

St Raphael's Hospice

Strategy Meeting of the Board of Trustees

To be held at St Raphael's Hospice at 12:30 on Wednesday 19th March 2025,
with lunch from 13:00

TO BE PRESENT:

Trustees:

Norman McWhinney (NM - <i>Chair</i>)	Alan Cogbill (AC - <i>Vice-Chair</i>)	Steve Chambers (SC)
Carrie Chill (CC)	Grahame Darnell (GD)	Sister Veronica Hagen (Sr VH)
Paul Holmes (PH)	Manjit Lall (ML)	Bernard Marley (BM)
Sister Kathleen O'Reilly (Sr KO'R)		

In attendance:

Nick Stevens (NS) (<i>Joint CEO</i>)	Rebecca Trower (RT) (<i>Joint CEO</i>)	Kate Billingham Wilson (KBW) (<i>Director of Fundraising & Communications</i>)
Naomi Collins (NC) (<i>Lead Consultant</i>)	Ed Cook (EC) (<i>Advisor to DoC & Finance Committee member</i>)	John Groom (JG) (<i>Director of IT & Estates</i>)
Sara Jane Harris (SJH) (<i>Commercial Director</i>)	Alex Rudkin (AR) (<i>Director of Quality & Governance</i>)	Anna Machin (AM) (<i>Governance</i>)

Item	Description	Purpose ¹	Lead	Timing
--	Lunch	-	-	12:30-13.00
1.	Welcome and apologies for absence.	-	Chair	13.00-13.05
2.	Declarations of interest	-	Chair	
3.	Minutes of the Board meeting held on 29 th January; Actions List	Approval	Chair	13.05-13.15
4.	Strategy discussion (<i>presentation to be given at meeting</i>): <ul style="list-style-type: none"> • Three-year strategy • 2025/26 objectives • Update on latest ICB discussions 	Discussion	Executive	13.15-14.15
5.	Lottery discussion	Approval	Executive	14.15-15.00
--	<i>Break</i>	-	-	15.00-15.15
6.	11 th March 2025 Finance Committee Chair update & meeting minutes inc. external audit tender update	Discussion	Chair, NS	15.15-15.25
7.	2025/26 Budget – detailed presentation	Approval	NS	15.25-15.55
8.	Agreement of next steps, Any Other Business & Date of Next Meeting	-	Chair	15.55-16.00
9.	T-Time (trustee only session)	Discussion	Chair, AM	16.00-17.00

	<ul style="list-style-type: none">• 2024/25 board self-evaluation: outcomes• Reflections on strategy and Trustee contributions to Hospice plans• Update on HR-related matters and assurance mapping			
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Dates of upcoming meetings: Trustee Board meeting Wednesday 14th May, 1-5pm

St Raphael's Hospice
Minutes of a Meeting of the Finance & Resources Committee
Held at St Raphael's, London Road, Cheam, Sutton, SM3 9DX
At 14:00 on Tuesday 11th March 2025

Members: Alan Cogbill (AC – Trustee)
Ed Cook (EC – Co-opted Committee member and Board Advisor)
Paul Holmes (PH – Trustee – virtual)
Sr Kathleen O'Reilly (KO'R – Trustee)

In attendance: Nick Stevens (Joint CEO – NS)
Rebecca Trower (Joint CEO – RT – items 1-4 - virtual)
John Groom (Director of IT & Estates – JG)
Neena Vadgama (Head of Finance – NV – apologies)
Anna Machin (Governance – AM - virtual)

Actions arising

Agenda item	Action	Responsible	Timeline	Ref.
4. 2025/26 budget	Take budget forward to Board for approval	Nick Stevens, Becca Trower	March meeting	11.03.25/01
6. External audit tender	Invite Crowe and Mazars to tender meetings	Nick Stevens	Immediate	11.03.25/02
7. Money laundering policy	Share further detail on supporting processes	Nick Stevens	May meeting	11.03.25/03

The meeting commenced at 14.05pm

1. Welcome, apologies for absence and declarations of interest

Alan Cogbill took the Chair and welcomed Committee members and colleagues to the meeting. Apologies were received and accepted from Neena Vadgama. There were no declarations of interest from Committee members in relation to items on the agenda.

2. Review of minutes from 11th March 2025 Committee meeting & matters arising

The minutes of the previous meeting were reviewed and approved as an accurate record of proceedings by the Committee, and the actions log was noted.

3. 2024/25 forecast

Nick Stevens shared the headline year-to-date update to the end of February 2025 as shown in the RAG report (ahead of year-end to the end of March), confirming that donations have already exceeded the budgeted level, currently sitting at c. £1.8m. This is well above prior years, and includes a one-off £250k in memory donation received in February that was prompted by attendance at a major donors event. A further £70k of Gift Aid is due in March. There has been a larger quantum of donations received in the second half of the financial year – there is usually an uptick in Q3 and Q4 but this is a much larger step-change. , but there has been a bigger step-change recently. Collectively, this shows the hard work of the fundraising team, value of proactive events and stewardship, and also greater press coverage.

Coupled with lower expenditure on fundraising activity, the net contribution from fundraising is anticipated to be £1.1m vs a budget of £536k. Lottery income is below budget, as the campaign started later than planned, but the net contribution is on target as costs are below budget – showing that cost control has improved across the board.

There is £4.1m in the bank as at the end of February (including the investment balance) – the projections included in the report include a £350k draw-down from the Daughters of the Cross (DoC), but the additional £1m shown in cash is due to financial performance being much better than budget. The Committee was invited on whether or not to initiate the draw-down from the Balance Sheet into the Profit and Loss, given the positive outlook for year-end. If this amount is not drawn down this year, it could be delayed to a later year when there may be greater risks emerging that are not yet known. The decision would need to be made as part of the year-end close process, to then be discussed with the auditors. The Committee's recommendation to the Board was that should the Hospice reach a break-even position or a small deficit, there should be no draw down and the funds should be safeguarded for future years.

4. 2025/26 detailed budget; use of Hospice UK funding

4.1. Budget review – Nick Stevens highlighted the key risks around staff cost inflation (including NI increases), and maintaining morale and capacity after restructure – but also reflected that due to the changes made through the restructure, the Hospice is on a more sustainable footing overall and a small surplus is projected by 2027/28.

The Committee undertook a detailed review of budget lines, and asked whether NHS funding towards core clinical costs is contractually assured. Nick Stevens confirmed that the ICB Chair, CFO and lead Director with responsibility for Hospice services had shared in a recent meeting that there would be at least a 2.15% rise, but a slightly higher rise is likely to be forthcoming. The budget models an increase of 2.15%. The increase does not offset in any way the rise in NI costs. The budget also includes an assumption of £36k being received for continuing care beds, and £66k funding towards weekend cover. The budget also includes the one-off government funding towards technology and capital costs, which will show as received on the Profit and Loss statement as income in full, and only through depreciation as an expense – the asset being on the balance sheet.

The DoC gift in kind for use of the Hospice site is reflected (as notional rent) in the budget, and there will be work done to increase lettings within St Bede's as part of income generation activity. The budget assumes opening of new shop sites by Retail, which must be in the right sites with sufficient footfall and local interest.

Direct clinical costs sit at £4.66m with costs associated with the restructure taken in 2024/25. For 2025/26, there will be a 3% clinical staff pay rise, and no rise for non-clinical colleagues, as agreed with Remuneration Committee. Projected expenditure has been decreased since the January meeting cycle with a line-by-line budget review, taking into account feedback from the Board and Committee, but is £57k more than the August 2024 projection for 2025/26, due primarily to higher NI costs, increase in utilities contract costs and a 0.6 FTE volunteer support role. Other costs have been stripped back.

Support services costs are also increased vs the August 2024 projection, with £120k in higher costs driven by a new cross-Hospice database role (which is proven to drive efficiencies and save on staff time/ cost), NI and £20k in additional marketing spend to maintain visibility of the Hospice during the year. The IT consultant spend (£12k) has been kept within the budget as the team needs capacity, but the second senior IT role is no longer included based on feedback from the Board around controlling costs.

The write-off for Wimbledon Park lease is included in 2024/25 projection (a 2.5-year time period) and put into General costs rather than Retail; the write-off will be in the current financial year unless the lease is assigned before accounts are approved.

It is assumed that c. £1.4m is received in legacies (vs £1.6-1.7m in legacies on average over the last five years). Looking at the fundraising income target, this is set at £1.6m (vs £1.9m expected in the current year). It is felt that this is achievable, based on current momentum and the strength of the team, and with new events and engagement opportunities planned alongside proven success in trust applications. Certain budget lines are already on track based on current known income (e.g. individual giving), or in this current financial year have achieved higher than the target amount, whilst others will require a climb in income. The Appeals target is lower given that in 2024/25 there was nation-wide focus on Hospices, and activity such as door drops linked to the restructure. Gift Aid donations will also be higher on an annual basis, now that the audit has ensured the Hospice's approach to collection is comprehensive.

The Committee shared reflections on the proposed budget presented, receiving further information on the balance of steady/ confirmed income, vs income that can be harder to predict such as In Memory giving through events. The quality of stewardship will be the factor that decides the level of unprompted gifts, and it was also noted that the Marketing and Communications team have now built strong media relationships to support continued visibility. With one-off income received in 2024/25 stripped out, the Committee agreed that an increase of £100k in Donations income was achievable.

Looking next at Retail, most shops are performing at a decent level of income and Nick Stevens shared detail behind the assumptions, including the closure of Wimbledon Park and opening of a new shop. The costs in 2024/25 were reduced significantly compared to the prior year and so a comparable level of income and expenditure is budgeted for 2025/26 other than including some additional bank staff hours. Whilst the rag market has fallen significantly, clearance sales on-site in St Bede's are being used to clear items and have proven popular.

The Committee were content to recommend the 2025/26 budget to the Board.

- 4.2. Use of Hospice UK funding** - Nick Stevens shared key points from the Grant Agreement, as circulated to the Committee within the paper pack. The grant is split across financial years, with 25% received during 2024/25 (£130k) that must be spent and counted as a fixed asset by 31 March 2025, and 75% in 2025/26 (£390k). The framing of grant use by sector bodies has been broad (for example, that some could be used towards developing the fundraising database), whereas the detail in the Agreement focuses on the spend facilitating the best end of life care for patients through changes to patient-centric IT systems and the physical environment. Clarity is therefore being sought on the exact parameters for use of this funding. The Committee were supportive of the planned use of the 2024/25 funding, with this caveat in mind that further advice is to be received.

Looking ahead to 2025/26, consideration is being given to building a new remembrance garden and indoor storage space which could be used by Retail, Fundraising, Hospice Services and Facilities – this would give benefit to patients and potentially reduce spend of c. £60k on renting this space externally. Relevant advice would be sought on whether planning permission would be needed/ agreement from the Landlord. The timings would be tight to identify a contractor and spend the funds by 31 March 2026. There would also be c. £100k of works that could be done within the Hospice site, if this plan did not prove viable. Certain capital projects are already funded by trust funders.

5. Update on actions arising from cyber incident

John Groom updated on the move of files to the cloud, replacement of firewalls, alongside changes to hardware and operating systems. This has been achieved with a small team within a year's timeframe, and a key benefit is that external suppliers are now responsible for patching and managing potential systems vulnerabilities – supported by the work done by the IT team. The Committee received more information in response to questions around the approach to systems back-ups and password management.

The Hospice is therefore in a stronger position to be protected against cyber-attacks. IT colleagues in neighbouring Hospices also meet regularly and have offered mutual support in the event of responding to any future attacks.

6. External audit tender

The Committee noted the tender documents in the paper pack, with two tender interviews to be held on the morning of 19th March. Committee members shared reflections on the strength of the different proposals, with Crowe and Forvis Mazars considered the strongest pitch documents. Based on initial meetings with the audit teams, Nick Stevens shared that Crowe was very perceptive and integrated IT into the audit, Mazars would bring strong sector knowledge and are the most local, and MKS were less strong and focused most on the audit process rather than demonstrating prior research on St Raphael's. All firms confirmed that they would spend time on-site as part of the audits. It was agreed that Crowe and Mazars would be invited to the tender meetings to be held on 19th March.

7. Money laundering policy

Nick Stevens shared more information on awareness-raising plans around this topic alongside processes that are planned to enact the policy – the Policy was approved in principle for sharing externally, subject to further detail being shared on these processes prior to approving the Policy.

8. Any Other Business and Dates of future meetings

There were no further items raised under Any Other Business. The date of the next meeting was confirmed as 6th May at 2pm.

The meeting ended at 3.55pm.

Approved.....

Date.....

St Raphael's Hospice
 Minutes of a Meeting of the Board of Trustees
Held at 13:30 on 29th January 2025
at St Raphael's Hospice

Trustees:

Norman McWhinney (NM) (<i>Chair</i>)	Alan Cogbill (AC) (<i>Vice-Chair</i>)	Paul Holmes (PH)
Sister Veronica Hagen (Sr VH)	Grahame Darnell (GD)	Steve Chambers (SC)
Carrie Chill (CC)	Manjit Lall (ML)	Bernard Marley (BM)
Sister Kathleen O'Reilly (Sr K'OR)		

In attendance:

Rebecca Trower (RT) (<i>Joint CEO</i>)	Nick Stevens (NS) (<i>Joint CEO</i>)	Kate Billingham Wilson (KBW) (<i>Director of Fundraising & Communications</i>)
Naomi Collins (NC) (<i>Lead Consultant</i>)	Ed Cook (EC) (<i>Advisor to DoC & Finance Committee member</i>)	John Groom (JG) (<i>Director of IT & Estates</i>)
Alison Linwood (AL) (<i>Legacy & In Memory Manager – items 1-2</i>)	Alex Rudkin (<i>Director of Quality & Governance</i>)	Sara Jane Harris (SJH) (<i>Director of Income Generation</i>)
Anna Machin (AM) (<i>Governance</i>)		

Agenda item	Action	Responsible	Timeline	Ref.
4. Presentation – legacy and in memory fundraising	Share details of events that trustees can join	Alison Linwood	February 2025	29.01.25/01
	Share breakdown of locality of In Memory and Legacy givers with IG&C Committee	Alison Linwood	February 2025	29.01.25/02
	Facilitate further conversations with clinical colleagues on this topic at Clinical HoDs meeting	Alison Linwood, Becca Trower	Spring 2025	29.01.25/03
	Add fundraising and clinical team engagement on giving as standing item on IG&CC agenda	Anna Machin	May meeting onwards	29.01.25/04
5.4. 17th January CQ&G update	Discuss strategies around Medical team capacity	Carrie Chill, Naomi Collins, Rebecca Trower	February 2025	29.01.25/05
6.1. Assisted Dying Bill briefing	Circulate briefing presentation	Anna Machin	February 2025	29.01.25/06
	Convene Trustee working group on Assisted Dying Bill	Anna Machin	February 2025	29.01.25/07

	Prepare key messages around public enquiries on Hospice response to Assisted Dying Bill	Executive colleagues	February 2025	29.01.25/08
6.2. Executive report	Prepare further information on Lottery contract prior to Board approval	Relevant Executive colleagues	For March Board meeting	29.01.25/09
	Share planned digital and capital grant spend with Board	Nick Stevens	When ready in February 2025	29.01.25/10
7.1. 2025/26 strategy	Align next steps in more detailed strategy development with Trustee feedback	Executive colleagues	For March Board meeting	29.01.25/11
7.2. 2025/26 budget	Prepare next iteration of budget for March meeting	Nick Stevens, Becca Trower	For March Board meeting	29.01.25/12

1. Welcome and apologies for absence

The Chair welcomed Trustees to the meeting, and there were no apologies shared.

