

**Minutes of the Charitable Trust Funds Committee held on
Monday, 21st October 2024 at 9.30a.m.,
in the Boardroom, First Floor, Trust Headquarters**

PRESENT

Ms G Donaghy, Non-Executive Director (*Chair*)
Mr M McDonald, Non-Executive Director (*via MS Teams*)
Mr R Lynas, Non-Executive Director (*via MS Teams*)

IN ATTENDANCE

Ms C Teggart, Executive Director of Finance, Procurement and Estates
Mr J McEntee, deputising for Ms J McGall (*Item 6 only*)
Mrs L Lappin, Interim Assistant Director for Surgery & Outpatients (for Mrs C Reid)
Mrs T Reid, Director of Medicine and Unscheduled Care
Mrs V Toal, Director of Human Resources and Organisational Development
Mrs A Rutherford, Assistant Director Financial Services
Mr B Beattie, Director of Adult Community Services (*Item 6 only*)
Mrs L Esler, Charitable Trust Funds Manager
Mrs F Jones, Corporate Financial Accountant
Mr C McCafferty, Director of Children and Young People's Services/
Executive Director of Social Work
Ms C Logue, DLS Solicitor
Mrs S McCormick, Committee Secretary

APOLOGIES

Ms J McGall, Director of Mental Health and Disability Services
Ms C Reid, Director of Surgery and Clinical Services

1) CHAIR'S WELCOME

Ms Donaghy welcomed everyone to the meeting and advised that Mr Rob Lynas and Mr Martin McDonald were joining via MS Teams. The Chair also welcomed Mrs L Esler and congratulated her on her appointment as the new Charitable Trust Funds Manager and Ms C Logue from DLS Solicitor, who will provide an overview of the CTF Project.

2) DECLARATION OF INTERESTS

Ms Donaghy asked members to declare any potential conflicts of interests in relation to items on the agenda. None were received and the business of the meeting proceeded.

3) CHAIR'S BUSINESS

None.

4) MINUTES OF MEETING HELD ON 17th June 2024

The minutes of the meeting held on 17th June 2024 were taken as read and agreed as an accurate record of the meeting.

5) MATTERS ARISING

There are 3 matters arising that have been included on today's agenda.

6) CHARITABLE TRUST FUNDS SPENDING PROPOSALS

i) Directorate Budgeted vs Actual Expenditure to 31st August 2024

Adult Community Services

Mr Beattie advised that a budget request of £125,000 has been submitted. He particularly mentioned an intention for expenditure in relation to statutory residential homes to allow planning to commence for improvement works to facilities and the environment, as the current provision is meeting standards that are the minimum of what is expected. Mr Beattie advised that the focus this year will be on Roxborough House. Mr Beattie also spoke of his intention to bring a proposal to SLT for the establishment of a Simulation Suite for a dual purpose, supporting staff to experience the impact of frailty and dementia.

At this point, Ms Donaghy queried why research and development was not included in any of the expenditure proposals. Ms Donaghy was advised that a percentage of Charitable Trust Funds are allocated to R&D.

Members agreed that it would be useful to invite Research and Development to a future meeting to present a project to showcase how Charitable Trust Funds are being utilised.

Action: Board Assurance Team

Children and Young People's Services

Mr McCafferty stated that his budget included small budgets around training for medical and nursing colleagues in addition to larger sums of money aligned to Acute Paediatrics. He referenced the relocation of the Child Development Clinic into trust facilities with work being undertaken in child friendly signage, for which they will seek some CTF. He advised of the significant capital spend on the special care baby unit in DHH and that, there is an approximate cost estimate in the region of £400,000 which was approved at the recent investment committee meeting. It is hoped to have the planning approval and necessary work done during the incoming financial year.

Mr McDonald asked if there was a paper detailing the outline of the projects or just a financial table. Ms Rutherford confirmed that it was a summary paper only and she referenced the more detailed report that was provided to the Committee in June 2024. Mrs Rutherford suggested that going forward they would add detail to the report with figures which everyone welcomed.

