

**PWYLLGOR CRONFA ELUSENNOL
CHARITABLE FUNDS COMMITTEE**

DYDDIAD Y CYFARFOD: DATE OF MEETING:	13 December 2024
TEITL YR ADRODDIAD: TITLE OF REPORT:	Review of the Hywel Dda Health Charities fundraising and communications activities
CYFARWYDDWR ARWEINIOL: LEAD DIRECTOR:	Sharon Daniel, Interim Executive Director of Nursing, Quality & Patient Experience
SWYDDOG ADRODD: REPORTING OFFICER:	Nicola Llewelyn, Head of Hywel Dda Health Charities Timothy John, Senior Finance Business Partner (Accounting & Statutory Reporting)

Pwrpas yr Adroddiad (dewiswch fel yn addas)

Purpose of the Report (select as appropriate)

Ar Gyfer Trafodaeth/For Discussion

**ADRODDIAD SCAA
SBAR REPORT**

Sefyllfa / Situation

The purpose of this paper is to provide the Charitable Funds Committee (CFC) with a review of the Hywel Dda Health Charities (HDdHC) fundraising and communications activities and to assess the return on investment of the charity's fundraising costs.

Cefndir / Background

In March 2024 the Charitable Funds Committee (CFC) received a paper on the apportionment of the charity's fundraising, governance, and support costs as well as investment income and gains. A request was made by the CFC for a paper to be submitted to a future meeting that provided information on the return on investment of the charity's fundraising activities given the value of annual expenditure on fundraising costs.

Asesiad / Assessment

1. Hywel Dda Health Charities strategy for 2023-2028

Fundraising and communications are key components of the HDdHC strategy 2023-2028 to enable the charity to achieve its charitable objectives. The Corporate Trustee's decision to invest in a fundraising and communications function for HDdHC provides the charity with a resource to generate income, engage with supporters and enhance the charity's profile.

Attached as Appendix 1 is a summary of the HDdHC strategy for 2023-2028.

2. Hywel Dda Health Charities fundraising and communications activity

Charities are operating in a more competitive landscape than ever before given the current environment of austerity and pressure on household incomes. The ability of a charity to adapt its approach to fundraising and communications and to be responsive to its supporters' needs in a more competitive landscape has never been more important. In today's market, charities

must therefore think carefully about the manner in which they fundraise as well as how they tell their story.

The purpose of the HDdHC fundraising team is to raise funds that can be used to make a positive difference to the health, wellbeing and experience of patients, services users and staff across the Hywel Dda University Health Board (HDdUHB) region.

Key areas of responsibility:

- Develop and promote a broad range of ways for individuals to support and donate to the charity. For example, contactless donation stations in our acute sites, online giving, internal payroll giving via Microhive, regular giving opportunities, weekly charity lottery, two annual charity-led legacy fundraising campaigns.
- Inspire new supporters to raise money, while maintaining and developing relationships with existing supporters.
- Motivate and support fundraisers to maximise their fundraising potential.
- Deliver a wide range of events (mass participation and charity-led) that offer opportunities for fundraisers throughout the year, providing comprehensive support through their fundraising journey. For example, providing marketing materials such as charity branded t-shirts, water bottles, medals, and certificates; setting up dedicated online donation pages; providing event stewardship; banking sponsorship monies; providing thank you letters; organising cheque presentations and evaluating the performance of events to inform future fundraising.
- Charity led campaigns such as the Bronglais Chemo Appeal, Prince Philip Hospital Gardens Appeal and Wish Fund campaign.
- Research and targeting charitable trusts whose criteria match the charity's aims and activities.

Our communications work is focused on raising awareness of the charity and the impact it has, as well as increasing its visibility both internally and externally.

Key areas of responsibility:

- Telling powerful and compelling stories about fundraising and charitable expenditure, both on our own media and in external media, to demonstrate impact and inspire people to support us.
- Creating a strong charity brand and promoting by producing highly visible marketing and display materials, and by developing and expanding our digital presence through our website, social media channels and e-newsletters.
- Promoting our fundraising events and campaigns, marketing a range of opportunities to support the charity to our audiences.
- Internal communications: using internal channels such as the intranet, email, and staff social media groups to promote opportunities and provide information around applying for charitable funds and ways to support the charity.

