

CYFARFOD BWRDD PRIFYSGOL IECHYD UNIVERSITY HEALTH BOARD MEETING

DYDDIAD Y CYFARFOD: DATE OF MEETING:	09 June 2022
TEITL YR ADRODDIAD: TITLE OF REPORT:	Charitable Funds Committee Annual Report 2021/22
CYFARWYDDWR ARWEINIOL: LEAD DIRECTOR:	Delyth Raynsford, Chair, Charitable Funds Committee
SWYDDOG ADRODD: REPORTING OFFICER:	Mandy Rayani, Director of Nursing, Quality & Patient Experience

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

The purpose of this paper is to present the Charitable Funds Committee's (CFC) Annual Report for 2021/22 to the Board.

The Annual Report outlines how the CFC has complied with the key responsibilities set through its terms of reference and identifies key areas of work intended to provide further assurance that the Committee's terms of reference are being adequately discharged.

Cefndir / Background

Hywel Dda University Health Board (HDdUHB) was appointed corporate trustee of the charitable funds by virtue of Statutory Instrument 2009 No. 778 (W.66), with the Board serving as its agent in the administration of the charitable funds held by HDdUHB.

In accordance with HDdUHB's Standing Orders and Scheme of Delegation, the Board has nominated a committee to be known as the Charitable Funds Committee, established as a Committee of HDdUHB, and constituted from 22nd July 2010.

HDdUHB holds charitable funds as sole corporate trustee, and Board Members, whilst not 'trustees' in their own right, are jointly responsible for the management of those charitable funds.

The charitable funds linked to HDdUHB are independent of the 'exchequer' funds of HDdUHB and must be managed separately. The Charity Commission has regulatory responsibility for ensuring the proper management of these funds.

The purpose of the CFC is to 'make and monitor arrangements for the control and management of the HDdUHB's charitable funds, within the budget, priorities and spending criteria determined by the Board and consistent with legislative framework'.

This paper outlines the governance arrangements in place to ensure that the Committee's terms of reference are adequately discharged and that our registered charity, Hywel Dda Health Charities, operates to a high standard with limited exposure to any kind of risk, both financial and non-financial.

Asesiad / Assessment

The CFC Annual Report 2021/22 is intended to outline how the Committee and its Sub-Committee has complied with the duties delegated by the Board through the terms of reference set, and also to identify key actions that have been taken to address issues within the Committee's remit.

The CFC has been established under Board delegation with the current terms of reference being approved by the Board at its meeting on 29th July 2021.

These terms of reference clearly detail the Committee's purpose to provide assurance to the Board in its role as corporate trustee of the charitable funds held and administered by HDdUHB. The Committee is required to make and monitor arrangements for the control of the Board's charitable funds, within the budget, priorities and spending criteria determined by the Board, and consistent with the legislative framework.

1. Key Responsibilities

In discharging its role, the Committee is required to oversee and monitor implementation against the following areas of responsibility:

- Within the budget, priorities and spending criteria determined by the UHB as trustee, and consistent with the requirements of the Charities Act 2011 (or any modification of these acts) to apply the charitable funds in accordance with its respective governing documents.
- Devise, implement and approve appropriate procedures and policies to ensure that fundraising and accounting systems are robust, donations are received and coded as instructed and that all expenditure is reasonable, clinically and ethically appropriate.
- Ensure that the UHB policies and procedures for charitable funds investments are followed.
- In addition, make decisions involving the sound investment of charitable funds in a way that both preserves their value and produces a proper return consistent with prudent investment and ensuring compliance with:
 - Trustee Act 2000
 - The Charities Act 2011
 - Terms of the fund's governing documents.
- Receive at least twice a year reports for ratification from the Director of Finance and investment decisions and action taken through delegated powers upon the advice of the HDdUHB's investment adviser.
- Oversee and monitor the functions performed by the Director of Finance as defined in the UHB's Standing Financial Instructions.
- Monitor the progress of Charitable Appeal Funds where these are in place and considered to be material.
- Seek assurance on delivery against Planning Objectives aligned to the Committee, considering and scrutinising the programmes and processes that are developed and implemented, supporting and endorsing these as appropriate (PO 2E).