Ms Teggart queried the £8k for patient education and asked if there was any expenditure proposed for patient welfare. Mr McCafferty mentioned seating for example and quoted around £10-11k for physical environment and waiting rooms.

Mental Health and Disability

Mr McEntee advised of a much smaller Budget than last year and reported that only 10% of projected spend was spent. Mr McEntee spoke of proposals for spend and particularly highlighted staff education and welfare.

Medicine and Unscheduled care

Ms T Reid spoke of expenditure on staff education and welfare in terms of attendance at national conferences so staff can avail of learning and share this back with their teams. She cited some examples to enhance staff's wellbeing as well spend on buildings and refurbishments e.g. the

development of an Innovation dementia garden outside the Ramone ward 1&3 which will also be a rehabilitation garden to enhance patients' rehabilitation. Another area is the development of an educational and training room to take forward training to enhance patient care within the department.

Mr McDonald welcomed the idea of the dementia garden and spoke about Horacio's Garden at Musgrave Hospital and spinal units across the UK, which could be replicated. Ms Toal asked if there was scope for day opportunities service users to maintain the upkeep of the gardens. This would provide a real opportunity for good partnership working between Estates and Day Opportunities.

Surgery and Clinical Services

Mrs Lyn Lappin spoke of the planned expenditure for surgery and clinical services which she stated was in the main focused on patient and relatives' comfort.

Ms C Teggart asked about the building and refurbishment plans. Mrs Lappin provided some examples such as the proposed use of space in the orthopaedic ward for training and education and the refurbishment of counselling rooms within the Mandeville unit. Mrs Rutherford queried the birthing simulation which was included in expenditure plans at one point. Mrs Lappin stated that it was not included in current plans as she understood there was a query if it was going ahead. Mrs Rutherford undertook to clarify.

Action: Mrs Rutherford to clarify Birthing simulation.

In conclusion, Ms Rutherford stated that the purpose of the report was to set out the plans that were presented in June and demonstrate how the spend was progressing to date. Ms Esler has given the Directorates a position paper and will continue to update this throughout the year.

7i) REGIONAL PROJECT – CCNI REGISTRATION FOR HSC TRUSTS

Mrs Rutherford set the item in context, reminding members that all HSC Trusts have been working towards registration with the Charity Commission for Northern Ireland for a considerable time. She explained that NHS 'Charities Together' have provided some funding for the region to assist all Trust's through the CCNI registration. Mrs Rutherford continued to advise that the funding in its totality has been

channelled into engaging with the Directorate of Legal Services (DLS) and welcomed the recent appointment of Ms C Logue, DLS Solicitor to assist all Trusts in the process. Mrs Rutherford welcomed the positive impact this will have moving forward towards registration and added that the Belfast Trust, whilst much further along their journey towards charity registration, has much valuable learning which will be useful for all regional counterparts moving through the same process.

7ii) SHSCT CTF PROJECT OVERVIEW

Ms Donaghy welcomed Ms C Logue, DLS Solicitor to the meeting to present an overview of the process to registration for the Southern Trust. In outlining some context, she explained the Charities Commission for Northern Ireland (CCNI) now require all those with charitable funds to register. At this point, Ms Logue referred to some of the work undertaken to date by the Belfast Trust, who are further along the journey. She referred members to stages two and three, listed on the briefing document, which includes the requirements in terms of i) the court process and ii) registration to the CCNI. She noted, it will be beneficial to draw on learning from the Belfast Trust experience to date, which will assist the Southern Trust.

At this point Ms Logue, referred to the important work being undertaken by Mrs Rutherford and Ms Esler, at the first stage of the process involving information collection and took time to outline some of the finer detail of the work involving legacy funds, their original purpose and what the donor had intended at the time, along with the work required to map legacy funds of an unrestricted nature into the larger funds. Members noted the challenges working with these funds in terms of their historical existence and the resource required to fully investigate their detail. Ms Logue went on to provide a brief outline of her role in the core process and reflected on the huge work around depleting as many existing funds as possible in advance of the court process. Continuing, Ms Logue outlined for members some of the finer detail around the court process stage and moving towards registration with CCNI. She stated that, a governing document will be provided outlining the rules of the trustees and the purpose of the Charity.

