

DATE OF MEETING	Thursday 7th March 2024 9.30-12.30
VENUE	Microsoft Teams

PRESENT	Paul Deneen - Independent Member (Chair)
	Louise Wright- Independent Member (Vice Chair)
	Iwan Jones - Independent Member
	Nicola Prygodzicz - Chief Executive
	Robert Holcombe - Director of Finance and Procurement
IN ATTENDANCE	Richard Harries – Audit Wales
	Estelle Evans - Head of Financial Services and Accounting
	Alison Griffiths - Charitable Funds/PPM Manager
	Susan Gauntlett - Assistant Head of Financial Accounting
	Mark Ross - Assistant Finance Director
	Heather Lamont – CCLA
	Michelle Jones – Head of Board Business
	Catherine King – Senior Service and Improvement Manager
	Sarah Goodey – Arts Development Manager
	Fern Cook – Governance Support Officer
	Thomas Jaynes – Governance Support Officer
APOLOGIES	Rani Dash – Director of Corporate Governance

CFC/0703/1	Preliminary Matters
CFC/0703/1.1	Welcome and Introductions The Chair welcomed everyone to the meeting.
CFC/0703/1.2	Apologies for Absence Apologies for absence were noted.
CFC/0703/1.3	Declarations of Interest Robert Holcombe, Director of Finance and Procurement, noted he was the Executive sponsor for Decarbonisation proposal in item 2.4, however this wasn't a formal declaration of interest.
CFC/0703/1.4	Draft Minutes of the meeting held on Monday 22nd January 2024



	<p>Iwan Jones (IJ), Independent Member, questioned the accuracy of the 5% figure that was recorded as being invested in the property market and sought clarification as to whether this was a too large investment at this time. IJ clarified that it was lack of liquidity that was the risk and whether the committee's role was to invest or generate income and spend money.</p> <p>Mark Ross (MR), Assistant Finance Director, clarified that the correct figure as for the property investments was 18%</p> <p>Robert Holcombe (RH), Director of Finance and Procurement, proposed the amendment of 18% should be recorded and not 5%. RH commented that it was the lack of liquidity on the investment in the property portfolio which requires a six-month period to change.</p> <p>Estelle Evans (EE), Head of Financial Services and Accounting, noted an amendment that Susan Gauntlett (SG), Assistant Head of Financial Accounting presented the financial report in the previous meeting not herself.</p> <p>The Committee agreed to RH suggested amendments and with these changes they were an accurate record of the meeting.</p> <p>Paul Deneen (PD), Independent Member, requested that a Board briefing session be held to engage the Board on the on the use and purpose of Charitable Funds and asked this to be included in the forward work plan.</p> <p>Action:</p> <ul style="list-style-type: none"> • <i>Director of Corporate Governance to consider for the Board Briefing programme.</i> <p><i>The Committee AGREED the minutes from the previous meeting subject to the amendments being made, as noted above.</i></p>
<p>CFC/0703/1.5</p>	<p>Committee Action Log</p> <p>The Committee received the Action Log and was content with progress made with outstanding actions.</p> <p><i>The Committee RECEIVED the report for information.</i></p>
<p>CFC/0703/2</p>	<p>Items for Approval/Ratification/Decision</p>
<p>CFC/0703/2.1</p>	<p>Finance Report</p>



Susan Gauntlett (SG), Assistant Head of Financial Accounting, presented the Finance report and provided an update to the Committee.

SG highlighted the following-:

- The Financial Position for the period as of 31st January 2024 including: expenditure; gains/losses on investment assets; overall position; balance sheet and cash balances. Income totalled £882K which was £257K lower than the equivalent period in 2022/2023 and confirmed that this was due to a decrease in the value of donations and income.
- Expenditure totalled £1044K which was £132K higher than month 10 in 2022/2023 and this was as a result of increased expenditure on equipment.
- CCLA investment presented an unrealised gain of £244K.
- Overall position for the period was an increase in funds by £82K and when investment gains were excluded there was an underlying decrease of 162K. The Committee noted that during the first half of the year expenditure exceeded income.
- No accounts were overdrawn as of 31st January 2024 with no accounts being closed in the period.
- 5 funds had been merged since start of the year;
- expenditure as a percentage of overall fund balance should increase as the year progresses and so far, to date there had been 730 donations.
- At Month 9, 411 funds had decreased in value compared to the previous quarter and 29 static funds had increased compared to the previous quarter.

