



Healthworks
the community health charity

FINANCE REPORT

2020 - 2021



THE LEGAL INFORMATION

Registered Company: 02952583
(England and Wales)

Registered Charity Number: 1040370

Registered Office:

Health Resource Centre,
Adelaide Terrace Benwell,
Newcastle upon Tyne, NE4 8BE

Trustees

Mr J Marks (Chair)
Dr P Cresswell (Vice Chair)
Ms D Creighton
Mr M.E. Turner
Ms D Lagun
Mr J Sabarre

Chief Executive

Mr Paul Court

Patron

Professor Sir Michael Marmot

Auditors

Stephenson Coates,
Newcastle Business Park,
2 Asama Court, NE4 7YD

Bankers

Barclays Bank plc, 446 Westgate
Road, NE4 9BN

Solicitors

David Grey, 56 Westgate Road,
NE1 5XU

Company status

The charity is controlled by its governing document, a deed of trust, and constitutes a company, limited by guarantee as defined by the Companies Act 2006.

We are a company limited by guarantee first registered 26/07/94 (registration number 02952583) and re-registered on 11/04/08 as Healthworks Newcastle and registered as a charity on 25/08/94 (registration number 1040370). We are governed through our Memorandum and Articles of Association document.

The trustees, who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 March 2021.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Under the guidance of our Chair, Joel Marks, CEO, Paul Court, and our trustees, we continue to review and improve our governance. This is in line with best practice, industry standards and the Charity Code of Governance 2017.

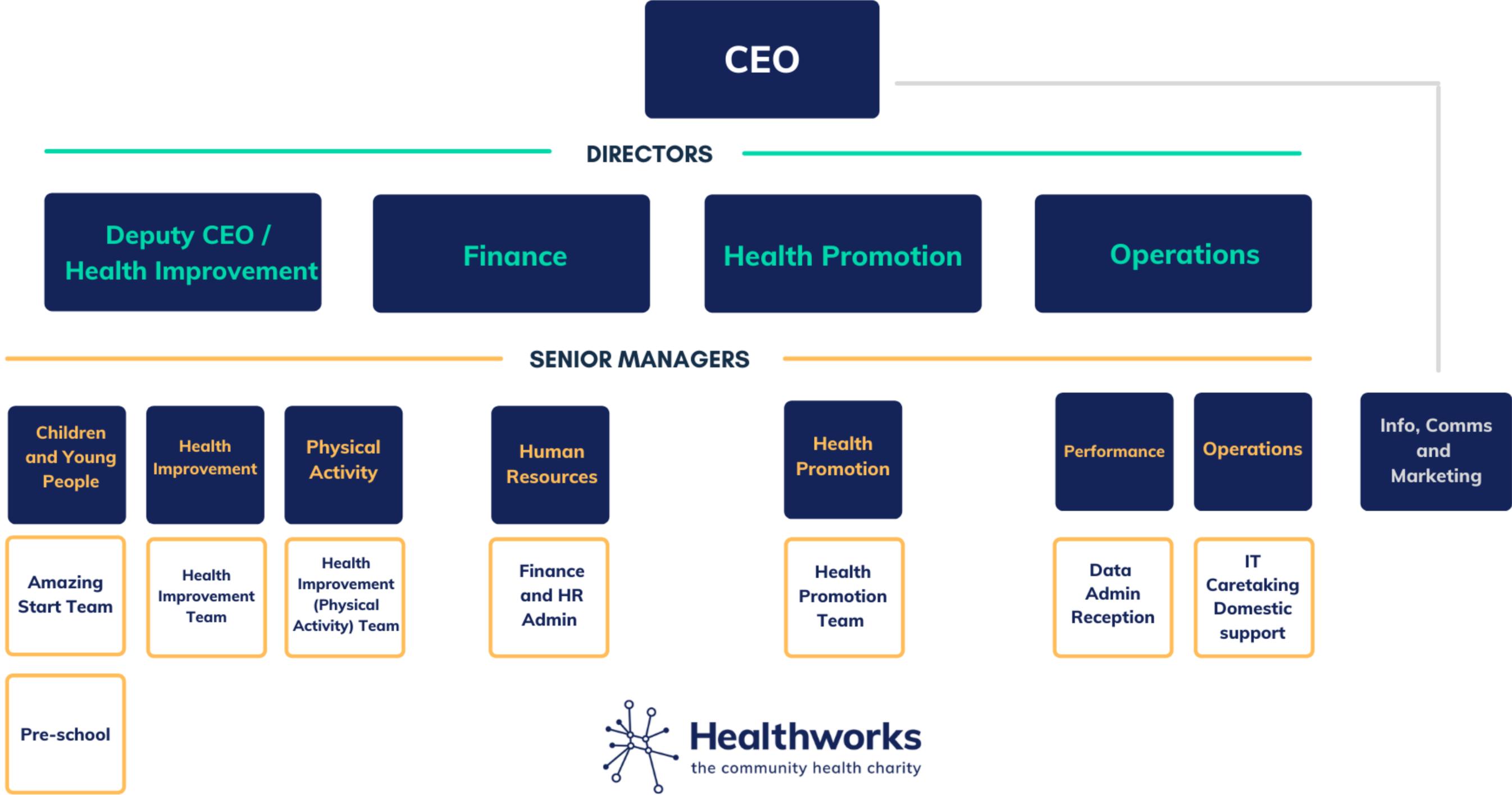
Our Charitable Purpose

Our charitable purpose is set out in our articles of association (otherwise known as our charitable objects). It is: To preserve, protect and improve the health and life outcomes of communities across the North East region of England. We're satisfied that the services we provide reflect our charitable purpose and the public benefit requirement, as set out in section 17 of the Charities Act 2011.

