

**St Raphael's Hospice**  
 Minutes of a Meeting of the Board of Trustees  
**Held at 13:30 on Wednesday 28<sup>th</sup> January 2026**  
**at St Raphael's Hospice**

**Trustees:**

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

**In attendance:**

<b>Rebecca Trower (RT)</b> ( <i>Joint CEO</i> )	<b>Nick Stevens (NS)</b> ( <i>Joint CEO</i> )	<b>Alex Rudkin</b> ( <i>Director of Quality &amp; Governance</i> )
<b>Ed Cook (EC)</b> ( <i>Advisor to DoC &amp; Finance Committee member</i> )	<b>John Groom (JG)</b> ( <i>Director of IT &amp; Estates</i> )	<b>Sara Jane Harris (SJH)</b> ( <i>Director of Income Generation</i> )
<b>Natalie Page (NP)</b> ( <i>Head of People Services</i> )	<b>Gaby Tamura-Rose (GT-R)</b> ( <i>Consultant – apologies from Naomi Collins, Lead Consultant</i> )	<b>Karen Monaghan (KM)</b> ( <i>Governance</i> )

Agenda item	Action	Responsible	Timeline	Ref.
6.2	An AI discussion, including education around AI for staff, to be added as a standing item on forthcoming CQ&G Committee agendas.	AR/KM	17.04.26	17.04.26/01

**1. Welcome and apologies for absence**

The Chair opened the meeting and welcomed all the meeting. There were no apologies.

**2. Declarations of interest**

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

**3. Minutes of Board meeting held on 22<sup>nd</sup> October 2025 & Actions List**

The minutes of the Board meeting held on 22<sup>nd</sup> October 2025 were reviewed and approved as a true and accurate record. Outstanding actions were reviewed and updates provided throughout the meeting.

**4. Executive Report**

**4.1 Financial Summary:** The Board were provided with a high-level financial overview, noting that performance to date was stronger than had been anticipated at the start of the financial year. Trustees were advised that income across several streams had exceeded expectations, contributing to a significantly improved year-to-date position when compared to budget. The Board acknowledged that this reflected a combination of strong fundraising income, improved investment returns, and one-off funding gains, rather than a resolution of the underlying challenge of funding recurrent service costs.

The Board discussed the importance of maintaining a clear distinction between one-off or restricted income and sustainable, recurring funding. Trustees emphasised that while recent philanthropic and capital support materially strengthened the balance sheet and cash position, liquidity and long-term income resilience remained the utmost priority. Assurance was sought and received that these distinctions would be clearly articulated in internal reporting, statutory accounts, and external communications.

**4.2 Workforce and Operations:** The Executive updated the Board on workforce and operational matters, highlighting a period of intense activity linked to organisational change, role redesign, and recruitment. Trustees noted that, despite the scale of change, operational continuity had been maintained, and several high-quality appointments had been made across clinical and non-clinical teams.

The Board received assurance that workforce pressures were being actively managed, supported by increased HR capacity and clearer job planning processes. Volunteer services were highlighted as a significant organisational strength, with over 500 active volunteers and continued recruitment across services. Trustees recognised the critical contribution of volunteers to both service delivery and organisational resilience.

Findings from the recent staff survey were discussed. Trustees welcomed the strong affirmation of care quality and professional pride, while noting concerns raised around workload, staffing levels, the absence of a pay award in the previous year, and perceptions of limited visibility and communication from senior leadership and the Board. The Board emphasised the importance of responding visibly and constructively to this feedback and sought assurance that actions were being developed to address the themes raised (with plans for Board visits to be discussed under the T-Time item).

**4.3 Clinical Update:** The Board received an update on clinical services, including recent changes in leadership within community services and the IPU. Trustees were assured that clinical governance arrangements remained robust and that service quality and patient safety continued to be monitored through established reporting and committee oversight.

The Executive reported that pressures within medical staffing had eased following recent changes and appointments, and that cross-working between community and inpatient teams was strengthening. Improvements in bereavement support capacity were noted, supported by the recruitment of volunteer counsellors, alongside continued progress in wellbeing services, education, and training.

The Board also noted the organisation's participation in a Continuing Healthcare Fast Track pilot with the Southwest London ICB. Trustees recognised this as an opportunity to improve system flow and patient experience, while also raising the hospice's profile within the wider health ecosystem.

**4.4 Communications and External Relations:** The Executive updated the Board on developments within communications and external relations, including changes in staffing and interim arrangements to ensure continuity and capacity within the function. Trustees noted the importance of strong communications during a period of organisational change and external scrutiny.