SG noted approval was sought to set up two new grant funds as restricted funds:

- Grant - The Health Foundation Grant – Head & Neck Cancer (Reducing the delay from referral to diagnosis for Head and Neck Cancer patients)
- Grant – NHS CT – Stage 2 Community Partnership (Person Centred Meaningful Activities and Engagement)

SG noted that a bid was to be submitted to the Greener Communities 2024 Programme and if successful the Committee would be updated.

*The Committee **NOTED** the report and **APPROVED** two new grant funds as restricted funds.*



CFC/0703/2.2

Financial Control Procedure Annual Review

Susan Gauntlett (SG), Assistant Head of Financial Accounting, presented the amendments to the Charitable Funds Financial Control Procedure for approval and provided an overview of the proposed changes to be made as detailed in the report. The Committee noted that it was proposed to add three new sections into the procedure, that were:

- 11.7 Team Building
- 11.7 Staff Wellbeing
- 11.7 Appendix 1 including information on accessing funds

Robert Holcombe (RH), Director of Finance and Procurement, supported inclusions and thanked his team for their work.

*The Committee **APPROVED** the amendments to the Charitable Funds Financial Control Procedure.*

CFC/0703/2.3

Briefing Pack for Divisional Managers for Accessing Charitable Funds – Funds Available/Applications

Estelle Evans (EE), Head of Financial Services and Accounting, presented the report which introduced a separate guide on Accessing Charitable Funds, which when approved would be added to main Financial Control Procedure. The Committee noted since the briefing pack had been placed on the intranet a small number of requests had since been received and through the publication of this guide it was hoped that this would improve access and visibility of Charitable funds and would also be shared with fund holders in addition to being shared with individual teams. EE provided the Committee with the background to the guide and noted that the revised guide provides further clarity as to how to access funds.

Mark Ross (MR), Assistant Finance Director, commented that the purpose of the guide was to make managers and staff aware of the fund's availability, provide guidance on accessing funds and publish fund details and amounts.

Iwan Jones (IJ), Independent Member, commented that whilst he liked the guide, he noted concern in relation to the list of funds as the naming conventions may deter applications and suggested that explicit wording be provided to aid the reader.



Robert Holcombe (RH), Director of Finance and Procurement, sought clarification as to whether a record of refusals and reasons for refusals was maintained and whether fund holders as part of their Annual Report should maintain a list of the reasons and details of those applications that were not supported, which in time could then inform the users of the guide. The Committee noted that this record would be included.

Action:

- *Head of Financial Services and Accounting to add wording next to list of funds in guide to encourage people to apply for funding regardless of purpose of fund*
- *Head of Financial Services and Accounting to ensure fund holders include in their annual reports a list of refusals and reasonings why*

The Committee **APPROVED** the Accessible Charitable Funds Guide, and **AGREED** for it to be added to the Financial Control Procedure and published.

CCFC/0703/2.4

Charitable Funds – Small Grants Scheme Funds Available and Applications for Consideration

Estelle Evans (EE), Head of Financial Services and Accounting, provided the Committee with details of funds available to them and provided an overview of the two bids that had been received for consideration. EE noted 2 bids enclosed were in excess of 5K and both had executive director sponsorship as no other source of funding could be found. EE clarified the Committee had a £22.5K balance available and that there were therefore insufficient monies available to the Committee to approve both bids. EE outlined the two bids to the Committee; CFC-266 was a bid for Staff Recognition Awards and was a request for £25K. CFC-265 was a bid for staff resource for the Decarbonisation Programme at ABUHB and was an ask for funding of 13.5K.

Louise Wright (LW), Independent Member, questioned if other funds could be acquired from other departments. LW also queried whether CFC-265 was core business.

RH advised CFC-265 was not core business as there was no expectation for a clinician to do this work as part of their core employment. RH noted their work was under pressure due to their championing of the decarbonisation programme



and was appropriate to bring to this Committee as extra work needed to be supplemented by non-core funding.

