APPROVED

Board Meeting
13.08.26
Open Session
Item 21.2.2

NHS GRAMPIAN

Minutes of Meeting of
NHS Grampian Charity
On 27th March 2026 at 11:00 – 13:00
Virtually by MS Teams

Present	Dr Colette Backwell (Vice chair)	Trustee and Non-Executive Board Member
	Cllr Ann Bell	Trustee and Non-Executive Board Member
	Prof David Blackbourn	Trustee and Non-Executive Board Member
	Mr Christopher Hewson	Advisor – NHSG Charity Sub-Committee
	Mr Steven Lindsay	Trustee and Non-Executive Board Member
	Ms Sian Mutch	Advisor – NHSG Charity Sub-Committee
	Mr Alex Stephen	Exec Director NHSG - Director of Finance
Attending	Ms Julie Anderson	NHSG Assistant Director of Finance
	Mr Gair Brisbane	Charity Lead - LGT
	Ms Lisa Duthie	NHSG Charity Lead
	Ms Linda Logan	NHSG Charity Administrator
	Mr Colin Loy	NHSG Finance and Business System Manager
	Mr Joshua Ryan	LGT Wealth Management
Apologies	Mr Dennis Robertson (Chair)	Trustee and Non-Executive Board Member
	Ms Alison Evison	Trustee and Non-Executive Board Member

Item **Subject** **Action**

1 Welcome and Apologies

Dr Backwell welcomed members to the meeting and advised that an additional item (Item 9.2) had been added to the agenda. Members were asked to confirm whether they had sufficient opportunity to review the paper and whether they were content for the item to be taken at the end of the agenda. Prof Blackbourn advised that there had been insufficient time to review Item 9.2, as it had been circulated at short notice, and confirmed that feedback would be provided on return from annual leave.

Apologies Noted as above.

2 Declarations of Interest

David had a transparent statement Item 9.2 the people work in his school he does not have direct interaction and dose not line manage them. But he wanted to be completely transparent that he knows them.

Mr Steven made a transparency statement regarding Item 7 that he is an employee of NHS Grampian.

Mr Lindsay made a transparency statement regarding Item 7 that he is an employee of NHS Grampian.

Item	Subject	Action

3 Minutes of Meeting held on 19 December

An amendment to be made to Dr Backwell's name.

The minutes were approved as an accurate record.

3.1 Action Log (N)

Ms Duthie presented updates on the action log, recommending removal of complete items and clarified ongoing work.

Ms Duthie asked for Item 1 to be removed as it will be discussed in the agenda today 27/03/26.

Ms Duthie asked for the following Item's to be removed from the action log. Items 2, 7, 8,9,10 13 & 15 as these have now all been completed.

An amendment to be made on Item 11 rational should be rationale.

The committee approved the removal of Item's 1,2,7,8,9,10,13 & 15

3.2 Any Other Matters Not On Action Log

None noted.

4 Lead Officers Report (N)

Ms Duthie gave an update on the Lead Officers report and noted Item 2.14 CRM and grant management system and that a meeting had been held with NHSCT to request a further extension on the CRM and grant management system. NHSCT advised that a one-year extension may be granted, subject to completion of the Data Protection Impact Assessment by the end of March.
Mr Loy has had a response from the Information Governance team, however he was concerned that the required data protection impact assessment may not be in place within the required timeframe.

Mr Stephen raised a query regarding the move away from the use of X/Twitter and whether any further work was required in relation to communication and raising awareness of the charity's benefits. Ms Duthie advised that the charity continues to experience a decline in followers across X/Twitter platforms. It was noted that promoting the charity remains a work in progress, and that the charity will focus on Facebook and Instagram as the primary platforms for promotion.

The committee thanked Ms Duthie for her Lead Officers report.

5 Finance

Mr Loy presented the financial report and annual budget.

5.1 Financial Report to 31st January 2026 (N)

Mr Loy provided a detailed financial report covering the operating position as of January 31st and the forecast for March 31st.

At the end of January, our operating position showed a net outflow of funds of £3.66 million. Overall income for the year to date is £2.7 million, which is in line with our budget. While income from donations is currently behind budget, this is being balanced by a positive year-to-date variance in legacy income. We'll continue to keep this under review and will share further updates as the year progresses.

