

## CHARITABLE FUNDS COMMITTEE

### Approved Minutes of the meeting held on Tuesday 18<sup>th</sup> October 2022 Via Teams

#### Present:

Ms Jackie Hughes	Independent Member (Chair)
Ms Cheryl Carlisle	Independent Member
Ms Linda Tomos	Independent Member

#### In Attendance:

Mr Bill Bruty	Director, Fundraising Training (part meeting)
Ms Paula Clayton	Assistant Financial Accountant
Ms Diane Davies	Corporate Governance Manager (part meeting)
Mr Gareth Evans	Interim Clinical Director Therapy Services, Therapies & Health Science
Mr John Gallanders	Independent Member
Mrs Sue Hill	Executive Director of Finance/ Lead Executive
Ms Mai Jones	Awyr Las Communications Officer
Mrs Molly Marcu	Interim Board Secretary
Mr Paul Matthias	Assistant Director Brewin Dolphin (part meeting)
Mrs Natalie Morrice-Evans	PA to Executive Director of Finance / Committee secretariat
Mr David Myrddin-Evans	Head of Charities & Divisional Director, Brewin Dolphin
Mr Richard Micklewright	Independent Member
Ms Michelle Phoenix	Audit Manager, Audit Wales
Ms Kirsty Thomson	Head of Fundraising
Mr David Tomalin	Representative Audit Wales
Ms Helen Stevens-Jones	Director Of Partnerships, Communications and Engagement
Ms Bethan Roberts	Principal Finance Manager Financial Reporting
Mr Tim Woodhead	Director of Finance (Operational) (part meeting)

Agenda Item	Action
<p><b>CF22/25 Welcome and Introductions</b></p> <p>The Committee Chair welcomed attendees to the Committee meeting.</p>	
<p><b>CF22/26 Apologies and Declarations of Interest</b></p> <p><b>CF22/26.1</b> Apologies were received from Nick Lyons – Executive Medical Director</p> <p><b>CF22/26.2</b> The Head of Fundraising declared an interest as Deputy Chair, Charities Together and involvement in Love, Hope Strength Charitable Foundation as a volunteer. She advised that family business donated a gift to the Awyr Las charity.</p>	
<p><b>CF22/27 Investment Manager's Presentation and Portfolio Report</b></p> <p>David Myrddin-Evans Head of Charities &amp; Divisional Director and Paul Mathias Assistant Director Brewin Dolphin joined for this item</p> <p><b>CF22/27.1</b> The Brewin Dolphin Assistant Director provided an update of recent changes within the company. He updated the attendees on the recent takeover by Bank of Canada, which Brewin Dolphin were now a subsidiary of and he gave the Committee a brief history on the Bank of Canada. He reassured the Committee that he did not expect any changes to the running of Brewin Dolphin and sees the acquisition as a positive step in Brewin Dolphin's future.</p> <p><b>CF22/27.2</b> The Brewin Dolphin Assistant Director provided a brief overview of the recent external market conditions which have affected the portfolio, most recently the mini-budget. The presentation highlighted some areas in red which might need some attention.</p> <p><b>CF22/27.3</b> The ethical policy was discussed, highlighting the areas in which the Charity had chosen not to invest. It was confirmed by the Committee members that the ethical standards should remain stringent and should be adhered to when making investments.</p> <p><b>CF22/27.4</b> The Head of Charities and Divisional Director talked through the recent mini budget and its implications on the investments. He explained the implications the mini budget had on the markets and that the reverses being made by the Government should restore some market stability. He commented on the rise in inflation and interest rates which would result in the price of bonds falling. He expected the peak of inflation to be towards Q3 2023 and as the markets started to improve decisions would need to be made over investments and cash being moved to bonds.</p> <p><b>CF22/27.5</b> An Independent member queried why Brewin Dolphin was holding on to share holdings in Bailey Gifford as the value had dropped significantly and it paid no dividends. The Assistant Director of Brewin Dolphin, explained that previously the funds in Bailey Gifford had done very well, but in the short-term</p>	

