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Bwrdd Iechyd Prifysgol
Caerdydd a'r Fro
Cardiff and Vale
University Health Board

Annual Report of the Charitable Funds Committee 2022/23

1.0 INTRODUCTION

In accordance with best practice and good governance, the Charitable Funds Committee produces an Annual Report to the Board setting out how the Committee has met its Terms of Reference during the financial year.

2.0 MEMBERSHIP

The Committee membership is six Members comprising an Independent Member Chair, Independent Member Vice Chair, a further Independent Member and three Executive Directors who are the Executive Director of Finance (Lead Executive), Executive Director of People and Culture and the Executive Director of Therapies and Health Sciences. In addition to the Membership, the meetings are also attended by the Director of Corporate Governance, the Director of Communications, Arts & Health Charity and the Deputy Finance Director. The Chair of the Board is not a Member of the Committee but attends at least once annually after agreement with the Committee Chair. Other Executive Directors are required to attend on an ad hoc basis.

3.0 MEETINGS & ATTENDANCE

The Committee met four times during the period 1 April 2022 to 31 March 2023. This is in line with its Terms of Reference.

The Charitable Funds Committee achieved an attendance rate of **76%** (80% is considered to be an acceptable attendance rate) during the period 1st April 2022 to 31st March 2023 as set out below:

| | 21/06/2022 | 20/09/2022 | 06/12/2022 | 21/03/2022 | Attendance |
|-------------------------|------------|------------|------------|------------|------------|
| Akmal Hanuk (Chair) | ✓ | X | ✓ | ✓ | 75% |
| Mike Jones (Vice Chair) | ✓ | ✓ | ✓ | ✓ | 100% |
| Susan Elsmore | ✓ | X | ✓ | ✓ | 75% |
| Catherine Phillips | ✓ | ✓ | ✓ | ✓ | 100% |
| Fiona Jenkins | X | X | ✓ | ✓ | 50% |
| Rachel Gidman | ✓ | ✓ | X | X | 50% |
| Total | 85% | 50% | 85% | 85% | 76% |

4.0 TERMS OF REFERENCE

The Terms of Reference and annual Work Plan are reviewed and approved on an annual basis. The Terms of Reference for the year 2021/22 were reviewed by the Committee on the 1st March 2022 and were approved by the Board on 31st March 2022. The Terms of Reference for the year 2023/24 were reviewed by the Committee on 21 March 2023 and were approved by the Board on 30 March 2023.

5.0 WORK UNDERTAKEN

The purpose of the Charitable Funds Committee is to provide advice to the Charity Trustee, with regards to the discharge of its duties and responsibilities for the Charitable Funds.

During the financial year 2022/23, the Charitable Funds Committee (“the Committee”) reviewed the following key items at its meetings:

Health Charity Financial Position & Investment Update.

At each meeting, the Committee was advised of its responsibility for overseeing the financial management and stewardship of the Charitable Funds. The Charitable Funds Financial Position Report provided information on the year to date’s financial performance of the Cardiff and Vale Health Charity (“the Charity”) and assessed the forecast financial position of the Charity against commitments already made and investments.

At every meeting the latest income position of the Charity was provided to the Committee.

In June the Committee was advised that during the last 12 months, there had been (i) a reduction in income received by the Charity, (ii) a market value loss on its investments of £0.084million, and (iii) a decrease from £6.569 million to £6.135million in the Charity’s investment portfolio. As a consequence, overall the value of the Charitable Funds had decreased by £1.67million in the current year to £8.778 million. The Charity had approved a number of bids which had resulted in significant financial commitments assessed at being circa £0.712m. The general reserves were over committed by around £0.367m and therefore careful consideration would be required with regards to making any new commitments.

At its meeting in December, it was noted that the Charity’s General Fund was overcommitted by circa £1.205million and no more bids could be accepted at that time. It was agreed that the Executive Director of Finance, the Deputy Director of Finance and the Director of Communications would consider and draw up a plan to set out how the General Fund could be restored to good health. It was noted that a process was now in place to deal with “dormant funds” so that unspent monies were not sitting in charitable portfolios for long periods of time.