Alison Griffiths (AG), Charitable Funds/PPM Manager, provided an overview as to how both bids could be funded which included using other funds and contacting fund holders to confirm if funding could be accessed.

RH advised it was preferred to request other funds to support the bid financially and a voluntary response rather than top slicing and suggested the Media Fund would fit with the purpose of the CFC-266 Staff Recognition Rewards bid.

Action:

- *Director of Finance and Procurement to look at the scope of authority of the Committee to steer use of funds where discretion is allowed.*

Mark Ross, (MR) Assistant Finance Director, suggested the Committee could contact funds and ask them to support a bid or can take monies and place in general account as long as it is from an unrestricted fund. MR added the Committee could top slice from each fund into the general-purpose fund but this would need careful thought and communication.

IJ questioned if there was no five-year plan by the fund holders or if fund had not been specified for a specific purpose the Committee could reallocate into the general pot.

MR agreed and noted the Committee could invite fund managers to the meeting to ask why they have not spent their funds and ask for it to be reallocated to the general pot. EE advised this will be captured by the Financial Control Procedure.

*The Committee **AGREED** in principle to support the two bids. The Committee **AGREED** the Media Fund should fund bid CfC-266 in its entirety. The Committee agreed CFC-265 will be funded in its entirety from the general pot but firstly other departments/funds will be contacted to see if they can top up the funding.*

CFC/0703/2.5

Development of Committee Annual Programme of Business 2024/25



	<p>Michelle Jones (MJ), Head of Board Business, noted the programme of business and that the Corporate Governance Team was developing a programme for 2024/25.</p> <p><i>The Committee NOTED the Annual Programme of Business.</i></p>
<p>CFC/0703/2.6</p>	<p>Committee Annual Report</p> <p>Michelle Jones (MJ), Head of Board Business, presented the Annual Report for the Charitable Funds Committee which summarised the work of the committee during the 2023/24 year.</p> <p>Paul Deneen (PD) Independent Member, welcomed the report. PD noted status of post/lead should be used rather than name. MJ advised this approach would be used going forwards</p> <p><i>The Committee NOTED the report.</i></p>
<p>CFC/0703/3.0</p>	<p>ITEMS FOR DISCUSSION</p>
<p>CFC/0703/3.1</p>	<p>CCLA Investments Review</p> <p><i>Heather Lamont joined the meeting</i></p> <p>Mark Ross, (MR) Assistant Finance Director, appraised the Committee of the discussion at the last Committee meeting the historical context that ensures that 85% of funds was invested in an ethical investment fund managed by CCLA and 15% was invested in a property fund which has a key benefit of producing income.</p> <p>MR advised the Committee that there were two options presented for consideration. The first option was for no change and to keep the situation under review at the annual meeting with the CCLA whilst the second option would involve a change to the proportion of the investment in the property fund, and to keep this under review.</p> <p>Paul Deneen (PD), Independent Member, suggested the Committee could review fund investments every 6 months and invited Heather Lamont (HL), CCLA to discuss.</p> <p>HL summarised the previous Committee desired an annual income stream but if the current Committee decided there was no need for an income stream there would be no need to remain with the property allocation fund.</p> <p>MR reflected the fund was providing an income on an annual basis and due to the current downturn in property value</p>