<p>they had been disappointing. He explained that the investments work on cycles and that the investment should return within the three year cycle. As the investment mandate did not stipulate that a certain level of income be generated the investment was within the terms of the mandate.</p> <p><b>CF22/27.6</b> The Committee queried the option of cash withdrawal, given the current volatile markets. The Head of Charities and Divisional Director explained that there was never a good time to withdraw cash from the portfolio as the investments were ultimately working in the portfolio. Markets and factors should be carefully considered before agreeing to withdraw cash funds especially when withdrawing before the end of an investment period.</p> <p>It was resolved that the committee: noted the report</p> <p>Brewin Dolphin left the meeting.</p>	
<p><b>CF22/28 Minutes of previous meeting</b></p> <p><b>CF22/28.1 Accuracy</b> The Committe approved the draft minutes of the previous meeting.</p> <p><b>CF22/28.2 Matters arising and table of actions</b></p> <p><b>CF22/3.15</b> The table of actions was discussed and it was agreed that The Head of Fundraising would re-share the Imperial Health Charity Volunteering Strategy and ensure discussion as an item at the next committee meeting.</p> <p><b>CF22/14.3</b> It was agreed that the Interim Board Secretary would arrange Trustee workshops on Governance and Training, which would be incorporated into the existing Health Board workshop schedule.</p>	<p>KT</p> <p>MM</p>
<p><b>CF22/29 Audit Wales 21/22 Audit Plan</b> Michelle Phoenix, Audit Manager, Audit Wales joined the meeting for this item</p> <p><b>CF22/29.1</b> The Audit Wales (AW), Audit Manager introduced herself and her colleague. The work that Audit Wales would be carrying out was explained as three areas of significant risk had been raised i.e. Transfer of Investment Company, New Charity Accountant and Management Override. The timescale of audit completion was advised as January 2023. It was also noted by the AW Audit Manager that there would be an increase in fees for the audit work to be completed.</p> <p><b>CF22/29.2</b> The Interim Board Secretary queried the reason behind the risk of 'New Charity Accountant' as the account would be internally audited and that there was a management structure in place to ensure that the accounts were</p>	

<p>completed accurately to health board standards. The Audit Wales Manager advised that it had been raised as a risk due to the changes noted last year and the level of uncertainty and risk involved when staff members changed.</p> <p><b>CF22/29.3</b> The Committee queried whether they could use another company to audit the Charity. The Director of Finance (Operational) agreed to look into this and feed back to the committee.</p> <p><b>CF22/29.4</b> The Committee queried the timescale between completion of accounts and the audit review. The AW Audit Manager confirmed that it would be completed by January 2023.</p> <p><b>CF22/29.5</b> The Committee questioned the materiality level set on an audit of this level. The Audit Wales Audit Manager confirmed she would clarify this and report back to the Committee.</p> <p>Audit Wales left the meeting.</p>	<p>TW</p> <p>MP</p>
<p><b>CF22/30 Presentation: How we got to where we are now</b></p> <p><b>CF22/30.1</b> The Head of Fundraising shared a presentation on the history of fundraising within the NHS and focused on the fund raising changes over the years within BCUHB. She advised that along with the strategy review and fundraising feasibility report the two reports together would help form a new strategy for the charity going forward.</p> <p><b>CF22/30.2</b> Discussion ensued and the Committee considered that Governance needed to be improved going forward, along with the relationship between the Committee members, Trustees and the Board. The Interim Board Secretary, agreed to arrange workshops for the Trustees and to provide more support the Committee. She agreed to arrange a meeting with the Head of Fundraising to ensure meetings were set up in accordance with Board support.</p> <p>It was resolved that the committee: Noted the information in the presentation and thanked her for her work.</p>	<p>MM/KT</p>
<p><b>CF22/31 Strategy Review and Fundraising Feasibility</b> Bill Bruty, Director, Fundraising Training LTD joined the meeting for this item</p> <p><b>CF22/31.1</b> Due to time constraints, Mr Bruty was unable to deliver the presentation and instead invited the Committee to ask questions on the report provided.</p> <p><b>CF22/31.2</b> The Committee questioned whether the current fund raising targets could be met if the staffing structure did not change in line with report findings. Mr Bruty explained that the target could be met with the current structure, however, as his report suggested, there needed to be more focus on research, analysis and fund raising methodology.</p>	

