



**Confirmed Public Minutes of the Charitable Funds Committee
18 March 2025 via Microsoft Teams**

To watch this meeting, please click here: [CAVUHB Charitable Funds Committee 18.03.2025](#)

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
Matt Phillips	MP	Director of Corporate Governance
Sara Moseley	SM	Independent Member – Third Sector
Rachel Gidman	RG	Executive Director of People & Culture
Suzanne Rankin	SR	Chief Executive Officer
In Attendance:		
Rebecca Holliday	RH	Head of Financial Services
Katie Palmer	KP	Programme Manager – Food Sense Wales
Barbara John	BJ	Operational Business Manager – CAV Health Charity
Secretariat:		
Rachel Chilcott	RC	Corporate Governance Officer
Apologies:		
Emma Cooke	EC	Executive Director of AHPs, Health Scientists and Community Services Development
Catherine Phillips	CP	Executive Director of Finance

CFC25/03/001	<u>Welcome & Introductions</u> The Committee Chair (CC) welcomed everyone to the meeting.	Action
CFC25/03/002	<u>Apologies for Absence</u> Apologies for Absence were noted. The CC noted that the meeting was not quorate.	
CFC25/03/003	<u>Declarations of Interests</u> No interests were declared.	
CFC25/03/004	<u>Minutes of the Committee Meeting held on 10.12.2024</u> The Committee reviewed the minutes of the meeting held on 10th December 2024. The Committee resolved that: a) The minutes of the meeting held on 10 th December 2024 were approved as a true and accurate record.	

CFC25/03/005	<p>Committee Action Log</p> <p>The Committee reviewed the Action Log.</p> <p>The Committee resolved that:</p> <p>a) The Action Log was noted.</p>	
CFC25/03/006	<p>Health Charity Financial Position & Investment Update</p> <p>The Deputy Director of Finance (DDF) presented the report and highlighted two key issues:</p> <ol style="list-style-type: none"> 1. The value of the Charitable Funds has decreased by £0.059m from 1st April 2024 to 31st January 2025. This incorporated net expenditure of £0.356m over income and a gain in the Investment Portfolio value of £0.297m. In the current market environment, the Investment Portfolio is highly volatile. 2. The General Reserve was forecast to be in deficit by £0.753m at 31st March 2025. <p>The DDF highlighted the following:</p> <ul style="list-style-type: none"> • Table 1 summarised the financial position of the Charity for the period to 31st January 2025 • Table 2 analysed the income received by the charity for the year compared with previous years. However, a significant amount of money had been transferred into Food Sense Wales (FSW). Despite a relatively strong position on legacies, the underlying trend showed a deterioration from previous years. This continued a slight trend and a concern presented to the CFC previously, indicating a gentle decline in income year over year. • Table 3 provided the Summary Balance Sheet as of 31st January 2025. The balance sheet showed a £228k reduction in investment portfolio assets due to the need to sell assets to maintain cash flow. Despite an increase in investment value, £525k of investments were sold. Additionally, there had been a £250k decline in fund value due to market volatility, resulting in a £59k negative position, which had worsened since February 2025. This volatility was being monitored with advisors. • Overall, the balance sheet had decreased by £0.059m in the period due to £0.356m excess expenditure over income and the £0.297m investment gain. • <u>Cashflow forecast</u> - £525k had been realised through sales from the investment portfolio to the period ending January 2025. It was projected that a further cash release from investments of £125k may be required to further support the cash position to the end of the financial year. • Attachment 2 provided a cashflow forecast for the 2025-26 financial year. This forecast cashflow projected the requirement to raise an estimated £350k from sales of the investment portfolio. • Attachment 3 provided a current year projection and a forward projection of the General Reserve Fund for the financial years 2024-25 to 2028-29 – including prior funding commitments, the fund commenced 2024-25 with a brought forward deficit of £0.605m. • The General Fund had been closed to new applications for funding since the middle of the 2022-23 financial year, however there were some outstanding commitments against the general reserve. • The draft out-turn valuation of the General Fund was projected to be in deficit by £0.753m as at 31st March 2025. • Based on underlying income and expenditure trends, the General Fund was projected to be £1.212m in deficit by the end of 2028-29. • A Task & Finish Group (T&FG) had developed options to address the financial stability of the Funds Held on Trust. In addition, the group commissioned More Partnership to review the Charity's operations, and their report was presented to the Board of Trustee on 23rd January 2025. • Having considered these actions, the revised projected impact on the General Fund (summarised in Table 5) showed significant change, with a valuation dropping from £1.21m to £50k in 2028-29. This was an optimistic view, however there were risks and legal considerations attached to this. <p>The Independent Member – Third Sector (IM-TS) asked about the timing of the Rookwood Hospital sale and the funds coming in.</p> <p>The DDF responded that they were dealing with the Charity Commission around the restrictions on selling property received as charitable donations. Legalities, paperwork and</p>	

