

**PWYLLGOR CRONFA ELUSENNOL
CHARITABLE FUNDS COMMITTEE**

DYDDIAD Y CYFARFOD: DATE OF MEETING:	17 March 2025
TEITL YR ADRODDIAD: TITLE OF REPORT:	Update on the rationalisation of charitable funds held by Hywel Dda Health Charities
CYFARWYDDWR ARWEINIOL: LEAD DIRECTOR:	Huw Thomas, Executive Director of Finance Sharon Daniel, Executive Director of Nursing, Quality & Patient Experience
SWYDDOG ADRODD: REPORTING OFFICER:	Nicola Llewelyn, Head of Hywel Dda Health Charities Timothy John, Head of Financial Accounting

Pwrpas yr Adroddiad (dewiswch fel yn addas)

Purpose of the Report (select as appropriate)

Ar Gyfer Penderfyniad/For Decision

**ADRODDIAD SCAA
SBAR REPORT**

Sefyllfa / Situation

At its meeting on 20 March 2023, the Charitable Funds Committee (CFC) approved a programme of work to rationalise the number of charitable funds held within Hywel Dda Health Charities (HDdHC), with the aim of simplifying access.

Following extensive service and fund holder engagement, the CFC approved a number of changes to the charity's funds structure in March 2025.

This report provides the CFC with an update following the implementation of the new charitable funds structure during the 2025/26 financial year.

Cefndir / Background

The programme of work to rationalise the charity's funds was undertaken to address long-standing challenges within the charity's fund structure. With over 280 individual funds, many holding low balances that were difficult to spend, the existing structure limited the charity's ability to use donations efficiently. A substantial proportion of funds were also restricted or designated, meaning that large areas of HDdUHB had limited or no access to charitable funding. In addition, the number of funds created a significant administrative burden.

To respond to these issues, the approved programme of work focused on simplifying and the fund structure, providing clarity around the classification of fund, aligning funds to management structures and service pathways, and engaging with fund managers and services to ensure that charitable resources could be used more effectively across the organisation.

At its meeting on 18 March 2025, the CFC approved the implementation of a new structure which reduced the number of designated charitable funds from 289 funds to 180 funds.

Asesiad / Assessment

1. Expenditure on charitable activities to 31 December 2025

Expenditure on charitable activities has increased by 30% during the period ending 31 December 2025 compared to the same period in the previous financial year. The increase is largely due to the grants approved from the Making a Difference fund at the December 2025 CFC meeting (£370,345).

Figure 1: Expenditure on charitable activities to 31 December 2025

Resources Expended	Period ending 31 December 2025 £	Period ending 31 December 2024 £	Variance £	Variance %
Charitable activities (grant making)	940,613	722,870	217,743	30

However, charitable expenditure data also demonstrates an improvement in the utilisation of funds within the majority of the Clinical Care Groups (CCGs) suggesting that fund managers are now accessing funds more readily and in a more timely manner to support service priorities and enhance patient experience.

Figure 2: Comparison of CCG expenditure on charitable activities

	Dec-25 £	Dec-24 £	% Variance
Allied Health & Health Sciences	(1,159)	(475)	144%
Mental Health & Learning Disabilities	(47,270)	(23,938)	97%
Carmarthenshire System	(187,046)	(182,879)	2%
Ceredigion System	(132,907)	(44,776)	197%
Pembrokeshire System	(13,287)	(55,437)	-76%
Planned Care	(12,878)	(38,403)	-66%
Cancer Services	(141,249)	(103,838)	36%
Children, Women & Family Health	(60,892)	(38,690)	57%
Primary Care	(22,998)	(34,493)	-33%
Corporate	(320,928)	(199,943)	61%
Total	(940,614)	(722,872)	30%

While this overall trend is positive and consistent with the charity's intention to reduce the accumulation of unspent funds, a small number of areas continue to record low or minimal spend. Targeted engagement with these services will therefore take place during 2026/27 to support the proactive identification and progression of expenditure outside of centrally administered grant schemes.

2. Development of Clinical Care Group expenditure plans

Following the action agreed at a previous CFC meeting, a template was circulated to all CCGs requesting the development of an expenditure plan covering the next 12 to 24 months. A series of questions were included, designed to provide the CFC with a clearer, more detailed understanding of how charitable funds can best support their services.