The presentation attached as Appendix 2 provides further information on the charity's fundraising and communications activities.

3. Fundraising costs

A fundraising costs budget of £468,623 (pay and non-pay) for the charity was agreed for 2024/25.

For the period 1 April to 30 September 2024, the reported expenditure on fundraising costs was £205,942, with a reported underspend of £28,369 to 30 September 2024.

Historically, all costs associated with the head of charity role as well as all fundraising and communications roles have been reported as fundraising costs. A review of the allocation and presentation of the charity's fundraising costs has therefore been undertaken to reflect the time spent not only on fundraising activity but also the time spent on the charity's support and governance functions. The 2023/24 Annual Report and Accounts, as well as future financial reports, will present a revised breakdown of the allocation of fundraising, governance and support costs incurred by the charity.

4. Governance and support costs

A governance and support costs budget of £103,344 for the charity was agreed for 2024/25.

For the period 1 April to 30 September 2024, the reported expenditure on governance and support costs was £51,672.

Support and governance costs consist of a recharge from HDdUHB towards the cost of the finance function as well as the statutory audit fee. This recharge is based on the time spent by staff involved in the finance function, including the full-time charitable funds officer post which deals with queries and fund analysis, as well as a recharge for the time spent by other members of the finance team for the preparation of the accounts, attending meetings and support and a recharge for time spent by procurement, accounts payable and the general office. A large proportion of the work undertaken by the finance team relates to processing of the grants awarded.

5. Income levels

The following table summarises the charity's income over the last 10 years:

INCOME	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25 ytd M6
Donations	558	510	655	778	766	853	831	551	1,542	725	274
Legacies	273	226	523	444	780	942	841	281	1,921	1,425	72
Grants	-	-	16	9	18	13	511	24	102	66	4
Other Trading Activities	-	-	-	-	-	-	-	4	13	15	8
Investment income	200	212	234	255	317	331	327	315	405	451	290
	1,031	948	1,428	1,486	1,881	2,139	2,510	1,175	3,983	2,682	648

The charity's income levels increased gradually between 2014/15 and 2019/20. Following a slight decrease in income during 2020/21, income reduced significantly in 2021/22 following the COVID-19 pandemic.

2022/23 saw the charity's highest recorded income since its establishment with an overall income of £3.98m. This was as a result of the successful Bronglais Chemo Appeal, as well as significant donations for the Pentre Awel hydrotherapy pool.

Although income in 2023/24 was less than the 2022/23 financial year, the overall income was £2.68m which was the charity's second highest recorded income since its establishment.

For the 2024/25 financial year, income to 30 September 2024 was £0.648m

6. Benchmarking fundraising performance

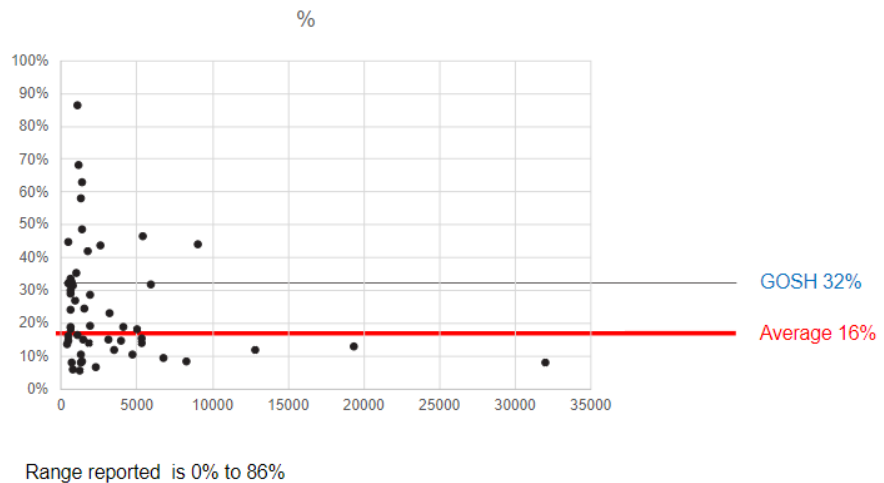
In order to inform this paper, a review of publications and key literature has been undertaken. Discussions have also been held with NHS charity colleagues that lead on compilation of the annual NHS charity financial comparison survey.