- Monitor and review the UHB's scheme of delegation for Charitable Funds expenditure and to set and reflect in Financial Procedures the approved delegated limits for expenditure from Charitable Funds.
- Oversee the day to day management of the investments of the charitable funds in accordance with the investment strategy set down from time to time by the Trustees, and in accordance with the requirements of the UHB's Standing Financial Instructions.
- The appointment of an Investment Manager (where appropriate) to advise it on investment matters and the delegation of day-to-day management of some or all of the investments to that Investment Manager. The Investment Manager, if appointed, must actively manage the charitable fund on behalf of Trustees. In exercising this power, the Committee must ensure that:
 - The scope of the power delegated is clearly set out in writing and communicated with the person or persons who will exercise it;
 - There are in place adequate internal controls and procedures which will ensure that the power is being exercised properly and prudently;
 - The performance of the person or persons exercising the delegated power is regularly reviewed;
 - Where an investment manager is appointed, that the person is regulated under the Financial Services Act 1986;
 - Acquisitions or disposal of a material nature outside the terms of agreement must always have written authority of the Committee or the Chair of the Committee in conjunction with the Executive Director of Finance.
- Ensure that the banking arrangements for the charitable funds should be kept entirely distinct from the UHB's NHS funds.
- Ensure that arrangements are in place to maintain current account balances at minimum operational levels consistent with meeting expenditure obligations, the balance of funds being invested in interest bearing deposit accounts.
- The amount to be invested or redeemed from the sale of investments shall have regard to the requirements for immediate and future expenditure commitments.
- The operation of an investment pool when this is considered appropriate to the charity in accordance with charity law and the directions and guidance of the Charity Commission. The Committee shall propose the basis to the UHB Board for applying accrued income to individual funds in line with charity law and Charity Commission guidance.
- Obtain appropriate professional advice to support its investment activities.
- Regularly review investments to see if other opportunities or investment services offer a better return.
- Review alternative sources of funding to donations and legacies which could provide the Committee with additional leverage and access to additional funds.
- By giving reasonable notice, require the attendance of any of the officers or employees and auditors of the Board at any meeting.
- The following thresholds are approved in the Charitable Funds Procedure:

"Expenditure less than £10,000 shall only need approval by the nominated fund manager. All expenditure in excess of £10,000 and up to £50,000 will require the approval of the Charitable Funds Sub-Committee. Expenditure in excess of £50,000 will require the approval of the Charitable Funds Committee. Expenditure over £100,000 will require the approval of the Corporate Trustee".
- In addition, further clarification is provided in the associated guidance to budget holders as follows: *"Unusual or novel expenditure requests, and expenditure requests resulting in ongoing charitable fund commitment, or revenue resource commitment, will need prior*

Charitable Funds Committee approval prior to purchase, regardless of value. If this is deemed to be necessary [by senior finance staff], the authorised signatory will be advised.”

- It also states that the following expenditure types require Committee approval: “Research & development expenditure”, “Pay expenditure”, “Training including conferences/seminars etc. requiring attendance of participants outside the UK”. Therefore, items requiring urgent Chair’s Action will generally be expenditure on equipment greater than £50,000 value, or anything that falls under the criteria above. All expenditure requests made via Chair’s Actions will be considered on a case by case basis, as an exception rather than the rule. The presumption will be that other than equipment (in excess of £50,000) and smaller research projects (up to £25,000), items can be deferred to the next meeting.
- The Chair’s decision on which items can be approved outside of the Committee will be final and all items approved outside of the full Committee will be reported to the next Committee meeting for ratification.
- The Committee will seek assurance on the management of principal risks within the Board Assurance Framework and Corporate Risk Register allocated to the Committee and provide assurance to the Board that risks are being managed effectively and report any areas of significant concern e.g. where risk tolerance is exceeded, lack of timely action, etc.
- Recommend acceptance of risks that cannot be brought within the UHBs risk appetite/tolerance to the Board through the Committee Update Report.

2. Charitable Funds Sub-Committee

There is currently one Sub-Committee reporting to the CFC; the Charitable Funds Sub-Committee (CFSC), which has been constituted from 1st April 2017.

The Sub-Committee was established following a review of charitable funds governance arrangements at a local level to provide assurance to the CFC that HDdUHB’s policies and procedures are followed in relation to the control and management of our named charitable funds. At the CFC meeting held on 30th June 2021, Members agreed to proposed changes to extend the membership to include the Assistant Director of Legal and Patient Support. In September 2020, the CFC reviewed the function of the CFSC and approved amendments to the CFSC’s terms of reference in relation to its overall purpose, operational responsibilities, membership, frequency and format of meetings. The CFSC’s current membership is comprised of colleagues from across HDdUHB with both operational and clinical backgrounds from within the portfolios of members of the Executive Team. The first meeting of the CFSC, under its revised terms of reference and with its new membership, was held on 10th May 2021. At this meeting, Members received a presentation on the charitable funds held by HDdUHB, the purpose and responsibilities of the CFSC, in addition to key considerations in relation to charitable expenditure, to ensure that the charity’s grant-making policies and procedures are understood and can be adhered to in line with the CFSC’s terms of reference.

During 2021/22, the Sub-Committee has met on 5 occasions:

- 10th May 2021
- 12th July 2021
- 10th September 2021
- 16th November 2021
- 10th January 2022 – meeting stood down due to operational pressures.
- 7th March 2022

The operational responsibilities of the Sub-Committee are to:

- Provide scrutiny with a view to approving or rejecting all requests for expenditure over £10,000 and under £50,000 against named charitable funds, within the scheme of delegation for authorisation of charitable funds expenditure.
- Consider and recommend for approval all requests for expenditure over £50,000 against named charitable funds, within the scheme of delegation for authorisation of charitable funds expenditure.
- Provide scrutiny and onward assurance to the Charitable Funds Committee on charitable expenditure.
- Provide scrutiny with a view to approving or rejecting to all unusual or novel expenditure requests of any value, and any expenditure requests resulting in ongoing charitable funds commitment, prior to Charitable Funds Committee consideration.
- Consider with a view to approving or rejecting all requests for the establishment of new charitable funds.
- Provide quarterly written updates to the Charitable Funds Committee.

