

Charitable Funds Committee Terms of Reference

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1. Role and Purpose

- 1.1 The Charitable Funds Committee (the **Committee**) is responsible for exercising the functions of University Hospital Southampton NHS Foundation Trust (**UHS** or the **Trust**), as sole corporate trustee of Southampton Hospital Charity (registered charity number 1051543) (the **Charity**), including overseeing the management and monitoring of charitable funds on behalf of the Trust.
- 1.2 The Committee provides the board of directors of the Trust (the **Board**) with a means of assurance regarding the administration of the Charity in accordance with applicable legislation.
- 1.3 The duties and responsibilities of the Committee are more fully described in paragraph 7 below.

2. Constitution

- 2.1 The Committee has been established by the Board. The Committee has no executive powers other than those set out in these terms of reference. It is supported in its work by other committees established by the Board and other committees and groups as shown in Appendix A.
- 2.2 The Committee is authorised by the Board to investigate any activity within its terms of reference. It is authorised to seek any information it requires from any member of staff and all members of staff are directed to cooperate with any request made by the Committee.
- 2.3 In carrying out its role the Committee is authorised to seek reports and assurance from executive directors and managers and will maintain effective relationships with the chairs of other Board committees to understand their processes of assurance and links with the work of the Committee.
- 2.4 The Committee is authorised to obtain external legal or other independent professional advice if it considers this necessary, taking into consideration any issues of confidentiality and the Trust's standing financial instructions.

3. Membership

- 3.1 The members of the Committee will be appointed by the Board and will be:
 - 3.1.1 at least two non-executive directors of the Trust;
 - 3.1.2 the Chief People Officer; and
 - 3.1.3 the Chief Financial Officer.
- 3.2 The Board will appoint the chair of the Committee from among its non-executive director members (the **Committee Chair**). In the absence of the Committee Chair and/or an appointed deputy, the remaining members present will elect one of the non-executive members present to chair the meeting.
- 3.3 Only members of the Committee have the right to attend and vote at Committee meetings. However, the following will be invited to attend meetings of the Committee on a regular basis:
 - 3.3.1 the Charity Director
 - 3.3.2 the Head of Charitable Giving;
 - 3.3.3 the Head of Charitable Operations;
 - 3.3.4 the Head of Charity Communications; and
 - 3.3.5 Charity Finance Manager

- 3.4 Other individuals may be invited to attend for all or part of any meeting, as and when appropriate and necessary, particularly when the Committee is considering areas of risk or operation that are the responsibility of a particular executive director or manager.

4. Attendance and Quorum

- 4.1 Members should aim to attend every meeting and should attend a minimum of 75% of meetings held in each financial year. Where a member is unable to attend a meeting they should notify the Committee Chair or secretary in advance.
- 4.2 The quorum for a meeting will be three members, including two non-executive directors. A duly convened meeting of the Committee at which a quorum is present will be competent to exercise all or any of the authorities, powers and discretions vested in or exercisable by the Committee.
- 4.3 When an executive director or manager is unable to attend a meeting they should appoint a deputy to attend on their behalf.

5. Frequency of Meetings

- 5.1 The Committee will meet at least four times each year and otherwise as required.

6. Conduct and Administration of Meetings

- 6.1 Meetings of the Committee will be convened by the secretary of the Committee at the request of the Committee Chair or any of its members.
- 6.2 The agenda of items to be discussed at the meeting will be agreed by the Committee Chair with support from the Charity Director. The agenda and supporting papers will be distributed to each member of the Committee and the regular attendees no later than five working days before the date of the meeting. Distribution of any papers after this deadline will require the agreement of the Committee Chair.
- 6.3 The secretary of the Committee will minute the proceedings of all meetings of the Committee, including recording the names of those present and in attendance and any declarations of interest.
- 6.4 Draft minutes of Committee meetings and a separate record of the actions to be taken forward will be circulated promptly to all members of the Committee. Once approved by the Committee, minutes will be circulated to all other members of the Board unless it would be inappropriate to do so in the opinion of the Committee Chair.

7. Duties and Responsibilities

The Committee will carry out the duties below for the Trust.

7.1 Governance

- 7.1.1 Ensure that the charitable funds held by the Trust are managed in a manner consistent with its charitable purpose relating to the National Health Service, the requirements of the relevant regulatory and statutory frameworks and the guidance set out by the Charity Commission.
- 7.1.2 When in this role act solely in the best interests of the Charity and in a manner consistent with the Charity Commission's requirements and expectations of charity trustees.
- 7.1.3 Determine the format of the information required to effectively manage the charitable funds.
- 7.1.4 Receive all necessary information from the Charity Director.

