


HIGHLAND HEALTH BOARD ENDOWMENT FUND	Assynt House Beechwood Park Inverness IV2 3BW Tel: 01463 717123 Fax: 01463 235189 Textphone users can contact us via Typetalk: Tel 0800 959598 www.nhshighland.scot.nhs.uk	
DRAFT MINUTE of MEETING of the ENDOWMENT FUNDS COMMITTEE Microsoft Teams	6th June 2022, 10.00am	

Present

Ms Ann Clark, Interim Chair of Trustees
 Ms Jean Boardman, Trustee
 Mr David Garden, Trustee
 Dr Gaener Rodger, Trustee

In Attendance

Mr Iain Addison, Head of Area Accounting
 Ms Sarah Compton Bishop (until 11am)
 Mr Albert Donald, Trustee
 Mr Donald Mackenzie, Assistant Financial Services Accountant
 Mr Stephen Chase, Committee Administrator
 Mr Nathan Ware, Governance and Assurance Co-ordinator (until 11am)

1 NEW CHAIR ARRANGEMENTS

The Endowment Trustees had approved Ann Clark as Interim Chair of Trustees and consequently also the Endowment Funds Committee at their meeting of 24 May 2022.

The Interim Chair will serve until the approval of the annual accounts of NHS Highland Endowments by the Trustees.

The Board Secretary and the Board Chair have started discussions regarding the appointment of a permanent Chair who will be expected to stay in position at least until the new Governance arrangements for NHS Highland Endowment Funds are put in place.

2 WELCOME/APOLOGIES

All present were welcomed to the meeting by the Chair.

Apologies were received from Gerry O'Brien, Catriona Sinclair and Elspeth Caithness.

Heidi May and Tim Allison attended the start of the meeting having received an invitation but were excused from further business by the Chair as they did not have specific business to address and had other work to attend to.

3 DECLARATIONS OF INTEREST

Members were asked to consider whether they had an interest to declare in relation to any Item on the Agenda for this meeting. No declarations were made.

4 DRAFT MINUTE OF MEETING HELD ON 07 MARCH 2022

The Chair noted the responses of the Trustees at their meeting of 24 May 2022 to the committee minutes which included the suggested amendment, detailed in item 5.1 below, which was considered and agreed by the committee.

The Committee

- **APPROVED** the circulated draft minute of the meeting held on 7th March 2022 incorporating the agreed amendment noted in 5.1 below.

5 MATTERS ARISING NOT ON THE AGENDA

- I Addison confirmed that he had been in discussion with the Volunteer Services Manager Ian McConnell regarding the application to fund two fixed-term Volunteer Coordinator posts considered at the March committee meeting (item 6) and the meeting of the Trustees on 24 May 2022 (item 4.2). Feedback from the committee and the Trustees has been provided regarding the need for an action plan to address funding beyond the initial two years. It is expected that a report will come to the September meeting of the committee to provide an update about the evaluation process for the project.
- David Park, D Garden and I Addison will meet soon to discuss creating an action plan to address the transfer to the new charitable arrangements for Health Board Endowments as mandated by Scottish Government. This will include an evaluation of the jobs that could be appropriate for the charity.

5.1 Draft Minutes of the meeting of the Endowment Trustees, 24 May 2022.

- The Trustees had suggested that for the purpose of clarification, item 8 of the Endowment Fund Committee minutes of 7 March 2022 (second section) might be amended from “*Approval* has not yet been received from HR for the post of Charity manager...” to read instead, “*Job evaluation* has not yet been received...”.

The Committee

- **AGREED** the suggested amendment (5.1) to the minutes of 6 March 2022 update (see also item 4 above), and
- **NOTED** the minutes.

6 BUDGET SETTING FOR 2022-23

I Addison provided an overview of the circulated paper regarding funds available for distribution and an accompanying spreadsheet. The first proposal was for the budget for distribution to be £180 by topping up unrestricted income received in 2021/22 with unused funds from that year’s committee discretionary fund. Both unrestricted and restricted donations had fallen significantly during 2021/22, although investment income had risen.

Regarding the basis for the distribution of budget funds, Appendix A of the paper outlined the proposed distribution for 2022/23. This includes:

- £75,000 for Non-Core Learning (as last year) and £3,000 for corporate areas are required
- £80,000 made available to distribute to the Operational Units (same total as last year)
- retention, for the discretion of the Committee of £22,000 to allow for applications from RD&I or elsewhere.

In discussion, it was commented that:

- Fundraising be an area for the Charity Manager to address once in post including considering how specific project funding could be matched by external funding.
- It could be considered prudent to limit this year’s budget to unrestricted income received, given the substantial fall in donations during 21/22

- It is thought possible that during the pandemic NHS Charities Together may have attracted more support than the Board's own Unrestricted Funds because of greater national publicity and that therefore the loss may not be as severe in overall effect, however the cost-of-living crisis is likely to be making an impact on donations.
- With this in mind, and after considerable discussion, it was agreed to accept the proposal to maintain the budget for distribution for 22/23. The trend in donations to be revisited when setting the 23/24 budget and if this continues downward the Committee may need to consider adopting the income in income out approach. There are varied reasons as to why funds have not been made use of in some areas which include units having priorities elsewhere or not having ideas currently as to how this additional funding could best used. Again, the Charity Manager will in future be in a position to help unit managers to build bids and attract interest.
- This year's distribution introduced an element of 'use it or lose it' and the Committee could go further down this route during the course of the year should some funds remain unused.

