustee and Non-Executive Board Member
	Mr Steven Lindsay	Trustee and Non-Executive Board Member
Attending	Ms Julie Anderson	NHSG Assistant Director of Finance
	Mr Jeremy Chittleburgh (Guest)	Chiene & Tait - NHS External Auditors
	Ms Lisa Duthie	NHSG Charity Lead
	Mr Colin Loy	NHSG Finance and Business Systems Manager
Apologies	Ms Linda Logan	NHSG Charity Administrator
	Ms Alison Evison	Trustee and Non-Executive Board Member
	Ms Sian Mutch	Advisor - NHSG Charity Sub-Committee
	Mr Dennis Robertson	Trustee and Non-Executive Board Member
	Mr Alex Steven	Exec Director NHSG - Director of Finance

1	Subject	Action
	Welcome and Apologies	
	Dr Backwell welcomed everyone to the meeting in particular Mr Jeremy Chittleburgh who attended on behalf of the auditors.	
	Apologies as noted above.	

2 Declarations of Interest

Prof Blackburn had a note of interest to item 13.2 but has no direct involvement in the work.

3 Minutes of Meeting on 28th March 2025

The Minutes were approved via email as an accurate record.

3.1 Action Log

Ms Duthie was looking for approval of the following items to be removed as the work had progressed.

Request to remove Item 6, 7 & 14, 8, 13, 15 & 16, 18, 19 and 21.

The Committee approved the removal of items 6, 7 & 14, 8, 13, 15 & 16, 18, 19 and 21.

Action: Ms Duthie and her team to develop a process for the award of grant funding from next year onwards.

LD

3.2 Any Other Matters Not On Action Log

None noted

4 Lead Officers Report

Ms Duthie invited questions or comments regarding the Lead Officers report.

Dr Backwell congratulated the Charity around the posters that had been put up around Aberdeen Royal Infirmary.

Dr Backwell asked if we can have the date for the annual review event on the 8th Oct in our diaries as soon as possible.

Dr Backwell asked why the CRM and grant management system has been delayed, and to let committee members know if they can do anything to escalate that.

Ms Duthie highlighted new OSCR requirements to have full details of all Charity trustees. Dr Backwell asked if OSCR is going to put additional requirements onto the Charity as a separate legal entity we might need to think about this and pick it up through the Committee and the Board.

The Committee thanked Ms Duthie for her Lead Officers Report update.

5 Finance

5.1 Financial Report to 30th April 2025

Mr Loy gave a report covering the first month of the new financial year. Only one months' worth of activity at this stage.

Report included full income and expenditure budgets for the year, for the first time and reflects the position agreed in the approved 2025-26 budget.

The income position is showing as £94k below budget at this stage. No legacy income or notifications received in April. General donations are below budget by £91k – this could be a timing issue.

The grant funding award budget was set at £14.2 Million for the year. Expenditure is £900k below budget at this stage. Challenge will be to attract good quality, high value grant applications throughout the year to meet the target budget spend.

Investments – further marginal decrease in the value of investment since the position at the financial year-end. Markets remain volatile at this stage. Investment income however remains stable and robust.

The Committee noted the financial activities and financial position for the first month of the financial year 30th April 2025.

5.2 Draft Annual Report and Accounts

Mr Loy gave an update on the annual reports and accounts.

The financial position shows a net decrease in/outflow of charitable funds for the year of £1.272 Million. This decrease related to a net loss on the valuation of investments of £1.246 million combined with a net outflow of funds on charitable activities of £0.026 million for the year.

The financial position effectively changed in the last month of the financial year as a result of the following:

Investments-market volatility giving rise to a notable decrease in the value of the investment portfolio during March.

Grant award expenditure – a notable reduction in the level of grant award expenditure recorded due to the closure of over £700k of historic grant approvals with unspent funding balances. The fund closures were all actioned in March.

Funds merger process took place during the financial year and saw a 55% reduction in the number of individual funds held, moving from 732 to 329 funds, with the level of restricted funds reducing by two-thirds. The net movement of fund balances arising from the funds merger is reflected on the face of the SoFA as part of the recorded 'Transfers between Funds' undertaken in the financial year.

The Charity ended the financial year with net assets of £47.756 Million which remains a very strong financial position. Of this, £25.129 Million relates to restricted funds. The utilisation of those restricted funds is a key strategic objective over the short-medium term.

Prof Blackburn had a question on the £700.000 credit and queried if this was money not spent. Mr Loy explained in some cases the charity received confirmation that the project never happened so the grant funding wasn't required. In other cases the project had been completed but not all the funding was used so the charity has taken back the unused balance of funding.

