

BRIGHTON AND SUSSEX UNIVERSITY HOSPITALS NHS TRUST

CHARITABLE FUNDS COMMITTEE

TERMS OF REFERENCE

1.00 PURPOSE

1.01 The purpose of the Charitable Funds Committee is to monitor progress and performance against the strategic direction of the Charitable Trust's fundraising activity as approved by the Board of Trustees; to approve and monitor expenditure of charitable funds in line with specified priority requirements; and to monitor the management of the Charity's investment portfolio ensuring that the Charity at all times adheres to Charity Law and to best practice in governance and fundraising.

The Trustee of the Charity is the Board of Directors of the Trust acting as Corporate Trustee.

2.00 MEMBERSHIP AND ATTENDANCE AT MEETINGS

2.01 The membership of the Committee shall be:

- Chair: a nominated non-executive Director
- Two further nominated non-executive Directors
- Executive Director of Workforce and Organisational Development (the Lead Officer for the Committee)
- Executive Director of Finance

2.02 The Trust Chair shall propose which non-executive Directors will be most suitable for nomination as Chair and members of the Committee. The Board of Directors shall approve the appointment of the Committee Chair and members, based on the Chair's recommendations.

2.03 Those normally in attendance at the Committee meetings shall be:

- Charity Director
- Assistant Director of Finance (with responsibility for the Charity)
- Charity Fund-Raising Manager

Any member of the Board of Directors shall have the right to be in attendance at any meeting of the Committee by prior agreement with the Chair.

- 2.04 The executive members of the Committee may exceptionally send a deputy to the meeting but the deputy will not have voting rights at the meeting. Those who are in attendance may exceptionally send a deputy to the meeting.
- 2.05 Other Trust managers and clinicians may be invited to attend for particular items on the Agenda that relate to areas of risk or operation for which they are responsible.
- 2.06 The Company Secretary or their nominee shall act as Secretary to the Committee and shall attend to take minutes of the meeting and provide appropriate support to the Chair and Committee members.

3.00 ROLE AND RESPONSIBILITIES

AUTHORITY

- 3.01 The Committee shall have the delegated authority to act on behalf of the Board of Directors in accordance with the Constitution of the Charity and the Standing Orders, Standing Financial Instructions, and Scheme of Reservation and Delegation of the Trust. The limit of such delegated authority is restricted to the areas outlined in the Duties of the Committee and subject to the rules on reporting, both as defined below.
- 3.02 The Committee is empowered to investigate any activity within its Terms of Reference, and to seek any information it requires from staff, who are required to co-operate with the Committee in the conduct of its enquiries.
- 3.03 The Committee is authorised by the Board of Directors to obtain independent legal and professional advice and to secure the attendance of external personnel with relevant experience and expertise, should it consider this necessary. All such advice should be arranged in consultation with the Company Secretary.

DUTIES

Governance, Legalities & Financial Statements

- 3.04 To ensure compliance by the Charity with Charity Law and NHS guidance on charitable funds.
- 3.05 To ensure that the Charity regularly benchmarks the governance arrangements and fundraising activity of its Charitable Funds against best practice and implements any lessons learned.
- 3.06 To advise the Board of Directors on any significant issues or variations from good practice, and to keep the Board informed of any developments.
- 3.07 To recommend to the Board of Directors approval of the annual financial accounts and annual report, prior to their submission to the Charity Commission.

Fundraising Strategy and Activity

- 3.08 To propose the strategic direction of the Charitable Trust's fundraising activity to the Board for approval.
- 3.09 To approve investment plans and programmes.
- 3.10 To monitor progress and performance against the strategic direction of the Charity's fundraising activity and to approve changes in strategy and any action to be taken in-year.
- 3.11 To receive regular reports on the fundraising activity carried out at the Trust and the income generated.
- 3.12 To keep under review all fundraising literature developed and circulated by the Trust and all information provided to the public through literature and websites.