6.1 NHS Charities Together Financial Comparison Survey 2023

NHS Charities Together's Financial Comparison Survey is conducted on an annual basis, with the 2023 survey being the most recently published data. The results are published on a dashboard that is populated with the financial data gathered from member charities to help identify those with similar characteristics (e.g. income levels or assets) for benchmarking purposes.

The most commonly used fundraising benchmark for NHS charities is a review of fundraising costs as a percentage of fundraising income (income comprised of donations, legacies and grants). For the 2022/2023 financial year, the average NHS charity's fundraising costs were 16% of its fundraising income (see figure 1 below).

Figure 1: Fundraising costs as % of fundraising income (charities with fundraising income >£500k)



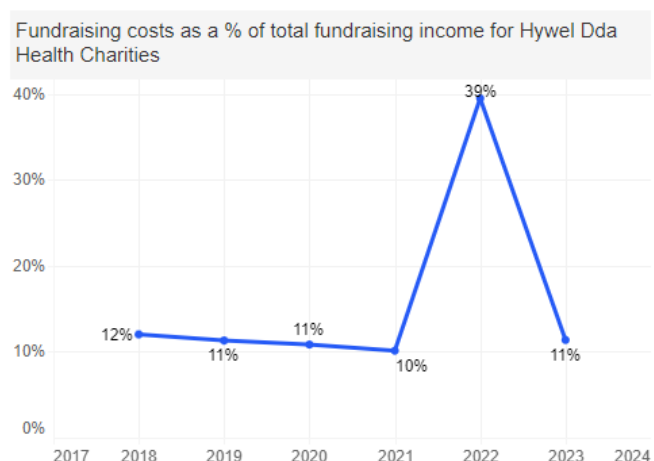
For HDdHC, in 2022/2023 the charity's fundraising costs were 11% of its fundraising income.

On average, the charity's fundraising costs were also 11% of its fundraising income between 2017/18 and 2020/21.

In 2021/22, this rose to 39% due to the decline in income following the COVID-19 pandemic and the increased investment in fundraising and communications activities (see figure 2 below).

For 2023/24, the charity's fundraising costs were 20% of its fundraising income. However, due to the revisions that have been made to the allocation of fundraising, governance and support costs incurred by the charity during 2023/24, this figure is not comparable to previous years.

Figure 2: Fundraising cost as % of voluntary income for HDdHC



6.2 UK Civil Society Almanac 2023

The UK Civil Society Almanac is published annually by the National Council of Voluntary Organisations (NCVO) and is considered to be the definitive publication on the state of the voluntary sector in England.

The results of the 2023 Almanac show that for every £1.00 spent on fundraising, on average a charity receives over £4.00 in return. The 1:4 ratio (£4.00 income generated for every £1.00 spent on fundraising) is widely recognised and used as a key performance indicator to measure fundraising performance.

For Hywel Dda Health Charities, for every £1.00 spent on fundraising in 2023/24, £7.54 was generated in income which is above the 1:4 ratio. This figure is based on fundraising income of £2,231,000 (comprised of donations, legacies, and grants) and fundraising costs of £296,000 (based on the revised allocation of fundraising, governance and support costs incurred by the charity during 2023/24).

During the first six months of the 2024/25 financial year (to 30 September 2024) for every £1.00 spent on fundraising, £2.59 has been generated in income. This is below the 1:4 ratio however income figures are predicted to rise during quarters 3 and 4.

Data is not available for previous years due to the revised allocation of reported fundraising, governance and support costs incurred from 2023/24.

Figure 3: Review of income generated from fundraising expenditure

	2023/24	2024/25 ytd M6
	£'000	£'000
Income (excl. investments)	2,231	358
Fundraising team - fundraising element	296	138
Income earned per £1	7.54	2.59

6.3 Available income to be spent on grants

During 2023/24, for every £1.00 raised or donated, £0.79 was available to be spent on grants. This was following the deduction of fundraising, support and governance costs and prior to the movement on investments.

If the investment gain of £817,000 was factored into the calculation, £1.10 was available to be spent on grants during 2023/24.

During the first six months of the 2024/25 financial year (to 30 September 2024), for every £1.00 raised or donated, £0.59 was available to be spent on grants, following the deduction of fundraising, support, and governance costs and prior to the movement on investments.

