

CHARITABLE FUNDS COMMITTEE

Terms of Reference

CONSTITUTION

1. Sherwood Forest Hospitals General Charitable Fund is registered with the Charity Commission, following a 'Deed of Amendment' dated 9th July 2002 with Sherwood Forest Hospitals NHS Foundation Trust as the Corporate Trustee, registration number 1054086. In line with this registration the Board of Directors collectively are the 'Corporate Trustee'.
2. The Board of Directors as Corporate Trustee hereby resolve to establish a committee of the Board to be known as the Charitable Funds Committee ("the Committee") for the purposes of:
 - a) ensuring the stewardship and effective management of funds which have been donated, bequeathed and given to the Sherwood Forest Hospitals General Charitable Fund for charitable purposes;
 - b) determining a strategy for the growth of charitable funds and awareness of and support for, the Charity to include a comprehensive communications and marketing strategy;
 - c) determining an investment strategy and arrangements for the investment of funds which are not immediately required for use;
 - d) co-ordinating the provision of assurance to the trustee of the funds, that the funds are accounted for, deployed and invested in line with legal and statutory requirements;
 - e) increasing confidence in the credibility and objectivity of financial statements and monitoring the external audit of the accounts
 - f) considering and approving the annual accounts for charitable funds for submission to the Board of Directors, acting as trustee of the funds;
 - g) satisfying itself that an appropriate control environment is maintained to manage the key risks faced by the charity and to ensure compliance with Charity Law and Charity Commission regulations.
3. The Board of Directors, acting as trustee, must approve any changes to these terms of reference.

DUTIES

4. The duties and responsibilities of the Committee shall be:

Governance, Risk Management and Internal Control

- a) The Committee shall review the establishment and maintenance of an effective system of governance, risk management and internal control, across the whole of the charity's activities that support the achievement of the charity's objectives.
- b) The Committee shall provide reports to the corporate trustee to provide assurance that the charity is properly governed and well managed across the full range of activities

Assurance

- a) The Committee shall ensure effective management of the affairs of the Sherwood Forest Hospitals General Charitable Fund within the terms of its declaration of trust and appropriate legislation and ensure statutory compliance with the Charity Commission regulations;
- b) The Committee shall ensure systems and processes are in place to receive, account for, deploy and invest charitable funds in accordance with charity law to include the effective implementation of procedures and policies to ensure fund holders and staff appropriately receive funds and access funds;
- c) The Committee shall scrutinise requests for use of charitable funds to ensure that any such use is in accordance with the aims and purposes of any charitable fund or donation and are clinically and ethically appropriate. Committee members will bear due diligence to Charity Commission and trust guidance regarding the ethical use of funds and acceptance of donations;
- d) The Committee shall receive and approve income and expenditure statements;
- e) The Committee shall receive and approve annual accounts and consider the annual report from the auditors, before submission to the Board of Directors;

Investments

- a) The Committee shall consider and agree an investment strategy for the safe and secure investment of funds not immediately required for use, taking into account any appropriate ethical considerations;
- b) The Committee shall appoint and review external investment advisors and operational fund managers;
- c) The Committee shall review the performance of investments on a regular basis with the external investment advisors to ensure the optimum return from surplus funds;

Fundraising

The Committee shall:

- a) ensure a fund raising strategy is prepared and monitored which complies with Charity Commission guidance and legislation and which includes appropriate communication and marketing plans;
- b) ensure systems and processes are in place to receive, account for, deploy and invest funds raised in accordance with charity law;
- c) ensure systems, processes and communication are in place around fund raising, staff engagement and funding commitments;
- d) ensure a cohesive policy around external media and communication;
- e) encourage a culture of fundraising and raise the profile of the Charity within the Trust and with external partner organisations
- f) ensure effective communication regarding 'whistle blowing' relating to fundraising, donations or subsequent use of funds.

COMPOSITION/MEMBERSHIP

5. The Committee shall be appointed by the Board of Directors acting as Corporate Trustee from amongst the voting and non-voting directors of the Board and shall consist of not less than 3 members one of whom shall be nominated Chair and one of whom shall be nominated deputy chair. The Chairman of the Committee shall be appointed by the Board of Directors acting as Corporate Trustee. The Committee will include the following members who will be voting members of the Committee:
 - a) a Non-Executive Director (Chair);
 - b) at least one other Non-Executive Director;
 - c) the Chief Financial Officer;
 - d) the Director of Corporate Services/Company Secretary
 - e) the Director of Strategic Planning and Commercial Development
 - f) the Head of Financial Services
 - g) Community Involvement Manager;
 - h) Head of Communications

6. The Deputy Chair of the Committee will be a Non-Executive Director appointed by the Charitable Funds Committee.

ATTENDANCE (non voting members)

7. The following will be in attendance:
 - a) the Secretary to the Committee
 - b) the dedicated charity finance officer
8. Members of the Committee are expected to arrange for deputies to attend in their absence but will be in attendance and will have no voting rights.
9. The Chair of the Committee may also extend invitations to other personnel with relevant skills, experience or expertise as necessary to deal with the business on the agenda. Such personnel will be in attendance and will have no voting rights.