2.1 Sub-Committee Feedback

The Sub-Committee is required to report to the CFC on a quarterly basis to provide assurance that it is exercising its duties in line with its terms of reference. During 2021/22, the CFC received quarterly written reports from the Sub-Committee highlighting the key areas of work scrutinised, key risks, issues, and matters of concern.

This included:

Sub-Committee Update to the June 2021 CFC meeting

- Members received an update on the work of the Sub-Committee for the period March to May 2021. Members approved revisions to the CFSC's terms of reference for onwards approval by the CFC to reflect the CFSC's new membership following nominations from the Executive Team, and a recommendation to extend the membership to include the Assistant Director of Legal and Patient Support was considered and supported for CFC's approval. Two requests for the establishment of new charitable funds were considered at the May 2021 CFSC meeting for Glangwili General Hospital (GGH) and Prince Philip Hospital (PPH) Intensive Care Units, which were supported in principle subject to the outcome of a wider review of scheduled care charitable funds.

Sub-Committee Update to the September 2021 CFC meeting

- Members received an update on the work of the Sub-Committee for the period June to September 2021. Three requests were approved by the Sub-Committee at a combined value of £40,158. The following matters were considered by the CFSC during this reporting period, for noting by the CFC:
 - Revenue consequences of charitable purchases – the CFSC received feedback that concerns had been raised at the Sustainable Resources Committee meeting held on 23rd August 2021 regarding the revenue consequences to HDdUHB from charitable funds purchases. The CFSC recognised the need for controls to be put in place to ensure the consideration and acceptance of ongoing revenue costs associated with all charitable purchases, not only for medical equipment. The CFSC received assurance at its November 2021 meeting that the Assistant Director of Finance (Financial Planning & Statutory Reporting) had confirmed that a process will be established within the Finance Business Partnering Team to highlight and capture any revenue consequences to HDdUHB at the time a charitable funds purchase is made.

- Discretionary Capital Programme: Discussions were held with the Capital Planning team to establish a process to capture details of any capital bids eligible for charitable funds and how to liaise with fund managers to discuss charitable funds as a possible source of funding. The CFSC received assurance at its November 2021 meeting that HDdUHB's 2022/23 capital priorities would be confirmed by the end of February 2022, which would enable the Capital Planning and Hywel Dda Health Charities team to identify any capital bids eligible for charitable funds and to discuss supporting any priorities from charitable funds with the relevant fund managers
- Learning and Development: Discussions were held with the Head of Workforce Education and Development, Assistant Director of Nursing (Nursing Practice) and Head of Nursing (Clinical Education) regarding organisation wide training needs that could be supported by charitable funds, in addition to equitable access to charitable funds for learning and development opportunities. The CFSC received assurance at its March 2022 meeting that the HDdUHB Learning & Development Policy is to be reviewed during Q4 2021/22 and consideration given to the role that charitable funds could play in supporting extended learning opportunities for staff including higher award studies. It was noted that this review would also consider equitable access to training as not all services have access to sufficient levels of charitable funds.

Sub-Committee Update to the November 2021 CFC meeting

- Members noted that the update report had been deferred to the March 2022 CFC meeting due to the timings of the meeting schedules. It was agreed that the update report from the CFSC meeting held on 16th November 2021 would be presented to the Committee at its March 2022 meeting, in addition to the update reports from the CFSC meetings held on 10th January 2022 and 7th March 2022.

Sub-Committee Update to the March 2022 CFC meeting

- *To be completed following March 2022 CFC meeting*

2.2. Investment Sub-Committee

At the November 2021 meeting, the Committee received the Investment Sub-Committee's Terms of Reference for information and were advised that the proposed establishment of the new Sub-Committee is as a result of discussions held at the previous Committee meeting in regard to working more closely with the Hywel Dda Health Charities investment advisors to explore the benefit to patients and the population from investment returns. The Committee noted that the Sub-Committee will hold its initial meeting in the New Year and that the Terms of Reference would be presented to the Committee for approval, once available. **Further update to be provided following the March 2022 CFC meeting*

3. Membership of the Charitable Funds Committee

From the terms of reference approved in July 2021, the membership of the Committee was agreed as the following:

- Independent Member (Chair)
- Independent Member (Vice-Chair)
- 3 x Independent Members
- Chief Executive
- Director of Finance

- Director of Nursing, Quality and Patient Experience (Lead Director for Hywel Dda Health Charities).