Over £25K bids for approval

At each meeting a number of bids, where the value of each individual bid was over £25,000, were presented to the Committee for discussion and/or approval. Each bid discussed by the Committee during the year, together with the outcome of the same, is listed below whilst noting that during its June 2022 meeting, the Committee agreed that no further bids for over £25,000 would be received by the Health Charity for the remainder of the financial year. That was because it was noted that the request for money was held against the Health Charity's general reserves which were already overcommitted.

- **Improving the Environment of the Employee Wellbeing Service - Approved**
- **Innovation Collision Space to support People and Culture - Approved**
- **Employee Wellbeing Service – Endorsed by the Committee and approved by the Board of Trustees**
- **Cardiac Services / Legacy Funds - The Committee was advised that the Directorate Manager of the Cardiac Services had requested for £70k of the money that they had been gifted through a legacy to be spent on the refurbishment of the Cardiac catheterisation theatre changing facilities at the University Hospital of Wales (UHW). It was noted that the money had been gifted to that service and was not coming out of the general reserves but that it was one of their restricted funds, hence why the Committee had received the information for approval due to being over the £25k limit. The Committee approved the spend of the money.**

Fundraising Reports

A Fundraising Report was provided to the Committee on a quarterly basis.

The reports covered the progress and activities of the Health Charity Appeals for the period 1st April 2022 – 31st March 2023.

The report outlined various appeals, staff lottery updates, fundraising activities and any significant donations received by the Charity.

Reporting Feedback on Successful CFC bids

At each meeting, the Committee was advised of feedback from the bids that had previously been approved by the Committee. These included:

Covid-19 Patient Experience Support Project - £25,000

Recovery and Wellbeing College Senior Peer Trainer - £31,237.59

Grow Cardiff - £99,759

Staff Outdoor areas - £79,800

Our Health Meadow - £80,000

Staff Recognition Awards - £25,000 over 5 years (2018 – 2023)

Keeping Me Well - £164,000

Welsh Transplant Games - £25,000 - £40,000 over 5 years (2021 – 2026)

Staff Benefits Group Report

Cardiff and Vale University Health Board Staff Benefits Group was established in 2017, to explore and co-ordinate discounts and benefits offered by external organisations for Health Board employees. The Staff Benefits Group would ensure and agree 'best deals' for staff and in governance terms would report their work to the Committee and the Local Partnership Forum.

At each meeting, the Committee was informed of staff benefits discussed and agreed by the Group between April 2022 – March 2023. The last Staff Benefits Group meeting was held on 10th November 2022.

Staff benefits are displayed on a dedicated link on the Health Board's website intranet page.

Staff Lottery Bids Panel Report

The Board of Trustees has delegated responsibility for the Staff Lottery Bids Panel to consider and approve Charitable Funds bids up to a maximum of £10,000.

The Small Bids process, which also allows bids up to a value of £250 to be fast tracked for approval, was formally agreed by the Committee at their meeting on the 19th September 2017.

The Charity was pleased to report that the Staff Lottery Scheme income continued to grow month on month with the increased number of allocated numbers being at its highest level since its launch and which increased income for the Health Charity. The Lottery funds provide support to patients, staff and visitors and is extremely efficient in terms of its turnaround of fast-track bids for funding, which benefits services across the Health Board.

Events Planner 2022/2023 Update

The Health Charity Team organises a wide range of fundraising events throughout the year to:

- Support individual appeals for Clinical Boards and fundraisers
- Involve and support staff members in their individual fundraising for the HC
- Raise awareness of the Health Charity's fundraising activities to encourage staff and public involvement, improve sponsorship and partnership opportunities

The events planner for 2022/23 was received by the Committee at each of its meeting and provided a draft of the key events taking place for the year.

Other matters of business discussed during the year, included: -

Health Meadow Secured Funding Proposal - at its meeting in June, the Committee agreed that further work was required in relation to the Our Health Meadow bid to enable the Committee to have a better understanding of the financial commitment involved and how the same could be underwritten.