RESPONSIBILITY OF MEMBERS AND ATTENDEES

10. Members of the Committee have a responsibility to:
 - a) Trustees have and must accept ultimate responsibility for directing the affairs of the charity, ensuring it is solvent and well run, and delivering the charitable outcomes for the benefit of the public for which it was set up.
 - b) promote the interests of the Charity;
 - c) act honestly and take steps to prevent loss arising from the dishonesty of others;
 - d) attend the majority of meetings, having read all papers beforehand;
 - e) act as 'champions', disseminating information and good practice as appropriate;
 - f) identify agenda items for consideration by the Chair, to the Secretary at least 10 days before the meeting;
 - g) prepare and submit papers for a meeting at least 7 days before the meeting;
 - h) if unable to attend, send their apologies to the Chair and Secretary prior to the meeting and, if appropriate, seek the approval of the Chair to send a deputy to attend on their behalf;
 - i) when matters are discussed in confidence at the meeting, maintain such confidences;

- j) declare any conflicts of interest / potential conflicts of interest in accordance with the Sherwood Forest Hospitals NHS Foundation Trust's policies and procedures;
- k) at the start of the meeting, declare any conflicts of interest / potential conflicts of interest in respect of specific agenda items (even if such a declaration has previously been made in accordance with the Sherwood Forest Hospitals NHS Foundation Trust's policies and procedures);
- l) ensure appropriate training / knowledge of Charity law and changes to legislation.

QUORUM

- 11. A quorum will normally be three members of the Committee, which must include two members of the Board of Directors one of whom must be a non-executive director..
- 12. When considering if the meeting is quorate, only those individuals who are members can be counted, deputies and attendees cannot be considered as contributing to the quorum.

FREQUENCY AND ATTENDANCE

- 13. Meetings will normally take place on a quarterly basis, the deliberations of the meeting to be reported to the Board of Directors at the next scheduled Board of Directors after the Committee meeting.
- 14. Members should attend the majority of meetings (ie 3 /4)

AUTHORITY

- 15. The Committee is authorised by the corporate trustee to monitor all aspects of charitable activity as set out within its terms of reference
- 16. The Committee is authorised to seek any information it requires from any employee and all employees are directed to cooperate with any request made by the Committee
- 17. The Committee is authorised by the corporate trustee to obtain as and when required external independent professional advice and to secure attendance of outsiders with relevant expertise, if it considers this to be necessary
- 18. The Committee is authorised by the corporate trustee :
 - a) to investigate any activity within its terms of reference and produce an annual work programme;
 - b) to approve or ratify (as appropriate) those policies and procedures for which it has responsibility (including standing orders and standing financial instructions);

- c) to promote a learning culture, which is open and transparent;
 - d) to establish and approve the terms of reference of such sub-committees, groups or task and finish groups as it believes are necessary to fulfil its terms of reference; and
 - e) to consider and recommend to the Board of Directors any and all items of which they should be aware to fulfil their responsibility as corporate trustee.
19. The Committee does have the authority to commit the charitable fund resources in line with the provisions of individual funds and the Charities Acts.
20. Any spending decisions matters will be dealt with in accordance with existing Trust policies and procedures.

DECISION MAKING

21. Wherever possible, members of the Committee will seek to make decisions and recommendations based on consensus.
22. Where this is not possible then the Chair of the meeting will ask for members to vote using a show of hands, provided that nothing in the way of business is conducted is prohibited by the standing orders of the Sherwood Forest Hospitals NHS Foundation Trust.
23. In the event of a formal vote the Chair will clarify what members are being asked to vote on – the ‘motion’. Subject to the meeting being quorate, a simple majority of members present will prevail. In the event of a tied vote, the chair of the meeting may have a second and deciding vote.
24. Only the members of the Committee present at the meeting will be eligible to vote. Members not present, deputies and attendees will not be permitted to vote, nor will proxy voting be permitted. The outcome of the vote, including the details of those members who voted in favour or against the motion and those who abstained, shall be recorded in the minutes of the meeting.

REPORTING

25. The Committee will have the following reporting responsibilities:
- a) to ensure that the minutes of its meetings are formally recorded and submitted to the Board of Directors. These minutes shall be presented to the Board of Directors by the Chair who will outline the key issues discussed at the meeting and those issues that need to be brought to the attention of the Board of Directors as trustee;
 - b) to produce those assurance and performance management reports required by the Board of Directors acting as trustee;

- c) any items of specific concern, or which require the Board of Directors approval, will be subject to a separate report;
- d) to produce an annual report for the Board of Directors, setting out progress made and future developments. This should include a completed annual self-assessment (the format to be approved by the Audit Committee) and the identification of any development needs for the Committee.

ADMINISTRATIVE ARRANGEMENTS

26. The Chief Financial Officer is a member of the Committee and has corporate responsibility for:
- a) liaising with the Chair on all aspects of the work of the Committee, including providing advice;
 - b) ensuring the Committee acts in accordance with standing orders and the scheme of reservation and delegation;
 - c) identifying an officer to undertake the role of Secretary;
 - d) overseeing the delivery of the Secretary's duties.
27. The Secretary of the Committee will be responsible for:
- a) attending the meeting;
 - b) ensuring correct and formal minutes are taken in the format prescribed in the Governance Strategy and, once agreed by the Chair, distributing minutes to the members and submitting a copy to the Board Secretary;
 - c) keeping a record of matters arising and issues to be carried forward;
 - d) producing an action list following each meeting and ensuring any outstanding action is carried forward on the action list until complete;
 - e) producing a schedule of meetings to be agreed for each calendar year and making the necessary arrangements for confirming these dates and booking appropriate rooms and facilities;
 - f) providing appropriate support to the Chair and the Committee members;
 - g) providing notice of each meeting and requesting agenda items no later than 10 days before a meeting;
 - h) agreeing the agenda with the Chair prior to sending the agenda and papers to members no later than 7 days before the meeting;

- i) ensuring the papers of the Committee are filed in accordance with the Sherwood Forest Hospitals NHS Foundation Trust's policies and procedures acting as trustee.

REVIEW

- 28. The terms of reference will normally be reviewed annually, with recommendations on changes submitted to the Board of Directors, as corporate trustee, for approval.

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