



**Confirmed Public Minutes of the Charitable Funds Committee
17 September 2024
Via Microsoft Teams**

To watch this meeting, please click here:

[Cardiff & Vale University Health Board - Charitable Funds Committee Meeting 17.09.2024 \(youtube.com\)](https://www.youtube.com/watch?v=...)

Present:		
John Union	JU	Committee Chair / Independent Member – Finance
Joanne Brandon	JB	Director of Communications, Arts, Health Charity and Engagement
Susan Lloyd-Selby	SL	Independent Member – Local Authority
Rob Mahoney	RM	Deputy Director of Finance
Catherine Phillips	CP	Executive Director of Finance
Matt Phillips	MP	Director of Corporate Governance
Sara Moseley	SM	Independent Member – Third Sector
Emma Cooke	EC	Executive Director of AHPs, Health Scientists and Community Services Development
In Attendance:		
Rebecca Holliday	RH	Head of Financial Services
Mark Jones	MJ	Audit Manager
Secretariat:		
Rachel Chilcott	RC	Corporate Governance Officer
Apologies:		
Rachel Gidman	RG	Executive Director of People & Culture
Ceri Phillips	CP	UHB Vice Chair
Charles Janczewski	CJ	UHB Chair

CFC24/09/001	Welcome & Introductions The Committee Chair (CC) welcomed everyone to the meeting.	Action
CFC24/09/002	Apologies for Absence Apologies for Absence were noted.	
CFC24/09/003	Declarations of Interests No interests were declared.	
CFC24/09/004	Minutes of the Committee Meeting held on 11.06.2024 To view the minute: https://youtu.be/Fqc_CJWkJw8?t=172 The Committee reviewed the minutes of the meeting held on 11 th June 2024. The Committee resolved that: a) The minutes of the meeting held on 11 th June 2024 were approved as a true and accurate record.	

CFC24/09/005	<p>Committee Action Log</p> <p>To view the minute: https://youtu.be/Fqc_CJWkJw8?t=220</p> <p>The Committee reviewed the Action Log.</p> <p><u>CFC24/06/009 - Staff Lottery Bids Panel Report</u>: The Independent Member – Local Authority (IM-LA) confirmed that she had visited Barry Hospital and that the action could be marked as complete.</p> <p>The Committee resolved that:</p> <p>a) The Action Log was noted.</p>	
CFC24/09/006	<p>Chair's Action – Health Charity Review – External Consultant Proposal</p> <p>To view the minute: https://youtu.be/Fqc_CJWkJw8?t=292</p> <p>The Director of Communications provided the following summary:</p> <ul style="list-style-type: none"> • Over the past 18 months, significant work had been undertaken by the Task & Finish Group (T&FG), led by the Executive Director of Finance (EDF). • On June 11th, the Charitable Funds Committee (CFC) agreed to commission an external independent consultant for a medium-term review of the Health Charity's finance and governance actions and current financial operating model. • The request was to approve the engagement of the external consultant to review the Health Charity as per the proposal discussed in the private session of the CFC. <p>The Committee resolved that:</p> <p>a) The contents of the report were noted;</p> <p>b) It was noted that the Chairs Action would be received by the Committee at the private meeting held on the 17.09.2024.</p>	
CFC24/09/007	<p>CVUHB Charity Accounts 2023-24 - AW 2024 Audit Plan</p> <p>To view the minute: https://youtu.be/Fqc_CJWkJw8?t=436</p> <p>The Audit Manager (AM) took the paper as read and highlighted a few updates:</p> <ul style="list-style-type: none"> • Planning had not yet started, and so the risks and areas of interest for the audit (outlined in Exhibit 1) were based on past audit work. • Page 11 - They anticipated starting in on the 11th of November 2024, which was earlier than initially planned. • Page 13 - The audit lead had been confirmed as Helen Parkhouse. <p>The Independent Member – Third Sector (IM-TS) asked whether the audit fee came from the Health Charity of the University Health Board (UHB).</p> <p>The AM confirmed that the audit fee came from the Health Charity.</p> <p>The CC asked when the audit work would be concluded.</p> <p>The AM responded that the aim was to conclude fieldwork and issue the audit report for comments in early January, but having the flexibility towards the end of January was preferred to ensure everything was covered.</p> <p>The Director of Corporate Governance (DCG) confirmed that the Board of Trustee meeting would be held on the 23rd of January 2025, and they would aim for the work to be concluded for that date.</p> <p>The Committee resolved that:</p> <p>a) The CVUHB Charity Accounts 2023-24 - AW 2024 Audit Plan was noted.</p>	
CFC24/09/008	<p>Health Charity Financial Position & Investment Update</p> <p>To view the minute: https://youtu.be/Fqc_CJWkJw8?t=748</p> <p>The Deputy Director of Finance (DDF) presented the report and highlighted two key issues:</p>	