The Board discussed recent correspondence from NHS England to ICBs regarding hospice financial resilience and insolvency risk. Trustees agreed that this reflected increasing system-level concern and reinforced the need for clear, consistent engagement with commissioners and partners. The Board emphasised the importance of careful external messaging, particularly in relation to recent philanthropic gifts and capital investment, to ensure that stakeholders understood the distinction between one-off funding and the ongoing need for sustainable income to support core services.

**4.5 Strategy:** The Board was advised that progress against the current two-year strategy remained broadly on track, despite the challenging operating environment. Trustees noted that several strategic priorities, including service development, workforce stabilisation and system engagement, continued to be actively progressed.

The Executive highlighted that the current period represented an opportunity to take stock and re-energise strategic thinking, particularly considering recent financial developments regarding the Daughters of the Cross support and ongoing system pressures. Trustees agreed that the forthcoming Strategy Day would be a critical forum for shaping priorities for the next phase of the organisation's development.

*PH joined the meeting.*

## **5. Finance Report**

**5.1 Income and Expenditure:** The Board received a more detailed financial update covering performance for the nine months to 31 December 2025 and an early view of assumptions underpinning the 2026/27 budget. Trustees noted that the reported year-to-date deficit of £178k represented a significant improvement against the budgeted deficit of £895k at this point in the year. The Board recognised that this variance reflected a combination of stronger income performance and disciplined cost control across several areas.

Trustees noted that income from NHS sources had exceeded initial assumptions, reflecting a higher uplift than anticipated. In addition, grant income and investment returns were ahead of budget, with the latter benefitting from improved performance of the Sarasin investment portfolio. The Board acknowledged that, as discussed at the Finance Committee, investment performance remained aligned with the agreed low-to-moderate risk profile, and that returns reflected prudent stewardship rather than higher-risk exposure.

The Board reviewed performance across voluntary income streams. Donor income was reported as materially above budget at this stage, while recognising that the fundraising profile was expected to moderate in the year. Legacy income was also noted to be unusually strong at the nine-month point, with Trustees acknowledging both the opportunity this presented, and the inherent volatility associated with legacies. Retail contribution was reported as broadly on target, despite ongoing challenges relating to staffing capacity, volunteer availability, and the inability to open additional shops during the year as originally planned.

Trustees discussed lottery income, noting that both income and costs were currently below budget due to delays in establishing planned recruitment activity. The Board was reassured that alternative approaches were being tested, including targeted re-engagement of existing and lapsed supporters, and that contribution margins remained positive.

On the expenditure side, the Board noted that overall costs remained broadly in line with budget. Some areas of pressure were identified within clinical services, reflecting workforce demands and service intensity, and Trustees agreed that these pressures would need to be carefully reflected in future budget assumptions to avoid under-provision. Other areas, including support and depreciation costs, were reported as slightly better than budget.

The Board considered the organisation's cash position, noting that cash balances at the end of December stood at approximately £4.2m, compared with a budgeted position of £3.3m. Trustees acknowledged that this reflected the stronger overall financial performance to date, alongside the timing of income recognition, whilst noting the risk associated with the level of legacy debtors in relation to the timing of cash receipt.

The Board discussed in-depth the financial impact of the significant philanthropic gift from the Daughters of the Cross, including the transfer of land, capital funding, and multi-year revenue support. Trustees recognised the transformative nature of the gift for the organisation's balance sheet and future strategic options, while being clear that this represented a one-off enhancement rather than a permanent solution to recurrent funding challenges. The Board emphasised the importance of ensuring that this distinction was clearly articulated in statutory accounts, public reporting, and communications, to avoid any misunderstanding regarding the hospice's underlying financial sustainability.

Government capital grants were also discussed and those present received assurance that funded projects were progressing on time and within budget, and that all expenditure would meet the required deadlines for capitalisation.

The Board noted the scale of capital investment underway and reiterated the need for transparent communication to ensure stakeholders understood that capital funding could not be used to offset ongoing operating costs.

5.2 2026/27 Budget: The Board reviewed early assumptions informing the 2026/27 budget. Trustees noted that these assumptions remained cautious and were largely consistent with those used in previous planning cycles, including around NHS income uplift, fundraising performance, and cost inflation. The Board understood that the proposed 4% pay award for non-clinical staff had been incorporated into forward projections, while clinical pay remained subject to NHS Agenda for Change outcomes.