<p><b>CF22/31.3</b> The Committee suggested that more analysis be done on the findings of the report and the Head of Fundraising would liaise with Mr Bruty to seek further information.</p> <p><b>CF22/31.4</b> It was agreed that any further questions could be emailed to Mr Bruty and any findings would be collated and shared at the next Committee meeting.</p> <p>It was resolved that: The fundraising manager would gather further information on the report and feedback at the next meeting.</p> <p>Mr Bruty left the meeting.</p>	<p>KT</p> <p>Members/ KT</p>
<p><b>CF22/32 Staff Hardship Funding Paper</b> Helen Stevens-Jones, BCUHB Director of Partnerships, Engagements and Communications</p> <p><b>CF22/32.1</b> The Director of Partnerships, Engagements and Communications discussed the important issue of staff hardship and how the charity could potentially help staff given the current cost of living crisis. The discussion in principle idea was to offer staff a £1 meal in the canteens of NHS work places.</p> <p><b>CF22/32.2</b> The Committee fully supported the intention of helping staff through these difficulty times however, assurance was sought that all legal and financial implications were clarified before agreeing to a scheme.</p> <p><b>CF22/32.3</b> The Head of Fundraising, agreed to look into this further and seek financial costings and governance around such a scheme. Exploring other NHS Trusts and Health Boards and finding best practice on such a scheme.</p> <p>It was resolved that the Committee : Agreed that the fund raising manager would seek further clarification on funding staff hardship incentives to be discussed at the next meeting.</p>	<p>KT</p>
<p><b>CF22/33 Charitable Funds Advisory Group Terms of Reference</b></p> <p>The Committee deferred discussion of the Committee's ToR pending completion of the Internal Audit review.</p> <p>It was resolved that the Committee deferred the item</p>	
<p><b>CF22/34 Committee Work Plan for 2022/2023</b> No comments were received regarding the Committee workplan</p> <p>It was resolved that the Committee agreed the Committee 2022/23 Workplan</p>	

<p><b>CF22/35 Summary of Expenditure Requests</b></p> <p><b>CF22/35.1</b> The Head of Fundraising presented the two expenditure requests submitted to the Charity which were discussed</p> <p>It was resolved that the committee agreed: The application by Parable</p> <p>Further information on the 'Ty Enfys' application be sought by the Head of Fundraising to include</p> <ul style="list-style-type: none"> <li>• further clarification on the design plans for the building</li> <li>• further financial information</li> <li>• submit a revised application to the next meeting</li> </ul>	<p>KT</p>
<p><b>CF22/36 Charity Risk Register</b></p> <p>It was noted that the charity name had been entered incorrectly into the risk register as North Wales NHS Charity and as no formal name change had taken place the name of the charity was to remain as Awyr Las.</p>	
<p><b>CF22/37 Charitable Funds Finance Report Q1 2022/23</b></p> <p><b>CF22/37.1</b> The Principal Finance Manager, Financial Reporting, summarised the Q1 financial accounts. A reporting loss in quarter one due to the loss on investments was recorded. Donations were £290k in Q1, which was £90k up on the same quarter last year. Income in the first quarter was £1k, which was £4k down on the same quarter last year. Grants and funded expenditure was £166k, being an increase of £36k on the same period in Q1 last year. Fundraising expenditure was £53K, which was an £8k decrease on the same period in Q1 last year.</p> <p><b>CF22/37.2</b> The Committee questioned why the whole of the investment losses were being recorded against the unrestricted balances. The Executive Director of Finance clarified that as any benefits from investments had been allocated against unrestricted funds, the loss would be treated in the same way but would have to be reviewed if the losses continued.</p> <p>It was resolved that the Committee: Noted the report.</p>	
<p><b>CF22/38 Review Actions</b></p> <p>Committee actions agreed at the meeting would be updated in the summary action table following the meeting.</p>	<p>KT/NME</p>
<p><b>CF22/39 Review of risks highlighted within the meeting</b></p> <p>Not addressed</p>	

<p><b>CF22/40 Issues of significance to report to the Health Board</b>  Would be discussed outside the meeting.</p>	
<p><b>CF22/41 Review of meeting effectiveness</b></p> <p>The Committee commented that the meeting was very effective and well chaired. Whilst the meeting had overrun this was due to necessary discussion of important issues.</p>	
<p><b>CF22/42 Date of next Trustee Meetings</b></p> <p>Thursday November 24th 2022, time TBC  Thursday January 19th 2023, time TBC</p>	
<p><b>CF22/43 Date of next CFC Meeting</b></p> <p>December 29th 2022 9.30am-12.00pm</p>	