In attendance:

- Assistant Director of Finance (Finance Systems and Statutory Reporting)
- Senior Finance Business Partner (Accounting & Statutory and Reporting)
- Chair of the Charitable Funds Sub-Committee
- Head of Hywel Dda Health Charities
- Staff Side Representative.

The Committee's membership ensures that HDdUHB's charitable funds are managed by a clearly identifiable body of people (as the corporate trustee) who take responsibility for the management and control of the funds.

4. Meetings

Since April 2021, CFC meetings have been held on four occasions and were quorate at each:

- 30th June 2021
- 27th September 2021
- 30th November 2021
- 15th March 2022

5. Reporting to the Board

As the CFC is directly accountable to the Board for its performance, following each meeting it provides an assurance to the Board through a formal written update report, which is presented to the subsequent Committee meeting for information. These reports highlight any significant matters which require the Board's attention and are also used to request Corporate Trustee ratification of any relevant decisions made by the Committee. The Committee provided update reports to the Board during 2021/22 on the following dates:

- 29th July 2021
- 25th November 2021
- 27th January 2022
- 31st March 2022

6. Matters Escalated to Board

During 2021/22, no key risks and issues/matters of concern were escalated to the Board for consideration.

6.1 Matters Requiring Board Level Decision or Approval

At the 2021 CFC meeting, the Terms of Reference for the Committee were agreed and presented to the Board for approval on 29th July 2021. At the November 2021 CFC meeting, the Committee requested Board ratification, in its role as Corporate Trustee, of the approved Final Annual Report and Accounts 2020/2021. The Committee further requested Board ratification, in its role as Corporate Trustee, of the approval of charitable funds expenditure of £228,000 over the following 3 financial years to support funding for phase 2 of the Cancer Psychological Support (CaPS) Project: Psychological Support for People Affected by Cancer and the Cancer Workforce. The Committee also requested Board ratification, in its role as Corporate Trustee, of the approval of charitable funds expenditure of £180,941 to be spent on creating rest areas for staff across HDdUHB in line with the Staff Welfare and Wellbeing: Creating Rest Areas for our Staff report.

7. Committee Terms of Reference and Principal Duties

In discharging its duties, the CFC has undertaken work during 2021/22 against the following areas of responsibility:

7.1 Financial Control

The Financial Procedure 420 - Charitable Funds: Financial Administration and Governance Procedure, which includes expenditure guidelines, is in place to ensure that there are sufficient management controls to provide assurance that:

- Spending is in accordance with objects and priorities agreed by the CFC.
- Criteria for spending charitable monies are fully met.
- Accounting records are maintained.
- Devolved decision making is within specified parameters.

HDdUHB's Standing Financial Instructions cover the charity in so far as it is possible. However, where it is not possible to follow the Standing Financial Instructions, prior authority needs to be sought through the Committee and ratified by the Board.

Charitable Funds are managed through HDdUHB's Oracle finance system in line with the Health Board's financial procedures. Internal Audit and Audit Wales conduct annual audits of the financial procedures in place.

Internal staff expertise ensures that all Charity Commission requirements and changes are adhered to and reported to the CFC as they occur.

7.2 Agreed Spending Objectives and Charitable Expenditure

Charity law recognises 'the relief of those who are ill including the support of those who care for the sick' as a charitable purpose. HDdUHB's charitable funds must therefore only be utilised to support activity over and above its NHS responsibilities by providing additional benefits to frontline healthcare.

Every request for charitable expenditure must be approved by staff with the necessary authorised limits before being passed on to the Finance team for assessment and final authorisation. At the September 2021 meeting, the Committee approved the proposed amendments to the Charitable Funds Expenditure Eligibility Criteria, providing clarification on what is considered eligible and ineligible expenditure relating to staff benefit to ensure that the intended charitable outcome is not too remote from the immediate and direct effect of the expenditure on NHS patients. It was noted that the Digital Improvement Team continues to provide support to the process with the development of an electronic application form.

Expenditure over £50,000 and expenditure under £50,000 which is unusual or contentious, is presented to the CFC as it arises, and is discussed and agreed prior to being committed.

7.3 Resources to Maintain Management and Control of Charitable Funds

Staff are employed by HDdUHB to ensure the effective management and operations of its charitable funds. Salary costs are reclaimed from the charity's resources to support the following duties:

- Maintenance of accounting systems
- Production of annual accounts
- Compilation of management information

- Scrutiny of expenditure proposals to ensure propriety
- Preparation of committee papers
- Fundraising and support to internal and external stakeholders

The Committee considers these costs on an annual basis when a report is submitted at the final meeting of each financial year to seek approval to cover both pay and non-pay costs associated with the running of the charity.

7.4 Risk Management

The Chief Executive and Director of Finance are accountable for financial control. The Director of Finance is responsible for maintaining an effective system of internal financial control. The minimum control standards laid down by Welsh Government have been in existence throughout the financial year. The minimum control standards apply equally to the management of the charity by officers of the UHB as to the exchequer funds of the UHB. In this way the major risks to which the charity is exposed have been reviewed and systems have been established to mitigate those risks.