Members noted the timeframe for the Trust to complete the first stage of the process has been set for 20th December 2024, however Ms Logue reiterated this was a mammoth task and pointed out that it will be based on the quality of the information that comes through. She also referred to the associated challenges of working from two financial

systems. Members noted an additional layer of work was required for the Attorney General's Office in advance of the Court hearing and considered the finer detail outlined within the document.

In concluding her comments, Ms Logue reiterated that progress is very much dependent on the quality of information that comes through at this stage. She also welcomed the funding provided by 'NHS Charities Together' and their ongoing interest in the process. She said it was important to note that a number of other Trusts are currently moving towards charity status and it is envisaged each Trust will benefit from shared learning as the process moves forward.

Ms Donaghy thanked Ms Logue for outlining the clear timeframes and asked if completing the information gathering on 158 legacy funds was an achievable task by June 2025. She also sought a figure, in regard to the average value of the legacy funds. In responding, Ms Esler acknowledged it was a huge project, with some funds being more straightforward than others to evidence where the donations have originated from. Ms Esler advised the average value of the legacy funds was approximately £3m.

Mr Lynas welcomed the work to date, however concurred with Ms Donaghy, as to whether the outlined timeframes were achievable balanced against the enormity of the task. He also raised concern around experiencing difficulties contacting the CCNI. By way of response, Ms Logue pointed out the timeline included within the document is an internal timeframe only, to assist the Trust to keep on track at each stage. She assured members she has already established a strong contact with the CCNI and there are open lines of communication at all times.

Mr McDonald welcomed the internal action plan and asked if the total value of funds below the UK De minimis level was known and if this would take care of a lot of the Trusts smaller funds. Ms Esler advised that currently this is a consultation out in regards to implementing a De minimis limit in Northern Ireland of £20k, however the same level in England is £5k. There was a positive response to the new governance arrangements the Trust have set up which will be very helpful moving forward and the 1 Committee, 5 Fund approach was welcomed. Mr McDonald said the Trust must continue to work to streamline the funds to enable as much utilisation as possible as opposed to complicating it. At this point Mrs Rutherford and Ms Esler provided a brief update on the number of funds identified so far along with the value. In regards to the current position, Mr McDonald asked how many funds were still in

existence below £5k. Mrs Rutherford and Ms Esler advised 60 funds were below £5k and 85 funds above £5k.

Ms Teggart recorded thanks to Ms Logue and Ms Esler for their dedication to moving this work forward. She referred to the affidavit, which required all the relevant documentation to be attached and asked if this would be the process for each of the 158 legacy funds and said she was concerned regarding the timeframe for this. Ms Esler assured Ms Teggart that with each legacy fund that is reviewed she is picking up pace and learning and reminded members that not all legacy funds are of equal complexity.

Following a short discussion around the expectations upon the Trust in advance of getting to the court stage, Ms Toal suggested that some of the longer serving members of the Organisation may be able to offer direction and assistance in relation to information gathering on the more challenging legacy funds. Mrs Toal went on to ask, once the registration process is complete, how does this effect the way funds are spent and she referred in particular to staff appreciation/training versus patients and service users. Ms Rutherford advised that she had previously queried this as well as the guidance she was given around it and said the Trust will need to revisit the terms within its current criteria.

Mrs Rutherford referred to a set of 12 different public benefit statements. She noted that Academic Research & Development will need revisited in the future as currently up to 5% of the Directorate Fund balance may be used for this area. Following a short discussion, members recognised there was work to do in regards reviewing the current descriptors of the CTFs criteria as well as work around CTF promotion to ensure the organisation continues to attract as many donations as possible. Ms Rutherford explained all the work will be undertaken in a staged process and once a fund structure has been agreed discussion will take place around the finer detail of what type of spend you would allow within this and that ties into the governing document/benefit statement. All that work can be going on in tandem with Ms Esler's work and the court process.