Prof Blackburn asked if the objectives of the grant were still met with the under spends and if we checked these. Mr Loy advised that under-spends generally reflect the project activities having been delivered at a lower than anticipated cost and are not as a result of the project having stopped or being incomplete with original objectives not being achieved.

Dr Backwell had a query about the two lists for the NHSG Board Members which was in the audit summary report and asked if we needed both, Dr Backwell asked Mr Loy if it was going to be looked at before the AGM meeting. Mr Loy replied that this was being looked at.

Mr Chittleburgh thanked the Committee for appointing them as Auditors. Mr Chittleburgh spoke to the audit summary report and advised that no significant control issues or findings had been identified from the audit work. Mr Chittleburgh confirmed that an unqualified audit opinion would be issued for the accounts. Mr Chittleburgh then spoke to a number of observations and recommendations identified during the audit in relation to reporting and governance matters and good practice. These were noted by the Committee.

Dr Backwell thanked Mr Chittleburgh for his presentation.

The Committee noted the draft Annual Accounts for the financial year ended 31st March 2025 and that they are subject to an unqualified audit opinion and thanked Mr Loy for his update report.

The Committee were happy to approve the Annual report and accounts for the AGM.

5.3 Reserves Policy

Mr Loy gave an update on the reserve policy.

Main point to note is that the level of 'Free Reserves' held as unrestricted funds notably exceeded the £3 Million minimum threshold level (before adjusting for unrealised losses).

The Committee approved the update Reserves Policy for recommendation to the AGM meeting on 20TH June 2025 and thanked Mr Loy for his report.

5.4 Investment Policy

Mr Loy gave an update on the investment policy.

Main change in the policy is to note the risk profile of the investment portfolio as medium-high risk in line with the agreed benchmark/target composition of the portfolio.

Policy wording also updated to reflect LGT Wealth are now the new investment managers for the fund.

Dr Backwell asked about the objectives of investment in Para 5.3 of the policy if it was to generate growth of at least £1.25 million per annum net of fees and asked if we had agreed to go with a percentage. Mr Loy said this still needs to be looked at.

CL

The Committee approved the updated Investment Policy for recommendation to the AGM meeting on 20th June 2025.

6 2024-25 Year End Review

Ms Duthie gave a presentation on the work undertaken by the Charity 2024-25, this included progress against key objectives, an overview of the number, value and type of funding awards made over the year as well as key highlights which included the launch of the Lasting Impact programme; the approval and progression of the charity's spending plan; the introduction of more robust processes and procedures and a weekly drop in for staff; the launch of the Charity's Did You Know campaign and National 'Elf service week, and the continuation of the successful monthly Roadshows at NHS sites.

The committee thanked Ms Duthie and her team for all the hard work they have put in and achieved this year.

7 Fund Stewards

Ms Duthie gave apologies that the paper in the pack is the incorrect one, as an old version was sent in error. Ms Duthie shared her screen with a slide outlining the correct information.

This paper outlined the charity's engagement with Fund Stewards and the role they play. A consultation was proposed in relation to the charity's new spending plans and future requirements.

Ms Duthie asked the Committee for approval and agreement that the role of Charity Fund Steward is reviewed and requested permission to progress a consultation with the fund stewards in relation to future funding agreements of the Charity. Ms Duthie will then come back with a redefinition of what the role looks like to a future committee meeting.

Prof Blackburn read in the note with regards to the Charities and Trustees Investment Act that the role of the fund steward was obsolete,

and asked if we needed to go through the process since there's been a decision around that Act.

Ms Duthie replied that some of that decision and advice given was for another Charity and she was meeting the lawyers to clarify that position specifically for NHS Grampian Charity this week.

Dr Backwell agreed with Prof Blackburn's comments and asked Ms Duthie to take legal advice first to make sure it applies to NHSG Charity. Thereafter, Fund Stewards should be informed of the changes and consultation should focus on how we work with fund stewards in an advisory role going forward.

Ms Anderson agreed we need the legal advice because it wasn't for NHSG Charity and we would need to amend the Charter for the Charity.

Committee approved, once legal advice is obtained:

- **That the role of Charity Fund Steward should be reviewed.**
- **and,**
- **The progression of a consultation with Fund Stewards in relation to future arrangements of the Charity and the redefinition of the Charity Fund Steward role.**

Action: LD to seek legal advice with regards to Fund Steward and Trustee position.

8 Staff Health & Wellbeing

Ms Duthie explained this paper relates to staff wellbeing and development and highlighted the high level of support we provide NHSG staff.

A paper was developed by the Scottish Endowment network, based on legal advice from the CLO, reviewing what NHS linked charities should, could or shouldn't support in relation to staff wellbeing and development.

Ms Duthie highlighted one of the biggest challenges is keeping focus on our charitable objective of improving patient health and wellbeing as the primary reason for charity expenditure. The paper will provide clarity, keep us legally right and it will provide guidance for the team to relate to whilst assessing applications.