Historically, the Committee's risk register has had high-risk scores around a number of risks relating to public confidence and reputational damage. However, recent efforts to rebuild trust and confidence have significantly helped to reduce the risks to the charity as mitigating actions have had an impact.

At the June 2021 meeting, the Committee received an update on a new risk assigned to the CFC; Risk 1130 *failure to increase charitable funds income and expenditure, associated with the delivery of the Hywel Dda Health Charities planning objective for 2021/22* (Planning Objective 2E). Members received assurance from the actions in place to mitigate the new risk and agreed that it could be managed at directorate level with any concerns escalated to the CFC as and when required.

At the September 2021 meeting, the Committee agreed that Risk 743: *Risk of reputational damage and decrease in charitable giving if the Health Board (HB) becomes implicated by default, in events outside of the HB's control, due to association, or perceived association with any external charitable organisations* could be closed, and that a risk-based approach be undertaken to manage any future issues that may arise relating to the risk at an operational level with appropriate management actions.

**Further update to be provided following the March 2022 CFC meeting*

7.5 Investments and Performance

The charity retains the services of investment advisors to manage its investment portfolios. Policy is set by the charity trustee in its instruction to its advisors. The advisors are instructed to manage the portfolios to produce both income and capital returns, and manage those funds within the value they retain on the accounts. The charity also holds funds in short term investments that are not managed by the investment advisor. The CFC monitors the performance of the Investment Advisor (Sarasin & Partners LLP) through the quarterly Integrated Performance Report presented to the Committee.

At its meeting in September 2021, the Committee received the Investment Advisor Performance Report from Sarasin, noting that the combined value of the portfolio is £9 million

with a strong performance demonstrated in 2020. Whilst the short term relative performance for the first half of 2021 has been challenging, recent improvement with a portfolio increase of 8.2% to date was noted. The Committee discussed how the positive impact of investments on society could be demonstrated in future reporting and agreed to explore the development of a reserve strategy for the Health Board. Further discussion took place regarding the technicality of the report and the use of high level investment advisor language, with the consensus that the information needs to be translated in a clear way for Members. The Committee was advised that the Health Board's contract with Sarasin is due to expire in December 2021 and a tendering process commenced in January 2021. **Further update to be provided following the March 2022 CFC meeting.*

7.6 Reserves

The charity has a reserves policy and has defined reserves to be the element of funds that are unrestricted and uncommitted. The charity holds reserves of 10% of the value of its fixed asset investments and £500,000, and shall only fall below to cover losses in value of those investments. In order to maintain the reserves as low as possible, it is important that expenditure plans are developed for all funds. Reserves are needed where there may be insufficient balances in individual restricted and designated funds to meet the objectives of those funds. There is also a need for reserves where there may be a requirement to incur expenditure which is exclusively charitable, and cannot be funded from revenue, for which there is not a relevant fund.

7.7 Internal Audit

Internal Audit undertake annual reviews to evaluate the adequacy of procedures and controls, to ensure compliance, and to provide reasonable assurance over:

- Achievement of management objectives for the systems
- Use of resources in accordance with donor's requirements
- Compliance with policies and procedures
- Safeguarding assets.

No internal audit has been undertaken since July 2020, which provided a substantial level of assurance as to the effectiveness of the system of internal control in place to manage the risks associated with Charitable Funds and was presented to the Committee in September 2020. Internal Audit has advised that the requirement for a Charitable Funds audit is assessed as part of their annual planning process, which is currently underway. Once this process has been completed, they will be able to advise if an audit will be undertaken in the 22/23 audit year.

7.8 Compilation of Annual Report and Accounts

As part of its delegated role, the CFC reviews, approves and adopts the charity's annual report and accounts on an annual basis. Audit Wales conducts an annual audit of the charity's annual reports and accounts with the outcome reported to the Committee as well as to the Audit and Risk Assurance Committee (ARAC). The annual audit provides assurance that all financial procedures are being adhered to. The 2020/21 annual report and accounts were approved by the CFC at the November 2021 meeting, following the audit undertaken by Audit Wales, prior to presentation to Public Board at its meeting on 27th January 2022 for ratification in its role as Corporate Trustee.

7.9 Professional Development

The Board, as Corporate Trustee, has a sound knowledge of the purpose of the charity and the procedures that govern its operations to fulfil its duties.

All Board Members (Executive Directors and Independent Members) are aware of their statutory duties and responsibilities to the charity and have unrestricted access to officers of the charity to enquire about its activities.

The Committee receives regular updates on relevant changes to charity law and any other areas of interest via verbal updates from staff, papers from the Charity Commission or from the national Healthcare Financial Management Association (Charitable Funds Special Interest Group).