In concluding discussion, Ms Logue welcomed the engagement from members and the importance of giving early consideration to these matters. Ms Logue agreed to liaise with Mrs Rutherford on pertinent matters for consideration by the Committee moving forward into the process.

8) **FINANCE REPORT FOR THE PERIOD 01.04.2024-31.08.2024**

Mrs Jones presented the report and guided members through the detail. In particular, she pointed out that for the 5 months ended 31 August 2024, income of £137k was received and £220k was expended from Trust Funds.

Currently there are 204 funds, compared to 207 at 31 March 2024.

- 21 of these have a balance less than £400
- 60 have a balance in excess of £10k

Utilisation of the many historical funds continues to be encouraged and information sessions were delivered to the Directorate Senior teams to renew focus on spending small historic funds and those aligned to staff benefits/comforts. Mrs Jones reminded members the number of funds, particularly small funds, and those aligned to staff comforts, will become an issue for the Trust if not spent, as the Organisation progresses to CCNI registration. Members noted regional work continues on the legal processes required around the Charitable Trust Funds, with financial support from NHS Charities Together and the Trust continues to progress its work against internal timeframes.

In terms of the NI Central Investment Fund for Charities (NICIFC) fund performance, Mrs Jones advised that dividend earnings 1 April 2024 to 31 August 2024 are estimated at £58,088.

Members noted the NICIFC share price has increased from the 31 March 2024 value of 1564.09p to 1586.34p as at 31 August 2024, continuing the trend of moderate increase of the portfolio value from the recent low at 30 September 2022. However, there is likely to be ongoing uncertainty and potential market volatility due to the continuing global impact of the Russian/Ukraine conflict, tensions in the Middle East and climate changes, through 2024-25 and beyond.

In relation to expenditure, there were two requests for expenditure that were deemed unsuitable for use of CTF for the period 1 April 2024 to 31 August 2024 and members noted the finer detail. Mrs Jones advised that for the period, CTFs expenditure was categorised as, 70% on staff education and welfare, 21% on medical research and 9% patient education.

In concluding her remarks, Mrs Jones explained that as expenditure exceeds income, the net balance on the funds has decreased by £54k in the 5 months 1 April 2024 to 31 August 2024 to £6.3m. Ms Donaghy

asked why there has been a drop in donations to which Mrs Jones recognised the ongoing cost of living pressures, may be having a contributing impact. A brief discussion ensued and Mrs Toal suggested it would be helpful to use the Trust Social Media platforms for further promotion of the work and benefits of CTFs and ensure this vital funding source is kept current within the local community. Mr McDonald concurred with Mrs Toal's comments. He went on to suggest a change was needed in terminology, from staff appreciation to staff support and recognised there would be opportunity to consider this in due course as part of the CCNI registration work.

9) CTFS FINANCE WORK PLAN 2024/25 UPDATE

Ms Esler gave an update on the work plan. She referred to the Directorate expenditure proposals that was presented back in June 2024 and stated that she continues to work with the directors on expenditure plans. Members were advised that training and awareness sessions on CTF procedures to fund managers is beginning around November/December 2024.

Ms Donaghy welcomed the input from the comms team as regards CTF.

10) REVIEW OF CTF FUND STRUCTURE

Mrs Rutherford presented the above-named paper, the purpose of which is to consider the new governance structure for charitable funds in light of the changes in the Trust's operational management structure that have already taken place. Members noted the document proposes the following key changes:-

- Close Acute Fund, open separate MUSC and SCS Funds with effect from 1 February 2025
- Close OPPC Fund, open ACS Fund with effect from 1 February 2025
- Introduce a new General Purposes Fund the purpose of which is to support, for the public benefit, staff, patients, families, carers or visitors through the provision of activities, amenities, goods and /or services that do not readily fall within any other Charitable Trust Fund. Support Directorates would be able to access funding from this Fund in the future.