1. The value of the Charitable Funds had decreased by £0.004m from 1st April 2024 to 31st July 2024. This incorporated net expenditure of £0.078m over income offset by an increase in the Investment Portfolio value of £0.074m.
2. The General Reserve was currently in deficit, which with remaining commitments, was forecast to be in deficit by £0.715m at 31st March 2025.

The DDF highlighted the following:

- Table 1 summarised the financial position of the Charity for the period to 31st July 2024
- Table 2 compared their current income performance (£594k) to previous years (£448k and £367k). However, this year's figure was inflated by a significant legacy, and their underlying income position was a lot less than previous years.
- The General Fund's main issue was the difficulty in redirecting income to it, although the decrease in income primarily affected other funds among the 300 total funds.

The CC asked whether legacies were always restrictive in their nature.

The DDF responded that they were more likely to be restrictive, as people often left money to the UHB for a specific purpose.

The DDF continued:

- Table 3 provided the Summary Balance Sheet as of 31st March 2024, which illustrated that the balance sheet had decreased by £0.004m.
- Cashflow forecast - £400k had been realised from the investment portfolio to May 2024. Based on current spending plans and trajectories, it was projected that a further cash release from investments of £250k may be required to further support the cash position to the end of the financial year. It was anticipated that the Charity would request £125k in October 2024, with the possibility of a further £125k later in the financial year.
- The General Fund had been closed to new applications for funding for some time, but Table 5 detailed outstanding commitments still to be funded.
- The value of the General Fund was projected to continue to decline with an increase in deficit over the coming years. The T&FG had been tasked to consider options to address the financial stability of the Funds Held on Trust. In addition, the group had commissioned external consultants, More Partnership.

The DDF highlighted the following key financial risks:

- The performance of the investment portfolio which currently supported the General Fund balance
- The staff recharges to the General Fund
- The impact on the Funds Held on Trust cashflow arising from the investment portfolio and the staff recharges.

The IM-TS commended the transparency around the funding, and asked to what extent the audit would draw out some of the highlighted risk areas.

The DDF responded that Audit Wales were fully aware of the risks, and that they had not raised these as an audit risk to date.

The EDF noted that despite having a deficit fund, they were a going concern with assets valued at £8-9m, and this distinction was crucial for audits.

The IM-LA acknowledged the potential reputational risk around trust and noted that it was beneficial that they were being transparent in the public domain with a clear action plan in place.

The Committee resolved that:

- a) The financial position of the charity was noted;
- b) The performance of the investment portfolio was noted;
- c) The over commitment of the General Reserve was noted;
- d) The development of a longer-term plan to reduce the deficit on the General Fund Reserve was noted.