An overview of the charity and roles and responsibilities of the corporate trustee has been developed as part of the formal induction arrangements for new Board Members, led by the Corporate Governance Team, with a more informal induction undertaken by the Head of Hywel Dda Health Charities for new Committee members, when required. The Independent Members Handbook and the newly developed Independent Members Scrutiny Toolkit both include an overview of the responsibility as the Corporate Trustee. A training session for new and current Board Members was provided by the Head of Hywel Dda Health Charities and Assistant Director of Corporate Legal Services and Public Affairs on 17th August 2021.

7.10 Integrated Hywel Dda Health Charities Performance Report

The Committee received an update on the charity's performance and position at the June 2021, September 2021, November 2021 and March 2022 meetings, noting the increased growth in income. The substantial work undertaken by the Hywel Dda Charities Team was acknowledged, particularly in light of the exceptional circumstances during 2020 and 2021.

At the June 2021 meeting, the Committee was pleased to note the net assets of the charity had increased by £1,206,245 for the period ending 31st March 2021 and that the charity's overall income from donations, grants and legacies to 31st March 2021 had increased by 20.75% in comparison to the previous financial year.

At the September 2021 meeting, the Committee was pleased to note the net assets of the charity had increased by £97,000 for the period ending 31st July 2021, however, the charity's overall income from donations, grants and legacies decreased by 72.9% in comparison to the same period the previous financial year. The Committee received assurance that the decrease represented a national trend and that increases in legacy are expected during the current financial year, with mitigating actions in place to increase income levels, e.g. the Hywel Dda Health Charities Lottery and the Bronglais General Hospital (BGH) Chemotherapy Day Unit capital fundraising appeal. The Committee supported three shortlisted proposals bidding for the further allocation of £96,804 from the NHS Charities Together Stage 2 Community Partnership Grants for which Hywel Dda Health Charities is eligible to apply, including the Safeguarding team's proposal for an independent domestic violence advocate, hosted by third sector organisations, for WGH and BGH Accident and Emergency departments to provide follow up contact and support for staff responding to instances of domestic violence at a cost of £63,000 over two years; the Nutrition and Dietetics team's proposal to develop a pilot to support the Dyfed Drug and Alcohol Service (DDAS) in all three local authority areas for two years at a cost of £21,000; and a Paediatric

Palliative Care Family Counsellor proposal to fund 6-12 months of a two year bid via the NHS Charities Together funding stream.

At the November 2021 meeting, the Committee noted that the net assets of the charity had decreased by £379,790 for the period up to 30th September 2021 and received assurance that it is envisaged that the launch of the Hywel Dda Health Charities Lottery and the BGH Chemotherapy Day Unit capital fundraising appeal will help to stabilise income levels during the remainder of 2021/22. The Committee noted that the charity's overall income from donations, grants and legacies to 30th September 2021 had decreased by 51.3% in comparison to income received for the same period in the previous financial year and were advised that the decrease in income had been expected and could be attributed to the unprecedented support the charity received in 2020/21, the significant level of grant funding received from NHS Charities Together during this period, and the significant impact of the COVID-19 pandemic on UK charitable giving, community fundraising and mass participation events. The Committee received assurance that work is being undertaken to stabilise income levels during the remainder of 2021/22 and that HDdUHB is performing on par or better in comparison with other NHS Charities including those across Wales. The Committee noted that the reported position for the total of governance and support costs (including finance and fundraising costs) incurred up to 30th September 2021 was £195,050; an underspend of £17,873 against budget. The Committee also a net surplus from unrestricted apportionments across funds of £20,223 for the period ending 30th September 2021, which is sufficient to cover the governance and support costs and audit fees incurred by the charity.

** Further update to be provided following the March 2022 CFC meeting*

8. Chair's Actions

Outside of Committee meetings, the Chair has delegated authority to act on behalf of the Committee. Chair's Actions typically focus on the approval of items of expenditure over £50,000, as required by the charitable funds approval thresholds. Requests for Chair's Actions are infrequent, however are always accompanied by detailed papers for audit and reporting purposes, with any activity reported back to the next Committee meeting for ratification. During 2021/22, one item regarding Christmas charitable expenditure was considered and approved under Chair's Action, prior to ratification by the Committee at its meeting on 30th November 2021. This was for approval of the specified increased limits of expenditure, approval of the inclusion of specified categories of expenditure within the Charitable Funds Financial Administration and Governance Procedure, and approval of a maximum allocation of £20,000 from the general Support for Life Response fund to support charitable expenditure for Christmas 2021.

