



**Draft Public Minutes of the Charitable Funds Committee
16th June 2026 via Microsoft Teams**

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Present:		
Joanne Brandon	JB	Director of Communications, Arts, Health Charity and Engagement
Emma Cooke	EC	Executive Director of AHPs, Health Scientists and Community Services Development
Susan Lloyd-Selby	SL	Independent Member – Local Authority
Robert Mahoney	RM	Deputy Director of Finance
Lorna McCourt	LM	Independent Member – Trade Union
Catherine Phillips	CP	Executive Director of Finance
Judi Rhys	JR	Committee Chair / Independent Member – Third Sector
Kirsty Williams	KW	UHB Chair
Carys Wynne-Morgan	CWM	Head of Charity
In Attendance:		
Libby Barrett	LB	Senior Investment Director - Rathbones
Pearl Costello	PC	Sustainable Food Places Co-ordinator
Alex Dow	AB	Investment Director - Rathbones
Lucy Jones	LJ	Fundraising Development Manager
Lianne Morse	LM	Deputy Director of People & Culture
Frankie Ogden	FO	Head of Corporate Governance
Bethan Simmonds	BS	Acting Co-Director and Head of Communications and Engagement
Secretariat:		
Rachel Chilcott	RC	Corporate Governance Officer
Apologies:		
Rachel Gidman	RG	Executive Director of People & Culture
Rebecca Holliday	RH	Head of Financial Services
Matt Phillips	MP	Director of Corporate Governance

CFC 2026/06/1.1	Welcome, Introductions and Apologies Judi Rhys (JR), the Committee Chair welcomed everyone to the meeting.	Action
CFC 2026/06/1.2	Declarations of Interests No interests were declared.	
CFC 2026/06/1.3	Minutes of the Committee Meeting held on 10.06.2025 The Committee reviewed the minutes of the meeting held on 10 th June 2025. The Committee resolved that: a) The minutes of the meeting held on 10.06.2025 were approved as a true and accurate record.	

CFC 2026/06/1.4	<u>Committee Action Log</u> The Committee reviewed the Action Log. The Committee resolved that: a) The Action Log was noted.	
CFC 2026/06/1.5	Committee Chairs Action No Chair's Actions were raised.	
	Items for Approval / Ratification	
CFC 2026/06/2.1	<u>Over £25k endowment expenditure for approval</u> <i>No items for approval.</i>	
CFC 2026/06/2.2	<u>Food Sense Wales Memorandum of Understanding</u> Pearl Costello (PC), the Sustainable Food Places Co-ordinator, provided the following summary to the Committee: • Food Sense Wales (FSW) was a fund within the Health Charity, established to support access to healthy, affordable food and reduce diet-related ill health and inequalities across Cardiff • The Memorandum of Understanding (MoU) set out the relationship between the Health Charity, FSW and CAVUHB • It had been updated to reflect changes in oversight arrangements and to strengthen requirements around grant applications, partnership agreements and overheads, ensuring appropriate governance and scrutiny. JR asked how often the MoU was reviewed. PC responded it was three-yearly, last reviewed in 2023. Susan Lloyd-Selby (SLS), the Independent Member – Local Authority, noted the report stated that employment risks had been considered, but with only 74% of costs secured this year and funding confirmed only until 2028. SLS asked for clarity on what those risks were and whether they created any liabilities for the UHB. PC responded that the key mitigation was maintaining over £100k in reserves to cover potential redundancy costs should future staffing funding not be secured. The team had also remained small to minimise employment risk. Catherine Phillips (CP), the Executive Director of Finance, added that the reserve was primarily intended to cover redundancy costs should FSW ever cease operating, although there was currently no indication this would happen. CP asked whether the reserve could be used to cover any future staffing funding shortfalls, or whether sufficient grant income would be expected to avoid drawing on those reserves. PC responded that there were no plans to use reserves to support the additional staffing post. The post would be recruited on a one-year fixed term contract and was fully funded within the current budget. CP noted that given FSW's reliance on grant funding, ongoing monitoring and regular updates was needed to maintain assurance. The Committee resolved that: a) The updated Memorandum of Understanding (MoU) to describe relationships between the Charity, FSW, and corporate teams in CAVUHB, was approved.	
CFC 2026/06/2.3	<u>Food Sense Wales Project Support Manager Recruitment</u> PC summarised the following to the Committee:	

