

<b>Meeting title:</b>	Trust Board	<b>Public Trust Board paper T</b>			
<b>Date of the meeting:</b>	14 September 2023				
<b>Title:</b>	Trust Board (as Corporate Trustee) Committee Terms of Reference: Charitable Funds Committee				
<b>Report presented by:</b>	Becky Cassidy, Director of Corporate and Legal Affairs				
<b>Report written by:</b>	Becky Cassidy, Director of Corporate and Legal Affairs				
<b>Action – this paper is for:</b>	Decision/Approval	x	Assurance		Update
<b>Where this report has been discussed previously</b>					

Acronyms used: CFC – Charitable Funds Committee

### **Purpose of the Report**

The report seeks Trust Board approval as Corporate Trustee for the updated UHL Charitable Funds Committee (CFC) terms of reference. Following a light touch update to reflect the membership of the Director of Estates, Facilities and Sustainability, these were reviewed and supported at the CFC meeting on 18 August 2023. A supporting work plan has also been developed for CFC, based on the Committee’s duties as set out in the attached terms of reference.

### **Recommendation**

The Trust Board as Corporate Trustee is asked to:

- approve the updated CFC terms of reference as attached (noting the light touch nature of the update and the changes made to membership only [at this stage]).

### **Summary**

The CFC terms of reference and work plan have both been reviewed and updated, to reflect recent membership changes. This has been done to ensure that the Committee remit and functionality remain fit for purpose. The attached terms of reference reflect the request from the 18 August 2023 CFC that the quorum (of 3 members) include 2 Non-Executive Directors.

As previously reported to the Trust Board, all other sub committees of the Board have either already had, or are in the process of having, their terms of reference and work plans reviewed as part of the recommendations made in the stage 1 Head of Internal Audit Opinion work. In line with good governance we will continue to review the terms of reference and work plan on an annual basis.

### **Supporting documentation**

Appendix 1 – updated terms of reference, for Trust Board approval.

# Charitable Funds Committee

## Terms of Reference

### 1. Constitution

The University Hospitals of Leicester NHS Trust hereby resolves to establish a Committee of the Trust Board (hereafter referred to as “the Board”) in its capacity as Corporate Trustee of Leicester Hospitals Charity, to be known as the Charitable Funds Committee (hereafter referred to as “the Committee”).

The Committee shall have terms of reference conferring delegated authority from the Board and will be subject to conditions such as reporting its activities to the Board, as the Board shall decide and act in accordance with any legislation, regulation or direction issued by regulators or statutory bodies.

### 2. Purpose

The purpose of the Committee is to provide oversight and management of Leicester Hospitals Charity on behalf of the Board as Corporate Trustee, and to escalate any concerns or issues as appropriate. The Committee will seek and receive assurance on the governance and direction of the Charity and its operation in line with the Charity’s objects, the stewardship of the Charity’s funds, the management and performance of the Charity, Charity team, and Charity investment manager, and will consider (within its delegated limits) applications received for charitable funding. The Committee will review the annual plan/strategy for the Charity, and the audited annual Charity accounts and annual report ahead of Trust Board approval as Corporate Trustee. The Committee will also satisfy itself as to the adequacy of the arrangements in place for auditing the Charity.

### 3. Membership

The Committee shall comprise:

#### Core Members

- 3 x Non-Executive Directors one of whom will chair the Committee
- 2 x Executive Directors of the Trust Board (Chief Nurse, and Director of Estates, Facilities, and Sustainability)

A standing invitation to attend the Committee will be extended to the following:

- Director of Corporate and Legal Affairs
- Representative of the Chief Financial Officer
- Charity Finance Manager
- Director of Leicester Hospitals Charity
- Other Non-Executive Directors

The secretariat and administrative support to the committee shall be provided through the Corporate and Committee Services Team.

A deputy shall be nominated to attend a meeting of the Committee when the absence of one of the members (detailed above) would prevent an item of business being addressed. The deputy attending shall count towards meeting quorum, but not to the attendance record of the Committee member themselves.

All members shall attend a minimum of 75% of meetings of the Committee on a rolling 12 month basis.

#### **4. Quorum**

Quorum shall be 3 members, to include at least 2 Non-Executive Directors (1 of whom will chair if the chair is unable to attend).

#### **5. Meetings**

The Committee shall meet bi-monthly. Additional ad hoc meetings may be convened as and when required.

#### **6. Duties**

##### **Governance**

- 6.1 The Committee will review, monitor and advise the Board as Corporate Trustee re: the following:
  - 6.1.1 the form and nature of the governing document(s) of the Charity (as may be amended from time to time);
  - 6.1.2 the measures established by the Committee to ensure that the Trust Board, as Corporate Trustee, is and remains well informed on all matters relating to the Charity;
  - 6.1.3 the arrangements to be adopted to ensure that charitable business is conducted by the Charity on a regular and timely basis;
  - 6.1.4 the adequacy of the resources available to the Charity to help it maintain a high standard of management and control;
  - 6.1.5 the documentation of rules by which the Charity shall be run, under the auspices of the Trust's overall corporate governance arrangements (e.g., Standing Orders, Standing Financial Instructions, and procedural guidelines).
  - 6.1.6 the induction procedures established by the Charity for new members of the Trust Board, in its capacity as Corporate Trustee;
  - 6.1.7 the arrangements to be adopted to ensure that adequate procedures are in place to

deal with any potential conflicts of interest in the management of the Charity;

6.1.8 the measures to be taken to make information about the Charity's affairs widely available.