	<p>bureaucracy had caused uncertainty, but they hoped the sale would occur within the calendar year.</p> <p>The CC clarified that drawing against investment funds was not inherently negative.</p> <p>The DDF agreed that dedicated funds were invested until needed for specific purposes. However, due to a deficit in the general fund, the Charity relied on investment appreciation and dividend income to repair this deficit. Selling all assets too quickly could hinder the process.</p> <p>The IM-TS asked how much of the drawdown on the investment portfolio was intended to close the deficit in the general fund.</p> <p>Additionally, the IM-TS highlighted the dependencies on effective fundraising strategies and leadership within the team and suggested that the situation may look different with these elements in place.</p> <p>The DDF responded that the accumulated deficit was largely due to a call down on the general reserve. Attachment 3 indicated a decline from £605k to £752k by the end of the year, with a £150k decline in this financial year. Actions taken during the year had contributed to creating surpluses if all things remained equal. However, refunding the cost paid by the charity for the Horatio's Garden wall seemed unlikely due to pending legal advice.</p> <p>The CC noted that each year the charity needed to review decisions which would impact cashflow. Whilst this could add costs, it might also bring benefits. Consequently, the timeline to repair the general fund may take longer.</p> <p>The DDF expressed caution around reopening the fund to applications or recharging posts to avoid selling investments belonging to other funds in the portfolio.</p> <p>The IM-TS suggested maintaining focus on this indicator to assess whether the actions taken in light of the More Partnership review were headed in the right direction regarding strategic changes.</p> <p>The Independent Member – Local Authority (IM-LA) sought confirmation that the actions taken so far had stopped the decline. She asked if continuing on the current basis meant not being back in the green until around 2030, and whether there would still be a significant deficit in 2026-27, albeit less than previously projected.</p> <p>The DDF responded that current projections suggested that the deficit may not be fully repaired until around 2033-35, considering market volatility. The CFC must decide between a gradual, sustained repair to avoid destabilising other funds and activities, or a more radical solution with its own implications.</p> <p>The Committee resolved that:</p> <ol style="list-style-type: none"> a) The projected deficit on the General Fund in this and future financial years was noted b) The impact of the Investment Porfilio that results from the request to support the cashflow of the charity was noted c) The ongoing restructure of the Charity Team and the Financial Framework which aims to enhance future resilience and sustainability of the General Fund and the Funds Held on Trust as a whole was noted. 	
CFC25/03/007	<p><u>Food Sense Wales Fund</u></p> <p>The Programme Manager – Food Sense Wales (PM-FSW) presented the annual status report on the FSW fund and highlighted key areas of work including building a positive food culture, catalysing local and sustainable procurement, and advocating for good food policy. She noted support from various funding sources and the development of a network of local food partnerships.</p> <p>The Executive Director of People & Culture (EDPC) sought clarification on the workforce structure and risks, and asked whether the staff involved were core members of the organisation or on fixed-term contracts.</p>	

