

Approved

**Minute of the Endowment Committee Meeting
22nd July 2022
Microsoft Teams**

Board Meeting
01.12.22
Open Session
Item 12.02

Present:

Ms Luan Grugeon, Trustee, NHS Grampian Endowment Funds (Chair)
Professor Siladitya Bhattacharya, Trustee, NHS Grampian Endowment Funds
Ms Rachael Little, Trustee, NHS Grampian Endowment Funds
Mr Dennis Robertson, Trustee, NHS Grampian Endowment Funds

In Attendance:

Ms Lisa Duthie, Endowment Charity Lead, NHS Grampian
Mr Garry Kidd, Assistant Director of Finance, NHS Grampian
Mr Stuart Walker, Financial Accountant, NHS Grampian
Mr Steven Lindsay, Employee Director, NHS Grampian
Mr Gerry Donald, Head of Property and Asset Development, NHS Grampian
Ms Else Smaaskjaer, Minutes

Item	Subject	Action
1.	Welcome and Apologies Ms Grugeon welcomed everyone to the meeting. Apologies from Committee Members: Dr John Tomlinson, Trustee, NHS Grampian Endowment Funds Apologies from Other Attendees: None	
2.	Declarations of Interest None.	
3.	Previous Meetings	
3.1	The minute of 27 th May was agreed as an accurate record of the meeting. No matters arising.	
3.2	Action Log Ms Duthie provided an update on the following: <i>Wellbeing and Enablement Practitioners</i> – Ms Grugeon noted that she would like to see the end of grant report. <i>NHS Charities Together</i> – Ms Grugeon would like to see the report on the outcome of the Lessons Learned exercise.	

	Trustees noted that all other items on the action log were complete, included in the agenda or scheduled for future meetings of the Endowment Committee.	
4.	<p>Lead Officers Report</p> <p>A report from the Endowment Charity Lead Officer highlighted recent activities and provided updates regarding ongoing pieces of work. Ms Grugeon asked if there were any timescales regarding the appointment to new posts within the Charity's team. Ms Duthie reported a successful appointment to the role of Finance and Business Systems Manager with an expected start date of mid to late October. The grading of the Communication and Engagement Officer and the Support Engagement Officer had been completed. When the proposed hours are approved the posts will be advertised but given recent experience it is difficult to confirm an anticipated start date.</p> <p>Trustees noted the report.</p>	
5.	<p>Financial Report</p> <p>A report detailing the financial position of the Charity at 30th June 2022 had been distributed. Mr Walker noted:</p> <ul style="list-style-type: none"> • Income from donations and legacies were less than in previous years but broadly consistent with 2021/22. • Net assets were lower than the position reported at 31st March 2022, mainly due to a reduction in the investment valuation to reflect the current marketplace. • The main area of investment is in equity shares and during April to June abrdn had reduced holdings in some technology, pharmaceutical and financial services companies. <p>Ms Grugeon noted the decrease in the valuation of investments since April 2022 and asked whether there was a certain point when Trustees would be advised of this. Mr Kidd confirmed that if there was an indication of significant risk to the fund a briefing providing an overview, and to seek guidance, would be prepared for Trustees.</p> <p>Mr Robertson noted the briefing from abrdn at the AGM earlier in the day and asked if investment in energy companies reflected the commitment of NHS Grampian to renewables. Mr Kidd advised that abrdn review each investment individually and if a company is profitable and fits within the parameters of the investment policy of the Charity it would be viewed as suitable for investment.</p> <p>Trustees noted the overall financial position of the charity.</p>	

<p>6.</p>	<p>Support for Trustees and Co-opting of Committee Members</p> <p>Mr Kidd presented a paper which proposed the co-opting of external parties to support and strengthen the work of the Endowment Sub-Committee. He explained that the purpose would be to prepare for the future of the charity and the expected outcome of the national review of governance of NHS Endowment Funds. The Charity’s lead officer plans to liaise with all members of the Committee to develop a skills matrix and identify any gaps in knowledge across a range of key areas. External parties would not hold voting rights and would be brought into the Committee in an advisory capacity. There was agreement that this would build on the work of the advisory panel and assist in reaching informed decisions.</p> <p>Trustees agreed the recommendations:</p> <ul style="list-style-type: none"> • To approve the liaison with all existing and incoming members of the Committee to develop a skills matrix and gap analysis and that this should be used to inform a development plan for Committee members and also recommendations of where external support may be of value to supplement the skills base of Trustees and Committee members. • That proposals would be developed and recommendations available for the September 2022 Committee meeting. 	
<p>7.</p>	<p>Health and Social Care Staff</p> <p>Ms Duthie presented a paper which outlined the background and ongoing conflicting legal advice on whether Health and Social Care Staff employed by IJBs could be direct beneficiaries of Endowment Funds. She reported a complex picture and the following key points were highlighted:</p> <ul style="list-style-type: none"> • Other Boards had provided feedback and confirmed that their staff initiatives were for the benefit of NHS staff. • This issue had been raised prior to Covid-19 but the response to the pandemic had highlighted the need to review whether Endowment Funds can be used for the benefit of all staff across the system. • It is likely that multi-disciplinary teams will continue to expand and there needs to be consideration of arrangements around staff working in Primary Care – who/what/where etc. • This is a complex issue and there are currently no clear principles in place to balance supporting all staff and honouring the wishes of donors. When using funds to support a service it is relatively straightforward to reflect the intention of donations but it becomes more complex when delivering direct benefits to staff. Future fund raising targeted at specific purposes will help to provide a clearer picture. 	