	- The request was to recruit a 0.6WTE post to backfill reduced hours within the team, providing a small increase in overall capacity. - The role would be funded within the current year's budget and recruited on a fixed-term contract. Any extension beyond the initial term would be subject to securing ongoing grant funding and ensuring no financial risk to the charity. JR asked how easy it would be to recruit to a post of this nature. PC responded that recruitment was typically on a fixed-term basis, and this had not created recruitment challenges to date. Given the team's strong reputation and profile, there was confidence that the post could be successfully filled. Lianne Morse (LM), the Deputy Director of People & Culture, asked how this aligned with the organisation's commitment to no workforce growth over the next 12 months. PC responded that the post was primarily a backfill for reduced hours, although it included an additional 0.2WTE to meet service demand. Recruiting to a 0.6WTE post was also considered more practical and attractive than recruiting to a smaller 0.4WTE role. The Committee resolved that: A) The expenditure of up to £29,032 from the FSW fund to support recruitment to a 12-month fixed-term Band 5 Project Support Manager role was approved.	
CFC 2026/06/2.4	<u>Staff Lottery Terms of Reference</u> Carys Wynne-Morgan (CWM), the Head of Health Charity, summarised the following to the Committee: - The Staff Lottery Bids Panel had delegated authority from the CFC to approve Staff Lottery Fund applications. - The TOR were reviewed annually, with only minor updates made this year. - Approval was sought for their use over the next 12 months. The Committee resolved that: A) The amendments to the Staff Lottery Bids Panel Terms of Reference were endorsed.	
	Items for Review and Assurance	
CFC 2026/06/3.1	<u>Health Charity Financial Position & Investment Update</u> Rob Mahoney (RM), the Deputy Director of Finance, noted that the report reflected the position at 31st March 2026 and mirrored the paper considered by the Board of Trustee (BoT) in May. The timing gap was due to the UHB's year-end accounts process; charity accounts followed the same year-end but were progressed once the UHB accounts had been completed and audited. More up-to-date financial reports would be provided at future meetings. RM presented the report and highlighted two key issues: - The value of the Charitable Funds increased by £0.321m in the period from 1st April 2025 to 31st March 2026. This incorporated net income of £0.005m over income and an increase in the Investment Portfolio of £0.326m. - The General Reserve was likely to be £0.674m in deficit at 31st March 2026 once year end accounting entries had been finalised. RM summarised the following: - The year-to-date financial position of the charity was summarised in Table 1. The charity reported a net increase in funds of £0.321m. Income and expenditure were largely balanced, with a small net spend of £0.005m. Investment performance remained volatile due to global/geopolitical factors, with fluctuations seen year to year. - Table 2 analysed the income received by the charity for the year compared with previous years – income had reduced slightly over recent years, primarily due to a decline in grant income. Future focus would be on targeting grants that contributed to core costs. Food Sense Wales (FSW) income had also decreased, though it remained a self-managed contributor to overall costs. The staff lottery had been reinstated and expanded, representing a positive income growth opportunity.	