If the investment loss of £13,000 was factored into the calculation, £0.57 pence was available to be spent on grants.

Figure 4: Pence in the £1.00 raised or donated available to be spent on grants

Pence in the £1 raised or donated available to be spent on grants											
	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25 ytd M6
Excluding investment gain/loss	0.82	0.79	0.83	0.84	0.84	0.84	0.85	0.58	0.86	0.79	0.59
Including investment gain/loss	1.08	0.49	1.52	0.80	0.95	0.67	1.44	0.74	0.72	1.10	0.57

7. Conclusion

The information contained within this paper suggests that HDdHC’s fundraising and communications activities deliver a significant financial and non-financial return on investment against the associated costs.

Whilst it is vitally important to monitor performance, it is important to note that every NHS charity is different. This may be in terms of its approach to reporting on fundraising costs, the level of support provided by its NHS trust, the type of healthcare services delivered by its NHS trust, its geographical coverage and the demographics of its population. This was a view clearly articulated in a meeting held in early November 2024 with the Finance Director of Chelsea and Westminster Health Charity and the Impact and Evaluation Manager at Imperial Health Charity (lead officers responsible for compiling the NHS Charities Together Financial Comparison Survey).

Benchmarks can be a useful reference point for monitoring performance, however careful consideration should be given to the most appropriate benchmarks for HDdHC to determine the effectiveness of the charity’s fundraising performance. Consideration should also be given to the wider benefit that fundraising and the charity’s profile brings to the wider health board and its relationship and engagement with our local communities.

Argymhelliad / Recommendation

The Charitable Funds Committee is asked to:

- **DISCUSS** the review of Hywel Dda Health Charities’ fundraising and communications activities.
- **SCRUTINISE** the information provided on the return on investment of Hywel Dda Health Charities’ fundraising costs and **CONSIDER** whether it is content with the level of return on investment.
- **DISCUSS** the most appropriate benchmark to monitor HDdHC’s future fundraising performance.

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)	7. All apply
Galluogwyr Ansawdd:	Not Applicable

Enablers of Quality: Quality and Engagement Act (sharepoint.com)	
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:	Ledger reports and investment reports.
Rhestr Termiau: Glossary of Terms:	Included within the body of the report.
Partion / Pwyllgorau â ymgynhorwyd ymlaen llaw y Pwyllgor Cronfa Elusennol: Parties / Committees consulted prior to Charitable Funds Committee:	Finance Team Fundraising Team

Effaith: (rhaid cwblhau) Impact: (must be completed)	
Ariannol / Gwerth am Arian: Financial / Service:	The report sets out the financial position of the charity. Income generated from fundraising activities is a key source of income for Hywel Dda Health Charities. The charity is therefore duty bound to ensure that the correct controls and governance arrangements exist with regards to all aspects of fundraising.
Ansawdd / Gofal Claf: Quality / Patient Care:	Charity objects are in support of NHS services locally.
Gweithlu: Workforce:	Governance and support costs included in Section 4.2 of Annex 1.
Risg: Risk:	Reputational risk if associated with unethical fundraising.
Cyfreithiol: Legal:	The charity's financial reporting is in line with charity law and guidance.
Enw Da: Reputational:	Reputational risk if associated with unethical fundraising.
Gyfrinachedd:	No impact.

Privacy:	
Cydraddoldeb: Equality:	No EqlA is considered necessary for a report of this type.

Our mission

To raise and distribute funds to make a positive difference to the health, wellbeing and experience of patients, service users and staff across Hywel Dda University Health Board.

Our values



Working together to be the best we can be:

Supporting the University Health Board to drive excellence in care



Striving to deliver and develop excellent services:

Allocating funds to improve and enhance local healthcare



Putting people at the heart of everything we do:

Improving patient and staff experiences

Our focus



Patient experience:

Enhancing the patient experience throughout the whole care and treatment journey



Staff experience:

Supporting the wellbeing and professional development of University Health Board staff



Innovation:

Encouraging and supporting innovation and excellence in the delivery of healthcare