	<p>The PM-FSW responded that the current staffing was stable, and all employees were on continual employment. There were reserves of around £65,000 to cover any potential redundancies.</p> <p>The IM-TS asked about their current priorities.</p> <p>The PM-FSW responded with the following:</p> <ul style="list-style-type: none"> • The challenge lay in adopting a systems approach, as focusing on individual parts could lead to gaps. • FSW aimed to build strong foundations through partnerships across Local Authorities (LAs), public health teams, local businesses, third sector organisations, and communities. This collaborative effort was more impactful than isolated initiatives. • A key focus was on horticulture and public procurement to produce 25% of the vegetable requirements for schools in Wales locally and organically. This approach supported fair work, local jobs, biodiversity, reduced carbon output, and resilience in food supply chains amidst global instability and climate change. • The goal was to work at both local and national levels to support this initiative. <p>The Chief Executive Officer (CEO) asked about the measures being monitored to track progress towards success.</p> <p>The PM-FSW responded that measuring outcomes was challenging due to the complexity of the food system. One key indicator was the growth in horticulture across Wales, which had increased by 20% over the past four years. Other important indicators included monitoring household food insecurity and fruit and vegetable consumption. Despite being a small organisation, they worked with various stakeholders to show their impact.</p> <p>The IM-LA asked for the PM-FSW's perspective on where they were in terms of food poverty and food insecurity, and how it fit into the work being undertaken by the team.</p> <p>The PM-FSW responded with the following:</p> <ul style="list-style-type: none"> • One of their biggest achievements was the cross-government collaborative on food poverty and food security. The team worked with both the social justice team and the food division in Welsh Government (WG) to create more value in local supply chains and build jobs. • The focus was on building household and community food resilience, addressing the root causes of food insecurity and ensuring resilience in the event of a global crisis. • Key indicators from WG were being used to monitor progress. • The report by Timothy Lang highlighted the importance of resilience at the community level in case of disruptions like electricity outages, logistic system bugs, or floods. <p>The PM-FSW informed the Committee that a report on the audit of all food partnerships across Wales would be circulated once completed.</p> <p>The Committee resolved that:</p> <ol style="list-style-type: none"> A) The Food Sense Wales' achievements during 2024/25 were noted; B) The Food Sense Wales fund was 100% funded for 2025/26 was noted. 	
<p>CFC25/03/008</p>	<p><u>Reporting Feedback on Successful CFC Bids – Wales Transplant Games</u></p> <p>The Director of Communications presented the report to the Committee on the Wales Transplant Games, and highlighted the funding provided for participation and the benefits to patients and staff. She noted the increase in participants and the support from WG and Popham Kidney Support.</p> <p>The CC asked whether the funding in question came from a restricted fund, or if it should be added to the commitments from the General Fund.</p> <p>The DDF responded that there was a long-term commitment of £8000 a year, which formed part of the forecast general reserve deficit. Even if there had been underspending in previous years, the funds returned to the general reserve.</p> <p>The Committee resolved that:</p> <ol style="list-style-type: none"> A) The Wales Transplant Games Evaluation Report for assurance on the approved expenditure of the charitable funds was reviewed. 	