Ms Duthie explained that there were 15 activity types to consider; 9 of which Ms Duthie feels we could consider or continue to consider under the framework of our guidance, 1 activity that we should seek staff consultation and development to bring a proposal back to trustees and suggest setting up a short life working group to progress. And that there were 5 activity types in the proposal she feels we should not consider or stop supporting.

Mr Lindsay said he was uneasy about the proposed changes and that the Grampian Area Partnership Forum need to be sighted of the

proposed changes, Mr Lindsay noted there were talks about 12 months ago with Ms Duthie and a few others and there has not been any follow up to these talks.

Dr Backwell asked Mr Lindsay if his comment was about lack of communication Mr Lindsay agreed that it was.

Ms Duthie gave an explanation that there is a staff wellbeing group that she was seeking to work with on a paper and come back to the committee but it did not go forward as there had been a turnover of staff and work had not been progressed.

Mr Lindsay noted on the slide that was presented to the Committee that item 12 retiral parties is actually retiral teas, and asked if Item 11 Christmas and birthday parties may be re-described as team development or wellbeing activities.

Mr Lindsay suggested Ms Duthie to get in contact with Audrey Gordon the Partnership Support Officer to see if they can support progressing the proposed changes.

Action: The Committee agreed that this needs more work and to be brought back to a future meeting.

9 Fund Guidance

The paper highlights a few small changes to our Fund Guidance. There is a table in the paper and the changes have been tracked in the appendix.

Ms Duthie had one additional amendment that was not included in the papers. Ms Duthie wanted to clarify that the Charity were unable to support recurring grant applications and shared this with the committee with a slide.

The Committee approved the changes that were highlighted in the paper and slide presented by Ms Duthie to the Fund Guidance.

10 NHSG Charter

Ms Duthie noted there were no major changes to the charter, just date and name updates.

The Committee approved the recommended minor changes to the NHSG Charter provided by Ms Duthie.

11 Risk Register

Ms Duthie noted that 2 new additional lines have been added to the risk register. This came as a recommendation from the auditors and further

work will be undertaken by us to explore if any further action is required in relation to them. Ms Duthie said it was important for her to add, that the Charity benefits from the same arrangements as NHS Grampian have in place around awareness and management of detection of fraud and the team have undertaken training on TURAS, and the same arrangements around cyber security.

Dr Backwell asked how the risk category compared to NHS Grampian.

Ms Anderson clarified that the fraud risk didn't read any higher than the one in finance operational risk register but a bit higher than rated in cyber.

The Committee agreed the updated risk register at Item 11.

12 Small Research Grants

Ms Duthie had four points she was asking for approval for.

An allocation of £300k was approved by the committee for the Small Research Grants programme back in September 2023.

Ms Duthie presented the chosen projects for final endorsement to the Committee, and explained that a robust scrutiny process had been undertaken which included peer review and response; review by a comprehensive grants research panel, as well as the charity team and patient public engagement and involvement. Ms Duthie noted that following the approval of these funds from unrestricted funds, the charity's new spending strategy is to increase restricted fund expenditure and that she was presenting these 4 points in a slightly different way for consideration.

The Committee agreed to approve the following 4 points:

- 4 awards from the unrestricted allocation of £300,000 (approved 29.9.23) with a total value of £77,781.
- The remaining £222,219 unrestricted allocation to be returned to NEUR3001 unused.
- 14 awards from identified restricted funds with a total value of £255,621.
- Trustees are content for the Charity Team to authorise awards within this programme against Restricted Funds where there is clear charity fund alignment.

13 Funding Applications

13.1 Seafield Hospital Adaption Request

The application at item 13.1 is for a cost adaption for an approval, made back in May 2024, to refurbish Seafield Hospital. Due to delays, increased costs and increased scope, they are seeking a further £12,570 to complete the works, bringing the total approval to £61,577.

Dr Backwell asked if the NHS Grampian estates have been involved in the tendering or approval costs.

Ms Duthie replied this was from the estates team.

The Committee were happy to approve Item 13.1 the adaption and increased costs for the £12,570.

13.2 Research into Patients Initiated Follow Up

Trustees were invited to approve the application at Appendix 1 for £95,883 from the Rheumatology Research Fund and the Rheumatology General Fund for the evaluation study of the Patient Initiated Follow-Up service.

This application has been reviewed by the charity's research grants panel and being proposed for support.

The Committee were happy to approve Item 13.2 Appendix 1 for £95,883 on the condition a statement was sent asking for reassurance that this is a properly developed and evaluated piece of work.

14 AOCB

None noted

Meeting Dates 2025/26

AGM 20 June 2025

03 October 2025

19 December 2025

27 March 2026