	<ul style="list-style-type: none"> • It seems sensible to review again in two years' time as by then there should be a clearer picture of how the plans for a National Care Service will impact on staff and where/how they are employed. • There could be scope to consider a transition towards a Care Service Endowment Fund and reflect the more holistic models of delivery which are now in place. <p>Trustees were content to endorse the recommendation:</p> <ul style="list-style-type: none"> • Given the historical purpose intended for received donations, no changes are made at the current time, with a view to revisit this in two years-time and review whether the circumstances have changed. • The position remains that Endowment funded staff support is for employees of NHS Grampian. <p>Ms Grugeon noted that although Trustees are content with the general direction of travel, the approach to applications will remain that they are each considered on an individual basis. As systems and processes are reviewed it will be important to ensure that the application process will be accessible to staff across the system should circumstances change.</p>	
8.	<p>Endowment New Posts</p> <p>Ms Duthie had shared a paper which proposed that the agreed Communication and Engagement role within the charity team should be split into two posts. She advised Trustees that this would reflect the different skills required to cover the various strands of work. During development of the charity's strategy it had also been evident that there would be a considerable volume of work associated with both promoting the charity and engagement with supporters and donors.</p> <p>Ms Grugeon asked if NHS Grampian had benchmarked overhead costs with other NHS Charities. Ms Duthie advised that this would be difficult to measure as all charities have different structures. She observed that the two posts outlined in the report would take the charity forward from passive fundraising and towards a more proactive fundraising approach by raising its profile on social media, development of a website and supporting engagement with donors.</p> <p>Trustees agreed the recommendation that:</p> <ul style="list-style-type: none"> • The two posts outlined in the report should be on a full-time basis. 	
9.	<p>Proposal to Reduce Number of Endowment Funds</p> <p>Papers had been shared which outlined the framework and direction of travel to reduce the overall number of endowment funds. Communication with key stakeholders, including fund stewards, had</p>	

	<p>commenced and it was agreed that there are benefits in merging funds together where possible rather than having small amounts in many pockets. However, the sensitivities around this was acknowledged and the charity team would be mindful that communications with fund stewards should emphasise the opportunities presented by taking this forward.</p> <p>Trustees agreed in principle the following recommendations:</p> <ul style="list-style-type: none"> • The proposals in Appendix 2 to merge and reduce the number of Endowment Funds. • That RVS be approached to rescind the 2012 agreement and allocate those funds to appropriate Endowment Funds. • That a minimum balance for an Endowment Fund should be agreed, e.g. £5,000. <p>Trustees agreed that there should be further discussions with fund stewards prior to agreeing the further recommendations in the paper.</p> <p>Trustees asked Ms Duthie to pass on thanks to Mrs Lonchay, Endowment Manager, for the work undertaken to date.</p>	
10.	<p>Grant Application – (Complementary Therapies Room – ANCHOR Centre).</p> <p>An application had been received to deliver a range of enhancements to the specification of equipment and furnishings in the Complementary Therapies Room in The ANCHOR Centre. This room will be operated by the Friends of ANCHOR as part of a range of support services provided by the charity within the Centre.</p> <p>Trustees agreed to support the application from NEUR2034 ANCHOR Delivering the Difference Fund on confirmation that funding equivalent to the value of the commitment has been transferred from the partner charity to the Endowment Fund in line with the Memorandum of Understanding.</p>	
11.	<p>Endowment Charity – Name Change</p> <p>Ms Duthie presented a paper which asked for approval to explore a new name for the charity. She explained that in developing the new strategy and future direction of the charity an opportunity had been recognised to create a clear identity which is more familiar and relatable than ‘endowments’ which many potential donors do not fully understand. It was agreed that this could lead to more effective communication and will help with fundraising intentions. The Office of the Scottish Charity Regulator had confirmed that as long as there was no duplication in the use of the new name a straightforward process could be followed.</p>	

