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| Board Meeting: | 21 November 2019  | \\Nwtc-filestr01\photographs\Foundation\logos\merge nhs gjf\dual branding.jpg |
| Subject: | Endowments Sub Committeeupdate – 8 November 2019 |
| Recommendation:  | Board members are asked to:

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| Discuss and Note | X |
| Discuss and Approve |  |
| Note for Information only |  |

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## 1 Background

The following key points were agreed at the meeting and have been split into the three high level quality ambitions of person centred, safe, and effective.

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| **Person Centred** |
| **Mutually beneficial partnerships between patients, their families and those delivering healthcare services which respect individual needs and values and which demonstrate compassion, continuity, clear communication and shared decision-making.** |
| * **Final Donations Policy**It was agreed that the donations policy for the charity would be refreshed and completed to include strategic intent and circulated to members by end of December for comment approval then presented to the next committee meeting for ratification.
* **Service Level Agreement Review with Greater Glasgow and Clyde**An SLA is in place for the services of GG&C investment managers to act on our behalf, this SLA will be formalised to provide assurance to the Committee that appropriate and robust governance is in place to ensure the Foundations best intentions are met in regard to investment criteria. Also it was agreed that an annual report from the investment managers should be made available to the committee.
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| **Safe** |
| **There will be no avoidable injury or harm to people from healthcare they receive, and an appropriate, clean and safe environment will be provided for the delivery of healthcare services at all times.** |
| * **Innovation Fund**The committee received an update on innovation funds which have significantly grown since last year, there was lengthy discussion around innovation funds and clarification was provided between Scottish Government’s innovation funds and charitable funds. It was agreed that the Innovation Lead from Scottish Government will be invited to the next committee meeting to provide an update on each innovation project.Members were content to accept additional funds from Scottish Government for Catalyst funding to stimulate projects in key areas. The Assistant Director of Finance oversees all innovation projects and ensures that robust processes are followed for each project. It was agreed that oversight from this committee of the forthcoming funds associated with the Innovation funds should be in place to gain assurance on the nature of the projects prior to the receipt of new project funds.Governance arrangements will be reviewed going forward for Innovation funding.
* **Update on National Governance of NHS Endowment Fund Review** The committee are awaiting definitive guidance being issued from Scottish Government on strengthening the governance of NHS Endowment Funds which will be shared with members as soon as it is published; we will act accordingly to ensure mechanisms are put in place to comply with new guidance/model.
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| **Effective** |
| **The most appropriate treatments, interventions, support and services will be provided at the right time to everyone who will benefit, and wasteful or harmful variation will be eradicated.** |
| * **Foundation Policy**There was discussion regarding purpose and strategy of the Foundation and it was agreed that his needs to be formally compiled and brought back to the Committee for review.
* **Review of Fund Balances**The committee reviewed fund balances and transactions as at 30 September 2019, balance of known funds is £3.1m which incorporates transfer of innovation funds received from Scottish Government, Board endowment funds remain at the same level as previous year and all expenditure transactions are less than £10k which is in line with the Board’s Standing Financial Instructions. It was agreed that the format of the statement will be refreshed to include a column for the purpose of fund and fundholders name and position.
* **Charity Risk Register**The risk register for the charity was reviewed by the committee with 7 risks recorded capturing the main areas, risk ratings are at low end/el and the risk appetite is very cautious. It was proposed that the risk register is refreshed with sub section headings for Innovation risk and Charity risk.
* **Expansion Artwork**The committee were informed of a bid submitted to Creative Scotland for delivery of an arts strategy for Phase 1 Expansion, if the bid is successful the Board will be committed to 40% contribution, the committee were therefore asked to support in principle use of general endowment funds for this sum.It was agreed to await the outcome of the bid and then further information will be provided on a full case and financials as to whether it is appropriate to use charitable funds for artwork or if it should be funded from revenue funding.
* **Charity Kiosks** - **Easy Pay Network** The committee were informed of an innovative idea which is a stand-alone donation kiosk which enables patients/visitors to make electronic donations to the charity, from a governance perspective this is a secure way for donations to be made and avoids requirement to handle cash donations. Whilst members were supportive of the introduction of a Donation Kiosk it was agreed that a working group would be established to include volunteers to consider this proposal in depth.
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The next meeting is scheduled for: Tuesday 11 February 2020

**Rob Moore**

**Chair, Endowments Sub Committee**

**8 November 2019**

**(Colin Neil, Director of Finance)**