Mrs Rutherford advised it is envisaged the Acute Directorate wide fund can be fully spent by 31 January 2025 but if not, any remaining

balances would be taken into the registration project. Likewise, it is hoped the OPPC Directorate wide fund could be fully spent by the same timeframe with any remaining balances taken into the registration project.

Members noted this paper was presented to the Trust Senior Leadership Team (SLT) on 8th October 2024. SLT approved the Review of Fund Structure for Charitable Trust Funds for onward submission to the Charitable Trust Funds Committee for endorsement.

Members endorsed the proposed changes to the Fund Structure.

Members were advised of a further proposal, detailed on page 4 of the document, seeking consideration for the establishment of a General-Purpose Fund to support the public benefit, staff, patients, families, carers or visitors through the provision of activities, amenities, goods and/or services that do not readily fall within any other Charitable Trust Fund.

Mrs Rutherford stated this will allow us to have a fund to support Directorates that have no access to any donations. Members noted that the Belfast Trust have adopted the approach, and the South-Eastern Trust are also moving to follow the same principle. Mrs Rutherford advised the SLT have approved the proposal and for onward submission to CTF Committee for endorsement.

In regards to next steps, members noted that in the short term, and subject to approval of the above recommendations, new promotional material will be developed to inform the public about the new funds and the services that fall within them. The Communications Team have been approached to provide support with this. The target date for go live would be 1 February 2025.

In the longer term, once the new funds are operational and the historical funds are streamlined, further consideration will be needed in relation to the guidance available on how the funds are to be used and how they can be accessed. This is likely to mean a review of some of the Trust's current documentation on charitable funds including the Charitable Trust Fund Policy/Procedures.

Following a brief discussion, Ms Donaghy thanked Mrs Rutherford for the work to date and for providing the Committee with a clear and concise paper.

Members endorsed the proposal to add a General-Purpose Fund to the Fund Structure, the purpose of which is to: support, for the public benefit, staff, patients, families, carers or visitors through the provision of activities, amenities, goods and /or services that do not readily fall within any other Charitable Trust Fund.

11) UPDATE ON STAFF SUPPORT FUND – verbal update

Section 11 was taken after section 8.

Mrs V. Toal gave an overview from page 9 of the Finance report CTF 5 months to 31 August 2024. The report highlighted the DOH Fund which on 1st April had £2.695 million. The balance for this fund on 31st Aug was £2.59 Million. Between April and the end of Aug 2024 the total spent was £95,555. Most of this was spent on leadership development, corporate nursing classes for health and well-being. Nursing assistant programme and several recognition events for different staff. The biggest source for the expenditure of the money is the new staff support hub at the Banville site Gilford. It's been a Lengthy process, but work will start within the next 12 months.

12) CHARITABLE TRUST FUNDS ANNUAL REPORT 2023/24

Ms Donaghy gave an overview of the report highlighting a few areas. She paid tribute to the staff and directors for their contribution and support to the committee over the last year. She noted the positive changes during 2023/24 and stated that the key focus for next year is CCNI Registration. Ms Donaghy sought the Committee's approval. The report was approved.

Showcasing the different projects supported by Charitable Trust Funds was discussed. Mr McDonald recommended having some form of showcase event within the community. Ms Teggart agreed with Mr McDonald's idea and suggested showcasing through the Southern I for example. Mrs. Rutherford advised that previously a comms representative attended the meetings on the promotion of Charitable Trust Funds. Members agreed this would be useful.

ACTION - Corporate Comms representative to be invited to future meetings to explore the promotion of Charitable Trust Funds

13) PROPOSED MEETING DATES 2025

Members considered and approved the proposed meeting dates for 2025.

14) COMMITTEE WORK PROGRAMME 025

Members agreed the work Programme.

15) ANY OTHER BUSINESS

Ms Donaghy stated that her tenure as Non-Executive Director was ending on 31st December 2024. As this was her last meeting as Chair, she took the opportunity to thank everyone for their contribution to the work of the Committee. Mr McDonald, on behalf of members, thanked Ms Donaghy for her chairmanship.