2. Presentation – legacy and in memory fundraising

Alison Linwood shared an introduction to her professional experience, and work to audit and benchmark current practices around legacy and in memory activity (including the links between these areas of giving) when coming into role. This combined desktop and qualitative supporter research with detailed benchmarking. The willingness of stakeholders to engage in discussions about giving was encouraging.

It is a critical time to focus on this area of fundraising, as it is a large and growing area of giving in wider society, driven by a range of factors such as the rise in value in the property market amongst those who are making wills. Stakeholder conversations showed openness to the hospice highlighting giving in wills as one of many ways to support. As trustees are aware, there is a lag time between a notification of a legacy and receiving the funds, making forecasting more challenging in this area of fundraising, however comparative figures show the longer-term benefits of investing in this area.

Research showed that supporters engage with the hospice in a range of ways including through challenges, engaging with the shops, and coming to events, and they are motivated by the excellent care given by the hospice even if their experience was many years ago. Alison shared examples of communication materials, and ways in which moments of connection are facilitated and integrated across the Hospice's activities. The approach to this area of giving within St Raphael's has also been more reactive to date, as opposed to tailored and proactive according to givers' preferences. More opportunities for stewardship through events that are not focused on fundraising have also been identified.

Looking ahead, this builds into a more cohesive strategy using audience insight, supported by the new database – for example, being able to log legacy enquiries. The annual schedule for activity was shared, which embeds more follow-up thanks and telling the story of impact from gifts. This includes the launch of the updated Guide to Gifts and Wills, legacy surveys and direct mails, and engagement with funeral directors and the 'much loved' website. Examples were given of In Memory and Legacy expenditure in addition to the Tree of Life.

Alison emphasised that she would be open to further engagement with the Board on this area of the hospice's programming, and the potential to grow this area of work. All those involved in the hospice can help to profile this area of giving, and Trustees can be invited to events to speak, or share thanks - details of opportunities would be shared.

The Board thanked Alison for the presentation including the clear use of data to inform plans, and were encouraged that feedback from stakeholders showed how special the care is at St Raphael's which is memorable to relatives and friends.

Trustees shared a question around the potential to engage with those who do not already give to the hospice, and also those who live further afield. Alison confirmed that there is more work around local brand awareness of the hospice to communicate how much hospices matter, to test new ways to engage through community outreach – for example, some community members care about hospices in general or had a good experience in another location. This will be the priority after bringing in more engagement with warm donors (including current volunteers). In terms of those local vs further afield, c. 80% donors are local for Light up a Life but for In Memory donors can live further away and give digitally. A breakdown of this information would be shared to the Income Generation & Communications Committee.

Trustees asked about lessons learned from work by charities that are performing well in this area of giving, such as air ambulances. This has involved cohesive campaigns with an investment in brand awareness with input from a creative agency, and clear pledger journeys. The timeframe is 5-10 years at the minimum, to show impact through, but there are lead indicators on engagement, for example enquiry rates that can indicate success of a campaign. Trustees also reflected on the value of being able to break down the In Memory income in a more granular way, using new functionality in the database, to understand for example which events or campaigns prompted them. Alison was also encouraged to engage even further with the clinical team to share and remind them about the bereavement journey.

3. Declarations of interest

There were no declarations of interest in relation to items on the meeting agenda.

4. Minutes of Board meeting held on 23rd October 2024 & Actions List

The minutes of the previous meeting were reviewed and approved as an accurate record of proceedings, with all actions from that meeting having been completed.

5. Committee Chair updates inc minutes

5.1. 21st January Income Generation & Communications Committee – Grahame Darnell updated that the Committee had undertaken a detailed review of year-to-date figures, and commended the team on performing very well against target. Key programmes of work over the last quarter included the new database implementation, and events and communications coverage over Christmas. Retail is also performing well despite lower footfall nationally in the pre-Christmas period, and Heads of Terms have been reached on the Wimbledon Park lease. At the next meeting, the Committee will look at the balance of repeat vs one-off giving. The Committee were also mindful of the rise in National Insurance (NI) adding £140k to the budget, which adds continued budgetary pressure, and received an update on upcoming ICB meetings. In response to questions on the Corporate income line, Kate Billingham Wilson shared changes in leadership of corporate giving within the team, and that the gifts during the festive period improved performance vs target but that there is still room for improvement during 2025/26. Nick Stevens confirmed that month-to-date figures for January are very encouraging.

5.2. 21st January Finance Committee – Alan Cogbill shared similar reflections on the gains that had been made in the last quarter across a range of income streams, and the benefits the Finance Committee had seen in database analysis, for example in prompting the large Gift Aid claim. Those present had similarly acknowledged the challenge around the NI increase. In relation to the 2025/26 budget, the Executive had proposed additional posts relating to database, volunteer and IT management. The Committee were mindful that this adds c. £130k to the cost base, following the restructure, but understood the need for these roles.

Following the recent move of the Audit Partner at haysmcintyre, the Committee chose three firms to invite to tender. The Lottery proposal was also recommended to the Board, for consideration at this meeting. Progress continues to be made on key Estates and IT programmes of work, and the bi-annual non-clinical governance report was shared.

The Board noted that whilst there was a drop in investment value in the last reporting period, it has increased overall during the past year.

5.3. 17th January HR & Remuneration Committee – Paul Holmes reported on the combined HR and Remuneration Committee meeting and the challenging few months within the HR team, which would also be covered in the closed session with Trustees. Ginny Toubal had presented on volunteer management including more use of volunteer time in the Orangery following the restructure. The Committee had reviewed the Starters and Leavers report (which did not include those who left due to the restructure) with turnover lower than might have been expected. The Committee had also considered Remuneration items, with no planned pay rise for non-clinical staff - as was agreed as part of restructure discussions. There is a 3% rise assumed for clinical staff, and the exact Agenda for Change inflationary rise is awaited. A small number of individual pay proposals were considered. The pay rises are all within an envelope of £20k (excluding inflationary rises for clinical staff).

5.4. 17th January Clinical Quality and Governance – Carrie Chill reported that the meeting had reviewed key indicators around service levels and complaints, which had not to date shown evidence of any significant deterioration in quality of service since the restructure. A letter of thanks had been shared to clinical colleagues. In relation to key programmes and recruits, the IPU lead is being on-boarding and performing well, and the project at High Down Prison has restarted. The Wellbeing team continues to offer a range of activity, which is pivotal since the close of the Hospice at Home team.

Dr Naomi Collins shared the more recent stretches on capacity due in part to the vacant Consultant role, and at this time of year when there is more sickness and annual leave due, and that there had been three complaints within the last fortnight. Whilst the new Consultant will bring capacity, certain other colleagues will then step down the number of days that they work. Trustees were mindful of the need to keep a watching brief on the number of patients admitted, and the importance of Consultant presence to support the Registrar and give continued assurance on patient safety. A further discussion would be held with the Lead Consultant, Clinical Director and Chair of Clinical Quality and Governance Committee to discuss strategies around this.

The Board received information on the latest processes and documentation developed and reviewed by the team in relation to preparing for a Clinical Quality Commission (CQC) inspection. This includes regular review at Clinical Heads of Department meetings, and running through the Key Lines of Enquiry (KLOEs) and evidence base held by the hospice.

The Board Chair thanked all Committee Chairs for their reports.

6. Executive Report including KPIs and risks; NHS consultation

6.1. Assisted Dying Bill briefing – Becca Trower presented a short briefing on anticipated features of the Assisted Dying Bill, drawing on key points shared in a recent Hospice UK briefing. Whilst this is emerging policy with at least two years until it passes into law. The processes outlined within the Bill would take six months for a patient to apply for (whereas most patients supported by the Hospice are within the last six weeks of their life) but hospices are being encouraged to keep a watching brief as the sector is now mentioned in the legislation, for example in relation to giving expert opinion in relation to patients.

The team have reflected on criteria to guide the St Raphael's approach, that will include working in line with the Hospice's refreshed values (compassion, person-centred, respect, teamwork, integrity and honesty, safety), as well as the duty to service users (thinking about the wishes of the community, and the focus of capacity for patients, alongside the ethics of engagement). All hospices will also be thinking about reputational considerations, which will be shared by the community, partners and funders – it is likely that questions about the hospice's stance will be made on social media. Fourth, the team will look at the duty of care to staff and volunteers and listen to their perspectives (including views of clinical staff, and any potential impact on turnover), and lastly the impact on finance (for example, whether this is made a condition of statutory funding, or if this will be a separate funding strand in palliative care budgets).

The Board agreed with the importance of these conversations, and it was proposed that a working session on this topic would be held. The slides would be circulated to Trustees. Key messages would also be shared to Communications colleagues and the Retail team and volunteers, for example to signpost to information from Hospice UK, or capture perspectives.

6.2. Executive report – Nick Stevens confirmed that many key aspects of the report were covered in Committee Chair updates, and asked Trustees to note the year-to-date financial position for 2024/25. It was confirmed that 25% of the government's funding to hospices for digital and capital spend would now be distributed this financial year (rather than the 40% initially stated), with spend to be made by 31st March. Bids will no longer need to be submitted, and certain investments can help to support income generation such as the audio-visual system in St Bede's, or fundraising database. The clinical team will also look at ways to support efficiencies through digital spend. Planned spending will be shared with the Board once confirmed internally.

Looking ahead, Nick Stevens updated on the latest funding discussions. The recent meeting with other local Hospices confirmed the plan to request an immediate uplift in funding to 50% of direct clinical costs (for St Raphael's, this would be costs prior to the restructure, and an increase in core funding of £1.1m above the current £1.8m), rather than a phased ask. Contextual information was shared on the funding needs of these other Hospices. A 2% uplift in ICB funding has been assumed in the budget. The 10% rise for the current year has been confirmed and a PO number and payment is awaited.

Nick Stevens shared context to the Lottery proposal that had been reviewed in detail at the Income Generation and Communications, and Finance, Committees, and the final assurances requested by these Committees were shared. The improvement in net return on current levels of players was shared, however the Board were cognisant that if the number of players grew above the current level of 7,000, this does not guarantee increased income. The proposal had performed most strongly against two others sought – in particular that lottery recruiters are local and 'location-based', and the company helps to recruit new players - and references given to the Executive have been favourable on this provider. The contract has been drafted by a well-regarded law firm Bates Wells. The Board were content in principle to proceed with the contract, subject to the following information being shared at the March before final approval is given:

- Provision of assurances as requested by the Income Generation Committee in relation to data storage and sharing.
- A written statement of liability in the event of failure of the lottery provider, and final review of the contract.
- A 'field team plan' being shared to understand the approach to local outreach, and so that this could be used to prevent any clashes with hospice-led fundraising activity (e.g. door drops), and guide the extent to which the team should prioritise other areas of fundraising (e.g. focus on regular giver outreach).

7. 2025/26 strategic planning and budget

7.1. High-level strategy inputs – Becca Trower introduced the strategy item, confirming that the 2-3 year timeframe is appropriate, as the quickly evolving operating environment means that too much would change within a 5-year horizon. There are four proposed strands for the strategy – Our People, Our Community, Our Care, and Our Income. Initial conversations have been held with departments, and the priorities feel tangible and clear.

The Board reviewed the headline information and were supportive of the direction of travel, which would be considered in depth at the March strategy meeting. In response to questions, it was confirmed that whilst the principles of the previous 'Excellence, Visibility, Engagement' (EVE) strategy were embedded into key areas (such as data innovation, ensuring strong partnership work, and leading activity in the Education team), following the restructure, it feels like an appropriate time to re-set and reframe the strategy.

The Board fed back that it would be valuable to include more reference to individual service users into the strategy, as well as referring to the wider community, and that outcomes of the strategy should be pulled out more strongly (such as service retention and securing new donors). It was noted that there is some alignment here with wider NHS priorities (moving from the acute sector to community care, shifting from analogue to digital, and providing proactive care). It was agreed that key performing indicators (KPIs) underlying these high-level areas would be shared at the March meeting.

7.2. 2025/26 Budget – high-level priorities – the slides were presented, and it was confirmed that certain areas of expenditure had been reduced based on feedback from the Finance Committee. It is expected that some funding will still be received for continuing care. Legacies are included at £1.38m (below the five-year average), and donor and retail income targets are still to be agreed as some elements of budgeting are behind prior years due to Executive attention on the restructure. It is assumed that the move to the Local Hospice Lottery would be made in November 2025. The budget now includes the £140k additional NI costs, and the volunteer role should have income generation benefits by supporting fundraising volunteers. Certain database and IT team costs could be covered by the government grant. Fundraising costs are higher to support profile-raising activities, and have been very low this year. These roles and areas of spend are designed to ensure that the organisation is strong and robust. The restructure secured £1m in savings, and the new costs add £0.5m into the budget. The cash graph therefore does not show the surplus that had originally been shown in three years' time, therefore the focus on publicity and fundraising outreach will be key. The Trustees would review the next iteration of the budget at the March meeting.

8. Any Other Business & Date of Next Meeting

The date of the next meeting was confirmed as 19th March 2025.