7.2 Strategy

- 7.2.1 Oversee the Charity's strategy, governance (in accordance with the Charity Governance Code as it applies to the Charity and the Committee), major plans and key risks on behalf of the Trustee.
- 7.2.2 Review and approve annually objectives, a medium-term strategy and an annual operating plan (including a budget).

7.3 Fundraising

- 7.3.1 Review and approve annually the overall fundraising strategy of the Charity.
- 7.3.2 Establish, prioritise, and approve major fundraising projects and expenditure (between £75,001 - £1,000,000), each of which should be supported by an appropriate business case; projects and expenditure over £1,000,000 will require approval from the Board.
- 7.3.3 Safeguard donated money.
- 7.3.4 Ensure legacies are realised in a timely and complete manner.

7.4 Utilisation of Funds

- 7.4.1 Approve charitable fund bids in accordance with the relevant procedures including the Trust's standing financial instructions and/or any applicable grants policy or criteria.
- 7.4.2 Endeavour to make an adequate return on prudent investments.
- 7.4.3 Establish and agree any changes to the Charity's investment policy and ensure that investment is in accordance with this policy.
- 7.4.4 Appoint independent advisors on investment policy as the Committee sees fit.
- 7.4.5 Review the appointment of investment advisors every three years and recommend any changes to the Board.
- 7.4.6 Monitor the performance of investments and seek clarification from the investment advisors on any relevant issues.
- 7.4.7 Regularly review the performance of current investments in terms of income and capital appreciation.

7.5 Reporting

- 7.5.1 Review and approve the Charity's annual accounts and trustee's report in accordance with the Charity Commission's Charities Statement of Recommended Practice.
- 7.5.2 Fully account to the Charity Commission and the public, including specific reporting requirements agreed with any donors.
- 7.5.3 Receive regular reports from any sub-committees the Committee has established.

8. Accountability and Reporting

- 8.1 The Committee Chair will report to the Board following each meeting, drawing the Board's attention to any matters of significance or where actions or improvements are needed.
- 8.2 Appendix A sets out the sub-committees that report to and support the Committee in fulfilling its duties and responsibilities.

9. Review of Terms of Reference and Performance and Effectiveness

- 9.1 At least once a year the Committee will review its collective performance and its terms of reference. Any proposed changes to the terms of reference will be recommended to the Board for approval.

10. References

10.1 National Health Service Act 2006

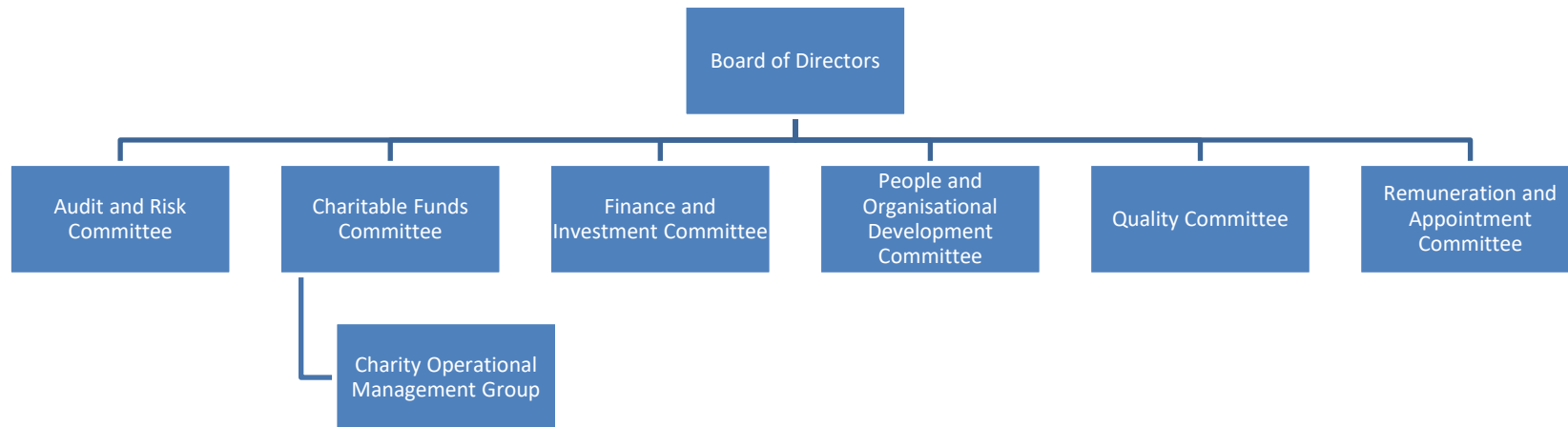
10.2 Charities Act 2011

10.3 Charities (Accounts and Reports) Regulations 2008

10.4 Declaration of Trust dated 10 November 1995 (as amended)

10.5 Standing Financial Instructions

Appendix A



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