	• Table 3 provided the Draft Summary Balance Sheet as of 31st March 2026. The charity managed over 300 individual funds, each with differing cash flow requirements. While the investment portfolio increased by £326,000 during the year, £125,000 of investments were sold to support cash flow and meet fund commitments, resulting in a net increase in investment assets of £201,000 at year end. • Although management accounts were not yet available for the first few months of the year, the Charity had reported net income of expenditure of £76,000 to date and the investment portfolio had increased, standing at £5.632m. These positive movements supported efforts to strengthen reserves, although investment performance remained subject to market volatility. • Attachment 1 presented the cashflow forecast for 2026-27. Based on current spending plans and trajectory, the forecast cashflow did not project the requirement to raise any monies from sales of the investment portfolio in the financial year 2026/27. However, this remained dependent on the cashflow needs of the individual charitable funds and would be kept under review. • The General Reserve Fund reserve remained in a deficit (£0.674m at March 2026), though its position had improved following changes to financial management. Earlier projections showed the deficit reducing to £0.489m by 2028/29, but recruitment would increase the forecast deficit to ~£0.840m. The additional investment in staffing was intended to strengthen income generation and strategic planning, supporting longer-term sustainability. SLS highlighted that whilst a deficit remained, the projected position had stabilised significantly from earlier forecasts, and current projections indicated investment sales may not be required to support cashflow this year. SLS recognised the substantial work undertaken over the past 12 months. Kirsty Williams (KW), the UHB Chair, sought assurance that funds had been appropriately classified as general, restricted or designated, and that detailed scrutiny had been undertaken to avoid unnecessarily restricting funds and impacting the charity's financial flexibility. RM responded with assurance that a thorough review of fund classifications had been undertaken following previous Audit Wales scrutiny. Funds had been recategorised where necessary, and processes strengthened to ensure appropriate treatment of general, restricted, and designated funds. Ongoing oversight remained in place to maintain compliance and good practice. Joanne Brandon (JB), the Director of Communications, Arts, Health Charity and Engagement, noted that the more Partnership Review highlighted the complexity of managing restricted and designated funds. Work had been undertaken to review designated funds and opportunities to release funding where appropriate, with further governance improvements remained possible. CWM provided additional assurance that a detailed review of the charity's financial position and fund structure was being undertaken with Finance colleagues. This work would help ensure funds were used appropriately and that the Charity's financial arrangements remained robust and effective going forward. CP noted that whilst the charity's financial position had stabilised, further work was required to address the general fund deficit. The More Partnership review and ongoing diagnostic work would inform a recovery plan, alongside consideration of opportunities arising from the sale of Rookwood. CP requested continued oversight as a long-term plan was developed to restore the general fund to a sustainable position. The Committee resolved that: A) The financial performance of the Funds Held on Trust in 2025-26 (NB. Draft Position) was noted; B) The draft 2025-26 position of the General Funds and the projected deficit on the General Fund in future financial years was noted; C) The cashflow for 2026-27 was noted; D) The ongoing restructure of the Charity Team and the Financial Framework which aimed to enhance future resilience and increase income sustainability of the Funds Held on Trust in future years was noted;	
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	E) the impact on the Investment Portfolio resulting from the request to support the cashflow of the Charity in financial year 2026-27 was noted.	
CFC 2026/06/3.2	<u>Rathbones Investment Bi-Annual Update</u> Alex Dow (AD), the Investment Director - Rathbones, and Libby Barrett (LB), the Senior Investment Director – Rathbones, presented the bi-annual investment performance update. The CFC were advised that the charitable investment portfolio was valued at approximately £5.6m and had delivered positive returns over the previous year, with performance ahead of both inflation targets and the relevant charity peer group benchmark. The portfolio continued to be managed in line with the Charity's income and capital growth objectives, with a balanced risk approach and ethical investment restrictions in place. The presentation outlined proposed refinements to Rathbones' charity investment framework, including a revised return target and minor adjustments to asset allocation. The CFC were advised that market performance had been supported by resilient economic conditions and growth in technology and artificial intelligence related sectors, whilst noting the continued volatility and uncertainty within global markets. JR noted that an investment affected by AI was Abbott Laboratories and asked for more clarification. AD responded that Abbott Laboratories was not significantly affected by AI. Its share price decline appeared to reflect wider pressures across the medical technology sector rather than company-specific issues. Despite strong underlying performance and positive results, investors remained cautious, potentially due to reduced investment in US medical research and development. The extent of the share price fall was not considered justified given the company's resilience. KW noted that there was considerable media speculation that AI-related investments may be overvalued, raising concerns about hype. AD responded that whilst AI shared some characteristics with the dot-com boom, there were key differences. Today's major AI investors were financially strong, cash-generative businesses rather than speculative start-ups. Valuations, whilst elevated, remained below dot-com levels, and there was growing evidence that investment was being monetised through cloud computing and related services. Although risks and uncertainty remained, there were credible reasons to maintain exposure to the AI sector as a long-term growth opportunity. JR noted it would be useful to have these investment updates in BoT as well. The Committee resolved that: A) The update was noted.	
CFC 2026/06/3.3	<u>Noah's Ark Children's Hospital Charity</u> Lucy Jones (LJ), the Fundraising Development Manager, and Bethan Simmonds (BS), the Acting Co-Director and Head of Communications and Engagement, provided a presentation to the Committee outlining the Noah's Ark Children's Hospital Charity's achievements, future strategic direction and proposals to strengthen alignment with the UHB's priorities. The presentation highlighted the Charity's developing five-year strategy, with a focus on supporting mental health and wellbeing, enhancing hospital environments, improving specialist and rehabilitative care, supporting young people transitioning to adult services, and progressing plans for future capital projects, including paediatric emergency department improvements and respite provision. The Committee received an overview of the Charity's proposed brand refresh, intended to strengthen public understanding of the distinct but complementary roles of the Charity and the Hospital, whilst maintaining their close relationship and shared identity. CP recognised the value of Noah's Ark Charity and the need for closer strategic alignment to maximise charitable income and support future priorities, including community respite and	

