

Shetland NHS Board

Minutes of the Endowment Committee meeting of Shetland NHS Board held virtually on Thursday 27 June 2024 at 13:30

Trustees present

Mr. Lincoln Carroll (Chair)	Mrs. Kathy Hubbard (Vice Chair)
Mr. Colin Marsland (Exec Lead)	Professor Kathleen Carolan
Mr. Brian Chittick	Mrs. Kathy Hubbard
Dr. Susan Laidlaw	Mr. Bruce McCulloch
Mr. Joe Higgins	

In attendance

Ms. Amy Gallivan, Senior Communications Officer

Ms. Debbie Hair, Evelyn Partners representative

1. Apologies for absence

Mrs. Lorraine Hall, Ms. Emma Macdonald, Mr. Colin Campbell, Ms. Natasha Cornick, and admin support Mrs. Erin Seif sent apologies.

Dr. Kirsty Brightwell, Mr. Gary Robinson, and Ms. Gaynor Jones were not present.

2. Declarations of interest

There were no declarations of interest.

3. Presentation and update from investment managers Evelyn Partners

Shetland Health Board Endowment Fund investment managers Evelyn Partners representative Ms. Debbie Hair presented an update on the Fund's strategy and position, highlighting the agreed risk level, and compliance with the restrictions agreed by the Trustees.

Trustees accepted Ms. Hair's suggestion a separate session will be arranged to discuss environmental, social, and governance matters (ESG) around the Fund's investments.

ACTION: Mrs. Erin Seif

In response to a Trustee's question on the "megatrend" of how "the healthcare sector will benefit from greater longevity and higher old-age dependency ratio", Ms. Hair explained this refers to the financial benefit to drug companies of increased demand for drugs and treatments as people live longer, as well as how Artificial Intelligence is speeding up how quickly drugs can be approved and the efficiency of clinical trials.

A Trustee noted the Fund's investments have comfortably exceeded the Consumer Price Index of +2.5.

Ms. Hair will meet with Endowment Committee Executive Lead Mr. Colin Marsland separately to discuss the Fund's cash position and overall circumstances.

ACTION: Mrs. Erin Seif

4. Draft minutes of meeting held on 21 May 2024

The minutes of the meeting held on 21 May 2024 were approved.

5. Action Tracker

[100] – Evelyn Partners presentation

Trustees agreed this action should be marked complete, as the Endowment Committee will meet with Evelyn Partners separately to discuss ESG issues.

6. Matters arising

There were no matters arising.

7. Draft Annual Accounts letter of representation to external auditors

Mr. Marsland presented the draft letter of representation to external auditors A9 regarding the 2023–24 Shetland Health Board Endowment Fund Annual Accounts, noting it makes a set of declarations on behalf of the Trustees.

Trustees agreed the content of the letter was fair and accurate, and approved the letter.

8. Endowment Annual Accounts

Mr. Marsland presented the 2023–24 Annual Accounts, flagging the General Fund is now slightly over its £1m floor but remains below its value at 31 December 2021 prior to the Russian invasion of Ukraine.

Mr. Marsland also mentioned a legacy bequest from two years previous came through after year-end, which will be added to the next meeting’s agenda.

ACTION: Mrs. Erin Seif

In response to a Trustee question on whether there are MRI Scanner Appeal funds remaining, Mr. Marsland explained £1.4m is still present in the Fund’s accounts, with a further £0.5m pledge soon to be paid by the Shetland Charitable Trust, but it should all be disbursed to the Board during the financial year, leaving close to zero by year-end.

Regarding whether the Fund remains open to donations and to what purpose new donations would be put, Mr. Marsland shared that at the outset of the appeal, the Endowment Fund originally committed to paying the MRI scanner’s revenue costs for two years, but this was subsequently amended to one year only when the fundraising target was reduced to £1.6m. It remains to be seen, Mr. Marsland explained, what the real running costs will be for the scanner in its first year, as they are significantly changed since the June 2018 agreement between the Endowment Fund and NHS Shetland.

Trustees approved the 2023–24 Endowment Fund Annual Accounts.

9. Endowment applications

a. None

There were no new applications against the General Fund.

10. STANDING ITEM – MRI Scanner Appeal update

a. MRI scanner appeal update

Senior Communications Officer Ms. Amy Gallivan shared an update on the proposed MRI Scanner Appeal “thank you” event, now the scanner is installed and operating. The Communications Team have offered to take the lead on organising the event, and

Ms. Gallivan mentioned it is likely to place in the Gilbert Bain Hospital servery and include representatives from the charities and groups who supported the Appeal.

A Trustee noted a planning meeting is scheduled for 18 July, and Mr. Marsland explained NHS Shetland would be paying for any costs.

11. Montfield polytunnels

Ms. Gallivan offered an update on the polytunnels installed at Montfield Board Headquarters in collaboration with local charity Food for the Way, and largely funded by NHS Charities Together monies. An official opening in partnership is scheduled for the Monday following this meeting and any Trustees are welcome to attend. The press will be present and photos will be used in a press release mentioning the Endowment Fund's role in supporting the endeavour.

12. STANDING ITEM – Update on education and training bids reviewed monthly

Endowment Committee Chair Mr. Lincoln Carroll noted there have been no education and training bids since the last Committee meeting.

13. Endowment Committee Business Plan Review 2024–25

Mr. Marsland presented the Endowment Committee Business Plan 2024–25 for review, as at every meeting, and noted changes to it can also be proposed at any time between meetings.

14. A.O.C.B.

There was no other competent business.

Date of next meeting: Tuesday 5 November 2024 at 13:30, via Microsoft Teams