Signed:

Date:

Alternative Lottery Scenario





Keeping the Lottery in-house

- Review of Local Hospice Lottery by Sara Jane Harris, Kate Billingham Wilson, Richard Carman and Lucy Ribaud and Anna Jackson (part of Board papers) indicates a number of concerns around transferring to LHL
- An Alternative of continuing with in-house lottery and using Britevox on an ongoing basis was posed
- Another Alternative of continuing in-house but using in-house paid canvassers was suggested
- A further alternative could be to combine in-house paid canvassers with volunteers



Current Position

- The modelling done before Christmas was on a net transfer to LHL of 7,000 players
- We have now a new figure of 8,600 after the end of our campaign and so I have re-modelled using 95% of that figure (as 5% attrition at transfer)
- Notional net income from LHL would therefore be:

		2025-26	2026-27	2027-28	2028-29	2029-30
Contribution from Hospice Lottery		£318,791	£302,440	£289,525	£279,494	£271,702

- Nb – this is a little more than in the draft budget (2025-26 assumed from November in the budget)



Option 1 – Keep in house and use Britevox

Paid For Recruitment to Keep at same level c 1250 per year						
Annual Summary	2025-26	2026-27	2027-28	2028-29	2029-30	
Old Income	£412,747	£358,633	£317,656	£271,282	£236,899	
New Recruit income	£30,410	£84,316	£133,620	£171,319	£205,564	
Bumper Drawer	£20,000	£20,000	£20,000	£20,000	£20,000	
Retail recruitment	£0	£0	£0	£0	£0	
Total Income	£463,157	£462,949	£471,277	£462,601	£462,464	
Acquisition Costs	£110,014	£114,715	£121,852	£123,712	£127,254	
Other costs	£135,000	£135,000	£135,000	£135,000	£135,000	
Total Costs	£245,014	£249,715	£256,852	£258,712	£262,254	
Contribution	£218,143	£213,234	£214,424	£203,888	£200,210	
Contribution from Hospice Lottery	£318,791	£302,440	£289,525	£279,494	£271,702	
Difference to LHL	-£100,649	-£89,206	-£75,101	-£75,605	-£71,492	

Number of Original Plays at start	8,523	7,401	6,435	5,589	4,876
New plays recruited	-	-	-	-	-
Attrition	- 1,122	- 966	- 846	- 713	- 614
Number of Original Plays at end	7,401	6,435	5,589	4,876	4,262
	-	-	-	-	-
% Attrition of average play number	-14.1%	-14.0%	-14.1%	-13.6%	-13.4%
Number of New plays at start	-	1,119	2,081	2,924	3,634
New plays recruited	1,183	1,233	1,310	1,330	1,368
attrition of new plays	- 64	- 272	- 468	- 620	- 757
Number of New plays at end	1,119	2,081	2,924	3,634	4,245
	-	-	-	-	-
% Attrition of average play number	-11.4%	-17.0%	-18.7%	-18.9%	-19.2%
Total Plays at start	8,523	8,520	8,516	8,513	8,510
Attrition	- 1,186	- 1,237	- 1,314	- 1,333	- 1,371
Recruits	1,183	1,233	1,310	1,330	1,368
Total Plays at end of year	8,520	8,516	8,513	8,510	8,508
	-	-	-	-	-
% Attrition of average play number	-13.9%	-14.5%	-15.4%	-15.7%	-16.1%

- This in-house model keeps overall level at c8,500 by paying BriteVox for continuous recruitment
- c. 1,250 new recruits per year
- LHL provides £75k to £100k per annum better return



Option 2 – Keep in house and use In-House Canvassers

In-house recruitment @ £40 per recruit - aim to keep numbers level						
	2025-26	2026-27	2027-28	2028-29	2029-30	
Annual Summary						
Old Income	£412,747	£358,633	£317,656	£271,282	£236,899	
New Income	£30,410	£84,316	£133,620	£171,319	£205,564	
Bumper Drawer	£20,000	£20,000	£20,000	£20,000	£20,000	
Retail recruitment	£0	£0	£0	£0	£0	
Total Income	£463,157	£462,949	£471,277	£462,601	£462,464	
						£0
Acquisition Costs	£47,318	£49,340	£52,410	£53,210	£54,733	
Other costs	£135,000	£135,000	£135,000	£135,000	£135,000	
Total Costs	£182,318	£184,340	£187,410	£188,210	£189,733	
Contribution	£280,839	£278,609	£283,867	£274,391	£272,731	
Contribution from Hospice Lottery	£318,791	£302,440	£289,525	£279,494	£271,702	
Difference to LHL	-£37,952	-£23,831	-£5,658	-£5,103	£1,029	

Number of Original Plays at start	8,523	7,401	6,435	5,589	4,876
New plays recruited	-	-	-	-	-
Attrition	- 1,122	- 966	- 846	- 713	- 614
Number of Original Plays at end	7,401	6,435	5,589	4,876	4,262
	-	-	-	-	-
% Attrition of average play number	-14.1%	-14.0%	-14.1%	-13.6%	-13.4%
Number of New plays at start	-	1,119	2,081	2,924	3,634
New plays recruited	1,183	1,233	1,310	1,330	1,368
attrition of new plays	- 64	- 272	- 468	- 620	- 757
Number of New plays at end	1,119	2,081	2,924	3,634	4,245
	-	-	-	-	-
% Attrition of average play number	-11.4%	-17.0%	-18.7%	-18.9%	-19.2%
Total Plays at start	8,523	8,520	8,516	8,513	8,510
Attrition	- 1,186	- 1,237	- 1,314	- 1,333	- 1,371
Recruits	1,183	1,233	1,310	1,330	1,368
Total Plays at end of year	8,520	8,516	8,513	8,510	8,508
% Attrition of average play number	-13.9%	-14.5%	-15.4%	-15.7%	-16.1%

- This in-house model keeps overall level at c8,500 by paying In-House Canvassers for continuous recruitment – assumes £40 per recruit
- c. 1,250 new recruits per year as with Britevox
- LHL provides £0k to £37k per annum better return



Option 3 – Keep in house and use In-House Canvassers to Grow the numbers

In-house recruitment @ £40 per recruit - aim to grow numbers to >10,000						
Annual Summary	2025-26	2026-27	2027-28	2028-29	2029-30	
Old Income	£412,747	£358,633	£317,656	£271,282	£236,899	
New Income	£52,270	£142,680	£220,701	£276,246	£324,055	
Bumper Drawer	£20,000	£20,000	£20,000	£20,000	£20,000	
Face to Face Retail recruitment	£0	£0	£0	£0	£0	
Total Income	£485,017	£521,313	£558,357	£567,528	£580,955	
					£0	
Acquisition Costs	£81,120	£81,120	£82,680	£81,120	£81,120	
Other costs	£135,000	£135,000	£135,000	£135,000	£135,000	
Total Costs	£216,120	£216,120	£217,680	£216,120	£216,120	
Contribution	£268,897	£305,193	£340,677	£351,408	£364,835	
Contribution from Hospice Lottery	£318,791	£302,440	£289,525	£279,494	£271,702	
Difference to LHL	£-49,894	£2,753	£51,151	£71,915	£93,133	

Number of Original Plays at start	8,523	7,401	6,435	5,589	4,876
New plays recruited	-	-	-	-	-
Attrition	- 1,122	- 966	- 846	- 713	- 614
Number of Original Plays at end	7,401	6,435	5,589	4,876	4,262
	-	-	-	-	-
% Attrition of average play number	-14.1%	-14.0%	-14.1%	-13.6%	-13.4%
Number of New plays at start	-	1,918	3,484	4,774	5,796
New plays recruited	2,028	2,028	2,067	2,028	2,028
attrition of new plays	- 110	- 462	- 778	- 1,006	- 1,201
Number of New plays at end	1,918	3,484	4,774	5,796	6,623
	-	-	-	-	-
% Attrition of average play number	-11.4%	-17.1%	-18.8%	-19.0%	-19.3%
Total Plays at start	8,523	9,319	9,919	10,363	10,672
Attrition	- 1,232	- 1,428	- 1,623	- 1,719	- 1,814
Recruits	2,028	2,028	2,067	2,028	2,028
Total Plays at end of year	9,319	9,919	10,363	10,672	10,886
% Attrition of average play number	-13.8%	-14.8%	-16.0%	-16.3%	-16.8%

- This in-house model grows overall level to c10,500 by paying In-House Canvassers for continuous recruitment – assumes £40 per recruit
- c.2,000 new recruits per year as with Britevox
- LHL provides £49k better return in current year but up to £90k less by end of five years



Other factors

- Workload on existing team if retained in-house
- Risk of not being able to recruit canvassers (several adverts are current for Hospice and Air Ambulance in-house canvassers around the country)
- Possibility of using volunteers has not been assumed in these figures
- Possibility of recruiting through our shops has not been assumed in these figures
- Cross selling of regular donors as an alternative is possible in-house, also legacy?
- Does this campaign provide a mechanism to 'reach into our community' following our media coverage
- This would need to be a team effort – Commercial, Marketing, Supporter Care and Fundraising

Decision



- Press ahead with LHL
- Stick with Britevox
- Recruit a canvassing team
- LHL option would remain at a future date
- Switching back in-house after joining LHL is not an option

Draft Budget 2025-26



Draft Budget 2025-26 - Income and Expenditure



- Draft Budget for 2025-26 projects a surplus of £269k *after* drawdown from DoC grant of £600k
- Shortfall is **£(331)k** *before* drawdown but *after* impact of Govt Capital Grant (£395k grant income => assets; only £25k depreciation in year)
- ‘Real’ shortfall adjusted for DoC and Govt Grant is **£(701)k** for 2025-26
- ‘Real’ shortfall projected to fall to **£(175)k** in 2026-27 and a ‘real’ surplus of £138k for 2027-28.

Draft Budget 2025-26 - Income and Expenditure



Draft Budget 2025-26	Full Year											
	Actuals 2019-20	Actuals 2020-21	Actuals 2021-22	Actuals 2022-23	Actuals 2023-24	F'cast 2024-25	Budget 2024-25	variance	Budget 2025-26	variance to prior year	2026-27	2027-28
Income from NHS	1,546,130	1,775,471	2,264,729	1,698,401	1,697,202	1,997,726	1,786,331	211,394	1,975,040	(22,686)	2,013,221	2,052,165
Other Income	175,599	1,662,681	588,934	350,702	623,775	1,751,371	1,413,819	337,552	849,205	(902,165)	464,050	477,062
Service Income	1,721,729	3,438,152	2,853,662	2,049,104	2,320,977	3,749,097	3,200,150	548,946	2,824,245	(924,851)	2,477,270	2,529,227
Direct Cost of Services	(3,434,614)	(3,713,542)	(3,878,465)	(4,516,639)	(4,907,359)	(4,854,881)	(5,028,049)	173,168	(4,660,241)	194,640	(4,759,673)	(4,856,153)
Hospice Depreciation	(210,006)	(155,282)	(95,491)	(95,392)	(109,815)	(110,685)	(120,509)	9,823	(134,525)	(23,839)	(91,812)	(89,962)
Support Costs	(622,189)	(678,829)	(670,239)	(698,011)	(792,519)	(934,338)	(851,399)	(82,939)	(778,184)	156,154	(789,555)	(773,100)
Service Costs	(4,266,809)	(4,547,652)	(4,644,196)	(5,310,041)	(5,809,692)	(5,899,905)	(5,999,957)	100,052	(5,572,950)	326,955	(5,641,040)	(5,719,215)
Net Service Cost to be funded	(2,545,080)	(1,109,500)	(1,790,534)	(3,260,937)	(3,488,716)	(2,150,808)	(2,799,807)	648,999	(2,748,705)	(597,897)	(3,163,770)	(3,189,989)
	60%	39%	49%	32%	29%	34%	30%		35%	0	36%	36%
Fundraising Activity												
Legacy Income	1,750,510	2,228,142	1,532,596	1,646,106	1,591,533	1,090,616	1,312,500	(221,884)	1,378,125	287,509	1,447,031	1,519,383
Donor Income	1,240,373	1,222,685	996,411	1,132,220	1,168,678	1,896,910	1,402,275	494,635	1,624,002	(272,908)	1,962,072	2,063,913
Fundraising Costs	(629,760)	(592,754)	(702,971)	(730,913)	(732,467)	(710,624)	(827,274)	116,650	(816,346)	(105,722)	(800,026)	(816,027)
	2,361,123	2,858,074	1,826,036	2,047,412	2,027,743	2,276,903	1,887,501	389,402	2,185,782	(91,121)	2,609,077	2,767,269
Lottery Income	456,007	454,014	422,996	368,285	354,369	376,728	448,680	(71,952)	347,465	(29,263)	280,741	255,732
Lottery Costs	(206,984)	(188,041)	(195,515)	(169,462)	(229,846)	(325,558)	(394,029)	68,470	(136,133)	189,426	(28,318)	(28,874)
	249,023	265,973	227,480	198,823	124,523	51,170	54,652	(3,482)	211,332	160,163	252,422	226,858
Shop Income	1,103,503	203,693	1,109,995	1,418,215	1,726,714	1,962,295	1,962,895	(600)	2,093,611	131,316	2,431,444	2,793,609
Shop Costs	(934,027)	(913,626)	(1,123,843)	(1,200,945)	(1,691,877)	(1,627,139)	(1,769,622)	142,483	(1,683,443)	(56,304)	(1,909,461)	(2,073,328)
	169,476	(709,933)	(13,848)	217,270	34,837	335,156	193,273	141,883	410,168	75,012	521,983	720,281
	-8%	15%	-1%	15%	2%	17%	10%		20%		21%	26%
Support Costs	(311,094)	(339,414)	(335,119)	(349,005)	(396,259)	(467,169)	(425,699)	(41,470)	(389,092)	78,077	(394,777)	(386,550)
Fundraising Contribution	2,468,527	2,074,699	1,704,549	2,114,500	1,790,845	2,196,060	1,709,726	486,334	2,418,191	222,131	2,988,705	3,327,858
Shortfall before DOC Funding	(76,553)	965,199	(85,985)	(1,146,437)	(1,697,871)	45,252	(1,090,081)	1,135,332	(330,514)	(375,766)	(175,065)	137,870
DOC Funding	0	280,000	666,666	750,000	500,000	349,500	500,000	(150,500)	600,000	250,500	300,000	150,000
Contingency Drawdown				0								
Surplus/(Shortfall) for period	(76,553)	1,245,199	580,681	(396,437)	(1,197,871)	394,752	(590,081)	984,832	269,486	(125,266)	124,935	287,870