CFC25/03/009	<p>Over £25k Endowment Expenditure Approvals</p> <p>Cardiology Research Fund 9161 – RSA-PACE Clinical Study</p> <p>The DOC summarised the following:</p> <ul style="list-style-type: none"> • The Cardiology Research Fund had requested funding for a fixed-term post to support an existing full-time clinical research fellow for 12 months. • The position, costing £36,422.82 for two days a week, will be subject to the same scrutiny as other posts within the UHB. • The role involved recruiting and processing patients for an RSA PACE study, liaising with cardiac surgical teams, data collection, and working closely with the trials unit at Cedar. • The fund would have a remaining balance of £50,004.49 after this expenditure. • They had a suitable candidate for the position and wished to proceed with the recruitment process. <p>The CEO asked why they were not using monies received for the clinical trial for the post.</p> <p>The DOC noted that she would ask the relevant team about the CEO's question.</p> <p>The EDPC noted that because this piece of work sat under the Executive Medical Director's (EMD) responsibility, they should ensure that the EMD was supportive of the proposal. She emphasised that recruitment had to be a fair and equitable processes.</p> <p>The DOC responded that the team had somebody in mind because the individual had the requisite skills. She noted that she would confirm with the EMD to clarify whether he was supportive of the proposal.</p> <p>The IM-LA queried whether the start date had not been activated yet due to waiting for approval of the funding. She also asked whether the medicine trainee with suitable experience was already a CAVUHB employee, as it could risk taking them into permanent employment after the fixed term post.</p> <p>The DOC responded that the start date had not yet been activated. She also noted that she would clarify whether the desired employee was already a staff member with the relevant team.</p> <p>The DDF reminded the CFC that the Health Charity did not employ anybody, and that all employment contracts were held by the UHB. The costs on the UHB payroll were recharged to the fund. He noted concern that if the trial was making good progress but would not be finished at 12 months, then they were into an overhang of redundancy liability for the UHB.</p> <p>The CC suggested that a paper be circulated to the Committee which detailed the confirmation sought from the EMD and team for support, confirmation that other sources of funding had been exhausted, and that there was a fair process of appointment.</p> <p>Subject to the raised queries, the Committee resolved the following:</p> <ol style="list-style-type: none"> a) The funding for the research post, on a fixed term basis in line with the available funds with the caveat of the position adhering to the same workforce scrutiny as all other posts was approved. It is preferred that the post is recruited and funded from 1 April 2025. <p>Mental Health Services for Older People - Payne Legacy 9737 - Transformation and Development Lead</p>	

The DOC summarised the following:

- This was a single donor from the Payne family of £401,524.75. It was administered by a panel in the UHL, chaired by Matt Temby.
- The funding request was for £67,719 for a Band 7 Arts Therapist post. The remaining balance of the fund would be £397,691 after funding the post.
- The post was for a fixed-term period of 12 months.
- The proposal followed on from an initial pilot for an arts therapist funded by HEIW, which ended in March 2025. This would be a rollover post with a change of funding streams as part of that legacy.

The IM-TS highlighted that if it was a rollover contract, it would take the staff member over the two years for permanent employment.

The EPDC noted that the paper didn't show the risk to the organisation if the individual was already an employee of CAVUHB, and how the team would evaluate the impact and benefit of this post.

The CC queried whether the post would stop after 12 months, or whether there was an expectation that the post would continue afterwards.

The DOC responded that she would check with the sub-committee, but that they would have to complete a fresh application under the scheme of delegations if they wished to continue beyond the 12-month period. She added that she would check with the team how long the HEIW post had been in place.

The IM-LA emphasised the importance of the CFC's role in ensuring that funding applications aligned with the purpose for which the funds were given. The responsibility for addressing employment issues resulting from the funding lay with the UHB and its scrutiny process. The IM-LA sought assurance that this distinction was clear to avoid any assumptions that confirming funding automatically resolved employment-related matters.

The EDPC agreed but emphasised the importance of not ignoring the broader implications, as she was involved with both the CFC and the recruitment scrutiny process. She highlighted the need to ensure that they noted and considered the bigger system impact.

The IM-LA expressed concern that the current system may not clearly communicate to those submitting the bids that the approval of funding did not automatically authorise the creation of a post. She queried whether additional steps or clarifications were needed in the decision-making process to ensure this understanding.

The IM-TS suggested providing guidance and support to teams managing significant legacies, and proposed partnerships with charities and art students to achieve beneficial outcomes for patients. She emphasised the importance of evaluating these initiatives to increase the evidence base and sustainability, potentially enhancing fundraising efforts by showcasing impact and stories.

The DOC explained that the Mental Health Clinical Board (MHCB) collaborated extensively with various charities and the third sector. The panel specifically requested the current initiative.

The IM-TS noted that her point was more about reimagining the charity team's role to provide strategic advice on maximising legacies for sustainable benefits.