Strategic objectives 2023–2028

1. Making a difference: Fund services and activities above and beyond what the NHS can provide

We will...	In order to...
Fund initiatives to enhance the patient experience throughout the whole care and treatment journey	Improve experiences and health outcomes for patients within our hospitals and local communities
Fund initiatives to support the wellbeing and professional development of University Health Board staff	Develop a motivated and sustainable healthcare workforce
Encourage and fund innovation in the delivery of healthcare across the University Health Board	Improve health outcomes within our hospitals and local communities across mid and west Wales
Support the University Health Board's ambition to shift from a health service that just treats illness to one that keeps people well, prevents ill-health or worsening of ill health	Promote wellbeing within our local communities and create a more sustainable health service

2. Fundraising and communications: Stabilise our income levels and convey the impact of our work

We will...	In order to...
Offer a variety of fundraising opportunities for those who want to help us achieve our charitable objectives	Motivate and encourage more people to support our charity
Ensure that all our donors are well supported and connected to our mission	Create long-term and meaningful relationships with our supporters who will continue to support our cause
Tell the stories of what we fund and the positive impact this has	Raise our profile and enhance brand awareness across mid and west Wales
Build stronger working relationships with staff at all levels across the University Health Board so that staff have a clear understanding of the charity and the role they play in its success	Increase staff engagement, fundraising and levels of charitable expenditure

3. Maximising the contribution: Make the best use of our resources to maximise our impact

We will...	In order to...
Collect, review and analyse a wide range of quantitative and qualitative data to monitor and review our performance	Understand how we are progressing, inform future development, and demonstrate the added value of our work
Be proactive and adaptive to the ever-changing factors and influences that impact our work	Raise and distribute funds to achieve our charitable objectives
Be thoughtful in the way we approach the management of our investment portfolio, ensuring we balance risk and returns and embed responsible investment principles in our approach	Achieve our charitable objectives, both now and in the future