The Committee

- **APPROVED** the proposal that the income in 2021/22 of £135,000 be topped up by £45,000 from unused Committee Discretionary funds to £180,000 for distribution to the budget funds for 2022/23, in line with the amount distributed in previous years.
- **NOTED** that should the significant reduction in donations continue during this and future years continued top up of income received may not be possible
- **APPROVED** the basis of distribution to Budget Funds as outlined in the proposal for 2022/23.

7 PATIENT WIFI

The paper was not available for the present meeting and will come to the September meeting of the committee.

8 INVESTMENT PORTFOLIO REPORT

I Addison gave an overview of the circulated paper which described the current status of the portfolio and noted that at the end of March 2022 the portfolio was up 5.5% compared with the FTSE which had risen by 11%. The last quarter had seen a comparative fall and the situation is being monitored by Adam & Co.

In discussion, it was noted that,

- At the March meeting Adam & Co had agreed to check the Trustees' policy with regard to the portfolio and risk tolerance.
- The next couple of years are likely to be difficult in terms of investments.
- A report outlining options for benchmarking for the committee will be prepared in consultation with Adam & Co. and be brought to the September meeting.

The Committee

- **NOTED** the update.

9 ACTIVITIES/USE OF NON-CORE BUDGET FOR THE PAST YEAR

The paper was not available for the present meeting and will come to the September meeting of the committee.

10 APPLICATIONS

10.1 Research Development and Innovation

10.1.1 Patient Decision Making

10.1.2 Narrative review

The background to the change in process for research applications was explained.

- During discussion it was commented that, where previously it had been felt that there was a lack of information in applications from RD&I that now there was perhaps too much information provided.
- It was noted that the projects were likely to have already started, it was asked if the committee's constitution allowed for retrospective approvals particularly with respect to any potential audit from OSCR. It was commented that the accountant who had been dealing with RD&I projects had retired and that therefore there may be a lag in the processing of projects to address.
- It was suggested that discussions should be held with RD&I to ensure the revised process for research applications is effective

The committee **approved** the applications, subject to confirmation that the Committee had power to approve applications retrospectively.

10.2 Introduction of Technology into the Highland Cystic Fibrosis Service

Members of the Committee (D Garden, J Boardman and G Rodger) had approved the application online between the 7 March 2022 meeting and the present meeting.

The committee **noted** the information.

The Committee

- **AGREED** the applications under item 10.1 subject to confirmation of Committee powers, and
- **AGREED that discussions should be held with RD&I regarding the revised process for applications for research projects to ensure timely receipt in future**
- **NOTED** the approval online of the application under item 10.2.

11 FINANCIAL REPORTS

11.1 Position at 31 March 2022

11.2 Donations

11.3 Expenditure

I Addison gave an overview of the spreadsheet circulated before the meeting, which outlined the current situation regarding the Fund Balances, and donations and expenditure greater than £5,000.

During discussion, the following matters were raised:

- G Rodger noted that there is still a lot to be consolidated in Restricted Funds.
- Regarding the allocation from NHS Charities Together the original allocation was noted as £105,000 split by £35,000 to each of the four main areas. Only Raigmore has used all of its allocation.
- It was clarified that the Charities Together monies are held under 4 specific codes (Acute, North Highland, Argyll and Bute, and NHS Charities Together) designed for NHS Charities Together.
- A concern was raised that NHS Charities Together could come back and request return of unused funds
- It was clarified that the funding for the Volunteer bid discussed above in item 5 was in addition to the original sum of £105k.
- A report was agreed for the September meeting to outline how the monies are being spent and to address opportunities for making better use of it, and to clarify this in relation

to the 4 codes mentioned above, to provide more detail about what funds are remaining, and how these funds relate to funding provided by exchequer.

- An update on the Staff Wellbeing project was requested. Adam Palmer will be invited to the September meeting to provide an update on proposals for spending on Wellbeing projects. It was suggested that the Staff Wellbeing Group may be a better route than operational units to address the difficulty with engaging busy managers about spending their allocated monies.

The Committee

- **NOTED** the Financial Reports.
- **AGREED** a report will come to the September meeting to outline how NCT monies are being spent and opportunities for spending the remaining allocations.
- **AGREED** to invite Adam Palmer to provide an update for the September meeting on proposals for spending on Wellbeing projects.

12 NATIONAL CHARITIES (NHSCT) MONIES – ACCESS AND USE

The current position for NHSCT funds was noted in the discussion under item 11 above.

The Committee

- **NOTED** the update.

13 ANY OTHER COMPETENT BUSINESS

It was noted that this would be D Garden's last meeting as a member of the committee before retirement. The committee thanked him for his work for the committee and Trustees while acknowledging his wider charitable work.

14 DATES OF FUTURE MEETINGS

5 September
5 December.

Meetings to take place on Mondays at 10.00am.

The Committee noted the update.

15 DATE OF NEXT MEETING

The next scheduled meeting of the Committee will be held on **5 September at 10.00am**, venue to be confirmed.

The Endowment Trustees are due to meet to consider the annual accounts of the Endowment Funds on **28 June at 10.00am**, via Microsoft Teams.

The meeting closed at 11.17am.