

V17

Charitable Funds Committee

Role

Central London Community Healthcare NHS Trust was appointed as corporate trustee of Central London Community Healthcare Charity and related Charities on the 22 December 2011; the Board serves as its agent in the administration of the charitable funds held by the trust.

The Charitable Funds Committee has been established by the Board to make and monitor arrangements for the control and management of Trust's charitable funds.

To govern, manage, regulate and plan the finances, accounts, investments, assets, business and all affairs of the charity, including authorisation of expenditure.

Definitions

"the Trust" means Central London Community Healthcare NHS Trust

"the Committee" means the Charitable Funds Committee

"the Directors" means the Trust's Board of Directors.

1 Membership

1.1 Members of the Committee shall be appointed by the Board of Directors.

1.2 The Committee shall be made up of at least two Non-Executive Directors, and at least two Directors¹ (one of which will be an Executive Director).

A senior finance manager will be in attendance at each meeting.

1.3 The Chair of the Committee will be an Independent Non-executive Director. In the absence of the Committee Chair and/or an appointed Deputy, the remaining members present shall elect another member to Chair the meeting.

1.4 Those in attendance may appoint a deputy to attend on their behalf but should aim to attend a minimum of one out of the two scheduled meetings.

1.5 To obtain, outside legal or other professional advice on any matter within its terms of reference via the Trust Secretary.

2 Secretary

2.1 The Trust Secretary or their nominee shall act as the Secretary of the Committee.

3 Quorum

¹ An exception to the Trust's requirement for all members of Committees to be Board Members, is made for the Charitable Funds Committee

V17

3.1 The quorum necessary for the transaction of business shall be two, including a NED member and a director or their deputy². A duly convened meeting of the Committee 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.

4 Frequency of meetings and attendance requirements

4.1 The Committee will normally meet at least two times a year at appropriate times in the reporting cycle and otherwise as required.

4.2 Decision may be made outside of those two meetings (for example by email), providing that a quorum of members are in written agreement. Note the criteria for virtual decisions were documented in December 2017.

4.3 Committee members should aim to attend all scheduled meetings but must attend a minimum of one meeting. The Secretary of the Committee shall maintain a register of attendance which will be published in the Trust's Annual Report.

5 Notice of meetings

5.1 Meetings of the Committee may be called by the Secretary of the Committee at the request of any of its members or where necessary.

5.2 Unless otherwise agreed, notice of each meeting confirming the venue, time and date together with an agenda of items to be discussed, shall be forwarded to each member of the Committee, any other person required to attend and all other Non-executive Directors, no later than five working days before the date of the meeting. Supporting papers shall be sent to Committee members and to other attendees as appropriate, at the same time.

6 Minutes of meetings

6.1 The Secretary shall minute the proceedings of all meetings of the Committee, including recording the names of those present and in attendance.

6.2 Members and those present should state any conflicts of interest and the Secretary should minute them accordingly.

7 Annual General meeting

7.1 The Chair of the Committee will normally attend the Annual General Meeting prepared to respond to any questions on the committee's activities.

8 Scope and Duties

8.1 Within the budget, priorities and spending criteria determined by the Trust as trustee and consistent with the requirements of the Charities Act 1993

² Note while deputies are permitted they must be directors or executive directors, ensuring that at least one executive director attends every meeting.

V17

(or any modification of that Act) to apply the charitable funds in accordance with their respective governing documents.

- 8.2 To ensure that the Trust policies and procedures for charitable funds investments are followed. To make decisions involving the sound investment of charitable funds in a way which both preserves their capital value and produces proper return consistent with prudent investment and ensuring compliance with:
 - 8.2.1 Trustee Act 2000
 - 8.2.2 The Charities Act 1993
 - 8.2.3 Terms of the Funds' Governing documents
- 8.3 To ensure the approval and submission of the annual accounts and Trustees' report in accordance with the Charities Act.
- 8.4 To monitor the Trust's scheme of delegation for expenditure for the levels in accordance with policy and delegated limits.
- 8.5 To monitor income, expenditure and investments in relation to charitable funds.
- 8.6 To receive proposals for major expenditure and to approve charitable fund bids (over £3,000) in accordance with the relevant procedures.
- 8.7 To consider strategy in relation to the charity and charitable funds, with a view to making recommendations to the Board as Corporate Trustee.
- 8.8 The Committee will determine the strategy and policies for fundraising, including whether the Trust should undertake major fundraising appeals, establishing the appropriate framework to ensure that any appeal is properly managed.
- 8.9 To monitor fundraising performance and compliance with fundraising regulations.
- 8.10 To identify and monitor risks in relation to the charity and charitable funds, including investments.
- 8.11 To ensure that training needs of the Board and Committee members are identified and met.

Note –the SOFI include several and specific references which cover this section.

9 Authority

- 9.1 The Charitable Funds Committee (CFC) shall have power to appoint an investment manager to advise it on investment matters and may delegate day-to-day management of some of all of the investments to that investment manager. In exercising this power the CFC must ensure that:
 - a. The scope of the power delegated is clearly set out in writing and

V17

communicated with the person or persons who will exercise it.

- b. There are in place adequate internal controls and procedures which ensure that the power is being exercised properly and prudently
- c. It reviews regularly the performance of the person or person's exercising the delegated power.
- d. Where an investment manager is appointed, that the person is regulated under the Financial Services Act 1986
- e. Acquisitions or disposal of a material nature always have written authority of the CFC or the Chairman of the CFC in conjunction with the Director of Finance, Performance and Corporate Resources.
- f. It establishes and maintains an approved list of counter parties for investment activities
- g. It will operate an investment pool when it is considered appropriate to the charity in accordance with charity law and the directions and guidance of the Charity Commission. The CFC shall propose the basis to the Trust Board for applying accrued income to individual funds in line with charity law and Charity Commissioner guidance.
- h. It will obtain appropriate professional advice to support its investment activities.
- i. It will regularly review investments to see if other opportunities or investment managers offer a better return.

10 Monitoring and Review:

- 10.1 The Board will monitor the effectiveness of the Committee through receipt of the Committee's minutes and such written or verbal reports that the Chair of the Committee might provide.
- 10.2 The Secretary will monitor the frequency of the Committee meetings and the attendance records to ensure minimum attendance figures are complied with. The attendance of members of the Committee will be reported in the Annual Report.
- 10.3 Terms of reference agreed by Charitable Funds Committee 7 June 2018.
- 10.4 Terms of reference approved by the Board of Directors 28 June 2018
- 10.5 To be reviewed at least triennially.