Each CCG was asked to outline anticipated short-term expenditure and longer-term priorities as well as what local planning and staff engagement processes are in place to encourage the proactive use of funds. Questions were also posed on knowledge of funds and any challenges that may be preventing access to help us identify ways that we can improve the support services we provide.

To date, submissions have been received from Planned and Specialist Care, Mental Health and Learning Disabilities (MHL), and Pharmacy and Medicines Management. The

submissions provide a helpful insight into current planning approaches and highlight areas where further support may be required:

Priorities and planned use of funds

- Planned and Specialist Care identified cancer pathways, estate refresh and rapid access services as areas where charitable funds could add value, alongside needs relating to ortho-geriatrics and trauma.
- MHLD indicated that charitable funds are used to provide additional support beyond core NHS budgets, although no specific expenditure items were forecast at this time.
- Pharmacy outlined a clear intention to focus on staff wellbeing and education and development.

Planning and governance arrangements

- Planned and Specialist Care highlighted the need to further develop mechanisms for forward planning.
- MHLD and Pharmacy reported that charitable funds are standing agenda items at their respective governance meetings to facilitate approval processes and structured planning.

Awareness and engagement

- MHLD noted limited staff awareness of charitable funds across services and suggested a need for improved communication to encourage broader.
- Similarly, Planned and Specialist Care indicated that staff engagement is currently limited to senior teams.

Barriers and challenges

- All three submissions reported minimal barriers to accessing charitable funds, with established governance forums supporting appropriate use.
- MHLD noted that some services had been unsuccessful in accessing central funds such as the Making a Difference Fund however detailed feedback had been received to enable the services to re-apply.

To support all CCGs to produce full expenditure plans, the Head of Hywel Dda Health Charities and Head of Financial Accounting will work with the Deputy Chief Operating Officer and CCG service directors during the next quarter to strengthen forward planning within the CCGs and improve the visibility of available funds.

3. MHLD Clinical Care Group

A revised fund structure for the MHLD CCG is presented for the CFC's consideration and approval as Appendix 1. This follows the March 2025 CFC paper, which noted that the proposed structure for MHLD funds remained subject to approval from the relevant management teams. The draft structure previously submitted to the CFC was not supported by the wider MHLD management team. The original proposal recommended reducing the number of funds from 40 to 9 however the wider management team felt strongly that consolidating service specific funds into a small number of broader funds would risk reducing staff motivation to fundraise and undermine donor intention. In response to this feedback, the revised proposal reduces the number of unrestricted funds from 40 to 25 and introduces two new unrestricted funds for health board-wide services that are hosted by MHLD that operate separately from the core MHLD services.

4. Future priorities

During 2026/27, the following actions will be undertaken to progress to make further improvements to the charity's fund structure:

- **Re-align fund balances:** complete the accounting exercise to re-align fund balances where structural changes have resulted in funds needing to be moved into newly created or more appropriate designated funds. This will ensure that all fund balance reports accurately reflect the revised fund structure and provide a reliable basis for future financial planning and CCG expenditure plans.
- **Review of endowment funds:** undertake a review of endowment funds held by the charity in line with the updated Charities Act 2022 provisions to maximise the return and impact of permanent endowments for patient care. This will include assessing opportunities to utilise new flexibilities such as spending from smaller permanent endowment funds (up to £25,000) without Charity Commission approval and considering whether a 'total return' approach would enhance longer-term value. Recommendations will be made to the CFC for consideration.

Argymhelliad / Recommendation

The Charitable Funds Committee is asked to:

- **NOTE** the progress made in rationalising the charitable funds structure and the future actions identified to make further improvements.
- **NOTE** progress on the development of Clinical Care Group expenditure plans and the work underway to support the production of full plans.
- **APPROVE** the revised fund structure for the Mental Health and Learning Disabilities Clinical Care Group.