Investment income remains positive at £1.4 million for the year to date which is 11% above budget.

Our current expenditure shows that we are £5.4 million behind in grant funding and commitments. That said, the actual grant funding being delivered is £2.6 million higher than at the same point last year, which is encouraging and shows things are moving in the right direction.

Since the last financial report, the investment portfolio has grown by £1.4 million. This means it is up by £6.7 million so far this financial year.

This increase is reflected through the reserve and investment gains of £3.8 million recorded in the income and expenditure account.

Mr Loy explained that, since the forecast was prepared, the charity has also recognised an additional £440,000 from a legacy. In addition, a new funding commitment of £550,000 has been agreed to support GHAT over three years. This will be added in March and will start in the new financial year.

Dr Backwell and Mr Steven raised a comment about the decline in donations and the strategy for future income, in response, Mr Loy and Ms Duthie explained the revised income targets, the challenges of forecasting due to historical reliance on unsolicited donations, and plans to strengthen donor engagement, community fundraising, and direct fundraising campaigns.

The committee noted the financial activities and financial position of NHS Grampian Charity for the ten months to 31st January 2026.

The committee noted the forecast outturn financial position of NHS Grampian Charity for the financial year ending 31st March 2026.

5.2 Annual Budget 2026/27 (D)

Mr Loy presented the annual budget. It shows a net cash outflow of £9.4 million, and income targets have been revised down by £350,000. Grant-funded spending for the year is budgeted at £11.8 million. This includes £6.7 million of unused grant budgets carried over from previous years. Work is currently underway with representatives from the main high-value charitable funds. The aim is to agree clear spending plans and support the submission of high-value grant applications.

Item	Subject	Action

If the budget is approved and put into place, the charity's fund balances would fall by 28% to £24.5 million. Even after this reduction, the unrestricted funds would still be at a healthy and positive level.

The spending plan up to March 2029 has been updated to reflect the revised budget assumptions, along with the actual income and spending from the first two years of the plan. Based on these updated figures, total fund balances (not including the revaluation reserve) are expected to be £19.5 million in March 2029. This is just under 7% lower than originally forecast.

The committee approved the proposed annual budget for NHS Grampian Charity for the 2026-27 financial year.

The committee Note the updated financial position for the remaining three years of the Charity Expenditure Strategy for 2026-27 to 2028-29

5.3

Reserves Policy update (D)

Mr Loy talked through the reserves policy and explained why it is proposed to increase unrestricted reserves. This included an update on the financial strategy and how the organisation plans for changes in investment income.

The policy also explains a proposed change to how accounts are handled, so that both gains and losses are recorded in the revaluation reserve. This follows standard practice and makes the accounts clearer and easier to understand.

NOTE: Value of unrealised losses on investments as at 28th February = £1.8 Million

The committee are approving the updated Reserves Policy detailed in Appendix 1 on the basis that it goes to the AGM for approval.

The committee approve the change in charity accounting policy to require unrealised losses on Investments to be adjusted/recorded against the investment revaluation reserve, with effect from 1st April 2026

5.4

Investment Policy update (D)

Mr Loy noted that the policy has been updated following the outcomes of two investment workshops held over the past six months. The revised policy reflects a proposed change in approach to divide the current investment portfolio into two separate portfolios. One portfolio will be aligned with the charity's short- to medium-term funding needs and structured within a low-risk framework to provide greater certainty around the availability of funds and income.
Section 3 – outlines the updated investment objectives based on the two portfolio approach. This also clarifies the need to generate investment income as well as investment growth and establishes a target yield for

Item	Subject	Action

investment income to be generated in relation to the value of the investment portfolio held.
Section 4 – now includes a statement outlining the approach to the management of identified investment ethical breaches
Section 6 – sets out the risk profile attached to each of the separate investment portfolios and the anticipated composition of each portfolio holding
Section 7 – provides a clearer explanation around the benchmark and performance measures used.

There was no change to the ethical investment criteria.