Draft Budget 2025-26 – Balance Sheet and Cash Movements

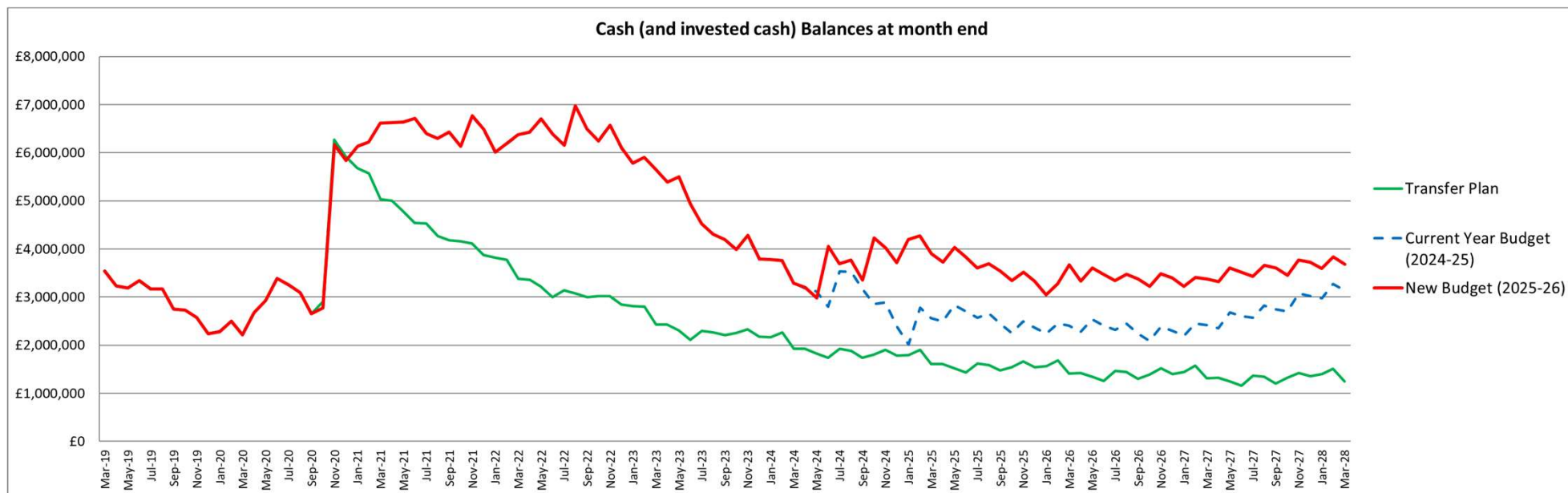


Draft Budget 2025-26	Full Year											
Net Movement in Funds	Actuals 2019-20	Actuals 2020-21	Actuals 2021-22	Actuals 2022-23	2023-24	F'cast 2024-25	Budget 2024-25	variance	Budget 2025-26	variance	2026-27	2027-28
Surplus/(Loss) from Operations	(76,553)	1,245,199	580,681	(396,437)	(1,197,871)	394,752	(590,081)	984,832	269,486	(125,266)	124,935	287,870
Depreciation	233,035	302,968	130,403	144,992	199,165	198,722	221,293	(22,571)	224,028	25,306	181,576	163,579
Decrease/(Increase) in Debtors	(981,075)	(533,412)	107,828	573,324	(653,890)	541,354	398,260	143,094	260,708	(280,646)	(2,403)	128,577
(Decrease)/Increase in Creditors	(59,763)	3,640,923	(772,786)	(769,428)	(392,610)	(400,696)	(571,048)	170,352	(488,962)	(88,266)	(521,440)	(153,382)
Net cash (expended)/ generated by operations	(884,356)	4,655,678	46,126	(447,549)	(2,045,206)	734,132	(541,575)	1,275,707	265,260	(468,872)	(217,332)	426,644
Purchase of Fixed Assets	(445,856)	(250,308)	(293,277)	(277,357)	(312,460)	(124,495)	(193,357)	68,862	(515,000)	(390,505)	(105,000)	(145,000)
Increase / (Decrease) in Cash	(1,330,212)	4,405,370	(247,151)	(724,906)	(2,357,666)	609,637	(734,932)	1,344,569	(249,740)	(859,377)	(322,332)	281,644

Draft Budget 2025-26	Full Year											
Balance Sheet	Actuals 2019-20	Actuals 2020-21	Actuals 2021-22	Actuals 2022-23	Actuals 2023-24	F'cast 2024-25	Budget 2024-25	variance	Budget 2025-26	variance	2026-27	2027-28
Fixed Assets	4,276,470	561,565	724,439	856,804	970,099	895,872	942,163	(46,291)	1,186,844	290,972	1,110,269	1,091,689
Debtors	1,552,953	2,086,365	1,978,537	1,405,213	2,059,103	1,517,749	1,594,516	(76,767)	1,257,041	(260,708)	1,259,444	1,130,867
Cash at Bank and Investment Fund	2,214,936	6,620,306	6,373,156	5,648,250	3,290,583	3,900,220	2,555,651	1,344,569	3,650,479	(249,740)	3,328,147	3,609,791
Creditors	(336,256)	(3,977,179)	(3,204,393)	(2,434,965)	(2,042,355)	(1,641,659)	(1,406,798)	(234,861)	(1,152,697)	488,962	(631,257)	(477,875)
Net Assets	7,708,102	5,291,057	5,871,739	5,475,301	4,277,430	4,672,182	3,685,531	986,651	4,941,668	269,486	5,066,603	5,354,473

- Net Assets projected to increase due to projected surplus for 2025-26
- Cash projected to reduce by £250k
- Cash and Investment balance projected to be £3.65m – a satisfactory level

Draft Budget 2025-26 – Cash and investments Graph



Improved current cash position over budget due to 2024-25 forecast being £1.1m better than forecast:

- Cost reductions implemented sooner than budgeted
- Income levels higher than budgeted

Projected cash position remains better than 2024-25 projections, but incorporates NIC increase and some other cost and income revisions

Income from Charitable Activities (£2.8m v £3.75m)



NHS ICB

- 2.15% uplift adds c£40k to total (becomes £1.87m)
- Further uplift has been promised but not assumed
- £36k for continuing care (2024-25 £98k)
- Assumes we do receive ongoing additional £66k for weekend CPCT cover

Govt Capital Grants

- £396k assumed based on 2024-25 level of £131k (75/25)

Other Income

- Education Income - £6,500 (24-25 £7,500 to February)
- St Bede's income – £8,450 (24-25 £3,100 to February) - seek a pro-active volunteer to seek sales following re-fit in March '25
- Orangery Income £32,000 in line with current experience (with much reduced staff cost).
- Investment Income £75,000 (24-25 £213,000 to February) – chiefly relates to growth in capital value of investment – assumes we retain £2m with Sarasin and subject to global influences
- DoC Gift in Kind - £324k (24-25 £315k) inflation uplift (matched by notional rental cost, no cash transfer).
- DoC grant – assumes NIL (24-25, £1m)

Govt Grant - Capital Expenditure



Capital Budget 2025-26

2025-26	Building Project	230,000
2025-26	Replacement Website	50,000
2025-26	Remembrance garden	25,000
2025-26	5 x Syringe Drivers	6,000
2025-26	Boiler Upgrade	15,000
2025-26	General Computer Expenditure 2025-2	30,000
2025-26	New VoIP Phones & System for Capito	10,000
2025-26	Hospice Refresh 2025-26	24,000
2025-26	Refresh on continuing basis	10,000
		<hr/>
		400,000
2025-26	HR System	15,000
2025-26	Drug Store Update	20,000
2025-26	New Shop 1 Fit-out	40,000
2025-26	New Shop 2 Fit-out	40,000
		<hr/>
		515,000

The Govt Grant is estimated at £395k and it is assumed that it will cover all the first projects in the CapEx list; this is subject to criteria being confirmed.

- Building project (subject to landlord agreement, planning, grant criteria etc) designed to facilitate a move on-site before the break-clause in Capitol House lease (cost saving of £60k+ pa)
- Website overdue and should facilitate donations and communications
- Remembrance Garden related to building project
- Drug Store is with Trust (potential part-funding)
- Two new shops fit-out (October 2025 and March 2026) – only if we find correct site.

Direct Clinical Costs (£4.66m v £4.86m)



- Total of £4.66m for direct clinical costs (24-25 £4.86m – cost reductions only partially in year)
 - Run-rate for 3m Nov '24 to Jan '25 (*after* reductions and Afc pay rise) £4.44m so in line with new budget.
 - Depreciation is up £26k following Grant driven CapEx.
 - 3% assumption for clinical (Afc)
 - No Pay increase for non-clinical staff
- £57k increase over August 2024 (post-cost reductions) projection
- Er's NIC change adds £90k to Clinical costs
 - 0.6 FTE New Volunteer role £18k – to support Hospice Volunteer growth and co-ordinate fundraising volunteers for Community Action/Campaign
 - Utilities are up £26k
 - Other costs down on August 2024 projection

Support Services Costs (£1.15m v £1.4m)



- Total of £1.17m for support services costs (24-25 £1.4m) – split 67% Clinical and 33% income generation.
- 2025-26 budget is £120k *more* than the August 2024 projection (post cost-reductions) - £40k for the Hospice database role; £12k IT consultant role retained for capacity; £12k staff life cover (reduced instead of cancelled); £15k HR refund in 2024 incorrectly included in August projection for future years; £17k Er's NIC increase. £20k added for 'Visibility marketing'
- Other costs even cf August projection.

		2024-5	2025-6	Var	
Finance	Staff Cost	£95,777	£87,728	-£8,049	cut less Er's increase
	Other Costs	£63,536	£45,466	-£18,070	lower VAT write-off
Facilities	Staff Cost	£111,841	£104,014	-£7,827	Salary decrease
	Other Costs	£3,296	£3,696	£401	
General	Staff Cost	£190,786	£182,625	-£8,161	
	Buildings	£57,396	£58,071	£675	
	Wimbledon Park w/off	£110,000	£0	-£110,000	aim to assign lease door drop in 24
	Marketing	£44,558	£29,500	-£15,058	
	Computers, Website, Professional Services etc	£179,143	£165,409	-£13,733	reduced life cover
HR	Staff Cost	£139,587	£116,375	-£23,212	various
	Other Costs	£23,597	£18,972	-£4,625	elements
IT	Staff Cost	£261,703	£236,986	-£24,717	cuts less new role
	Other Costs	£120,288	£118,432	-£1,855	
		£1,401,507	£1,167,275	-£234,231	

Fundraising Income Target (£1.62m v £1.9m)



12 Months to March	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	Variance
Appeals	£167,263	£157,462	£155,155	£148,120	£230,964	£200,000	-£30,964
Challenge	£35,697	£49,034	£77,795	£117,344	£104,234	£115,000	£10,766
Community	£99,699	£82,901	£136,022	£122,697	£127,554	£135,300	£7,746
Corporate	£109,163	£125,596	£118,385	£110,739	£152,032	£160,000	£7,968
Events	£13,120	£33,573	£28,545	£44,595	£47,764	£70,000	£22,236
In-Mem	£214,940	£146,013	£221,629	£189,517	£309,700	£305,000	-£4,700
Other/Gen Giving	£113,157	£35,141	£87,993	£98,617	£120,043	£70,000	-£50,043
Regular	£55,799	£55,945	£57,568	£60,500	£91,572	£126,160	£34,588
Trusts	£161,066	£261,831	£195,527	£202,088	£231,717	£280,000	£48,284
Major Donors	£148,000	£0	£0	£14,080	£294,912	£72,000	-£222,912
Gift Aid	£104,783	£48,915	£53,601	£60,383	£182,008	£90,542	-£91,465
Total Fundraising	£1,222,685	£996,411	£1,132,220	£1,168,678	£1,892,498	£1,624,002	-£268,496

- Donation income has broken through the ceiling of c£1.2m (last fifteen years) in 2025-26 – evidences that our targets are achievable although remain hugely risky and challenging.
- Stripping out single £250k gift and extra £120k of Gift Aid leaves a *growth* level of c£100k to achieve for 2025-26.
- Noteworthy that Q1-2 of current year was 9% above prior year but Q3-4 is 52% above = trajectory

Fundraising Costs (£0.82m v £0.72m)



- Donation income has been achieved with much less expenditure than budgeted in 2024-25
- We now need to press our improved visibility home and deliver the engagement that can maintain this level of income, and continue to grow it for a further year
- This budget enables the planning of activity to reach our community, our corporates and our various social groups, social media etc
- Overall budget up £105k

	2024-5	2025-6	Var	
Communications and Marketing	£11,321	£27,500	£16,179	a further £29k is in 'General'
FR Costs - Legacies	£2	£32,000	£31,999	
FR Costs - Trusts	£1,000	£5,000	£4,000	
FR Costs - Events	£18,090	£17,400	£-690	
FR Costs - Challenges	£10,415	£16,600	£6,185	
FR Costs - Community	£4,116	£16,200	£12,084	
FR Costs - Corporate	£1,643	£10,500	£8,857	
FR Costs - Major Donors	£1,400	£4,500	£3,100	
FR Costs - Appeals	£14,950	£65,000	£50,050	
FR Costs - In Memory	£5,086	£20,000	£14,914	
FR Costs - Supporter Care	£3,576	£5,000	£1,424	
	£71,598	£219,700	£148,102	
Staff Costs	£563,670	£515,077	£-48,593	cuts
Other Costs	£75,356	£81,569	£6,213	
	£710,624	£816,346	£105,722	

Retail



- **Income up £134k (6.5%)**
- Wimbledon Park closed and rent written off in 2024-25. Aim to assign the lease to recoup this cost asap.
- New shop assumed from November 2025
- Monthly pop-up sales included
- **Costs up £56k (3.5%)**
- Big savings over 2023-4 in other costs to be maintained
- **Contribution £410k (20%)**

	2023-4	2024-5	2025-6	Var
Rosehill	£122,422	£150,819	£155,383	£4,564
Raynes Park	£96,230	£96,322	£95,879	-£443
Sutton	£150,350	£162,561	£174,408	£11,847
Banstead	£116,126	£125,097	£130,721	£5,624
Stonecot Hill	£100,421	£97,077	£97,045	-£32
Carshalton	£137,208	£142,916	£145,216	£2,300
Cheam Shop	£161,278	£165,161	£170,966	£5,805
Donation Station	£216,597	£231,120	£252,873	£21,753
New Malden	£180,960	£175,708	£175,478	-£230
Wimbledon Village	£226,676	£259,580	£272,267	£12,687
Morden	£97,826	£213,810	£219,270	£5,460
Pop-Ups			£35,000	£35,000
Ebay	£10,117	£9,852	£11,434	£1,582
Wimbledon Park	£50,801	£43,921	£0	-£43,921
New Shop			£57,975	£57,975
Gift Aid	£59,702	£85,452	£99,696	£14,243
	£1,726,714	£1,959,394	£2,093,611	£134,217
Staff Costs	£890,129	£883,787	£925,633	£41,846
Rent and rates	£408,347	£424,131	£413,582	-£10,549
Depreciation	£88,095	£86,684	£89,503	£2,819
Other	£305,306	£232,538	£254,725	£22,187
	£1,691,877	£1,627,139	£1,683,443	£56,304
Contribution	£34,837	£332,255	£410,168	£77,913

Lottery



- **Currently Assumed to transfer to LHL in November**
- **Will need report for Board Meeting**

Local Hospice Lottery Due Diligence

For the purpose of this report, I am not going to review the financial modelling as this has been looked at in detail. What joining Local Hospice Lottery (LHL) provides is proven expertise, guaranteed consistent financial income but no growth. They also say they reduce the administration although it is hard to assess. LHL are effectively another Hospice and as such are not a competitor. We have no reason to distrust their figures or that they would damage our reputation. They currently have 41 hospices signed up and more are in the pipeline, therefore it is fair to presume that they have many happy customers with the benefit of all the profits raised go to supporting Farley Hospice.