### **Financial Control**

6.2 The Committee will keep under review and advise the Trust Board, as Corporate Trustee, as necessary upon:-

6.2.1 the arrangements adopted by the Committee to ensure that the Charity's funds are managed securely, economically, and deployed to the best advantage of users and beneficiaries, having due regard to the wishes of donors and the charities objectives;

6.2.2 the reliability of financial systems; (in conjunction with the Audit Committee, as appropriate)

6.2.3 comprehensive guidance and procedure notes;

6.2.4 agreed policies for the use of reserves;

6.2.5 forward planning and budgeting;

6.2.6 provision of accurate, timely management information to the Committee;

6.2.7 management of investments;

6.2.8 audit arrangements (in conjunction with the Audit Committee, as appropriate);

6.2.9 agreed spending objectives;

6.2.10 adequate control of all funds within the Charity.

### **Fundraising**

6.3 The Committee will keep under review and advise the Trust Board, as Corporate Trustee, as necessary upon:-

6.3.1 the development and implementation of the Charity's fundraising strategy;

6.3.2 the support and facilitation of initiatives, both within the Charity and the community, to raise charitable funds;

6.3.3 the development of criteria for the consideration of proposals for fundraising schemes in accordance with the University Hospitals of Leicester NHS Trust's corporate objectives and clinical priorities;

6.3.4 all proposals received for fundraising schemes, which shall be presented to the Committee for consideration, and to make recommendations accordingly to the Trust Board, as Corporate Trustee;

6.3.5 the conduct of all approved fundraising appeals at the Trust;

6.3.6 the evaluation of different types of fundraising initiatives;

6.3.7 the achievement of objectives in respect of individual appeals;

6.3.8 the consideration and recommendations to the Trust Board, as Corporate Trustee, on applications for the use of general purpose charitable funds to establish fundraising appeals;

6.3.9 the ongoing monitoring of fundraising contracts with commercial participants.

### **Investment Management**

6.4 The Committee will appoint, on behalf of the Trust Board as Corporate Trustee, a Charitable Funds Investment Manager for the Charity, who will provide quarterly

performance reports to the Committee and attend at least two Committee meetings per financial year.

- 6.5 The Committee will consider an annual independent review of the Investment Manager's performance.
- 6.6 The Committee will undertake a quarterly review of the performance of both the Investment Manager and the portfolio.
- 6.7 The Committee will consider and advise the Trust Board as Corporate Trustee, re: the desired overarching strategy for the investment of charitable funds.

### **Determination of Funding Applications**

6.8 The Charitable Funds Committee is, under delegated authority, authorised to consider and decide upon applications for expenditure from charitable funds (including general purpose funds) from a value of £10,000 or more, up to a value of £50,000. The Trust Board, as Corporate Trustee, reserves the right to approve any applications where:

- the proposed expenditure is in excess of £50,000 in any financial year, or
- the proposal is for more than one financial year and is in excess of £50,000 cumulative.

6.9 The Charitable Funds Committee shall, in the first instance, consider applications for expenditure from charitable funds (including general purpose funds) of a value of £50,000 or more and shall make recommendations to the Trust Board (as Corporate Trustee) as to whether the applications should be approved or rejected.

6.10 The Charity's officers are authorised to consider and decide upon applications for expenditure from charitable funds (including general purpose funds) up to a value of £10,000. All such decisions taken by the Charity's officers shall be reported for information to the next meeting of the Charitable Funds Committee, to enable the Committee to provide oversight of all funding applications approved by the Charity's officers under the scheme of delegation from designated funds or general purpose funds, where the value is £10,000 or less.

6.11 All funding applications will require the support and prior approval of the relevant CMG Clinical Director or Head of Operations or Head of Nursing. In the case of applications with a value of £10,000 or less to the general purposes fund, the approval of the Executive Directors on the Committee is required.

6.12 The Committee shall require all successful applicants to provide a written evaluation within twelve months of the start of the project. Any waiver to this requirement will be at the discretion of the Committee.

### **General**

6.13 The Committee will approve the Charity's Annual Accounts and Annual Report prior to their submission to, and consideration by, the Trust Board as Corporate Trustee for formal adoption.

6.14 The Committee will consider general issues relating to the Charity, including guidance issued from time to time by the Charity Commission.

## 7 Reporting and Governance Procedures

The Committee shall produce minutes of its meetings which will be formally ratified at the following meeting. A written summary of each meeting shall be submitted to the next scheduled meeting of the Board as Corporate Trustee. The summary will focus on items of escalations, items which have been approved and specific items connected to strategic risks and strategic direction. The Chair of the Committee will present this report.

An annual report will be produced setting out the Committee's compliance with its terms of reference, performance of its duties and strategic priorities for the next 12 months. This will be informed by an annual self-assessment conducted by the committee, ensuring its work and responsibilities are reflective of the changing environment within which the Committee functions. The Board as Corporate Trustee will receive and approve the annual report.

## 8 Review

The Committee will continually review the effectiveness, and where appropriate, revise the Committee membership and terms of reference at least annually. Ratification will be by the Board as Corporate Trustee.

## 9 Ratification:

**Updated and reviewed by:** Charitable Funds Committee

**Date:** 18 August 2023

**Ratified by:** Trust Board

**Date:** (14 September 2023)