Mr Brisbane provided feedback on the draft policy which highlighted some areas that required further consideration. These included the use of a percentage yield instead of a fixed income target, a change in the benchmark composition of the portfolio to remove the requirement for UK based equites and instead focus on an overarching level of total global equites of 72% and to note a change in benchmark indices with FTSE indices no longer being used by LGT.

On the basis of the feedback from Mr Brisbane, the committee agreed that the investment policy required review before approval. The committee decided to defer approval with plans to further revise and update the policy and bring this back to the next meeting.

5.5 Investment Review (Gair Brisbane) (N)

It was noted that the portfolio had been performing very strongly throughout the year and was up by 18.4% for the period to end of February 2026. While the political crisis in the middle east made the value dip again by the end of the financial year, the majority of the gains generated prior to this have been retained. In benchmark terms the portfolio has outperformed ARC and is ahead of CPI plus 3% across every time period except the 5yr (which includes the period of the Russian invasion of Ukraine).

In managing the portfolio Mr Brisbane is currently top-slicing investments in companies that have performed really well and re-investing these excess surplus funds elsewhere to continue to diversify risk. One example of this is Taiwan Semiconductor Manufacturing which was up by 1200%. Some of this stock has now been sold and the funds used to purchase holdings in other sectors.

The committee thanked Mr Brisbane for his Investment review.

5.6 External Audit – audit points follow-up 2024-25 (N)

Mr Loy provided the committee with an update on responses to external audit points and oversaw the presentation of grant applications, ensuring they met fund criteria and were supported by appropriate documentation.

Item	Subject	Action

The committee noted the updated responses from NHS Grampian Charity to the audit observations & recommendations from the 2024-25 external audit report and the progress achieved to date.

6 NHSG/GHAT SLA (D)

Ms Duthie presented a request to continue funding for GHAT SLA asking for approval of £128,000 over a four year period.

Ms Duthie outlined the background and purpose of the GHAT SLA and explained how it differs from other art room programme funding.

The committee agreed to approve the £128,000 to continue funding for GHAT SLA over the next four years.

7 Staff Wellbeing and Development (D)

Ms Duthie presented a paper on staff well-being, outlining the findings of a short-life working group and seeking approval for a number of proposed initiatives. The paper highlighted key issues, including access to rest areas, staff culture, and the need for more targeted communications and appropriate funding mechanisms.

Mr Lindsay and Mr Stephen were supportive of the proposal and highlighted the importance of clearly distinguishing between initiatives that should be funded by NHS Grampian and those that fall outside the charity's remit. They suggested establishing a small working group, with representation from finance, HE and staff side colleagues, to further develop the proposal. This would help ensure robust governance and alignment with NHS Grampian priorities and the Culture Board.

The committee agreed to approve the paper as a basis for further work to be brought back to the committee for consideration.

8 NHSG Charity Website (D)

Ms Duthie shared a paper with the trustees seeking approval to move forward with the development of a dedicated charity website. The proposal included a budget of £20,000, with the aim of supporting the charity to achieve its strategic objectives in a more effective and efficient way.

The committee agreed the proposal of £20,000.

9 Funding Applications

Ms Duthie presented item 9.1 Fleming Community Hospital Hub (D) and sought approval of £51,690 to refurbish the community hub.

The committee approve the attached application for £51,690 for the refurbishment of space at Fleming Hospital for their Community Wellbeing Hub

Item	Subject	Action

9.2 The conceptual basis of functional activity limitation (FAL) and its measurement in neurodegenerative diseases

Ms Duthie apologies for the late submission of item 9.2 explained this was an internal mishap as was missed as part of Dr Dunmore's handover. Approval was being sought for £143,195 from the Neurology Fund for the study. The conceptual basis of functional activity limitation (FAL) and its measurement in neurodegenerative diseases.
The application has undergone rigorous peer and PPIE review's and was approved at the charity's research grants meeting of 24 February.

The committee approved the application Appendix 1 for £143,195 for the research study The conceptual basis of functional activity limitation (FAL) and its measurement in neurodegenerative diseases.

10 AOCB

11 Date of Next Meeting/Dates 2026

Tuesday 16th June 2026
AGM meeting Monday 22nd June 2026
Tuesday 15th September 2026
Tuesday 22nd December 2026