

CSiS Charity Fund Business Plan and Budget for 2025

Chair's Statement

2024 was another challenging year for the Civil Service Insurance Society Charity Fund (CSiS CF), and for our partners and beneficiary groups. In accordance with our Objects, we were able to make grants of just over £318,000, and these were well-received by the individuals and charities we supported. However, that figure represents a drop of almost 13% from the grants we made in 2023, and we must be realistic that many of our current challenges will persist in 2025.

Throughout 2024 our key priority was the ongoing work with the Civil Service Insurance Society (CSiS) to clarify the Deed under which CSiS makes its annual donation to the Charity Fund. Our aims were to have a shared and legally-binding understanding of how the amount of the donation would in future be calculated, whilst allowing CSiS to increase its reserves where felt necessary, and to safeguard certainty of income for the Charity Fund.

I am delighted to report that we have now agreed the final wording of the new Deed, and it was signed on 8 April 2025. This has taken considerably longer than we hoped, but it is pleasing to be able to report that in parallel with these discussions, our relationship with the Board of the Insurance Society has hugely improved, and theirs with us. Attendance at one another's meetings has been valuable for all involved, and signing the Deed will cement an already-effective renewed relationship.

As discussions have proceeded, we have also reached a satisfactory outcome on the related issue of use by the Society of the Charity's name and logo in promotional material, and in particular any representation about sums to be donated to the Charity from profits. This means that the virtuous circle of the profits from CSiS being reinvested in the public and civil service communities from which they derive is again visible on both organisations and partner's websites and, where appropriate, in promotional material.

In January 2024, the Fund started to directly employ our Secretary, Kevin Holliday, rather than his employment being via the insurance society. These arrangements have gone well, thanks in large part to Kevin's organisation skills and help from our auditors, Deeks Evans.

As in previous years, Ray Flanagan has done an excellent job of leading our core activity of making grants, with trustee 'lead roles' with the charities we support being reviewed and strengthened. In this context, at the very start of 2025 we were deeply saddened to learn of the closure of the Healthcare Workers Foundation; while they continued to experience overwhelming demand, an increasingly difficult fundraising environment made it impossible for them to continue to operate. We share their concern that this may become a growing occurrence in the sector in coming years.

In 2025 we will aim to continue to deliver an effective grants programme, maintaining strong relationships with the charities we support.

Throughout the year Colin Birch has led a team keeping our Risk Register under review, for which we are most grateful. We have also started a review of our Memorandum and Articles, under the leadership of Charlie Cochrane, to ensure they remain relevant and fit for purpose. We see this work as important for our future and a key focus in the coming year. Additionally, we are revisiting the work done in recent years by a number of Task and Finish Groups in order to identify any improvement opportunities.

After a period of change on our Board, 2024 saw us successfully recruit three strong new trustees: Lisa Ray, previously General Secretary/CEO of the Civil Service Pensioners' Alliance (CSPA); Judith Smith, most recently Chief Executive of the Teaching Staff Trust, and Graham Hooper, former Chief Executive of the Charity for Civil Servants. We are delighted that all three agreed to join us and look forward to working with them in 2025.

We were less successful, unfortunately, in identifying a new Treasurer Trustee, despite strenuous efforts to attract a suitable candidate. We have recently decided that in 2025 we will run without the role being filled, reviewing this at the end of the year, and in this context are extremely grateful to Gaby Glasener-Cipollone, who is assisting with the role as far as she is able among her other business commitments.

We have reviewed our investment policies and the performance of our investment managers and concluded no changes are necessary at present, although we will continue to monitor their performance.

In 2024 our main source of income was, as usual, the donation from the Insurance Society, which was £200,186. Other income came from our investments in The Charities Property Fund and Blackrock Bond and Equity Funds. Total investment income for the year was £27,882. In order to maintain grants to our beneficiary charities at a worthwhile level, £120,000 was disinvested during the year. However, it is important to make clear we will not be able to continue this level of disinvestment for more than a few years, and at some point, the only funds we may have available to distribute will therefore be those we receive from the Society, which would require us to scale back our grant-making.

In closing, I offer my personal thanks to the entire Board for their support to me throughout 2024. In particular Colin, Ray and Gaby make significant contributions, and our smooth functioning would be impossible were it not for the work of our Company Secretary, Kevin Holliday.

The Fund will aim to deliver this 2025 plan whilst continuing to build on the positives achieved in 2024 and maintaining focus on our objectives:

The objects of the Charity are the relief of need, hardship and distress, including (but not exclusively) by the provision of financial and other assistance to serving, former and retired civil and public servants and their dependants either directly or by making grants to other organisations which can provide financial or other support to them ("the Objects").