	staff facilities. Further discussion would be needed to integrate Noah's Ark's ambitions into the Health Board's and Health Charity's future strategies. Emma Cooke (EC), the Executive Director of AHPs, Health Scientists and Community Services Development, suggested further discussion on the Clinical Services Plan to ensure Noah's Ark's ambitions aligned with wider service developments and changes to the clinical model. KW thanked the Noah's Ark Charity and its supporters, noting that projects such as the Jungle Ward had significantly enhanced the environment for children, families and staff. KW highlighted these improvements would not have been possible through NHS capital funding. The Committee resolved that: A) The information was noted.	
	Items for Noting and Information	
CFC 2026/06/4.1	<u>Health Charity Fundraising Report</u> The Committee resolved that: A) The Health Charity Fundraising Quarterly Update was received for information.	
CFC 2026/06/4.2	<u>Food Sense Wales Update Report</u> PC provided the following summary to the Committee: - FSW had reported a successful year, which included strengthening local food partnerships across Wales, working with WG and the Future Generations Commissioner, and expanding the Welsh Veg in Schools programme to 400 schools across 13 local authorities. - The organisation remained in a strong financial position for 2026/27, with most funding secured and opportunities to extend unrestricted funding beyond 2028. - Recruitment was underway to replace the FSW Programme Manager, who was leaving the organisation. The Committee resolved that: A) The progress by FSW in delivering action across the food system in Wales was noted; B) The recruitment underway for a new FSW Programme Manager was noted.	
CFC 2026/06/4.3	<u>Charitable Funds Investment Management Services Contract Update</u> JR noted this paper had already been approved by BoT, and was being presented in this Committee for noting and completeness. The Committee resolved that: A) The paper was noted.	
	<u>Any Other Business</u>	
CFC 2026/06/5.1	<i>No other business was raised.</i>	
	Items for the Private Meeting:	
CFC 2026/06/6.1	i. Approval of Private Minutes ii. Staff Lottery Error Update iii. Head of Health Charity First Impressions Update	
	Review of the Meeting	
CFC 2026/06/7.1		
CFC 2026/06/8.1	Date and Time of Next Meeting <i>Tuesday 15th September 2026 at 9am via MS Teams</i>	