

## CHARITABLE FUNDS COMMITTEE

### TERMS OF REFERENCE

<b>Constitution</b>	<p>The Royal Wolverhampton NHS Trust Charity is registered with the Charity Commission, registration number 1059467. In line with this registration the Board of Directors collectively are the 'Corporate Trustee'.</p> <p>The Board of Directors as trustee, approved the establishment of the Charitable Funds Committee (known as 'the Committee' in these terms of reference) for the purpose of:-</p> <ul style="list-style-type: none"> <li>(a) Ensuring the stewardship and effective management of funds which have been donated, bequeathed and given to The Royal Wolverhampton General Charitable Fund for charitable purposes.</li> <li>(b) Determining an investment strategy and arrangements for the investment of funds which are not immediately required for use.</li> <li>(c) Coordinating the provision of assurance to the Board of Directors, acting as Trustee of the funds, that the funds are accounted for, deployed and invested in line with legal and statutory requirements.</li> <li>(d) Considering and approving the Annual Accounts for charitable funds for submission to the Board of Directors, acting as trustee of the funds.</li> </ul> <p>The Board of Directors, acting as trustee, must approve any changes to these terms of reference.</p>
<b>Duties</b>	<p>In particular the Committee will:-</p> <p><u>Assurance</u></p> <ul style="list-style-type: none"> <li>(a) Manage the affairs of The Royal Wolverhampton NHS Trust Charity within the terms of its declaration of trust and appropriate legislation and ensure statutory compliance with the Charity Commission regulations.</li> <li>(b) Ensure systems and processes are in place to receive, account for, deploy and invest charitable funds in accordance with charity law.</li> <li>(c) 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 in mind due diligence to Charity Commission and Trust guidance regarding the ethical use of funds and acceptance of donations.</li> <li>(d) Receive and approve periodic income and expenditure statements.</li> <li>(e) Receive and approve Annual Accounts and consider the Annual Report from the auditors, before submission to the Board of Directors</li> </ul>

	<p><u>Investments</u></p> <ul style="list-style-type: none"> <li>(f) 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.</li> <li>(g) Appoint and review external investment advisors and operational fund managers.</li> <li>(h) Review the performance of investments on a regular basis with the external investment advisors to ensure the optimum return from surplus funds.</li> </ul> <p><u>Fundraising</u></p> <ul style="list-style-type: none"> <li>(i) Ensure a fundraising strategy is prepared and monitored which complies with Charity Commission guidance and legislation.</li> <li>(j) Ensure systems and processes are in place to receive, account for, deploy and invest funds raised in accordance with charity law.</li> <li>(k) Ensure systems, processes and communications are in place around fundraising, staff engagement and funding commitments.</li> <li>(l) Ensure a cohesive policy around external media and communication.</li> <li>(m) Ensure effective communication regarding 'whistleblowing' relating to fundraising, donations or subsequent use of funds.</li> </ul>
<p><b>Responsibility of Members and Attendees</b></p>	<p>Members of the Committee have a responsibility to:-</p> <ul style="list-style-type: none"> <li>(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.</li> <li>(b) Promote the interests of the charity.</li> <li>(c) Act honestly and take steps to prevent loss arising from the dishonesty of others.</li> <li>(d) Attend at least 75% of meetings, having read all papers beforehand.</li> <li>(e) Act as 'champions', disseminating information and good practice as appropriate.</li> <li>(f) Identify agenda items for consideration by the Chair, to be provided to the Secretary at least 10 days before the meeting.</li> <li>(g) Prepare and submit papers for a meeting at least 7 days before the meeting.</li> <li>(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.</li> <li>(i) When matters are discussed in confidence at the meeting, to maintain such confidences.</li> <li>(j) Declare any conflicts of interest/potential conflicts of interest in accordance with The Royal Wolverhampton NHS Trust policies and procedures.</li> <li>(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 Royal Wolverhampton NHS Trust policies and procedures).</li> </ul>

	<p>(l) Ensure appropriate training/knowledge of charity law and changes to legislation.</p>
<p><b>Authority</b></p>	<p>The Committee is authorised by the trustee:-</p> <ul style="list-style-type: none"> <li>(a) To investigate any activity within its terms of reference and to produce an annual work programme.</li> <li>(b) To approve or ratify (as appropriate) those policies and procedures for which it has responsibility (including Standing Orders and Standing Financial Instructions).</li> <li>(c) To promote a learning culture that is open and transparent.</li> <li>(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.</li> <li>(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.</li> </ul> <p>The Committee does have the authority to commit the charitable fund resources in line with the provisions of individual funds and the Charities Acts.</p> <p>Any spending decision matters will be dealt with in accordance with the existing Trust policies and procedures.</p>
<p><b>Decisions Making</b></p>	<ul style="list-style-type: none"> <li>(a) Wherever possible, members of the committee will seek to make decisions and recommendations based on consensus.</li> <li>(b) Where this is not possible then the Chair of the meeting will ask for members to vote using a show of hands, providing that nothing in the way business is conducted is prohibited by the Standing Orders of The Royal Wolverhampton NHS Trust.</li> <li>(c) 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.</li> <li>(d) Only the members of the committee present at the meeting will be eligible to vote. Members who are not present will not be permitted to vote, nor will proxy voting be permitted. The outcome of a 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.</li> </ul>
<p><b>Reporting Arrangements</b></p>	<p>The Committee will have the following reporting responsibilities:-</p> <ul style="list-style-type: none"> <li>(a) 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.</li> <li>(b) To produce those assurance and performance management reports required by the Board of Directors acting as trustee.</li> <li>(c) Any items of specific concern, or which require the Board of Directors approval, will be subject to a separate report.</li> </ul>