By joining LHL we would not be able to do Bumper Draws as part of the Lottery or via the Gambling Commission we would need a new council licence. Council licences have a financial limit and a fixed number of uses ie £100,000 per year and 10 uses, this could impact fundraising. We would not be able to have weekly Lottery sales via our shops, something we had planned to do and which our EPOS system offers without any additional cost.

As of the end of 2024 we have 5,693 players with an attrition rate of 10.85% (this was halfway through the second Britevox campaign). Week ending 7th March we have 6,262 players playing 8,617 lines.

I and the team have looked at the following areas:

- Other similar Lottery products
- Data, ownership and marketing
- Attrition and canvassing for replacements
- Feedback from other LHL members
- Potential impact on fundraising

Lottery Products

We reviewed Zenterprize (an arm of Britevox) and Unity (a second Sterling product). Both provide a very similar offer at a near similar return but neither backfill attrition to maintain player numbers and therefore return would decline if we did not use a canvassing company. Both would run the Lottery with a similar amount of administration to LHL, but we would retain our own Gambling Commission Licence.

Of the two Unity would offer us the most continuity as they are Sterling our existing provider who know us well and have given us excellent service. It should also be noted that our rolled over contract with Sterling doesn't end until December 2026. I have asked them for details of any penalties should we decide to leave before 2026. The contract is attached to this report.

Quote for Zenterprize and Unity attached.

Data

If we move to LHL our players go over to the LHL and use, their Gambling Commission licence. We would need to contact all our players and ask them if they are happy to move to the new licence. LHL forecast that 5% will decide not to transfer. We last contacted our players in 2022 when we moved them from the DOC licence to the new SRH and our attrition was 0.4%.

Those players who move to LHL then become covered by the LHL licence and the Data technically belongs to them. They will share new player data with us, and we are allowed to communicate with both old and new players **provided** they consent. LHL will market to them with special offers and to upgrade but we will not have control over this. This means that they will very much be looking at our lottery players in isolation of LHL not of their value to us for cross selling.

Our players would belong to LHL and therefore they would have legitimate interest to contact them with communications both Lottery and other. We would not have legitimate interest and will be reliant on the members opting in to having communication from us. If either of us over communicate with them they will most likely withdraw from being communicated with by us as they have to be communicated with by LHL to be told when they win.

Statistics show that between 30/40% of Lottery players go on to leave a gift in their Wills which means that they are some of our most important engaged donors. It is also worth noting that many players believe that they are making a regular gift not gambling with us.

Attrition and canvassing for replacements

LHL will use self-employed canvassers and agencies, to replace the players who leave. They guarantee to maintain our player numbers to the level we join with. The costs of this recruitment is lost in the payment model. This means that effectively it looks as if there are no costs for acquisition.

The LHL canvassers will recruit new players through Door to Door (D2D) sign up, across our two boroughs. We will have no involvement in the training of these canvassers. We can log on and see where the canvassers will be the day before they go out.

If we wanted to use D2D or private site fundraising to recruit Regular Givers we could find ourselves in direct competition with LHL. They say they will try to rest a particular postcode for a week at our request. They will market three super draws, special offers and other player engagement offers to our players, and we will have limited opportunity to influence who, what and when which means we might be in direct competition.

We can only log on and see complaints a month after the incident.

Statistics about our Lottery players

The chart below shows the number of players, cancelations and new players since 2009 which is when we started recording them on RaisersEdge now NXT.

Year	Total Players	New this Year	Cancelled this year	Players at year end	Attrition Rate
2009	3039	0	308	2731	10.13%
2010	2731	606	251	3086	9.19%
2011	3086	558	501	3143	16.23%
2012	3143	1416	451	4108	14.35%
2013	4108	1171	490	4789	11.93%
2014	4789	1604	728	5665	15.20%
2015	5665	1343	1036	5972	18.29%
2016	5972	2423	1233	7162	20.65%
2017	7162	1176	1514	6824	21.14%
2018	6824	548	1052	6320	15.42%
2019	6320	124	742	5702	11.74%
2020	5702	308	577	5433	10.12%
2021	5433	134	465	5102	8.56%
2022	5102	90	388	4804	7.60%
2023	4804	1091	787	5108	16.38%
2024	5108	1139	554	5693	10.85%
					13.61%

- 45% of our former lottery players, on NXT, are deceased therefore we can assume that is the most common reason for leaving. (Other reasons for leaving financial circumstances change, age related disease, move away, cut down on charitable giving, views on gambling change, go into care, family feel they should stop)
- On average lottery players contribute £75,000 of non-lottery income to SRH (£25,000 of this is from appeals)
- Since 2009 lottery players have left £329,562 on legacies. This figure is what has been recorded on NXT. (These figures are likely to be more as we have only started recording this information since the set up of Supporter Care) Most of these legacies have come in since 2015 which it could be assumed is related to the age profile of players and the death rate.

Our attrition rate could be reduced with the introduction of a supporter journey consisting of:

- Monthly emails
- Opportunity to engage in special draws
- Free birthday draws
- Reduce prize pot increasing the number of winners

Feedback from other LHL members

We spoke with Princess Alice, EACH and St Joseph's the following is what they said:

- The number of complaints about canvassers rose considerably when we moved over and has not reduced over time. This takes up admin time and reputational risk.
- As the canvassers are branded LHL there is a lot of confusion from the public, people are concerned they weren't genuine
- They find it difficult to recruit and retain canvassers
- They are more expensive than they make out
- It's too difficult to leave, it's a once only decision.
- We make £804,000 revenue and get £494,000 from LHL **(still trying to find out number of players and lines)**
- If we could get out of it, we would
- Not the magical solution, true that there is some time freed up for the team, but it is static income with no growth
- We don't leave because we don't want to kill our Lottery

Potential impact on fundraising

- The jeopardy of giving away ownership of our supporters
- Should we be moving supporters, many of whom see themselves as individual givers when they may choose not to agree to contact from us.
- Conflict for ownership of the supporters in our patch
- Reputational risk of control over LHL canvassers
- Time to answer supporters' queries and resolve complaints

The benefits of using Britevox for signing up new players

Although using Britevox is expensive there are a number of benefits they offer us.

- They are branded and trained by us and the public see them as our employees
- They are highly trained and managed and over the most recent campaign we received 4 complaints (1 upheld) and 8 compliments
- Over the four months of the campaign, they gave St Raphael's Hospice visibility across both boroughs
- Where else do we acquire this many cold supporters?

The statistics from the campaign that has just closed the highlights of which are:

Of the 2,099 new supporters 87% opted in for email, 67% for SMS and 57% for post. The average age of the new signups is 53 making them statistically more likely to stay with us.

If a new player withdraws before making a payment we are not charged, if they leave in the first month, we get 100% of the acquisition fee back. if they leave in month two, we get 50% back. (It is my understanding there is no refund with LHL, if the new player doesn't pay or leaves at any point)

Britevox Campaign Attrition

	2024	2025
Total attrition	554	
Total number of BV attrition	395	391
Number of credits for BV players	140 (45 @50% & 95 @ 100%)	108 (37 @50% & 95 @ 100%)

Other options:

For the purpose of this report, I have not looked at other options but some that might be worth consideration before we commit are:

- Bringing everything in house including random number selection etc.
- Employing our own team of canvassers supplemented with volunteers

Business Case for transfer of St Raphael's Lottery to the Local Hospice Lottery

Summary

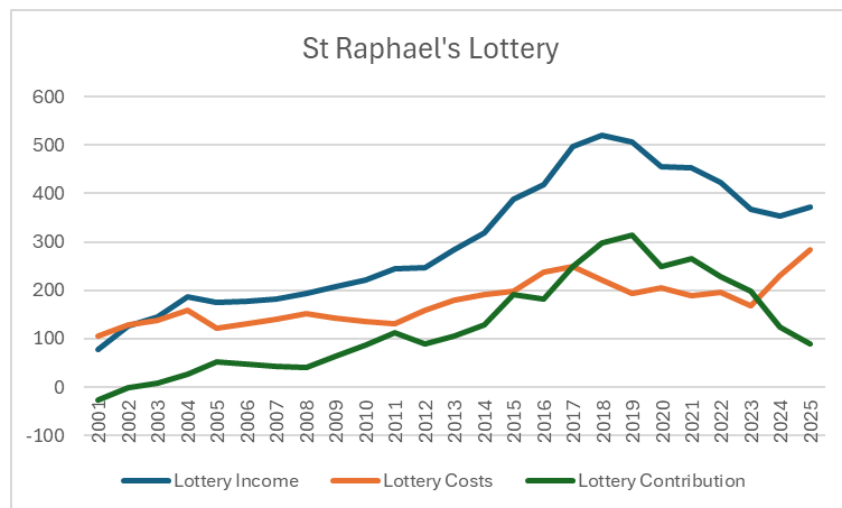
This paper sets out the rationale for a proposal to move the St Raphael's Lottery to the 'Local Hospice Lottery' portfolio with the objective to:

- Lower risk – the LHL scheme includes consistent recruitment to replace attrition which maintains contribution
- Increase contribution % - increase contribution from 40% to 73%
- Reduce administration and management resource – the Lottery is absorbed into the LHL licensed lottery
- Provide an opportunity for developing and nurturing supporters – access to all data for marketing and relationship building.

2. Introduction

The primary purpose of the lottery is to provide a strong and sustainable *contribution* (the net income after the costs of administration and prizes). Lottery players are also supporters of the Hospice, and there is a secondary purpose to nurture and develop a relationship with them. Anecdotal evidence suggests that a high proportion of lottery players remember their chosen charity in their wills.

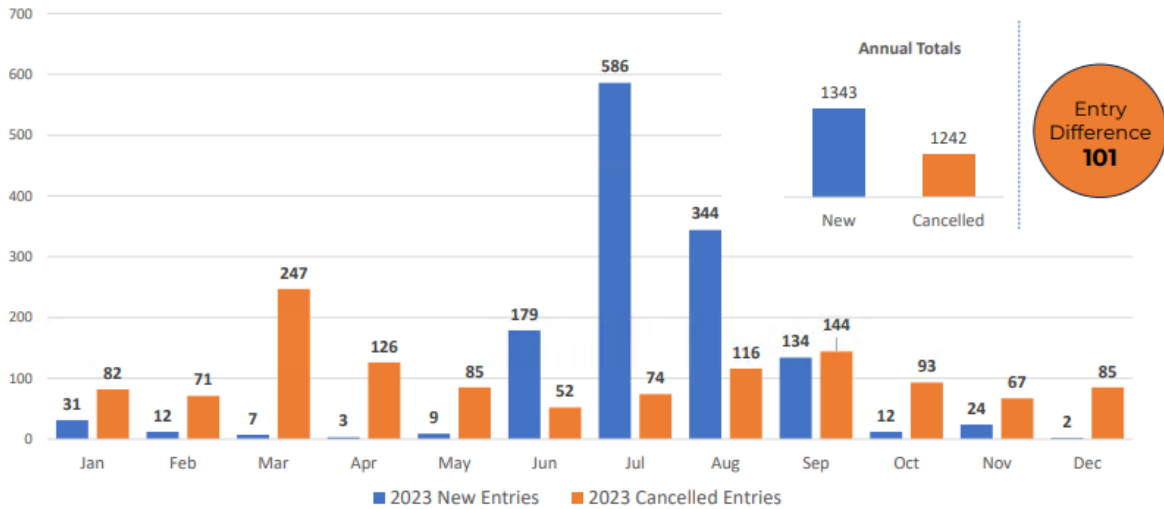
St Raphael's has run its own lottery since 2001 and has at different times invested in growing the numbers. The graph below shows the income, costs and contribution over this period.



The average contribution between the year ending 31st March 2010 (YE 2010) and YE 2023 was £190k which is 49% of income. It peaked at £312k (62%) in YE 2019 before showing a marked decline in the following years.

The attrition (cancellation) rate gathered pace after the pandemic and in 2023 and 2024 an external agency, Britevox, has been used to recruit new players. As is illustrated in the graph below, in calendar year 2023 the campaign merely succeeded in maintaining the numbers (a net gain of 101) at a cost of over £80,000.

New Entries / Cancelled Entries 2023



Attrition was particularly high in March and April 2023 due to the change in registration (when letters were sent to all players with an option to cancel). This is likely to have *added* around 200-250 cancellations (3-4%). Attrition is also high for new recruits in the first 2-3 months, and this is illustrated in August-October with around 120 *additional* cancellations (12% of the new recruits).

Once we strip out the peculiarities of the year, we can see that there is a background attrition of around 75 per month. This means that we would need to recruit around 7-900 per year to maintain a level number of plays.

By the end March 2024 we had 6,815 plays and our 2024 recruitment campaign had the objective to recruit 2,000 news plays which would cost c.£190,000. By the end of August, when the campaign went live, we had 6,500 plays. By the end of December 2024 we had 7,842.

Quotes from alternatives were based on a level of 7,000 plays and so, assuming we were to retain 7,000 by the new financial year and then recruited sufficient each month to replace the cancellations (but no more) our projected I&E would be as follows:

Contribution based on 7,000 plays per week	2025-26	2026-27	2027-28	2028-29	2029-30
Income	£364,000	£364,000	£364,000	£364,000	£364,000
Agency Staff	£(85,265)	£(89,148)	£(92,649)	£(95,720)	£(98,416)
Bank and Credit Card Charges	£(5,460)	£(5,460)	£(5,460)	£(5,460)	£(5,460)
Lottery Prizes	£(82,500)	£(82,500)	£(82,500)	£(82,500)	£(82,500)
Professional Services	£(40,040)	£(40,040)	£(40,040)	£(40,040)	£(40,040)
Contribution in-house	£150,735	£146,852	£143,351	£140,280	£137,584

The contribution levels would be around 40%.

Alternative Approach

An alternative approach would be to outsource the lottery to a provider who runs a single lottery that is branded under many different charity identities. These spread the prize pot and the administration costs over a much wider base and offer a higher net contribution than we are achieving independently.

We reviewed three options:

1. Local Hospice Lottery (LHL) – this is sector specific and has 41 current hospices as members (Princess Alice Hospice being a recent new member) with over 280,000 players.
2. Unity Lottery is a large, national provider across all charity sectors - this is linked to our administration provider, Sterling Lotteries
3. Zenter Lottery is related to BriteVox, our lottery recruitment agency

All three options offer a contribution of 70% or more. However, they differ in that only LHL *includes* the acquisition of new members within the pricing structure. This is a unique distinguisher which is designed to maintain the overall level over time by recruiting as many players as leave through cancellation using their own in-house teams of experienced canvassers.