CFC24/09/009	<p>Over 25k Bids for Approval</p> <p>To view the minute: https://youtu.be/Fqc_CJWkJw8?t=1690</p> <p><i>None to report.</i></p>	
CFC24/09/010	<p>Reporting Feedback on Successful CFC Bids</p> <p>To view the minute: https://youtu.be/Fqc_CJWkJw8?t=1712</p> <p><i>No bids to report on.</i></p>	
CFC24/09/011	<p>Staff Lottery Bids Panel Report</p> <p>To view the minute: https://youtu.be/Fqc_CJWkJw8?t=1741</p> <p><i>No bids panel held in the last quarter.</i></p>	
CFC24/09/012	<p>Children & Women’s Clinical Board Transfer request from capital in perpetuity to endowment funds</p> <p>To view the minute: https://youtu.be/Fqc_CJWkJw8?t=1859</p> <p>The DOC presented the report and provided the following summary:</p> <ul style="list-style-type: none"> • The Children & Women’s Clinical Board sought approval from the CFC to request the Charity Commission to remove restrictions on a fund valued at £34,071.73. • The fund originated from a property left by Catherine Jenkins, with two parts – a capital part and an annual £4000 for maternity and child welfare. • The Clinical Board wanted to use these funds to relocate the Integrated Children’s Community Nursing Service (ICCNS) to Glan Ely Ward at St David’s Hospital. This move aimed to improve recruitment, teaching, research, and multidisciplinary collaboration. <p>The IM-LA sought clarity on the governance arrangements for requesting changes to a fund’s restrictions, and who had the authority to make a request to the Charity Commission.</p> <p>The DCG noted that the paper did not fully explain why the Charity Commission’s involvement was needed, and noted the following:</p> <ul style="list-style-type: none"> • The Trustee had certain powers, and any questions under the scheme meant that the Trustees could go to the Commission. • They could explore whether the Trustees had the inherent powers to make changes without the Commission’s approval. • The DCG was comfortable with the CFC making the decision due to its delegation from the Board of Trustee, but that he planned to review the Committee terms of reference to clarify governance and delegation boundaries. <p>The EDF interpreted from the paper that the funds were held in perpetuity and could not be spent without Charity Commission approval to change their status. She agreed that the corporate side of the Charity (rather than the Clinical Board) who should handle the request to the Commission to ensure it aligned with the original donor’s wishes.</p> <p>The Head of Financial Services (HFS) noted that the Charity Commission website stated that if the fund was greater than £25k, it needed to be ratified. Therefore, they would have to make a submission to the Commission.</p> <p>The IM-LA believed that the resolution to change the fund’s status should be made by the Trustees, as it likely fell within their powers. If there was any uncertainty, it should be clarified by the Commission.</p> <p>The DCG interpreted the recommendation as moving responsibility from the Children & Women Clinical Board to the corporate space, with the Charity as the corporate entity handling the request to the Charity Commission. He was comfortable with the CFC making the decision.</p> <p>The CC suggested the recommendations on the paper be amended to reflect the discussion. The Committee resolved that:</p>	