Organisational structure

Healthworks' Board of Trustees meets six times a year, and is responsible for overseeing our performance and providing strategic direction. The Board consists of six Trustees, who each bring considerable experience and expertise. The Board regularly reviews its own – and the Chair's – performance, and has standing committees that report on specific issues. Each committee has agreed terms of reference and includes specialist co-opted members, as well as trustees. The Board delegates the day-to-day running of Healthworks to the CEO and Senior Management Team.

ORGANISATION STRUCTURE



THE BOARD OF TRUSTEES

Our Trustees

We appoint our Trustees and committee members based on their skills and experience. We want to attract a broad range of candidates, and once appointed, Trustees and committee members go through an induction programme to make sure they understand their roles under charity and company law. All of our Trustees give their time voluntarily and receive no rewards or benefits from Healthworks. They get involved because they believe in what we do, and want to make a real difference. Any expenses claimed by the trustees are set out in our financial statements.

Recruitment of new Trustees

We seek to maintain a diverse board with a broad range of skills, knowledge and experience relevant to our mission. We carry out due diligence checks to ensure that any appointment meets the requirements of our governing document and the law. Each new Trustee visits our centres and works with the management team to ensure a good understanding of the organisation and of their role and responsibilities as Trustees.

Managing risk

Major risks are considered at board level and an appropriate risk assessment procedure is embedded in management and operational processes. The risk management policy specifies risks, evaluates the probability level and outlines the strategies for avoiding risk or mitigating potential impact. This process enables Trustees to focus on avoiding risk that might prevent the charity achieving its strategic objectives. Internal control risks are minimised by the implementation of procedures for authorisation of all transactions and projects. Operationally, Health and Safety and Information Governance remain as standing items on the Board.

OUR ACTIVITIES DELIVER PUBLIC BENEFIT BY

- Increasing the understanding and recognition of the wider social determinants of health
- Building on the capacity of individuals to identify and act on issues that impact on their own, and others, health and wellbeing (asset based approach)
- Providing local access to regular exercise via high quality, low price community gyms and classes
- Encouraging people to engage in a range of other local services which enable them to socialise within their communities
- Supporting people to access the services most appropriate to them which are available in the city
- Recruiting and training a local workforce, investing in upskilling local people
- Offering a range of volunteering opportunities for local people
- Achieving a wide reach into communities traditionally seen as 'hard to reach' through the support and co-ordination of local volunteers who reflect their community
- Buying from local suppliers and producers wherever possible, investing in the local economy
- Linking into city-wide networks to share good practice and avoid duplication
- Recognising and valuing the range of other local organisations that deliver services supporting people to manage their lives.

FINANCE

Reserves policy

Our policy is to hold money in the following designated funds:

- Planned capital investment and major maintenance fund (Health Resource Centre) - to cover the costs of planned building and equipment updating to ensure we continue to have the required facilities to deliver our work.
- Building alteration fund (The Lemington Centre) to provide a short-term cushion against the loss of premises rental income, allowing sufficient time to redevelop the space for alternative use.

The policy also requires money to be held in a general reserve at an amount approximating to 3 months operational costs in order to ensure service delivery is not jeopardised through fluctuations in funding. For 2020/21, this amounted to £385,228. This amount will also function as a shut-down fund in the event of the need to close the charity. Trustees review this policy on an annual basis to ensure that the designated funds held continue to be appropriate for our organisation, and to ensure monies held in General Reserve are appropriate.

Principal funding sources

Our turnover was £1,608, 076. We received a mixture of fees for services provided (49% of our total income), grant funding (19%), and other sources of income (32%).

This income funded the wide range of activities which took place both within our buildings settings across the region

The principal sources of fee income were:

- Contracts/Service Level Agreements (62%)
- Sales (20%)
- Premises Rental (7%)
- Other (11%)

GOOD EMPLOYMENT

We provided employment for 81 people (58 FTE) as of 31 March 2021. We know that our work is best delivered by local people who understand the wider determinants of health and the combination of pressures faced by people in areas of low income. We recruit and train local people who already have the core skills of resilience, effective communication and motivation. This peer-to-peer approach enables us to support service users to develop a greater understanding of local health services and what they can do to improve the health of both themselves and their families. We provide vocational training needed for individuals to achieve the nationally recognised qualifications appropriate to their role.

Staff welfare

All salaries are either on or above the level of the national living wage, in addition:

- All staff have free use of our two community gyms
- All staff are offered annual Health Checks, on site and in work time
- Support to quit, in work time, is available for any staff who still smoke
- 27 days annual leave pro rata (plus Bank Holidays)
- Staff can access HR advice and support in work time
- Staff are encouraged to think, be creative and challenge

Pay differentials

A report by the High Pay Centre highlighted how workplaces with big pay gaps between the highest and lowest wage earners suffer more industrial disputes, more sickness and higher staff turnover than employers with more equitable pay differentials. The ratio of our highest salary (£51,904) to our median salary (£21,743) is 2.4:1. This corresponds to the very lowest end of the range in the charity sector as determined by ACEVO (Association of Chief Executives of Voluntary Organisations).



Healthworks
the community health charity

FINANCE REPORT

2020 - 2021

Thanks to all of our past and present staff, volunteers, trustees, funders, partners and friends who have supported us in improving health outcomes for people across the region

www.healthworksnewcastle.org.uk