In December, the Committee had a detailed and challenging discussion with regards to the request to fund and/or underwrite Phase 2 of the Health Meadow project. The Committee noted that the matter was complex for several reasons and after much consideration decided that they could not, at that time, support the funding request.

Health Charity Therapy Puppy Proposal – In June, the Committee was advised that the Health Charity would like to purchase a dog for emotional support to attend clinical areas 2-3 days per week, for a maximum of two hours per session and that the welfare of the dog had been secured by a volunteer via the Patient Experience Team. The Committee agreed to a further discussion, following which the Committee was advised at its meeting in September that the original proposal had been withdrawn and that other avenues were being considered.

Third Sector Grants Scheme – Committee Members were advised at the meeting held in June that the Health Charity had worked successfully in partnership with Glamorgan Voluntary Services (GVS) and Cardiff Third Sector Council (C3SC) since 2016 to provide grants to Third Sector organisations. In September, the Committee received a more detailed evaluation on how the Third Sector Grant Scheme money had been spent and the impacts seen by the local community. The Executive Director of Finance noted that the Third Sector Grant Scheme should continue to support annually initiatives where demonstrable benefit could be seen in continuing to support initiatives for the Health Board's population.

The Charity's Strategy 2020-2025 - the Committee held an Away Day session on 22 September 2022, with members of the Board of Trustees, to reflect on the Health Charity's Strategy in light of a number of matters that had occurred since the Strategy had been originally implemented (e.g. The COVID -19 pandemic, the cost of living crisis). Feedback from the Away Day was presented to the Committee in December and the Committee was informed that a Task and Finish Group had been established in order to refresh the Charity's Strategy. At the time of writing this Annual Report, a draft of the refreshed Strategy is due to be discussed by the Committee on 21 March 2023.

Rathbones Investment Update – in June and December, the Committee received an update from the Health Charity's investment managers (Rathbones). It was noted that due to a number of factors (high inflation, higher interest rates and the risk of recession), this was a challenging period for investment. That said, it was noted that the Charity's investments were exposed to the global economy rather than the UK economy (the UK was likely to see a deeper recession than the US's economy). As at the end of November, the Charity's investment portfolio was worth just under £5.6million. Rathbones were investing funds in "greener" companies and those with Environmental, Social and Governance (ESG) issues high on their agendas. It was agreed that some further work would be undertaken in conjunction with Rathbones to review the Charity's risk appetite (currently Risk Level 3 (medium risk)) in order to maximise better returns whilst safeguarding the charitable donations, to carry out some benchmarking in relation to the same, and to consider investing further with ESG companies (as opposed to non ESG companies).

Disposal of Rookwood Hospital - the Committee was advised that a number of options were being considered with regards to the potential disposal of Rookwood Hospital (a Charity asset). .

Breast Centre Appeal – The Committee received a report which outlined the work that had been undertaken and noted that it was one of the oldest and long-standing appeals of the Charity. The Committee was advised that Irene Hicks Nicholls, had been a fundraiser for the Breast Centre Appeal since 2014 and that in August 2022, Irene and her team of fundraisers and supporters reached a fundraising total of £200,000.

Health Charity Updates: - Prop Appeal Annual Fundraising Report - The Committee was advised that some of the events within the Prop Appeal had not been held and so a slight dip in the funding had been observed. It was noted that the Prop Appeal had offered to support a third of the cost of the maintenance of Horatio's Garden which would be reviewed on an annual basis.

Self-Assessment of Committee Effectiveness - The Committee noted the results of the Committee Effectiveness Review for 2022 and agreed that the action plan for improvement would be completed by March 2023.

Policies - in December the Committee reviewed the revised Fundraising Policy and recommended it to the Board of Trustees for approval.

6.0 REPORTING RESPONSIBILITIES

The Committee has reported to the Board after each of its Committee meetings by presenting a summary report of the key discussion items at the Committee. The report is presented by the Chair of the Charitable Funds Committee.

7.0 OPINION

The Committee is of the opinion that the draft Charitable Funds Committee Report 2022/23 is consistent with its role as set out within the Terms of Reference and that there are no matters that the Committee is aware of at this time that have not been disclosed appropriately.

Akmal Hanuk

Committee Chair