	<p>(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.</p>
<b>Membership</b>	<p>The Committee will include the following members who will be voting members:-</p> <ul style="list-style-type: none"> <li>(a) A Non-executive Director (Chair).</li> <li>(b) Two other Non-executive Directors.</li> <li>(c) The Chief Financial Officer.</li> <li>(d) The Chief Executive Officer.</li> </ul> <p>The Chair of the Committee is the Non-Executive Director appointed by the Board of Directors of The Royal Wolverhampton NHS Trust.</p> <p>The Vice Chair of the Committee will be a second Non-Executive Director appointed by the Charitable Funds Committee.</p> <p>All members listed above have voting rights.</p>
<b>Attendance (non voting members)</b>	<p>The following will attend meetings:-</p> <ul style="list-style-type: none"> <li>(a) The Deputy Chief Financial Officer.</li> <li>(b) Charity Fundraising Coordinator</li> <li>(c) The investment advisor/manager as required.</li> <li>(d) The secretary to the committee (also the Secretary to the Deputy Chief Financial Officer).</li> </ul> <p>A deputy for the Chief Financial Officer may be nominated to attend prior to the meeting, with the Chair's approval. Such a deputy will be in attendance and will have no voting rights.</p> <p>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 attendance and will have no voting rights.</p>
<b>Chair</b>	Non-Executive Director (Appointed by Board)
<b>Quorum</b>	<p>A quorum will normally be two Non-Executive Directors and one other member.</p> <p>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.</p>
<b>Frequency of meetings</b>	Meetings will normally take place on a quarterly basis, the deliberations of the meeting to be reported by the Chair to the next schedule meeting of the Board of Directors following the Charitable Funds Committee meeting.

	<p>The business of each meeting should be transacted within a maximum of 2 hours.</p>
<p><b>Administrative Arrangements</b></p>	<p>The Chief Financial Officer is a member of the Committee and has corporate responsibility for:-</p> <ul style="list-style-type: none"> <li>(a) Liaising with the Chair on all aspects of the work of the Committee, including providing advice.</li> <li>(b) Ensuring that the Committee acts in accordance with Standing Orders and the Scheme of Reservation and Delegation.</li> <li>(c) Identifying an officer to undertake the role of Secretary.</li> <li>(d) Overseeing the delivery of the Secretary's duties.</li> </ul> <p>The Secretary of the committee will be responsible for:-</p> <ul style="list-style-type: none"> <li>(a) Attending the meeting.</li> <li>(b) Ensuring correct and formal minutes are taken in the format prescribed and, once agreed by the Chair, distributing minutes to the members and submitting a copy to the Board Secretary.</li> <li>(c) Keeping a record of matters arising and issues to be carried forward.</li> <li>(d) Producing an action list following each meeting and ensuring any outstanding action is carried forward on the action list until complete.</li> <li>(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.</li> <li>(f) Providing appropriate support to the Chair and committee members.</li> <li>(g) Providing notice of each meeting and requesting agenda items no later than 10 days before a meeting.</li> <li>(h) Agreeing the agenda with the Chair prior to sending the agenda and papers to members no later than 7 days before the meeting.</li> <li>(i) Ensuring the papers of the committee are filed in accordance with The Royal Wolverhampton NHS Trust policies and procedures acting as Trustee.</li> </ul>
<p><b>Standards</b></p>	<p>The declaration of trust Charities Act 1992 and subsequent Health and Social Care Act 2012 Charity Commission SORP Charities SORP (FRCS102) Trust Standing Orders and Scheme of delegation Standing Financial Instructions</p>
<p><b>Standard Agenda</b></p>	<p><b>Quarterly:</b> Report of investment advisers Report on fund raising activity General report on publicity, communications etc Review of Charity Financial Position including Business Cases</p> <p><b>Annual:</b> Annual Charity Accounts including review of Policies and Procedures Annual Report of the Charity Auditors report on the accounts including review of Policies and Procedures Charity Fundraising and Administration Recharges, including Audit Fees</p>

<b>Subgroups</b>	Nil
<b>Date Approved</b>	13 <sup>th</sup> March 2017
<b>Date of next review</b>	The Terms of Reference will normally be reviewed annually, with recommendations on changes submitted to the Board of Directors, as corporate trustee, for approval.



Last reviewed by this Committee: March 2017  
Version approved by the Board of Directors: March 2017  
Version number: Version 2  
Next review: March 2018