This means that the 70% return would be predicated on paying for the new players on an ongoing basis (at a cost of c£90k per annum). This cost needs to be deducted from the in-house and external quotes in order to arrive at a comparable position.

A summary of the quotes (which were all based on 7,000 plays) is below, with the ongoing cost of recruitment factored in to enable comparison:

Contribution based on 7,000 plays per week	2025-26	2026-27	2027-28	2028-29	2029-30	Five Year Total
Contribution in-house	£150,735	£146,852	£143,351	£140,280	£137,584	£718,802
Contribution from Local Hospice Lottery	£268,780	£264,289	£286,797	£286,773	£286,772	£1,393,411
Contribution from Unity Lottery	£169,535	£165,652	£162,151	£159,080	£156,384	£812,802
Contribution from Zenter Lottery	£180,455	£176,572	£173,071	£170,000	£167,304	£867,402

The financial summary clearly shows the LHL model to be the most effective with a 73% return including the cost of recruitment factored in. The alternatives being at or around 50% and in-house 40%.

However, the LHL model appears too good to be true.

The LHL model

Key elements to the model are:

1. For plays that are transferred in, 80p in the £1 is **donated** back to the charity.
2. All costs of prizes and administration are covered by the 20p retained.
3. As existing players cancel (assumed at 20 per week in the model), new players are recruited by the in-house team or by external agency.
4. New plays are donated at 60p in the £1 and 40% of the cost of recruitment is covered by LHL.
5. The remaining 60% of recruitment cost is due from the charity but is deferred until new earnings (from those new recruits) can cover this cost.
6. A balance 'owed' is built up (and up) and offset by a small, but growing, income stream from new players. After 18 months a 'tipping point' is reached where the income from new plays is greater than the cost of recruitment in that month and the balance 'owed' start to reduce, ultimately that balance is eliminated.
7. In essence, the volume of plays each week is maintained throughout and returns a contribution of 80% (from original players) and 60% from new ones.
8. As the balance shifts towards 60% returns the overall donation reduces. However, once the tipping point is reached, the new plays recruited are paid at the 80% level (rather than the 60%) and this means that the overall return stays at around 73%.
9. In addition there is £5,000 annual license fee (paid by LHL to SRH) and transfer fee of 25p per transferred player per annum.
10. Upon initial transfer, LHL experience an 80% uptake of the 'rounding up' from £4.34 per month to £5. This provides an additional income source with 80% donated to us.

The contract lays these criteria out and also states an expected return to St Raphaels 'at least £1,300k over five years' (compared to our own in-house expectation of closer to £700,000 (based on maintaining a level of 7,000 plays).

It seems too good to be true and LHL would not provide the financial modelling to back up the assertion. However, I was able to recreate the model and could then see that there is indeed a 'tipping' point which starts to reduce the deferred costs back to zero even when costs of recruitment continue to be incurred to maintain the levels.

I attach a powerpoint which attempts to illustrate how the model works; Their modelling indicates £1,393k and my re-modelling indicates £1,362k across the same timeframe.

Contribution from Local Hospice Lottery - NS calculations			£314,156	£280,741	£255,732	£245,039	£266,103		£1,361,770
Contribution from Local Hospice Lottery			£268,780	£264,289	£286,797	£286,773	£286,772		£1,393,411

The downside is that this is not a model that appears to facilitate further growth. The model is based on maintaining a pre-existing level and making payments to that level. In their quote they provided an option to grow by 1,000 or 2,000 over five years but exactly the same contribution was made as for the 7,000 maintain version. I have modelled these scenarios and they do replicate.

The corollary of this is that the higher the volume transferred, the greater the ongoing return. Our investment in recruits (currently over 7,800) will be translated into an ongoing contribution.

Risks

- The transfer of lottery members to a new lottery is a choice for them and they may choose to discontinue. LHL are experienced in the process and they indicate an average of 5% cessation (between 350 and 400 players). There is a risk that more might drop out.
- Data – the data is owned by LHL with SRH being given full access to contact and use the data. We would need to liaise closely with LHL to avoid duplicating contacts.
- In-house recruitment – any in-house recruitment would be priced in the same way as LHL recruitment, and we would receive only 60%.
- Bumper Draw – It would no longer be viable to undertake a bumper-draw (a wider sale of one-off tickets to a bigger prize pool). However, we would still retain an independent license that could be used for an in-house annual (or 6-monthly) 'Bumper Draw' that would be unrelated to the Lottery and could be developed as a new source of income.
- Exit – no hospice has ever exited the LHL portfolio. However, were we to do so, we would have an irrevocable right to contact the players and request that they transfer back to an in-house or alternative product. LHL would support this and would continue to pay the donation related to any that did not transfer away.

Timing

Approval to proceed from the Board will be required for us to press ahead with the planning to transfer. The current earliest opportunity to transfer would be October 2025 and that may be pushed back.

Following this approval SRH would still need to satisfy itself as to the practical details of the operation, involving our Commercial Director and Head of Communication in particular.

Recommendation

It is recommended that the SRH lottery is transferred across to LHL at the earliest opportunity, subject to legal agreements and to satisfactory scrutiny of the practicalities around data and communications.

Board Approval is requested to proceed in principle.

Nick Stevens

Joint CEO – 14th January 2025

St Raphael's Hospice RAG Report		February 2025		<i>Figures in Italics are estimates</i>									
Description	Target	Apr-24	May-24	Jun-24	Jul-24	Aug-24	Sep-24	Oct-24	Nov-24	Dec-24	Jan-25	Feb-25	Mar-25
Cumulative Donations incl GAID	Budget	£110,822	£225,666	£335,116	£438,577	£519,598	£602,556	£737,873	£870,110	£1,069,349	£1,152,170	£1,292,911	£1,402,275
	Actual	£123,976	£222,129	£273,714	£336,236	£443,229	£584,873	£760,231	£982,679	£1,219,141	£1,437,138	£1,790,000	£0
Cumulative FR Costs	Budget	£70,781	£136,026	£207,873	£275,348	£340,853	£405,579	£489,070	£562,907	£638,557	£702,595	£761,302	£827,274
	Actual	£68,296	£122,906	£178,418	£231,491	£285,641	£339,928	£399,273	£456,502	£554,835	£601,110	£649,159	£0
Cumulative FR Contribution	Budget	£40,041	£89,640	£127,243	£163,229	£178,745	£196,978	£248,803	£307,202	£430,792	£449,575	£531,609	£575,001
	Actual	£55,680	£99,223	£95,296	£104,745	£157,588	£244,945	£360,958	£526,177	£664,306	£836,027	£1,140,841	£0
Cumulative Legacies	Budget	£422	£16,465	£62,604	£237,124	£350,396	£449,132	£554,132	£637,082	£720,032	£817,646	£984,596	£1,312,500
	Actual	£1,206	£20,579	£93,059	£127,152	£162,552	£170,242	£317,451	£328,982	£416,239	£475,102	£1,040,000	£0
Cumulative Lottery Income	Budget	£27,564	£62,091	£89,771	£119,111	£174,480	£209,731	£255,867	£292,750	£329,573	£375,490	£412,127	£448,680
	Actual	£27,295	£66,013	£96,150	£122,793	£155,764	£183,164	£210,098	£246,271	£278,461	£317,311	£350,111	£0
Cumulative Lottery Contribution	Budget	£14,640	£35,607	£41,914	£-3,318	£-38,505	£-76,594	£-61,940	£-39,850	£-18,303	£10,784	£33,535	£54,652
	Actual	£15,659	£40,478	£58,945	£73,969	£89,180	£67,378	£62,649	£45,648	£32,649	£32,343	£34,000	£0
Cumulative Retail Income	Budget	£158,998	£323,309	£482,307	£646,826	£811,345	£970,544	£1,142,956	£1,309,793	£1,482,205	£1,647,789	£1,797,311	£1,962,895
	Actual	£177,275	£350,948	£512,172	£680,556	£835,634	£989,366	£1,161,050	£1,335,657	£1,499,223	£1,658,400	£1,803,000	£0
Cumulative Retail Costs	Budget	£143,990	£291,782	£442,542	£590,924	£737,515	£883,378	£1,028,480	£1,182,362	£1,326,132	£1,469,264	£1,617,822	£1,769,622
	Actual	£136,537	£269,905	£401,983	£539,048	£668,569	£798,096	£943,200	£1,072,523	£1,207,927	£1,346,148	£1,486,627	£0
Cumulative Retail Contribution	Budget	£15,008	£31,527	£39,765	£55,902	£73,830	£87,166	£114,476	£127,431	£156,073	£178,525	£179,488	£193,273
	Actual	£40,738	£81,043	£110,189	£141,508	£167,064	£191,270	£217,850	£263,134	£291,296	£312,252	£316,373	£0
Cumulative Clinical Costs	Budget	£429,161	£849,233	£1,269,990	£1,699,138	£2,243,306	£2,659,429	£3,078,824	£3,496,929	£3,913,978	£4,285,910	£4,656,206	£5,028,049
	Actual	£438,528	£849,165	£1,246,149	£1,677,392	£2,215,211	£2,633,179	£3,023,854	£3,387,064	£3,761,282	£4,132,381	£4,486,035	£0
Cumulative Support Costs	Budget	£107,575	£217,985	£325,478	£434,672	£540,642	£646,361	£750,235	£885,667	£990,090	£1,089,187	£1,182,133	£1,277,098
	Actual	£113,591	£202,454	£318,330	£434,199	£531,856	£645,951	£740,750	£868,964	£971,406	£1,105,416	£1,199,289	£0
Bank/Investment Balance	Budget	£3,180,878	£3,113,105	£3,796,553	£3,524,863	£3,523,803	£3,176,664	£2,857,691	£2,892,133	£2,382,801	£2,007,745	£2,773,146	£2,555,651
	Actual	£3,203,583	£2,979,876	£4,057,192	£3,696,669	£3,773,239	£3,349,059	£4,229,808	£4,023,492	£3,715,294	£4,200,455	£4,100,000	£0
Legacy Debtor	Budget	£1,185,852	£1,201,895	£1,148,034	£1,202,554	£1,195,825	£1,174,562	£1,159,562	£1,142,512	£1,225,462	£1,323,075	£740,025	£1,067,930
	Actual	£1,173,085	£1,148,262	£1,111,542	£1,175,004	£1,141,804	£1,096,804	£454,456	£440,149	£405,675	£345,512	£881,026	£0
Charity Monthly Shortfall/Surplus (excl DoC)	Budget	£(299,743)	£(260,131)	£737,096	£(188,628)	£(373,533)	£(263,503)	£(157,581)	£(208,065)	£(99,632)	£(124,589)	£(22,910)	£671,138
	Actual	£(324,564)	£(149,066)	£863,083	£(288,777)	£(292,679)	£(243,863)	£(47,369)	£62,673	£(60,502)	£80,229	£602,592	£0
Charity Cumulative Shortfall/Surplus (excl DoC)	Budget	£(299,743)	£(559,874)	£177,222	£(11,406)	£(384,939)	£(648,442)	£(806,023)	£(1,014,088)	£(1,113,720)	£(1,238,309)	£(1,261,219)	£(590,081)
	Actual	£(324,564)	£(473,630)	£389,453	£100,676	£(192,003)	£(435,867)	£(483,235)	£(420,562)	£(481,064)	£(496,992)	£105,600	£0



Lead To

Board Self-Review &

Skills Audit Results 2025



Prepared for
St Raphael's Hospice



Context





Survey design

- Trustees were invited to complete this self-evaluation survey during February 2025, assessing the board against the seven Principles outlined in the Charity Governance Code published with the Charity Commission.
- Statements were rated out of 10, with 0 meaning no achievement and 10 implying complete achievement.
- 7 trustees responded out of a possible 8 trustees.

Context to survey – prior self-review



- This survey was last undertaken in 2022, and for context, the following themes and actions emerged from that review that were then taken forwards and embedded into governance practices at the Hospice:
 - **Develop data reporting with new Datix system** – this system is now fully embedded, and has been used to enhance reporting to the Clinical Quality & Governance Committee.
 - **Embed reflection on the external operating environment into Board meetings** – there is a standing item on ICB funding and engagement on the Income Generation & Committee agenda, and the full Board has remained abreast of sector and policy developments through meetings, an ICB colleague presenting at a prior meeting, and joining Hospice UK webinars.
 - **Ensure oversight of finances** - the Board committed to oversee sustainability of income sources, and this has consistently been maintained including reshaping the Fundraising and Income Generation teams and making difficult decisions in relation to the restructure.

Context to survey – prior self-review (contd.)



- The following actions were taken arising from the 2022 review (contd.):
 - **Enhance Trustee visibility** - although this was initially inhibited by the pandemic (including in-person meetings being paused), the Board have introduced a more regular cycle of staff presentations, attended certain events (including linked to the restructure) and visited Retail premises; *this is still acknowledged as an area for development in this 2025 review – see below.*
 - **Recruit further Trustees** – we are delighted to have welcomed Carrie (from previous position as Board Advisor), Manjit and Steve to the Board since the last self-review.
 - **Improve approach to diversity and inclusion** – the Hospice has developed practices in this area with strategic input from Manjit, which has been a standing item for the HR Committee; this should be a continued priority for the incoming HR lead.

Context to survey – prior self-review (contd.)



- The following actions were taken arising from the 2022 review (contd.):
 - **Regularise safeguarding oversight** - this was enhanced through a standing item at Clinical Quality & Governance Committee, more regular review of the Policy, and
 - **Receive more benchmarking information** – more granular information is now given to the Income Generation & Communications on fundraising and retail benchmarks. This is also supported by collaborative working with other Hospices (e.g. knowledge of funding asks, financial pressures, and IT-related practices).
 - **Give more detail on third party contracts** – there has been some improvement on this action (e.g. tender updates to Finance Committee) but it can be further developed into an annual report to the Committee (see actions below).