The CEO agreed and questioned the role of the team in coaching colleagues, especially regarding the strategic use of a significant legacy. She expressed doubts about the team's current capacity to provide such advice but emphasised the need to consider this approach for future planning.

The CC suggested that the DOC seek confirmation from Matt Temby and the team around whether the employment risks to the organisation had been worked through, and whether consideration had been given to other options of utilising the legacy fund which could deliver a bigger impact (e.g. third sector organisations or fundraising).

Subject to the raised queries, **the Committee resolved the following:**

	<p>a) The application from Mental Health Services for Older People to utilise funding from the Payne Legacy Fund 9737 to recruit a Band 7 Clinical Art Therapist was considered for approval. The appointment would be on a one-year fixed term basis and MHSOP will be required to provide an evaluation report to advise how Older People Services had directly benefited from the post.</p>	
<p>CFC25/03/010</p>	<p><u>Responsible Gaming Policy</u></p> <p>The DOC provided the following summary:</p> <ul style="list-style-type: none"> • On 10th February 2025, the Gambling Commission approved the operating license. • For the UHB to continue developing the staff lottery, a gaming policy was required to ensure responsible gambling. It went through consultation and governance processes, and Public Health colleagues provided advice on the policy. • The approval process was complex and required extensive work from the Corporate Governance team. <p>The DOC noted they had submitted a draft to the Commission and were satisfied.</p> <p>The IM-LA noted that in a previous Committee, there had been the suggestion to open up the staff lottery to non-CAVUHB employees. However, the current policy restricted participation to CAVUHB employees only.</p> <p>The DOC responded that the current policy was intended for CAVUHB staff members only. Opening the lottery to the public would require a different policy and focus. She noted that the UHB had received requests from staff hosted by CAVUHB who wished to join the lottery, and other Health Boards had shown an interest in using the systems and processes.</p> <p>The CC asked whether the NHS Legal team needed to look at the policy.</p> <p>The Director of Corporate Governance (DCG) responded that the legal team were there to assist but were not a checkpoint they needed to go through.</p> <p>The DOC noted that if they got close to the £1m limit, it would require notification to the Gambling Commission. However, there was no need to reapply.</p> <p>The DCG noted that the organisation was confident in its legal standing and compliance with the Gambling Commission's regulations.</p> <p>The CC clarified that the Gambling Commission had the responsibility to sign off the policy.</p> <p>The Committee resolved that:</p> <p>A) The Responsible Gaming Policy was reviewed for ratification.</p> <p><u>Terms of Reference</u></p> <p>The DCG noted that the CFC was a decision-making entity that required the attendance of specifically the Executive Finance Director for quorum. He suggested that it be amended to the attendance of any executive director to satisfy the quorum requirements. He suggested a verbal recommendation to tweak the Terms of Reference (ToR) to be added to the Standing Orders presented at the UHB Board meeting the following week.</p> <p>The CC and the CEO agreed their support.</p>	
<p>CFC25/03/011</p>	<p><u>Health Charity Fundraising Report</u></p> <p>The DOC presented the report to the Committee for noting.</p> <p>The Committee resolved that:</p> <p>A) The Health Charity Report was received for information and assurance.</p>	
<p>CFC25/03/012</p>	<p><u>Staff Lottery Bids Panel Report</u></p> <p>The DOC presented the report to the Committee for noting.</p> <p>The CC asked whether if something was rejected for specific reasons, it could be addressed and then resubmitted for consideration.</p>	

	<p>The DOC responded that they could resubmit unless there was a good reason not to. The panel, separate from the CFC, provided suitable advice and guidance based on the Charity's TOR. The panel reviewed all bids and had a comprehensive understanding of the clinical boards and their requests.</p> <p>The Committee resolved that:</p> <p>a) The content of the Staff Lottery Bids Panel report was noted for information.</p>	
CFC25/03/013	<p><u>Any Other Business</u></p> <p><i>No items.</i></p>	
CFC25/03/014	<p><u>Date and Time of Next Meeting</u></p> <p>10th June 2025 via MS Teams.</p>	