

## **NHS BLOOD AND TRANSPLANT TRUST FUND**

### **ANNUAL REPORT 2023-24**

Status: Official

## **1 PURPOSE OF THE REPORT**

The Trust Fund Committee has prepared this report to the NHSBT Board. It sets out how the Committee has satisfied its terms of reference during 2023-24, and seeks to provide evidence relevant to its responsibilities, in accordance with the powers delegated under the Standing Orders and Standing Financial Instructions.

## **2 OVERVIEW**

The NHS Blood and Transplant Trust Fund is registered with the Charity Commission under registration number 1061771, in accordance with the Charities Act 2022.

The Trust Fund comprises a General Fund, and various Restricted Funds (funds where conditions controlling their use have been set by the donor or grantor). The Trust Fund Committee administers these funds on behalf of the Board which is the Corporate Trustee.

The Trust Fund receives donations from members of the public, which are credited to the General Fund, unless the donor has stipulated specific restrictions on how the monies are to be utilised. Where specific teams within NHSBT receive a donation, these can be requested to be 'earmarked' within the General Fund for the benefit of that team or area. Where monies are 'earmarked', the team or area concerned will propose how they might be utilised, and these requests are considered and approved in accordance with the Trust Fund Scheme of Delegation and the purposes of the Trust Fund. 'Earmarked' monies do not constitute 'restricted funds', and are accepted and 'earmarked' on the basis that the Trust Fund will endeavour to use them for the purpose/team/area requested, but this cannot be guaranteed.

The Trust Fund may apply for grants for specific purposes, and such grants are usually received with conditions governing their use. Monies received with specific conditions governing their use are accounted for as individual Restricted Funds.

The Committee controls and manages the use of all the Trust Fund's resources. It monitors the deposits of the Trust Fund and oversees expenditure. Acting for the Corporate Trustee, the Committee ensures that 'best practice' is followed in conducting the affairs of the Trust Fund, that legal responsibilities are met, and that monies are spent in accordance with fund objectives, and any restrictions or requirements stipulated by the donor or grantor, as outlined below.

The **General Fund** is an unrestricted income fund, and the resources therein may be used at the discretion of the Trustee for any charitable purpose relating to the NHS, including furthering the general aims of NHSBT and supporting staff welfare. Cash held in respect of the General Fund as at 31 December 2023 was £208k, of which £163k is committed or earmarked for existing projects, £33k is held as a closure and contingency reserve, and £12k remains available for use.

At 31 December 2023, there were three **Restricted Funds**:

- NHS Charities Together Health, Safety and Wellbeing Grant

To support NHSBT staff in relation to mental health first aid, COVID specific counselling (assessment and treatment) and recovery (long COVID), and other initiatives to reduce health inequalities and support colleagues' overall wellbeing, and to reduce the risk of poor health.

Cash held at 31 December 2023 in respect of this grant: £33k

- NHS Charities Together Professional Nurse Advocate Grant

To support the creation of a new Professional Nurse Advocate role, to focus the well-being and professional development of nurses.

Cash held at 31 December 2023 in respect of this grant: £24k

- A legacy received for NHSBT, to be used for the benefit of Royal Devon and Exeter Hospital

Cash held at 31 December 2023 in respect of this legacy: £62k

### **3 MEMBERSHIP**

The Trust Fund Committee members for the financial year 2023-24 were:

Phil Huggon	Non-Executive Director Chair of the Committee to February 2024
Rachel Jones	Non-Executive Director
Carl Vincent	Chief Financial Officer
Deborah McKenzie	Chief People Officer

In regular attendance:

Phil Tanner	Assistant Director – Safety, Well-Being and Governance (deputising for Deb McKenzie, Chief People Officer)
Duncan Boud	Assistant Director – Financial Control and Operations (Senior Finance Lead for the Trust Fund)
Gabriel Recalde	Head of Financial Accounting and Control
Naomi Rae	Corporate Financial Accountant

## 4 MEETINGS

Three meetings of the Committee took place during the 2023-24 financial year (all held via Microsoft Teams). The first two meetings were chaired by Phil Huggon, and the final meeting for 2023-24 by Peter Wyman. Participation in these meetings is shown below:

Members	Title	Total Attended / Total Possible
Rachel Jones	Non-Executive Director	3/3
Phil Huggon	Non-Executive Director	2/2
Carl Vincent	Chief Financial Officer	3/3
Deborah McKenzie	Chief People Officer	0/3
Peter Wyman	Chair NHSBT	1/1

## 5 COMPLIANCE WITH TERMS OF REFERENCE

The Terms of Reference for the Trust Fund Committee have been approved by the Board, and are reviewed annually by the Trust Fund Committee.

The Committee approved an annual budget for 2023-24 and a workplan for the year. The finances of the Trust Fund have been reviewed at each Committee meeting, with all income and expenditure monitored against the approved budget for each of the individual funds.

In accordance with the Terms of Reference, the Committee held three meetings during the year.

During the year the Committee agreed to make £95k available for research and development grants. At the request of the Head of Research Governance – Statistics & Clinical Research, it was agreed that the £95k would be held-over to early in the 2024-25 financial year, when further bids for research funding would have been received and evaluated, which would enable best use of the funds to be made.

Banking arrangements were reviewed during the year, resulting in the opening of a new deposit account with Lloyds Bank, which will increase the interest received by the Trust Fund when compared to the previous arrangements.