Investments

- 3.13 To appoint external investment managers and monitor their investment performance.
- 3.14 To inform the external investment managers of the Trustees short and long-term financial goals for the charity.
- 3.15 To review details of the charitable funds investment portfolio quarterly and to take action where necessary to ensure that returns are maximised.
- 3.16 To ensure that charitable funds are invested to maximise return but on a secure and ethical basis as far as is possible.
- 3.17 To update investment policies annually, for approval by the Board, and by agreement the appropriate value of any reserves held by the Charity to ensure these are sufficient to support on-going operations of the Charity and deliver the approved strategy.

Expenditure

- 3.18 To monitor adherence to an expenditure policy for the management of the donated funds of the Charity, policy to be determined by the Trustees.
- 3.19 To approve the expenditure of charitable funds for amounts in excess of £10,000.
- 3.20 To prepare detailed guidance on the correct use of charitable funds, and the process for considering requests for funds, directly in relation to the NHS statutory duty.
- 3.21 To ensure gifted income is used in accordance with the Trust's Standing Financial Instructions and any purpose that may be specified by the donor.

- 3.22 To set levels of delegated spending authority for fund advisors, senior managers, the Charitable Funds Committee, and the Board.
- 3.23 To monitor income and expenditure against budgets and activity against funds.
- 3.24 To review expenditure projections, based on projected income together with bids approved but not yet spent.
- 3.25 To ensure that the Trust develops and maintains an up-to-date list of priority requirements, e.g. equipment, environmental requirements, that could be funded by charitable donations.

Risk Management

- 3.26 To ensure that the Charitable Trust has in place appropriate arrangements to manage the risks associated with its operations, particularly fundraising and expenditure.
- 3.27 To ensure that Trustees are advised at least annually, or as required, on any risk management issues associated with the operation of fundraising and to advise on any implications for the Trustee role.

REPORTING AND RELATIONSHIPS

- 3.28 The Committee shall be accountable to the Board of Directors.
- 3.29 The Committee shall make an annual report to the Board of Directors to demonstrate the Committee's discharge of its duties and to confirm the fitness for purpose of the Charity's assurance framework, risk management, and governance processes.
- 3.30 The Committee shall make recommendations to the Board of Directors concerning any issues that require decision or resolution by the Board of Directors.
- 3.31 The Committee shall report to the Audit Committee as appropriate on any matters requiring action or decision-making by that Committee.
- 3.32 The Committee shall review its own performance, constitution and terms of reference at least every two years to ensure it is operating at maximum effectiveness. Any proposed changes to the terms of reference should be agreed by the Board of Trustees.

SUB COMMITTEES

- 3.33 The Committee may establish a sub-committee for a specific purpose. For example an Investment sub-committee or a Fundraising/ Appeal Committee for a particular project.

4.00 CONDUCT OF BUSINESS

- 4.01 The Committee shall conduct its business in accordance with the Standing Orders and Scheme of Reservation and Delegation of the Trust.

- 4.02 The Committee shall be deemed quorate if there are at least two non-executive Directors present. A quorate meeting shall be competent to exercise all or any of the authorities, powers and duties vested in or exercised by the Committee.
- 4.03 The Committee shall meet not less than four times in each financial year.
- 4.04 At the discretion of the Chair of the Committee business may exceptionally be transacted through a teleconference provided all parties are able to hear all other parties and where an agenda has been issued in advance, or through the signing by every member of a written resolution sent in advance to members and recorded in the minutes of the next formal meeting.
- 4.05 Agendas and briefing papers should be prepared and circulated in sufficient time for Committee Members to give them due consideration.
- 4.06 Minutes of Committee meetings should be formally recorded and distributed to Committee Members within 10 working days of the meetings. Subject to the approval of the Chair, the Minutes will be submitted to the Trust Board (noting that they will be received in the capacity of Corporate Trustee) at its next meeting and may be presented by the Committee Chair. The Committee Chair will draw to the attention of the Board of Trustees any issues that require disclosure to the full Board, or require executive action.

5.00 STATUS OF THESE TERMS OF REFERENCE

Approved by the Board on 27th April 2017

Next Review March 2018