Trustees discussed longer-term financial sustainability, noting that while recent financial improvements and one-off gains had strengthened the short-term position, the organisation continued to face a structural challenge in ensuring that recurrent income met the full cost of service delivery. The Board reiterated the importance of maintaining a focus on liquidity, with free reserves remaining at the lower end of the agreed policy range. The forthcoming Strategy Day would be used to explore the longer-term financial model in more depth, test assumptions, and consider how the organisation could move towards a more resilient and sustainable operating position over the medium term.

5.3 Non-clinical staff Pay Award: The Board considered the recommendation from the Remuneration Committee to apply a 4% pay award to non-clinical staff. Trustees noted that no pay award had been made in the previous year due to the restructure, alongside the information presented on the sector benchmarking, inflationary pressures and increases in the National Living Wage. Clinical staff pay remained subject to NHS Agenda for Change outcomes expected in June.

**Decision: The Board approved the 4% pay award for non-clinical staff.**

## 6. Committee Update

6.1 HR Committee: The Board received an update from the HR Committee on the 13 January meeting. Trustees were assured that the revised Pay Policy had been reviewed, amended, and approved, and that implementation was progressing as planned. The Board noted positive outcomes in relation to volunteer engagement, including strong results from the survey and continued progress with volunteer accreditation. Trustees welcomed the involvement of volunteer contributions to Committee discussions, particularly in relation to retail volunteering.

An update was provided on payroll resilience, including the decision to implement a new payroll system. Trustees noted that this would improve accuracy, efficiency, and continuity, and were assured that implementation was being carefully managed, with appropriate testing and parallel running prior to go-live.

The Committee had also reviewed the operation of the Speaking Up Policy, and heard that a concern raised by a member of staff had been appropriately investigated and resolved, with clear communication and expectations agreed.

6.2 Clinical Quality & Governance Committee: The Board received an update from the Committee, which had met on 16 January which had included review of the organisational risk register, including the addition of longer-term strategic and workforce risks. Assurance was provided that pressures within medical staffing had reduced, and that recruitment and role changes were beginning to embed. Trustees welcomed progress in reducing waiting times for bereavement support through the introduction of new volunteer counsellors.

The Committee had reviewed operational aspects of admissions and patient flow, noting that while some improvements had been made, further work was required to strengthen alignment between community and inpatient services. Trustees were reassured that this was being actively monitored. The Committee had also considered the implications of emerging artificial intelligence (AI) tools in healthcare. Trustees welcomed the proactive approach to understanding opportunities and risks and agreed that AI should remain a standing item for governance oversight, supported by appropriate information governance and patient confidentiality safeguards.

**Action: An AI discussion, including education around AI for staff, to be added as a standing item on forthcoming Committee agendas.**

6.3 Income Generation & Communications Committee: Trustees acknowledged discussions at Committee level regarding retail and income generation challenges in relation to staffing constraints, volunteer availability and premises limitations which continue to affect retail capacity. Trustees noted that work was underway to review retail strategy, including consideration of staffing models, volunteer recruitment, shop mix, and alternative income channels. The importance of evidence-based decision-making to ensure that any investment in capacity was clearly linked to improved financial return and sustainability was emphasised.

6.4 Finance & Resources Committee: The Committee considered the accounting and reporting implications of the generous gift from the Daughters of the Cross, which would be finalised by 31<sup>st</sup> March 2026. Trustees discussed the treatment of land and capital grants within the statutory accounts and the need for transparency to ensure stakeholders clearly understood the non-recurrent nature of these items. The Committee supported the Executive's approach to working closely with auditors to ensure clarity and compliance, while avoiding any misinterpretation of the organisation's underlying financial position.

The Finance Committee had also reviewed early budget assumptions for 2026/27, noting that these remained cautious and broadly consistent with previous planning cycles. The Committee agreed that more detailed scenario testing and longer-term modelling would be required which, as discussed, would be covered at the Strategy Day.

6.5 Remuneration Committee: The Board received an update from the Remuneration Committee, which had met to consider pay, reward and related workforce matters. Trustees were advised that the Committee had undertaken a detailed review of the proposed pay award for non-clinical staff, considering affordability, sector benchmarking, inflationary pressures, and the organisation's recent decision not to award a pay increase in the previous year. The revised Pay Policy now provides a clearer and more consistent framework for future pay decisions.

## **7. Governance**

This item was moved to the T-Time session.

## **8. Any Other Business**

The Board confirmed attendance at the upcoming Strategy Day on Wednesday 18<sup>th</sup> March which would provide an important forum for discussion on the next phase of the Hospice's development. There were no further items of business raised.

*The meeting closed at 3.40pm*

Signed:

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Date:

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