Torbay and South Devon
NHS Foundation Trust

CHARITABLE FUNDS COMMITTEE

TERMS OF REFERENCE

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Torbay and South Devon
NHS Foundation Trust

TORBAY AND SOUTH DEVON NHS FOUNDATION TRUST

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1. Constitution

1.1 The Torbay and South Devon NHS Charitable Fund ('the charity') is registered with the Charity Commission (no. 1052232).

1.2 Torbay and South Devon NHS Foundation Trust is public benefit organisation. As a corporation, the Trust is appointed to act as the Corporate Trustee of the charity. The Trust has a Board of Directors which exercises the powers of the Trust on its behalf except where any of these powers have been delegated by the Board. The Board of Directors fulfils the purpose of the Corporate Trustee on behalf of the Trust and is the sole Trustee of the charity.

1.3 The Charitable Funds Committee ('the Committee') is accountable to the Corporate Trustee for its performance and effectiveness in accordance with these terms of reference.

1.4 The Charitable Funds Committee ('the Committee') is constituted as a Standing Committee of the Trust Board ('Board'). Its constitution and terms of reference are subject to amendment by the Board.

1.5 The Committee has delegated responsibility for the day to day management of charitable funds on behalf of the Corporate Trustee. Overall liability for the governance of charitable funds is retained by the Trustee and no liability will be attributed to members of the Committee.

1.6 The Committee will adhere to, and be cognisant of the Trust values at all times.

2. Authority

2.1 The Committee is authorised by the Corporate Trustee to:

- Govern, manage and regulate the finances, accounts, investments, assets, business and all affairs whatsoever of the charity
- Approve the charity's strategy including financial strategy
- Approve annual plan and expenditure priorities for funds

- Approve major expenditure proposals having a value of over £50,000 and where thought necessary, proposals with a lower value
- Approve the charity's Annual Report and Accounts
- Appoint Fund Managers
- Appoint investment advisers and review every three years
- Approve the charity's fundraising plans

3. Purpose

3.1 On behalf of the Corporate Trustee, the purpose of the Committee is to manage the routine affairs of the charity, in accordance with the Scheme of Delegation.

3.2 The Committee will assure the Corporate Trustee that the Trust's charitable activities are within the law and regulations set by the Charity Commission for England and Wales. It does not remove from the Trustee the overall responsibility for stewardship of the Committee but provides a forum for a more detailed consideration of all charitable activity within the Trust.

3.3 The Committee will ensure that funds are spent in accordance with any legally-binding constraints over the use of funds and take due account of any non-binding wishes expressed by donors.

3.4 The Committee will oversee and review the strategic and operational management of the charity.

3.5 The Committee will ensure co-operation with the external auditors in the regulation of charitable funds.

4. Powers

4.1 The Committee is authorised by the Corporate Trustee to investigate any activity within its terms of reference.

4.2 The Committee is accountable to the Corporate Trustee and any changes to these terms of reference must be approved by the Corporate Trustee.

4.3 The Committee is authorised to seek any information it requires from any member of staff and all members of staff are directed to co-operate with any request made by the Committee.

4.4 The Committee is authorised by the Corporate Trustee to request the attendance of individuals and authorities from outside the Trust with relevant experience and expertise if it considers this necessary.

4.5 The Committee is authorised by the Corporate Trustee to obtain outside legal or other specialist ad-hoc advice at the expense of the organisation, subject to budgets agreed by the Board.

4.6 In cases where a decision on any investment proposal is viewed as urgent, the Committee have delegated the power to authorise such changes to any two of the following members of the Committee: Chief Finance Officer, Committee Chair or Non-Executive Director. In exceptional circumstances, and in the absence of the Chief Finance Officer, the Deputy Director of Finance may act as an authorised person. Any such decisions must be reported to the next meeting of the charity.