Amcanion: (rhaid cwblhau)

Objectives: (must be completed)

Committee ToR Reference: Cyfeirnod Cylch Gorchwyl y Pwyllgor:	3.1 To make and monitor arrangements for the control and management of the Board's Charitable Funds, within the budget, priorities and spending criteria determined by the Board and consistent with the legislative framework.
Cyfeirnod Cofrestr Risg Datix a Sgôr Cyfredol: Datix Risk Register Reference and Score:	Not applicable
Parthau Ansawdd: Domains of Quality Quality and Engagement Act (sharepoint.com)	Not Applicable
Galluogwyr Ansawdd: Enablers of Quality: Quality and Engagement Act (sharepoint.com)	Not Applicable
Amcanion Strategol y BIP: UHB Strategic Objectives:	Not Applicable

Amcanion Cynllunio Planning Objectives	Not Applicable
Amcanion Llesiant BIP: UHB Well-being Objectives: Hyperlink to HDdUHB Well-being Objectives Annual Report 2021-2022	10. Not Applicable

Gwybodaeth Ychwanegol: Further Information:

Ar sail tystiolaeth: Evidence Base:	NHS Charities Guidance (updated 31/10/22) Charities Statement of Recommended Practice Streamlining NHS charitable funds – Healthcare Financial Management Association (HFMA) briefing December 2022
Rhestr Termau: Glossary of Terms:	Included in document.
Partion / Pwyllgorau â ymgynhorwyd ymlaen llaw y Pwyllgor Cronfa Elusennol: Parties / Committees consulted prior to Charitable Funds Committee:	Not applicable

Effaith: (rhaid cwblhau) Impact: (must be completed)

Ariannol / Gwerth am Arian: Financial / Service:	The intention is to make it as easy as possible to access and spend donations in a timely manner on appropriate items to improve the patient experience.
Ansawdd / Gofal Claf: Quality / Patient Care:	The intention is to make it as easy as possible to access and spend donations in a timely manner on appropriate items to improve the patient experience.
Gweithlu: Workforce:	Not applicable
Risg: Risk:	Not applicable
Cyfreithiol: Legal:	Not applicable
Enw Da: Reputational:	Not applicable
Gyfrinachedd: Privacy:	Not applicable
Cydraddoldeb: Equality:	Not applicable

Area	Fund Name	Fund Type	Revised Fund Balance P10-26 £
Hywel Dda Wide			
	T552-Child and Adolescent Mental Health Service (CAMHS)	Restricted	79.22
	T603-Mental Health & Learning Disabilities Services	Unrestricted	55,945.37
	T605-Surf Tonic (CAHMS)	Unrestricted	2,045.72
	T612-Psychological Therapies	Unrestricted	3,723.87
	T613-Crisis Resolution & Home Treatment	Unrestricted	193.49
	T783-Child and Adolescent Mental Health Service (CAMHS)	Unrestricted	6,768.06
	T797-Community Substance Misuse	Unrestricted	1,592.34
	T798-Community Learning Disabilities	Unrestricted	2,948.61
	T969-Dementia Services (New fund)	Unrestricted	-
	T970-Neurodevelopmental Services (New fund)	Unrestricted	-
Carmarthenshire			
	T407-Cwm Seren Ward Fund	Restricted	1,139.25
	T415-Wellfield Resource Centre	Restricted	10,372.17
	T586-Low Secure Unit Cwm Seren	Restricted	1,103.77
	T691-Bryngolau Ward PPH	Unrestricted -	2,168.99
	T692-Swn y Gwynt Adult Mental Health	Unrestricted	2,374.27
	T693-Brynmair Adult Mental Health	Unrestricted	2,573.72
	T694-North Carmarthenshire Older Adult Mental Health Services	Unrestricted	1,888.61
	T695-Bryngofal Ward PPH	Unrestricted	16,276.91
	T697-South Carmarthenshire Older Adult Mental Health	Unrestricted	891.09
	T699-Morlais Ward GGH	Unrestricted	2,988.88
	T734-Wellfield Resource Centre	Unrestricted	5,002.86
	T795-Low Secure Unit Cwm Seren	Unrestricted	1,151.68
	T799-Cwm Seren Psychiatric Intensive Care Unit	Unrestricted	4,664.71
Ceredigion			
	T397-Enlli Ward	Restricted	181.06
	T871-Enlli Ward BGH	Unrestricted	2,761.43
	T872-Ceredigion Older Adult Mental Health Services	Unrestricted	258.40
	T873-Gorwelion Adult Mental Health	Unrestricted	6,103.17
Pembrokeshire			
	T737- Bro Cerwyn DH Fund	Unrestricted	27,013.32
	T931-St Non's Ward WGH	Unrestricted	33,012.30
	T932-St Caradog Ward Fund WGH	Unrestricted	3,068.55
	T934-Pembrokeshire Older Adult Mental Health Service	Unrestricted	794.15
	T937-Bro Cerwyn Adult Mental Health	Unrestricted	140.67