

**Board of Directors Meeting Report – 5 August 2015**

**Agenda item 81/15**

<b>Title</b>	Annual Review of Charitable Funds Committee – Terms of Reference
<b>Author</b>	Angela Bosnjak-Szekeres – Foundation Trust Secretary
<b>Purpose</b>	The terms of reference are to be reviewed annually by the Committee in order to ensure that the Committee fulfills its role as delegated and acts within its remit. The Board is then asked to ratify the changes.
<b>Summary</b> The Charitable Funds Committee revised its terms of reference at its last meeting. The Board is asked to consider and ratify the revised terms of reference. The amendments are indicated by track changes.	
<b>Related Trust Objective</b>	Keep the Core Strong
<b>Legal implications / regulatory requirements</b>	Under the Trust's governance framework each Committee of the Board shall review its terms of reference annually. Demonstration and implementation of good governance practices aids the fulfillment of the Trust's regulatory obligations.
<b>Quality impact assessment</b>	Compliance with the principles of best practice relating to corporate governance provides assurance for patients and their families/carers about the Trust's commitment to providing the best possible care, clinical outcomes and patient experience.
<b>Equality impact assessment</b>	As far as can be considered this paper has no detrimental impact for the 9 protected characteristics under the Equality Act 2010.
<b>Action required by the Board</b> The Board is asked to ratify the revised terms of reference for the Charitable Funds Committee.	

## Charitable Funds Committee – Terms of Reference

### Purpose

The Charitable Funds Committee exists to carry out functions delegated to it by Southend University Hospital NHS Foundation Trust, which is the Corporate Trustee of the Charity that is registered with the Charity Commission as Southend University Hospital NHS Foundation Trust Charity (number 1057266). The Corporate Trustee, through its board, has delegated day to day management of the charity including delegable functions as defined in Trustee Act 2000, Section 11, to the Committee. The Corporate Trustee may at any time review and alter any aspect of the delegation. Acting for the Corporate Trustee, the Charitable Funds Committee is responsible for the overall management of the Charitable Fund. The Committee is required to:

- Control, manage and monitor the use of the fund's resources for any charitable purpose or purposes relating to the National Health Service, having regard for the guidance issued by the Charity Commission.
- Provide support, guidance and encouragement for all its income raising activities whilst managing and monitoring the receipt of all income.
- Ensure that 'best practice' is followed in the conduct of all its affairs fulfilling all of its legal responsibilities.
- Ensure that the ~~approved~~ Investment Policy approved by the Corporate Trustee is adhered to and that performance is continually reviewed whilst being aware of ethical considerations.
- Keep the Corporate Trustee fully informed on the activity, performance and risks of the charity.
- Review the Annual Report and Accounts prior to approval by the Corporate Trustee.
- Advise the Corporate Trustee of essential education and training needs.

In order to comply with the Charity Commission regulations the Committee can only act in an advisory capacity and cannot be an approving body. The Board of Directors must retain responsibility for strategic decisions and operational activities.

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### Membership

The Committee is appointed by the Corporate Trustee and comprises:

~~Five~~~~Any four~~ members of the Corporate Trustee, excluding the ~~Chief Financial Officer~~ ~~Director of Finance~~ of Southend University Hospital NHS Foundation Trust. The membership will be made up of three Non-Executive Directors, the Chief Executive and the Medical Director (or nominee).

It is proposed that the Director or Associate Director of Facilities, the Associate Medical Director and the Medical Equipment Manager are invited to attend as and when required.

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### Quorum

A quorum shall consist of any three members of the Corporate Trustee, excluding the ~~Chief Financial Officer~~ ~~Director of Finance~~ of Southend University Hospital NHS Foundation Trust. The Chair shall be appointed by the Corporate Trustee.

### Meetings

The Committee shall usually meet ~~three~~~~four~~ times a year at regular intervals or at other times at the request of the Chair. The Chair can invite investment managers and others

to attend. Notice will be given at least seven days in advance, unless members agree otherwise. Papers will be circulated seven days in advance. Members and regular attendees can suggest agenda items. The Committee can call for further information from Executive Directors, investment managers and others.

The Chair of the Committee will be a Non-Executive Director appointed by the Board of Directors. If the Committee Chair is absent from the meeting, those present shall choose one of the other Non-Executive Directors to preside for that meeting.

The ~~Chief Financial Officer~~Director of Finance, the Foundation Trust Secretary, the Associate Director of Fundraising, the Financial Accountant or their nominees will attend meetings of the Committee.

Committee members must make a declaration of interest at the start of meetings and must absent themselves from any discussion in which it is possible that a conflict of interest may arise between his or her duty to act solely in the interest of the Charity and any personal interest (including but not limited to any personal financial interest).

### Duties

The Committee shall make proposals for the approval of the Corporate Trustee, implement the Corporate Trustee's decisions and report back to the Corporate Trustee on the following:

- Fundraising strategy
- Priorities for the application of the charity's funds, subject to annual review~~www~~
- Investment strategy including any ethical criteria
- Delegation of investment management to professional investment managers
- Appointment of external auditors
- Budget including support costs

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The Committee will also keep under review (and, where necessary, make proposals and report to the Corporate Trustee on) the following:

- Reserves Policy and its application
- Application of funds, to ensure this accords with the Charity's purpose
- The relevant aims and activities of Southend Hospital Charitable Foundation and related charging arrangements for services provided
- To assess and oversee the management of risks on behalf of the Corporate Trustee

### Reporting

Minutes will be circulated to members. The Chair of the Committee shall report regularly quarterly to the Corporate Trustee, ~~or more frequently if warranted.~~