	<p>a) The purposes of the Children & Women’s Clinical Board endowment fund ‘Catherine Jenkins Clip Fund 9701’ can be better achieved through spending of the fund itself rather than through the use of any income was resolved;</p> <p>b) A letter being sent from the Health Charity to the Charity Commission seeking authority to spend the fund as per the above resolution was approved. The letter shall set out a statement of reasons for the request.</p>	
CFC24/09/013	<p>Health Charity Fundraising Report</p> <p>To view the minute: https://youtu.be/Fqc_CJWkJw8?t=2596</p> <p>The DOC presented the report to the Committee for noting.</p> <p>The IM-LA asked for the upcoming paper on the Health Meadow to address sustainability. Additionally, she asked whether the CFC was being asked to decide today on allowing colleagues across NHS Wales to join the staff lottery.</p> <p>The DOC responded that since restarting the lottery on the 1st September 2024, many NHS colleagues had asked why they could not participate. The next step was to assess the scale of the issue and ensure the lottery was equitable for all, whether they were direct employees or hosted staff. The matter would be brought to a future CFC for approval once explored.</p> <p>The CC suggested that the following recommendations to be amended:</p> <ul style="list-style-type: none"> • To note that a paper would be brought to the following Committee to approve the ‘rename’ the Health Meadow Appeal to a Fund status from October 2024 • To note that a paper would be brought to the following Committee to agree to “step down” the Health Meadow Steering Group <p>The Committee resolved that:</p> <ol style="list-style-type: none"> a) The Health Charity Report for information was noted b) The Arts for Health and Wellbeing achievements were acknowledged c) The Health Meadow’s achievements were acknowledged d) A paper would be brought to the following Committee to approve the ‘rename’ of the Health Meadow Appeal to a Fund status from October 2024 was noted e) A paper would be brought to the following Committee to agree to “step down” the Health Meadow Steering Group was noted f) The option of allowing colleagues from NHS Wales to join the lottery to ensure equitability was considered. 	
CFC24/09/014	<p>Staff Benefits Group Report</p> <p>To view the minute: https://youtu.be/Fqc_CJWkJw8?t=3138</p> <p>The DOC presented the report to the Committee for noting.</p> <p>The IM-TS asked whether there had been any link up with the third sector in terms of access to Citizens Advice services (for example) onto the UHB premises.</p> <p>The DOC responded that there was lots of information and resources around this on SharePoint.</p> <p>The Committee resolved that:</p> <ol style="list-style-type: none"> a) The Staff Benefits Group Report for the period June – August 2024 was received for information. 	
CFC24/09/015	<p>Staff Lottery Bids Panel Terms of Reference - Update</p> <p>To view the minute: https://youtu.be/Fqc_CJWkJw8?t=3559</p> <p>The DOC presented the updated Terms of Reference (ToR) report to the Committee for noting.</p> <p>The IM-LA asked if there was a specific timeframe for the rule against funding duplicate projects, and whether the rule applied indefinitely or just within the financial year. She noted that there may be legitimate reasons for reapplying for similar projects after some time.</p>	

	<p>The DOC suggested a 12-month period.</p> <p>The HHS informed the Committee that the Bids Panel observed requests for the same project recurring every 12 months, effectively becoming recurrent funding. She suggested being mindful of this pattern, as it involved the same applicants requesting up to £10,000 repeatedly.</p> <p>The DOC suggested that the Panel should have the discretion to reject recurrent funding requests in favour of more favourable bids, with the condition that no more than one bid was considered within a 12-month period.</p> <p>The EDF noted that the Panel should not be able to agree on recurrent expenditure and should instead only approve posts or individual expenditures in bids. She recommended clarifying bidding principles to avoid relying solely on timelines.</p> <p>The DOC noted that a valid recurrent bid was the annual staff awards.</p> <p>The IM-LA emphasised the importance of sustainability in funding applications and discouraged repeated requests for the same purpose without considering the long-term viability. She acknowledged that some recurring requests might be legitimate and suggested that these be clearly defined within the ToR.</p> <p>The IM-TS stressed the need for clarity in the guidelines, but cautioned against being too restrictive as some valuable projects might not be sustainable yet worth funding.</p> <p>The EDF emphasised the need for clarity in terminology, particularly regarding “recurrent” and “non-recurrent” expenses. The staff awards, although annual, did not need to be funded by charitable funds. She highlighted the need to be flexible, whilst ensuring that spending aligned with public expectations and Charity Commission rules to avoid long-term financial commitments.</p> <p>The CC suggested circulating the ToR outside of the meeting to the CFC and Bids Panel members to agree on the amendments and wording of the TOR. He suggested that the amended ToR be ratified at the following CFC meeting.</p> <p>The Committee resolved that:</p> <ol style="list-style-type: none"> a) The amendments to the Staff Lottery Bids Panel Terms of Reference were endorsed and would be ratified at the following committee. 	
CFC24/09/016	<p>Any Other Business</p> <p><i>No items.</i></p>	
CFC24/09/017	<p>Date and Time of Next Meeting</p> <p>10 December 2024 via MS Teams.</p>	