9. Other areas of responsibility

During 2021/22, the CFC also received and considered the following:

- The Self-Assessment of Committee Effectiveness (2020/21) Report, comprising the outcomes from the annual self-assessment exercise. The Committee received assurance at its meeting on 30th November 2021 that all actions from the CFC Self-Assessment 2020/21 are either complete or being progressed within the agreed timescales. It was noted that the suggestion to develop processes for evidencing the impact of charitable expenditure is a key phase of the Committee's planning objective and this work will be undertaken during Quarter 4, 2021/22 with support from the Health Board's Research and Development team. It was also noted that the proposed establishment of the Investment Sub-Committee will address the suggestion for increased understanding of

the Investment Advisor Performance presentations amongst Members. In relation to the suggestion for further examination of learning from successes and failures from outside the organisation, the Committee was informed that Hywel Dda Health Charities team continues effective engagement with fellow NHS charities in terms of best practice which are highlighted in relevant CFC papers. In relation to the suggestion for future reports from the Charitable Funds Sub-Committee to reference the strategic goal the charitable investment is supporting, it was agreed that this will be taken forward by the Chair of the Sub-Committee supported by the Head of Hywel Dda Charities and the Senior Finance Business Partner. In relation to the suggestion that processes could be made more streamlined and clarified to make it easier for staff to submit applications, it was agreed to establish newly revised arrangements, together with an updated electronic application form, for completion in the first quarter of 2022. In relation to the suggestion that public support for the NHS should not be taken for granted and efforts need to continue to demonstrate the importance of the funds raised and what these are used for, it was noted that regular internal and external communications are issued regarding the way in which charitable funds are used and the positive difference donations to the charity make. It was further noted that a key objective of the Health Charities newly appointed Senior Communications Officer would be to develop this work.

- The annual CFC Assurance Report, submitted to ARAC in June 2021, to provide assurance that the CFC's terms of reference, as set by the Board, are being adequately discharged.
- Regular update reports relating to assurance on the Health Board's planning objective aligned to the Committee, providing assurance on the current position in regard to the progress of Planning Objective 2E, in order to provide onward assurance to the Board that progress is on track to achieve against its key deliverables. The planning objective states that, *from April 2021 develop a programme of activities which promote awareness of the Health Board's official charity and the opportunities available to raise and use funds to make a positive difference to the health, wellbeing and experience of patients, service users and staff across Hywel Dda University Health Board. Develop clear processes for evidencing the impact of our charitable expenditure on our patients, service users and staff fundraising activities and expenditure on our staff, the patients and the public with the aim of increasing our income and expenditure levels on an annual basis.*
- Examples of charitable funds expenditure and the impact of support. The examples presented included:
 - A presentation highlighting the positive impact of charitable funding contribution to the refurbishment of Wards 9 and 10, WGH on patient and staff experiences. The Committee was informed that the project, completed in March 2020, addressed a long standing requirement to improve the clinical environment, including patient privacy, patient dignity, infection control measures and sex segregation criteria, all of which are strongly associated with modern healthcare environments. Included in the scheme had been the refurbishment of Ward 9 as a decant area whilst the Ward 10 works were undertaken. Ward 9 also had a similar long standing requirement to improve the clinical environment. The Committee was informed that £3.153 million had been received from Welsh Government's All Wales Capital Programme to undertake the project, with donations totalling circa £300,000 received from the Elly's Ward 10 Flag Appeal and other charitable donations. The Committee was advised that the post-project evaluation had been a key phase within the capital project to allow the Health Board to reflect on the extent of the benefits of the refurbishment, assess whether the project achieved its investment objectives, and identify any lessons learnt. Positive feedback from patients was collated via Family Liaison Officers on Ward 10 in terms

of the environment. In addition, feedback from wider stakeholders highlighted the impact of the project amongst the wider cancer services network in Pembrokeshire in boosting morale from the knowledge that end of life services would be supported in a modern, welcoming, and dignified environment for patients and their families.

- A fundraising update at the June 2021 meeting, noting that in line with the objective of the charity to increase income levels by 10% on an annual basis from April 2020 to March 2023, income increased by 20.75% in 2020/21 compared to 2019/20. The Committee also noted the development and launch of a fundraising campaign relating to unrestricted general funds which has raised over £100,000, the fundraising events planned for 2021-23, and the creation of a range of new stewardship merchandise.
- Presentations on the charity's investments by Mr Alexander True and Mr Tom Lindsey, Sarasin Investments, with the Committee receiving assurance that the portfolios of the charity had performed well against the required performance indicators and would continue to be monitored.
- Funding application to fund a pilot project for a part time family counsellor (0.6wte) over a period of twenty four months, at a cost of £55,996, to facilitate and provide psychological support to meet the mental, emotional health and well-being needs of children and young people (CYP) and their families who are living with a life limiting or life threatening diagnosis. The Committee noted the benefits of the family counsellor role and approved the funding in principle subject to establishing links with the Health Board's Value Based Healthcare team, and subject to the development of a workforce plan and exit strategy as part of the evaluation process. It was agreed that an update would be presented to the Committee in September 2022.
- Funding application for Haemodynamic monitoring equipment in Glangwili General Hospital (GGH) to improve access to diagnostic coronary angiography Health Board-wide. The Committee supported the application for £86,800.00 funding for procurement of the diagnostic coronary angiography haemodynamic monitoring equipment to enable GGH's Radiology Room 3 to provide this service.
- Funding application for the Phase 2 of the Cancer Psychological Support (CaPS) Project: Psychological Support for People Affected by Cancer and the Cancer Workforce. The Committee approved the request for the allocation of £228,000 over the next 3 financial years to support funding for phase 2 of the CaPS Project, subject to ratification by the Corporate Trustee.
- Funding application for the Staff Welfare and Wellbeing: Creating Rest Areas for our Staff report where the Committee approved charitable funds expenditure of £180,941 to be spent on creating rest areas for staff across HDdUHB subject to ratification by the Corporate Trustee. The Committee also approved the apportionment of funds following engagement with the Operational Planning and Delivery Programme and other key stakeholders, to be endorsed by the Director of Workforce and Organisational Development (Executive Lead for staff welfare and wellbeing) and received assurance that progress and assurance reports would be submitted to the People, Organisational Development and Culture Committee and the Charitable Funds Committee, via the Discovery Report Action Plan.
- An update on the Trainee Haematology Clinical Nurse Specialist Proposal for Ceredigion and Pembrokeshire, with the Committee informed that 2 part-time posts had been approved and the recruitment process undertaken. The Committee welcomed a further update at its meeting in September 2022 to present feedback once the posts are fully operational.
- An evaluation of the purchase of a Faxitron Machine for Prince Philip Hospital (PPH) Breast Care Unit presented by Mr Yousef Shariah, Consultant, explaining the significant