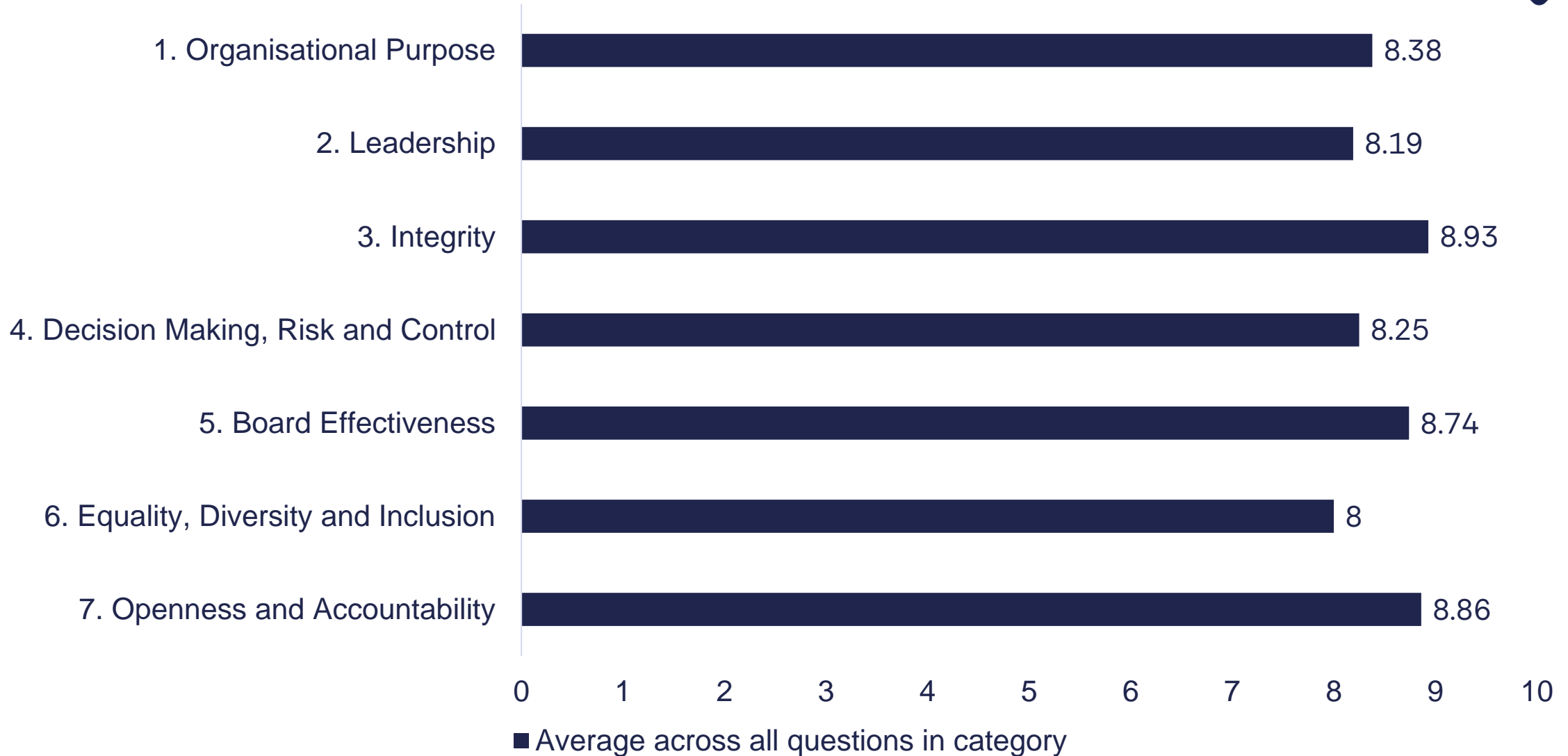
Part 1: Self-Review



Survey results: High-level analysis



High results across all categories



Qualitative comments: Strengths



- Trustees felt the Board has responded effectively to the challenges faced over the past year, in a way that has showed unity amongst Trustees and guidance from the Chair and Vice Chair.
- The focus on the aims of the Hospice has been strong, with the short- and long-term delivery of hospice services being held as a core priority.
- The Board felt that it has demonstrated integrity and respect when dealing with difficult issues.

Qualitative comments: Weaknesses



- Communication with/visibility among staff and stakeholders could be improved.
- The Board can at times become overly involved with operational issues.
- Exposure based on gaps in HR processes and procedures highlights a need to improve internal assurance checks.
- More time could be allocated to debating key issues.
- Clarification on the position, and respective responsibilities, within the shared CEO role was requested.

Feedback on training



- The training platform was considered by most trustees to have clear areas for improvement.
- The content of training was not all relevant to the role of trustees, and some modules did not seem suitably tailored to different roles, e.g. front-line staff vs trustees.
- Large quantities of content can make it hard to process and retain information.
- Only training completed within Bluestream modules can be recorded, so does not account for similar training already completed elsewhere.

Part 2: Skills Audit



Survey design



Trustees were asked to rate their skill or knowledge level on a range of areas using the scores below:

- 1 = highly competent
- 2 = competent
- 3 = developing
- 4 = not yet developed

Skills audit responses



Skill/knowledge area	Average rating /4
Experience in a health or social care field	1.6
Health governance and data protection	1.6
Senior executive experience in a private or non-profit sector	1.7
Financial qualification and experience	2.1
Legal (commercial, employment, property)	2.1
Organisational partnerships	2.3
Diversity, equity and inclusion (DEI) initiatives	2.4
Human resources at a strategic level	2.5
Current ICT expertise	2.8
Building/facilities management	3
Fundraising and income generation	3
Marketing and communications including social media	3
Retail experience in a multi-site operation	3.4

Actions planning



Conclusions



- Trustees are thanked for their involvement in this self-review, and also your time and dedication in navigating the range of matters that have required the Board's attention over the past year.
- The following actions are suggested as an outcome of this review:
 - Develop a full plan for 2025/26 Trustee engagement, including involvement in events, strategic support for fundraising, Retail visits, further presentations at Board and Committee meetings; this could also include a Trustee section in staff updates/ newsletters.
 - Organise a Trustee dinner/ event.
 - Ensure strategic challenge and support on agenda items, throughout Board and Committee meetings, and reflect on this through T-Time meetings.
 - Receive a 2025/26 plan for internal audit, including commissioning an HR-specific report at an agreed time after the new senior HR lead has been in post.

Conclusions (contd.)

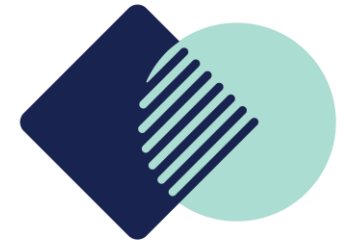


- The following actions are suggested as an outcome of this review (contd.):
 - Share role specifications for Joint CEO roles and dedicated section of T-Time discussion to focus on this topic.
 - Schedule certain 'topic-focused' working groups, or discussion meetings, outside main meetings to allow deeper discussion (e.g. Assisted Dying Bill).
 - Review Trustee 'Link' roles including appointing Safeguarding Link Trustee position.
 - Embed an annual report to Finance & Resources Committee on third party contracts/ agreements (action to embed from prior review).
 - Undertake a full review of the Trustee training content and modules, including streamlining number of required modules, tailoring to Trustees' roles, and considering whether more in-person, whole-board sessions could also be offered.
 - Consider recruitment of a Trustee, or co-opted Income Generation & Communications Committee member, with expertise in the lowest-rated areas (marketing and communications, and/ or retail experience)

Appendix 1: Full Self-Evaluation Results



Principle 1: Organisational Purpose 1 of 2



1. The board can demonstrate that St. Raphael's Hospice Charity is effective in achieving its charitable purposes and agreed outcomes.



2. The board has a shared understanding of and commitment to the purposes of St. Raphael's Hospice Charity and can articulate these clearly.



3. The board is clear about the aims of St. Raphael's Hospice Charity and ensures that these are being delivered effectively and sustainably.



0 1 2 3 4 5 6 7 8 9 10

■ Average

Principle 1: Organisational Purpose 2 of 2



4. The board leads the development of, and agrees a strategy and plan, to achieve St. Raphael's Hospice Charity's purposes and is clear about desired outputs, outcomes and impacts.

7.71

5. The board evaluates the impact, outputs and outcomes of St. Raphael's Hospice Charity on an ongoing basis.

8.29

6. The board is cognisant and has an understanding of the external environment which the St. Raphael's Hospice Charity serves.

8.43

0 1 2 3 4 5 6 7 8 9

■ Average

Principle 2: Leadership 1 of 2



8. Overarching Principle: St. Raphael's Hospice Charity is headed by an effective board that provides strategic leadership in line with its aims and values.

8.57

9. The board as a whole, and trustees individually, accept collective responsibility for ensuring St. Raphael's Hospice Charity has clear and relevant aims with an appropriate strategy to achieve them.

8.71

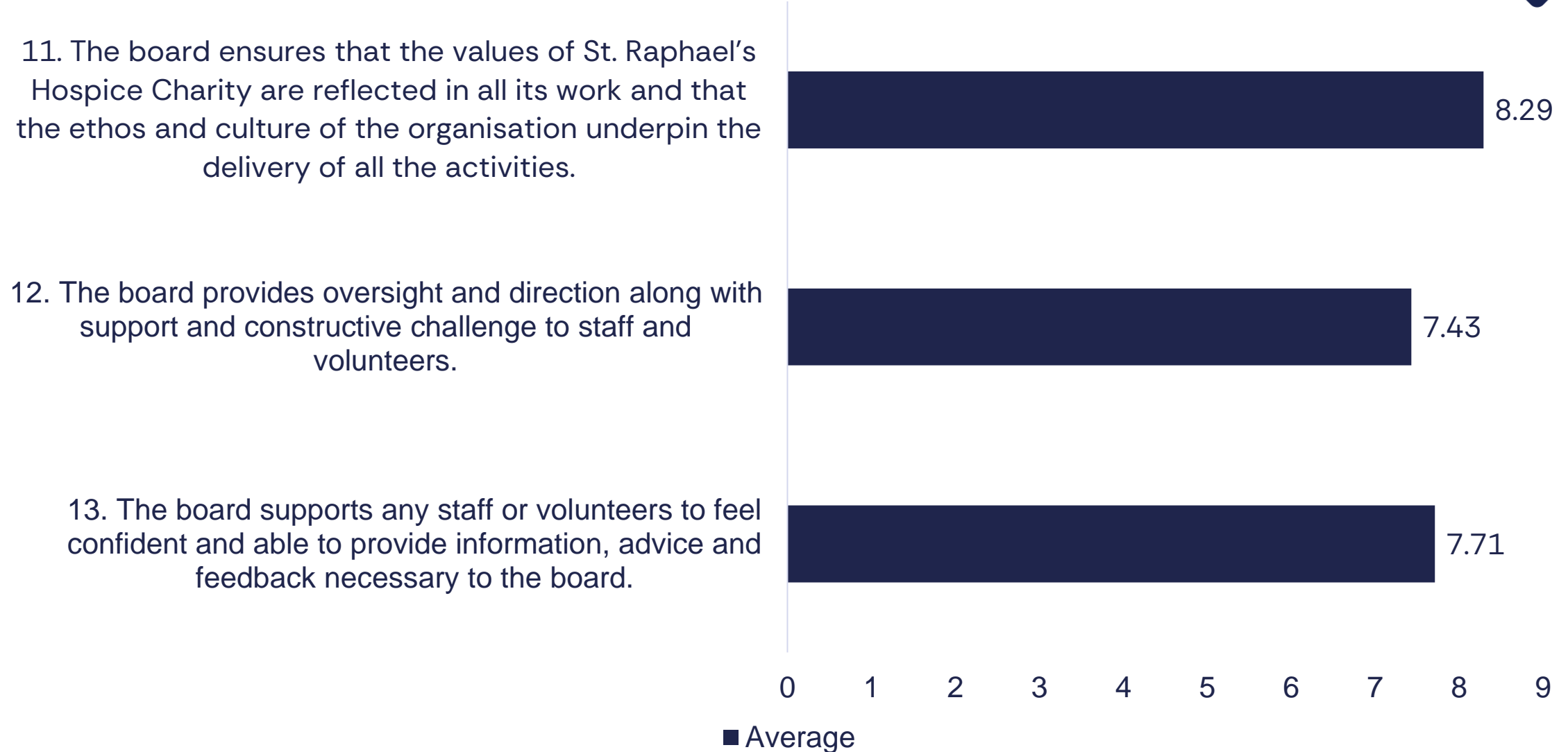
10. The board agrees St. Raphael's Hospice Charity's vision, values and reputation and leads by example and requires anyone representing St. Raphael's to reflect its values positively.

8.43

0 1 2 3 4 5 6 7 8 9 10

■ Average

Principle 2: Leadership 2 of 2



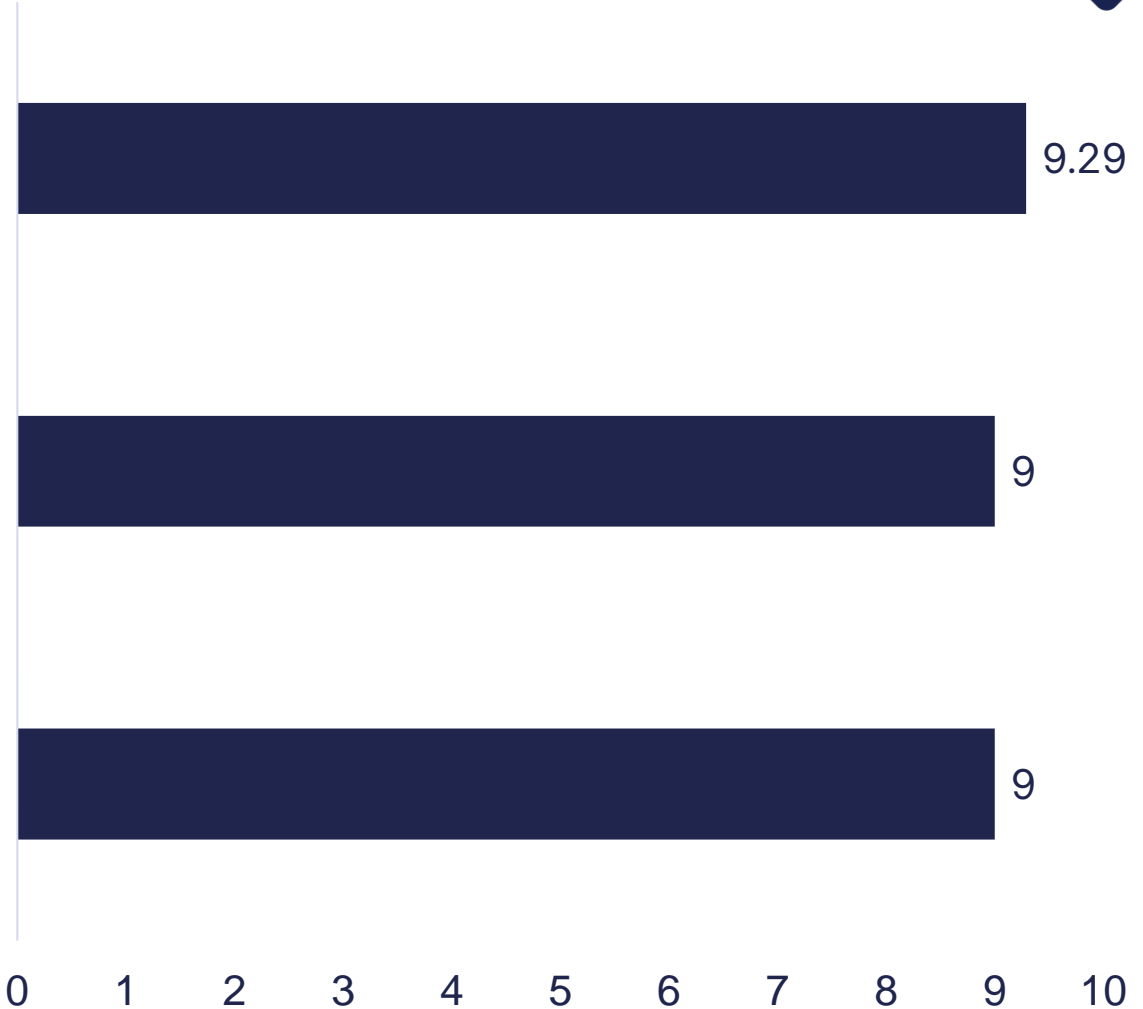
Principle 3: Integrity 1 of 2



15. The board acts with integrity, adopting values and creating a culture which helps to achieve the charitable purposes of St. Raphael's Hospice Charity, and is aware of the importance of the public's trust in St. Raphael's.