A scheme of delegation was established for the Trust Fund, to enable NHSBT Finance staff to make day-to-day operational decisions on behalf of the Trust Fund without recourse to the Committee members for every decision. The limits established were proportionate to the current size of the Trust Fund.

## 6 GOVERNANCE ARRANGEMENTS

The Committee has reviewed the financial position of the charity at each meeting.

At the start of the year the Committee agreed an annual budget against which expenditure has been monitored at each meeting.

Applications for research grants are first reviewed by the NHSBT R&D Senior Management Team, and all applications for funding require an Executive sponsor. The Committee receives reports at least annually from the R&D Senior Management Team on the status of projects funded by the charity.

The Committee receives reports at least annually on the status of the NHS Charities Together grants from the relevant leads within NHSBT. The Trust Fund has completed all returns, and answered all questions, requested by NHS Charities Together, and where there has been slippage in expenditure, extensions to the expiry of the grant term have been requested and agreed.

The annual report and accounts for 2022-23 were reviewed by the Trust Fund Committee in December 2023, following appropriate review and clearance by an Independent Examiner, GBAC Ltd. The 2022-23 annual report and accounts were submitted to the Charity Commission, together with the annual return, within the required timeframe.

The Committee, and regular attendees, have completed a self-assessment of the effectiveness of the Committee, and the results have been shared with the Committee by the Company Secretary.

## **7 TRUST FUND COMMITTEE OPINION**

Members of the Board should recognise that assurance given can never be absolute. The highest level of assurance that can be provided to the Board is a reasonable assurance that there are no major weaknesses in the governance arrangements, risk management and internal control processes in the management of the Trust Fund.

**The opinion of the Trust Fund Committee, based on the activities set out in section 9 below, is that the Trust Fund's risk management, control and governance processes are adequate and effective and may be relied upon by the Board.**

## **8 KEY TOPICS IN 2023-24**

Throughout the 2023-24 financial year there has been a number of key topics that have been discussed.

### Banking Options

Banking arrangements for the deposit account have been reviewed during 2023-24. This was due to the Gold CAF Savings Account being closed by the Trust Fund at the end of March 2023, due to unfavourable conditions imposed by CAF Bank. The monies from the Gold CAF Savings Account were transferred to the Trust Fund current account held with Lloyds Bank, and remained there until deposit account options were explored and reviewed by the Committee.

Upon this review it was deemed that a Lloyds Call Account would be the best option, which returned the best rate of interest when compared with other options available to a small charity. The money is easily transferable between the current and call accounts, on short notice if required. The account currently holds £300k, accruing interest at a rate of 5.14%.

### Growing the Trust Fund

The Donor Experience team are exploring how greater use might be made of the Trust Fund. This topic has been ongoing since the 2022-23 financial year, and work previously undertaken has been built on in 2023-24. Ideas were previously presented to the NHSBT

Executive Team, with a subsequent presentation to the Trust Fund Committee at the December 2023 meeting. Proposals were set out on how to develop and grow the Trust Fund, and these were considered by the Committee. Models used in other NHS or blood service charities had been reviewed, to develop a proposition for driving activity within the organisation. The analysis suggested that NHSBT had the potential to use the Trust Fund to contribute towards the strategic objectives of the organisation.

The next step was to identify the key areas to focus on and these included: the proposition development (what areas of the business require fund raising), processes and policies for evaluating, receiving, and disseminating funds, recruiting a core team to grow the Trust Fund, and setting income targets for the next two to three years.

#### Review of Terms of Reference

The following changes were made to the Terms of Reference.

- Paragraph 6: removal of '*excluding the chairman of the organisation*', to provide flexibility for the chairman to step in to chair the committee meeting, if required; and
- Paragraph 10: changing the heading from *performance review* to *monitoring effectiveness* and rewording the narrative to be consistent with other Board committees.

It was agreed at the March meeting that a new Chair of the Trust Fund Committee would take-over from the March Board subject to Board approval. The Committee also agreed with the recommendation to present the reviewed Terms of Reference to the March Board for approval.

## **9 CONCLUSION**

The Trust Fund Committee has complied with its terms of reference during 2023-24, during which it has:

- set and approved an annual budget against which performance is reviewed;
- set and approved an annual workplan for 2023-24, monitoring that this was adhered to;
- reviewed and updated the Trust Fund's Procedure & Guidance notes;
- reviewed the Reserves Policy to reflect the increase in the Independent Examiner's fees;
- established a Scheme of Delegation to formalise the decisions and transactions that require referral to the Trust Fund Committee;
- identified £95k as available to fund research and development grants, and agreed that best use of this could be made by holding this over until the 2024-25 financial year, when better bids were expected to be received;
- ensured that all expenditure was within the objectives of the respective fund;

- complied with the requirements set by the grantor in respect of restricted funds, responded to any requests for information, and agreed any extensions to expiry dates;
- received and discussed progress/closure updates for all live projects;
- received and approved the annual report and accounts for 2022-23;
- received and reviewed the opinion of the Independent Examiner on the annual report and accounts for 2022-23;
- complied with the requirement to submit the annual report and accounts and an annual return to the Charity Commission by the required due date; and
- reviewed the Reserves Policy in light of the current economic climate and spending plans.

**Carl Vincent**  
**Chief Financial Officer**  
**May 2024**