

CHARITABLE FUNDS COMMITTEE

TERMS OF REFERENCE

1 CONSTITUTION

- 1.1 The Charitable Funds Committee is established under Standing Order 6 of the Board of Directors.
- 1.2 The Standing Orders of the Board of Directors, as far as they are applicable and with appropriate alterations, shall apply to meetings of the Committee.
- 1.3 All meetings of the Committee will be held in private unless agreed by the committee.

2 STRATEGIC PURPOSE

- 2.1 Provide assurance to the Board that the Trust's Charitable activities are within the law and regulations set by the Charity Commissioners for England and Wales.

It does not remove from the Board the overall responsibility for this area but provides a forum for detailed consideration of charitable matters and allows for direct contact with the Charity Commissioners via the Trustees of the Charity when necessary.

- 2.2 Monitor all aspects of Charitable activity within the trust, as set out within its terms of reference; and
- 2.3 Maintain oversight of the appropriate use of funds.

3 FUNCTIONS

- 3.1 Ensure the Trust's Charitable activities comply with current legislation and review new legislation and its impact (i.e. Trustees Act 2000, SORP 2005 & The Charities Act 2006, Charities Act 2011).
- 3.2 Set and review an investment policy for the charity.
- 3.3 Appoint brokers to manage the charitable funds (if deemed appropriate).
- 3.4 Review the performance of the charities investments (as managed by its brokers, if appropriate).
- 3.5 Review individual fund balances within the overall charity on a regular basis.
- 3.6 Seek expenditure plans from individual fund holders where funds are currently not being used.
- 3.7 Agree guidance and procedures for fund holders to apply to access fund balances (within new delegated approval limits established as up to £1k for Fund Managers, up to £10k for Director of Finance, Estates and Facilities, and over £10k the Charitable Funds Committee itself) and oversee the appropriate use of all funds including Trustee Funds.

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- 3.8 Review relevant audit recommendations including consideration of Independent Review by external auditors.
 - 3.9 Review the Annual Report and Accounts for the Charity.
 - 3.10 Oversee the development of the strategy and objectives for the Charity (including any fundraising plans).
 - 3.11 Ensure the funds are administered in an efficient and effective method that supports use of the funds.
 - 3.12 Encourage a culture of income generation and raise the profile of the Charity within the trust and local population.
 - 3.13 Approve promotional material of the Charity on behalf of the Trustees to ensure that material used will not place the Charity's reputation at undue risk.

4 DELEGATED AUTHORITY

- 4.1 Committee is authorised by the Board to investigate any activity within its purpose and functions.
- 4.2 The committee is a standing committee of the Board and will continue to meet in accordance with these Terms of Reference until the Board determines otherwise.
- 4.3 The committee will consider arrangements for virtual approval of applications for funding where these arise unexpectedly (without advance awareness of spending plans) to ensure responsiveness to emerging requests.

(Note: All employees are directed to cooperate with any request made by the Committee)

5 MEMBERSHIP

- 5.1 The Committee will comprise:
 - A Non-Executive Director as Committee Chair
 - One other Non-Executive Director
 - Executive Director for Finance, Estates and Facilities
 - Executive Director for Corporate Affairs and Involvement
- 5.2 The Chair of the Committee shall be appointed by the Board of Directors.
- 5.3 Deputy or substitute members (with voting rights) may be appointed by Members of the Committee to attend particular meetings, on their behalf, where their absence is unavoidable. Notice of the appointment of a deputy/substitute member must be provided to the Chairman of the Committee and the Company Secretary, in writing, before the meeting commences.

6 ATTENDANCE AT MEETINGS

- 6.1 All other Board Members shall be invited to attend and participate in meetings of the Committee (but not to vote). To facilitate this, copies of all agendas and papers for meetings will be provided to them.

- 6.2 Officers of the Trust shall be invited to attend meetings of the Committee to deliver reports and to support the Committee's discussions on them. In particular, this will include the Head of Accounting and Governance, representatives of the Health and Wellbeing Council and Lived Experience and/or patient/carer representatives, as appropriate to agenda items.
- 6.3 External independent experts may be invited to attend meetings where their advice would be beneficial in the consideration of matters within the purpose and functions of the Committee.
- 6.4 Subject to the agreement of the Board, the committee may invite a specified number of service users or carers to attend and participate in meetings of the Committee (but not to vote) in order to gain their perspectives on matters under consideration.

7 SECRETARY

- 7.1 The Company Secretary, or an officer appointed by them, shall be the secretary of the Committee.

8 QUORUM

- 8.1 The quorum shall be not less than three Members, one of whom must be a Non-Executive Director. Other attendees do not count towards quoracy.

9 FREQUENCY OF MEETINGS

The Committee shall meet at least twice a year. The arrangements for these meetings shall be set to support the timely provision of assurance to the Board.

10 REPORTING

- 10.1 Following every meeting the Chair of the Committee shall report to the next meeting of the Board of Directors:
- To advise of the business transacted.
 - To escalate any material matters of concern which may require a response from the Board or which might impact on the functions of another Board Committee.
 - To provide a commentary on the assurances it has received, drawing the Board's attention to any positive assurances and gaps in assurance (including actions being taken to address them).
 - To provide assurance on the management of strategic and operational risks which relate to its purpose and functions and to advise the Board of any new risks identified and actions being taken to address them.
 - To seek the Board's approval of any recommendations made by the Committee.
 - Any other matters that the Committee considers important to bring to its attention.

11 REVIEW

- 11.1 The terms of reference of the Committee shall be reviewed at least annually.

Agreed: June 2024
Review by: June 2025