16. The board acts in the best interests of St. Raphael's Hospice Charity and its beneficiaries and is not unduly influenced by external and/or any personal interest. Collectively the board is independent in its decision making.

17. The board promotes and safeguards the reputation of St. Raphael's Hospice Charity.



■ Average

Principle 3: Integrity 2 of 2



18. The board recognises the importance of safeguarding all individuals within the organisation and oversees and regularly reviews the protocols and mechanisms in place.

8.14

19. Trustees accept, adopt and adhere to a suitable code of conduct adopted by St. Raphael's Hospice Charity.

8.86

20. Trustees disclose any actual or potential conflicts of interests to the board which are kept in a register.

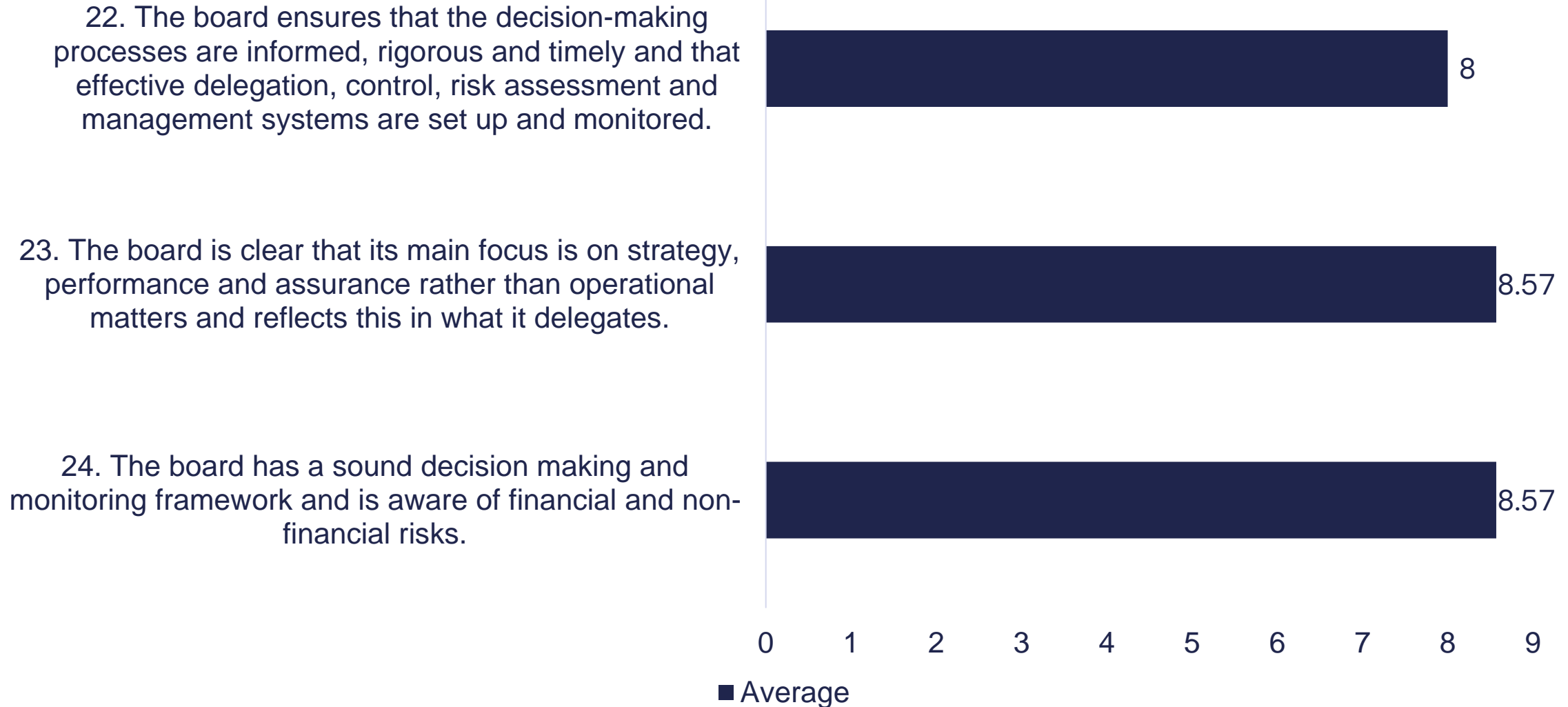
9.29

0 1 2 3 4 5 6 7 8 9 10

■ Average

Principle 4: Decision Making, Risk and Control

1 of 3



Principle 4: Decision Making, Risk and Control

2 of 3



25. Where aspects of the board's role are delegated to committees, staff or volunteers the board keeps responsibility and oversight.

8.71

26. The board ensures that its sub-committees have suitable terms of reference and membership.

9.14

27. The board assures itself that third parties work in the interests of St. Raphael's Hospice Charity and in line with its values and regularly review the agreements.

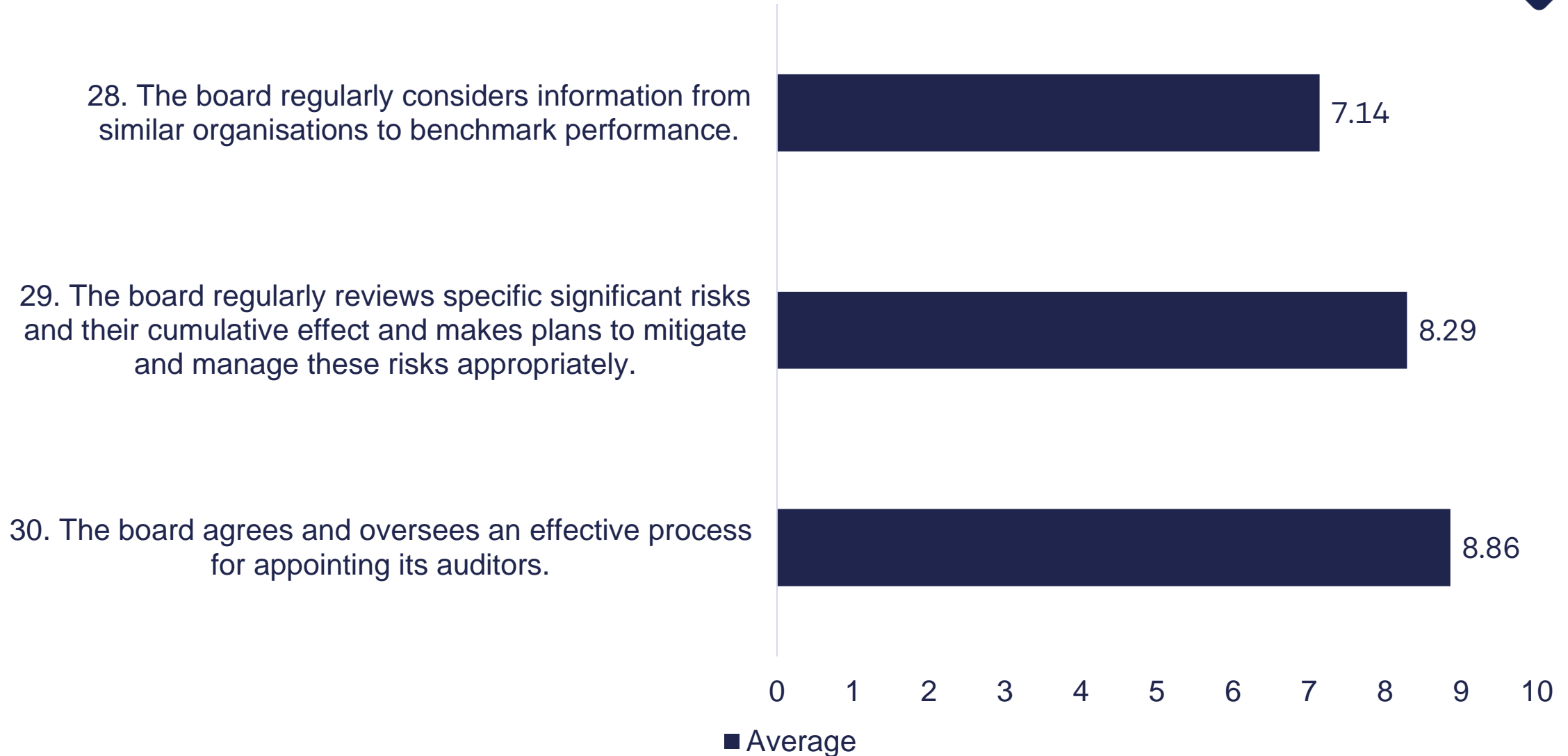
7

0 1 2 3 4 5 6 7 8 9 10

■ Average

Principle 4: Decision Making, Risk and Control

3 of 3



Principle 5: Board Effectiveness 1 of 2



32. The board works as an effective team using the appropriate balance of skills, experience, expertise, background and knowledge to make informed decisions.

8.43

33. The board's culture, behaviours and processes help it to be an effective team which feels it is safe to suggest, question and challenge ideas and does not avoid difficult topics.

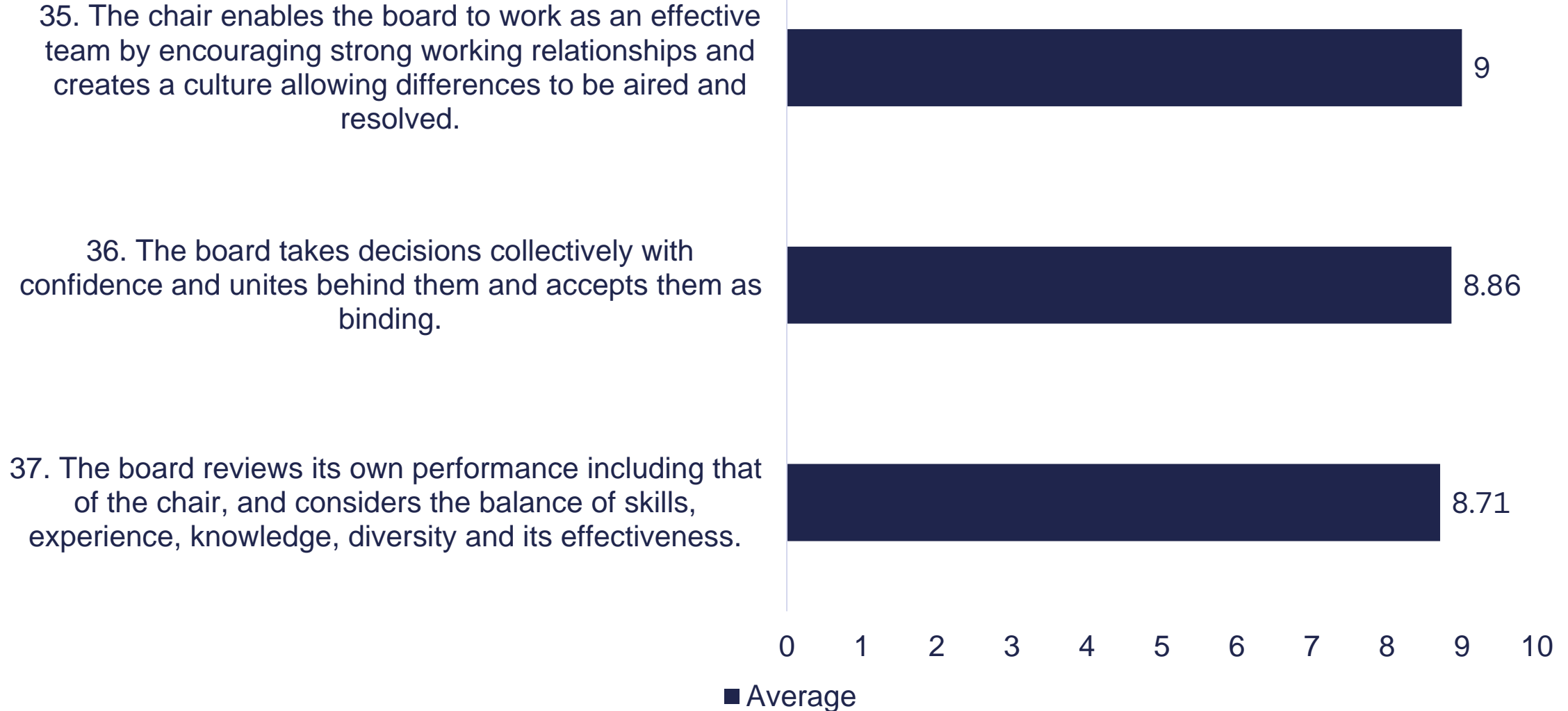
8.86

34. All trustees have appropriate skills and knowledge of St. Raphael's Hospice Charity and can give enough time to be effective in their role.

8.57



Principle 5: Board Effectiveness 2 of 2



Principle 6: Equality, Diversity and Inclusion 1 of 2



Principle 6: Equality, Diversity and Inclusion 2 of 2



42. The board of St. Raphael's Hospice Charity makes a positive effort to remove, reduce or prevent obstacles to people being trustees using available resources.

7.14

43. The board of St. Raphael's Hospice Charity sees diversity, in all its forms, as an important part of its regular reviews and when recruiting trustees considers how to attract a diverse pool of candidates.

7.71

0 1 2 3 4 5 6 7 8 9

■ Average

Principle 7: Openness and Accountability 1 of 2



Principle 7: Openness and Accountability 2 of 2