5 Duties and Responsibilities

5.4 The Committee is required to:-

5.4.1 Govern, manage and regulate the finances, accounts, investments, assets, business and all affairs whatsoever of the charity.
5.4.2 Ensure that systems are in place to provide appropriate and effective financial control and compliance with legal and regulatory requirements including due consideration of donor's wishes and reputational risks.
5.4.3 Review and approve annual expenditure priorities for funds, and the charity's annual plan and ensure compliance with agreed priorities and monitor performance against plan.
5.4.4 Consider and approve charitable expenditure proposals with a value over £50,000 and where thought necessary, proposals with a lower value.
5.4.5 Encourage the use of funds for the benefit of patient welfare.
5.4.6 Consider the report from the charity's auditor and consider and approve the charity Annual Report and Accounts
5.4.7 Review and approve the charity's investment policy. Appoint and monitor performance of the charity's investment managers, and review their performance every three years.
5.4.8 Determine and approve the strategy of the charity and monitor performance against it.
5.4.9 Appoint Fund Managers.
5.4.10 Review and approve fundraising plans and monitor performance ensuring compliance with fundraising regulatory requirements.
5.4.11 Further to 5.4.3 above, approval for individual purchases should be obtained from:

Up to £5,000	Fund Holder
£5,0001 to £20,000	Chief Finance Officer
£20,000 to £50,000	Chief Executive
Over £50,000	Charitable Funds Committee

The authorisers detailed above may also, in circumstances where thought necessary, authorise expenditure with a value below their specified range.

6 Membership

6.1 The Committee shall consist of the following members:

- Non-Executive Director (Committee Chair)
- Non-Executive Director
- Medical Director
- Director of Operational Finance

6.2 One of the Non-Executive Directors shall act as Committee Chair. In their absence, the other Non-Executive Director shall be nominated and appointed as acting Chair for the meeting.

6.3 The following shall be required to attend all meetings of the Committee:

- Senior Finance Manager – Corporate Services

6.4 The following shall be invited to attend all meetings of the Committee:

- Governor observer (see 6.5 for appointment process)

6.5 The process for selecting the Governor observer is a matter for the Chair of the Council of Governors and Governors. In the event that the nominated Governor observer is unable to attend a meeting, the Committee Chair will allow a substitute Governor to attend.

6.6 Other members/attendees may be co-opted or requested to attend as considered appropriate.

7 Attendance

7.1 A register of attendance will be maintained and the Chair of the Committee will follow up any issues related to the unexplained non-attendance of members. Should continuing non-attendance of a member jeopardise the functioning of the Committee, the Chair will discuss the matter with the member and, if necessary, select a substitute or replacement.

8. Quorum

8.1 The quorum necessary for the transaction of business shall be 3 members, comprising two Non-Executive Directors (of which one must be the named NED) and one Executive level member.

8.2 A duly convened meeting at which a quorum is present shall be competent to exercise all or any of the authorities, powers and discretions vested in or exercisable by the committee.

8.3 Deputies will count towards the quorum.

9. Administration

9.1 The Committee shall be supported by the Corporate Governance Manager or their nominee, whose duties in this respect will include:

- In consultation with the Committee Chair and Chief Finance Officer develop and maintain the reporting schedule to the Committee.
- Collation of papers and drafting of the agenda for agreement by the Chair of the Committee.
- Taking the minutes and keeping a record of matters arising and issues to be carried forward.
- Advising the group of scheduled agenda items.
- Agreeing the action schedule with the Chair and ensuring circulation.
- Maintaining a record of attendance.

10. Meetings

10.1 Meetings will be held on the following basis:

- Meetings will be held bi-annually or more often if called by the Chair.
- Meeting duration will be no longer than 2 hours.
- Items for the agenda should be sent to the Corporate Governance Manager a minimum of 7 days prior to the meeting. Urgent items may be raised under 'any other business'.
- The agenda with be issued by email to the Committee members and attendees, one week prior to the meeting date, together with the action schedule and other associated papers.
- An action schedule will be circulated to members following each meeting and must be duly completed and returned to the Corporate Governance Manager for circulation with the following meeting's agenda and associated papers.

11. Reporting

11.1 The Committee will provide a report to the Corporate Trustee in support of its work on promoting good management and assurance processes. The report shall include matters requiring escalation and key risks (as applicable).

11.2 The Committee will receive reports as per the meeting work plan.

12. Review

12.1 As part of the Trust's annual committee effectiveness review process, the Committee shall review its collective performance.

12.2 The Committee's Terms of Reference shall be reviewed on an annual basis and approved by the Corporate Trustee.

13. Monitoring effectiveness

13.1 In order that the Committee can be assured that it is operating at maximum effectiveness in discharging its responsibilities as set out in these terms of reference and, if necessary, to recommend any changes to the Board, the Chair will ensure that once a year a review of the following is undertaken and reported to the next meeting of the Committee:

- The objectives set out in section 3 were fulfilled; and
- An annual self-assessment on the effectiveness of the Committee is undertaken.

Appendix 1

Groups reporting to the Charitable Funds Committee

Charitable Funds Fundraising Working Group