Debbie Terry CSIS Charity Fund Chair
9 April 2025

Trustees' General Aim for the Charity

The Trustees' overall aim for the charity is to put the trading surplus of the Civil Service Insurance Society to good use, helping to relieve need, hardship and distress amongst serving, former and retired civil and public

servants and their families, both directly and by supporting organisations who support the communities in which they live.

Our priorities and key tasks for 2025 are:

| Priorities | Key tasks |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Internal focus | |
| <i>To make sure that the charity continues to be well run and does not lose strategic direction</i> | <ul style="list-style-type: none"> • Provide appropriate induction for our new Trustees. Review lead roles and focus on succession planning for key roles. • Keep the temporary Treasurer arrangements under review so as to be able to agree a way ahead at the end of 2025. |
| | <ul style="list-style-type: none"> • Ensure charity policies remain fit for purpose and that we meet our statutory obligations, in particular continued review of our reserves policy so that we can sustain our planned level of grant-giving through the next 3 to 5 years. |
| | <ul style="list-style-type: none"> • To review our governance arrangements in conjunction with all interested parties. |
| External focus | |
| <i>To continue to develop and improve the targeting of our grants to ensure its spread throughout the UK, and reaches as much of the diverse civil and public servant communities as possible, by:</i> | <ul style="list-style-type: none"> • Continuing to deliver as broad and generous a programme of grant giving as we are able, given our knowledge of partner delivery charities, civil and public servant communities and the challenges they currently face and our financial constraints. |
| | <ul style="list-style-type: none"> • Adapt and flex how we partner beneficiary charities, to ensure we continue to seek to make the most impact with the funds we provide to the ultimate beneficiaries of those charities. |
| | <ul style="list-style-type: none"> • When opportunities arise, promoting increased partnership working amongst the organisations we support and fostering joint working between them. |
| <i>To continue to maintain our strong relationship with the CSIS Directors and work with CSIS on joint marketing, by:</i> | <ul style="list-style-type: none"> • Concluding the on-going work with CSIS to revise the Deed governing our formal relationship |
| | <ul style="list-style-type: none"> • Working closely with the Society on any promotional material in order to enable both organisations to showcase the good work we are able to do with the income we receive from CSIS, reflecting the fact that the more successful CSIS is, the more we can do to make a real difference to the lives of individuals in hardship, need and distress. |
| | <ul style="list-style-type: none"> • Continuing to strengthen the relationship between the Charity Fund and CSIS by sharing information and improving understanding, including attendance at one another's Board Meetings. |

What success will look like

Before the end of 2025, we aim to have a new Deed in place to deliver clarity of the legal requirements surrounding the calculation of the donation which enables the Fund to meet its charitable objectives. We will have continued to strengthen and simplify the operation of the Charity, to have reviewed key procedures and governing documents as necessary, as well as responding to the changing needs of beneficiaries via our strong relationships with our beneficiary charities, thus maintaining the impact of our grant-giving and preparing them for whatever the future may hold.

2025 Budget

Expenditure:

| | |
|--------------------|-----------------|
| Office Expenditure | £43,000 |
| Grants Budget | £320,000 |
| Total | £363,000 |

Income:

| | |
|-------------------------------|-----------------|
| Cash at Bank 01/01/2025 | £45,368 |
| CSIS Donation (estimated) | £175,000 |
| Investment Income (estimated) | £30,000 |
| Withdrawal from investments | £140,000 |
| Total | £375,368 |

Balance in the bank at Year End 2025 **£27,368**

The budget will be reviewed at the end of June to ensure that the cashflow needed at the start of 2026 is sufficient. As a consequence of this budget the Board has agreed a new reserve of £540,000 for 2025.

Risks

Our Risk Register was reviewed again at the end of 2024 and was updated to take in to account any changes in circumstances. There were no major ones, although it is good to report that the actions under the heading of 'Future Actions Needed', continue to reduce. We will be focusing on those that remain, during the first half of 2025.

The most important Risks the Charity faces are:

- Lack of back-up in key roles for unplanned (or planned) absences. The key roles are Chair, Deputy Chair, Secretary, Grants Committee Chair and Finance Committee Chair.
- Our grant giving does not have the impact we intend.
- We suffer reputational damage either from the actions of others, poor use of funds or failure to do due diligence on the organisations we support.
- Systemic failures of the Charity Fund's digital software or security breaches of the data, documentation and important correspondence held by the Charity (digital and hard copy).
- Lack of preparedness to address sudden and unforeseen falls in donations or delayed payments from CSIS.

These risks are reviewed quarterly by the Board's senior team.