contribution to the wellbeing of patients that has been made possible with this piece of equipment. The Committee received assurance that the purchase of the Faxitron machine has reduced the length of time for surgical operating procedures, reduced the length of time that a patient is under anaesthetic, and decreases the need for a patient to return for further surgery.

- Approval of the development of a fundraising appeal for a new Chemotherapy Day Unit (CDU) at BGH, with the Committee endorsing and recommending for approval by the Corporate Trustee an additional contribution of £671,301.09 from HDdUHB charitable funds for development, subject to the development being approved at the July 2021 HDdUHB Public Board meeting. Following Corporate Trustee approval, the campaign launched on 30th November 2021 and the Committee acknowledged the positive engagement of staff with the campaign.
- An update provided on Hywel Dda Health Charities activities, advising that the Hywel Dda Health Charities Lottery launched in September 2021 had received 428 weekly plays by 30th November 2021, representing already a third of the expected activity for the first year's delivery. The Committee received examples of promotional material produced for giving in memory and legacies and received assurance that the Free Will campaign, which launched on 1st October 2021, offering fifty free wills to staff and members of the public would contribute to increasing the legacy income of the Hywel Dda Health Charities. Members were informed that new methods of giving had been developed to increase the number of donations, including links to donate online via the charity's page on the main Health Board website. The Committee was advised of the prospect of having a standalone website for the Hywel Dda Health Charities, similar to other health board charities, which would increase its reach and ability to generate income from a wider audience, noting that this would also emphasise the independence of the charity.

Argymhelliad / Recommendation

The Board is requested to endorse the Charitable Funds Committee Annual Report 2021/22.

Amcanion: (rhaid cwblhau)	
Objectives: (must be completed)	
Cyfeirnod Cofrestr Risg Datix a Sgôr Cyfredol: Datix Risk Register Reference and Score:	Not applicable
Safon(au) Gofal ac Iechyd: Health and Care Standard(s): Hyperlink to NHS Wales Health & Care Standards	Governance, Leadership and Accountability
Amcanion Strategol y BIP: UHB Strategic Objectives: Hyperlink to HDdUHB Strategic Objectives	Not Applicable
Amcanion Llesiant BIP: UHB Well-being Objectives:	Not Applicable

Hyperlink to HDdUHB Well-being Statement	
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Gwybodaeth Ychwanegol: Further Information:	
Ar sail tystiolaeth: Evidence Base:	Agendas, papers and minutes of CFC meetings 2021/22
Rhestr Termau: Glossary of Terms:	Included within the body of the report
Partïon / Pwyllgorau â ymgynhorwyd ymlaen llaw y Cyfarfod Bwrdd Iechyd Prifysgol: Parties / Committees consulted prior to University Health Board:	CFC Chair, Lead Director, Head of Hywel Dda UHB Charities

Effaith: (rhaid cwblhau) Impact: (must be completed)	
Ariannol / Gwerth am Arian: Financial / Service:	A sound system of internal control, as evidenced in the Committee's Annual Report, will assist with ensuring financial control, and the safeguard of public funds
Ansawdd / Gofal Claf: Quality / Patient Care:	SBAR template in use for all relevant papers and reports.
Gweithlu: Workforce:	SBAR template in use for all relevant papers and reports.
Risg: Risk:	A sound system of internal control, as evidenced in the Committee's Annual Report, ensures that any risks to the achievement of the Health Board's objectives are identified, assessed and managed.
Cyfreithiol: Legal:	Compliance with the Health Board's Standing Orders, and the Committee's Terms of Reference, requires the submission of an Annual Report to the Board.
Enw Da: Reputational:	Not applicable
Gyfrinachedd: Privacy:	Not applicable
Cydraddoldeb: Equality:	SBAR template in use for all relevant papers and reports.