	<p>would not be the right time to sell. MR proposed to keep this on the Committee's agenda to discuss every 6 months and add to forward work plan.</p> <p>Iwan Jones (IJ), Independent Member, commented it was important to consider the purpose of the fund in order to decide whether to hold or to produce income.</p> <p>Robert Holcombe (RH), Director of Finance and Procurement, agreed and noted it was important the Committee decides whether it required assets or income.</p> <p>PD requested that the purpose of funds to be added to the forward work plan.</p> <p>Action:</p> <ul style="list-style-type: none"> • <i>Governance Support Officer to ensure purpose of Charitable funds to be added to forward work plan</i> <p><i>The Committee NOTED the report and agreed to review the property fund allocation in 6 months' time.</i></p>
<p>CFC/0703/4.0</p>	<p>ITEMS FOR INFORMATION</p>
<p>CFC/0703/4.1</p>	<p>Legislation Changes</p> <p>Estelle Evans (EE), Head of Financial Services and Accounting, informed the Committee there were no new updates to the legislation for noting.</p> <p><i>The Committee NOTED the update.</i></p>
<p>CFC/0703/4.2</p>	<p>Small Grant Scheme – Well Being Pop-Up Event – Terms of Reference Update</p> <p><i>Catherine King and Sarah Goodey joined the meeting.</i></p> <p>Catherine King (CK), Senior Service and Improvement Manager, updated the Committee on the Well Being Pop Up Events funded by the small grant scheme. The Committee noted that the feedback from staff from these events had been positive.</p> <p><i>The Committee NOTED the update.</i></p>
<p>CFC/0703/4.3</p>	<p>Spending Plans Over £25K</p> <p>Estelle Evans (EE) Head of Financial Services and Accounting, noted the historical context and advised the Committee that previously spending plans of funds with</p>



balances over £25K had been reviewed and had requested a report detailing how the Committee could assure themselves that the funds were being used and recommended to the Committee that fundholders could be invited to provide an overview of their plans for the funds.

In particular the Committee noted that there were 45 funds with a balance of over £25K totally over £2.688m and provided an overview of the traffic light system within the report. EE proposed that the fund holders with a red traffic light be invited to the Committee to discuss their plans at each of the next 3 Committee meetings.

Louise Wright (LW), Independent Member, raised concerns regarding the St Woolos fund and noted this fund had previously been discussed by this Committee but to date no outcomes had materialised.

Allison Griffiths (AG), Charitable Funds/PPM Manager, advised the Committee that an application had been made to the Charity Commission to alter the purpose of the fund and the Commission advised that the funds should follow where patients go as funds are to benefit the patients of that ward.

Robert Holcombe (RH), Director of Finance and Procurement, noted that funds had been transferred to Springfield Fund and acknowledged that the aspiration of the fund management was to build a conservatory at St Woolos but queried whether funds could have been redesignated to general fund.

AG clarified the Charities Commission had said funds need to either follow patients or staff who raised the monies even if the purpose of funds had changed.

RH advised this could be a lesson learnt and if this occurs in future funds should be redesignated into the general fund if the original purpose of funds cannot be met, subject to the relevant legislator conditions being met.

Action:

- *Assistant Director of Finance and team to create a proforma for use and contact the leads for high value funds that are designated as "red" to request completion of the proforma and to attend future Committee meetings*



	<p>Action:</p> <ul style="list-style-type: none"> • <i>Director of Finance and Procurement to review whether funds can be repurposed from non-legacy and non-restricted funds if the purpose of the funds can no longer be met.</i> • <i>Committee secretariat to update the fwp to include the presentation of those funds classified as red to the Committee</i> <p><i>The Committee NOTED the report and AGREED initially to focus on high value funds and NOTED that fund holders would be asked to attend a future meeting to present.</i></p>
<p>CFC/0703/4.4</p>	<p>Annual Accounts and Audit 2023/2024 Outline Timeframe</p> <p><i>Richard Harries, Audit Wales, joined the meeting</i></p> <p>Estelle Evans (EE), Head of Financial Services and Accounting, presented the report which outlined to the Committee the annual accounts and audit 2023/2024 timeframe.</p> <p>Richard Harries (RH), Audit Wales acknowledged that the approach for this year would follow the same approach but confirmed that the intention was for the majority of work to be completed by the end of the calendar year.</p> <p><i>The Committee NOTED the report and AGREED with the proposed timetable.</i></p>
<p>CFC/0703/5.0</p>	<p>OTHER MATTERS</p>
<p>CFC/0703/5.1</p>	<p>Items to be brought to the Attention of the Board and Other Committees</p> <p>No items were brought to the attention of the board.</p>
<p>CFC/0703/5.2</p>	<p>Any Other Urgent Business</p> <p>No urgent business was raised.</p>
<p>CFC/0703/5.3</p>	<p>Date of Next Meeting:</p> <p>Wednesday 3rd July 2024 13:30 – 16:30</p>