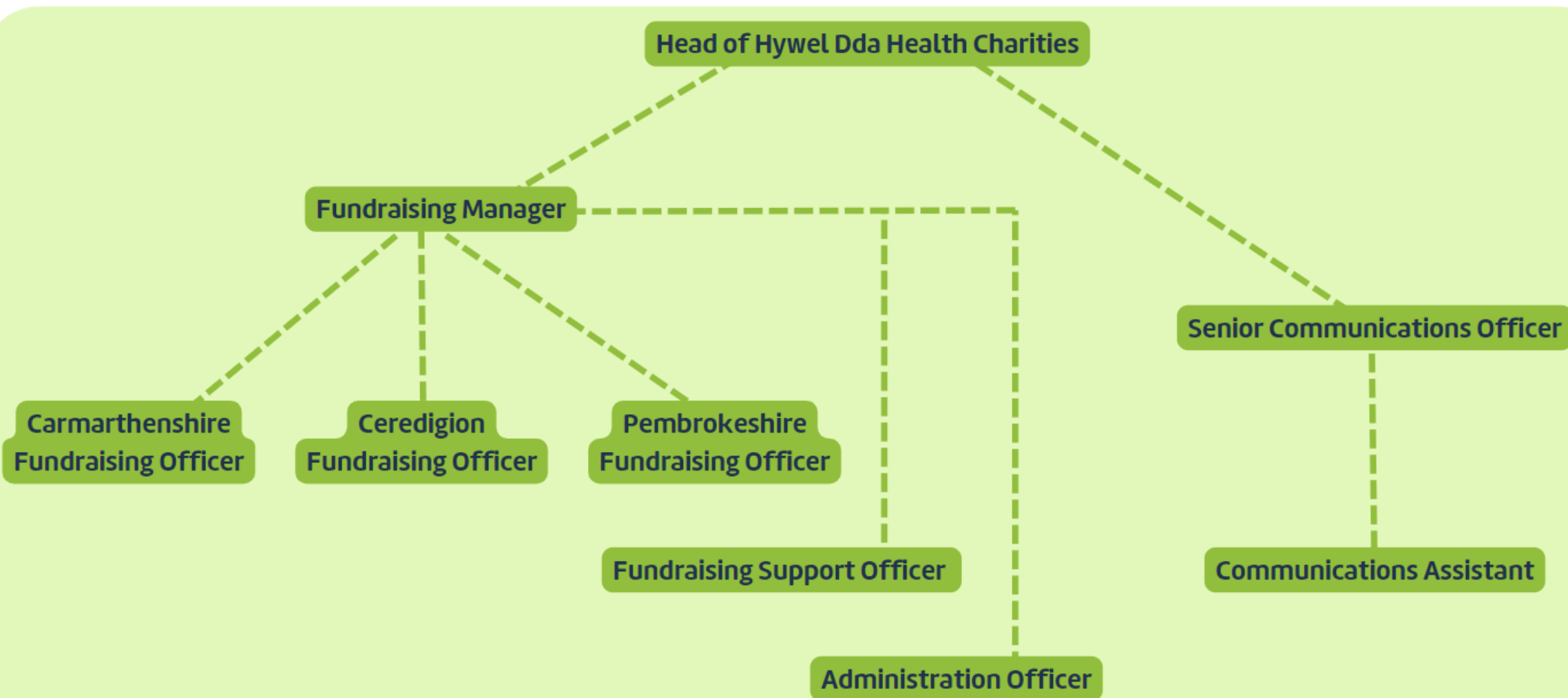
Elusennau Iechyd

HYWEL DDA

Health Charities

Fundraising and communications review

Fundraising & communications team: structure



Our strategy 2023-28

Our mission

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Strategic objectives 2023-28

- ▶ Making a difference: Fund services and activities above and beyond what the NHS can provide
- ▶ Fundraising and communications: Stabilise our income levels and convey the impact of our work
- ▶ Maximising the contribution: Make the best use of our resources to maximise our impact



Fundraising & communications team: impact



Providing a variety of fundraising event opportunities such as:

- Cardiff Half Marathon
- Llanelli Half Marathon
- Long Course Weekend Wales
- Zip World Challenge
- Skydives
- Sponsored Walks



Supporting community and staff fundraising

- Attracting fundraisers
- Supporting them through their journey
- Marketing materials
- Promotion
- Saying thank you
- Building relationships



Running targeted fundraising campaigns such as:

- Bronglais Chemo Appeal
- The Wish Fund
- PPH Gardens Appeal
- Christmas Appeal
- Fundraising for a specific cause or purpose
- Corporate partnership campaigns



Legacies and in memory gifts

- Make your Will Month - delivered in partnership with local solicitors
- Free Wills Month - delivered in partnership with Farewill
- Legacy pack - our comprehensive tool for prospective supporters
- Engagement with local solicitors
- Stewardship of supporters who have pledged donations in wills
- Case management
- In memory gifts



Gaining funds from grants, trusts and foundations

- Researching opportunities
- Developing and submitting applications
- Grant management
- Supporting services with expenditure
- Reporting



Supporting individual giving

- Online Enthuse platform
- JustGiving
- Contactless donation stations
- Text giving
- Cheque and BACS
- QR code
- Regular giving scheme
- Wards, services and departments

**Elusennau Iechyd
HYWEL DDA
Health Charities**

**Caru'r GIG!
Love your NHS!**

Help us provide the little extras that make a big difference!
#YourNHSCharity

Helpwch ni i ddarparu'r pethau bach sy'n gwneud gwahaniaeth mawr!
#EichElusenGIG

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Donate here**
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Tecstiwch LOVENHS i 70085 i gyfrannu £5
Text LOVENHS to 70085 to donate £5

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hyweldda.enthuse.com

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CodiArian.HywelDda@wales.nhs.uk
Fundraising.HywelDda@wales.nhs.uk

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HywelDdaHealthCharities

ElusenHywelDda
HywelDdaCharity

hywelddahealthcharities

**Diolch
Thank You**

#EichElusenGIG
#YourNHSCharity

Hywel Dda Health Charities
Registered charity number 1147863

Increasing our visibility and telling our stories

- External media: TV, radio, print, online
- Social media: Facebook, Instagram, X
- Digital media: website, newsletters, e-bulletins
- Internal media: intranet, staff Facebook group
Viva Engage, Global email
- Developing and maintaining a strong brand
- Producing a broad range of marketing and display materials
- Increasing our visibility across the health board estate: e.g. with wall graphics, noticeboards, flyers, posters, digital screen adverts
- Having displays (corporate stands/marquees) at high-profile events



Promoting charitable expenditure

- Increasing staff engagement, fundraising and levels of charitable expenditure
- Supporting colleagues through the application process, e.g. application forms and working with procurement
- Sharing expenditure successes on internal media to highlight the benefits of charitable funding

