

## CHARITABLE FUNDS COMMITTEE Terms of Reference

*Approved by the Corporate Trustee for charitable funds 31 July 2018*

The Charitable Funds Committee is responsible for scrutiny and providing assurance to Trust Board on key issues allocated to them by the Trust Board. Agendas are set to enable Trust Board in its capacity as Corporate Trustee of the charity to be assured that robust processes are in place to enable statutory duties to be met, to enable the Trust's strategic objectives to be met and to address and mitigate risk.

The Committee was established in November 2003. It is a committee of the Trust Board and has no executive powers other than those specifically delegated in these terms of reference.

### **Purpose**

The Trust is a Corporate Trustee for the charitable funds. These include but are not limited to the Charity (EyUp!), Creative Minds, Spirit in Mind, and the Mental Health Museum linked charities and their funds. As a result, it is required to set up a mechanism for the management and use of those funds to ensure it fulfils its obligations as a Corporate Trustee and to manage the Trust's charitable funds in accordance with statutory requirements and Department of Health guidance. The Committee was set up as a body separate from the Audit Committee following a report on the management of charitable funds in the NHS by the Audit Commission.

### **Membership**

Due to the unique nature of the Committee, members are invited to join and must undertake training in the administration of charitable funds in order to discharge their duties. Membership of the Committee reflects the responsibilities to the Trust as well as the need to have a balanced Committee with the necessary skills and experience. The principle remains, however, that the Committee should be chaired by a Non-Executive Director and membership should include other Non-Executive Directors.

*Membership as at August 2018:*

Chair - Non-Executive Director - Charlotte Dyson (Deputy Chair / Senior Independent Director);

Non-Executive Director - Angela Monaghan (Chair of the Trust)

Non-Executive Director - Kate Quail

Lead Director - Director of Strategy - Salma Yasmeen\*

Director of Quality and Nursing - Tim Breedon\*

\* or nominated deputy

### **Attendance**

The Head of Financial Accounting; Head of Marketing, Communications & Engagement; and Chair of the Linked Charities Governance Group also attends meetings. Other attendees will be invited as required and may include service user and Member's Council representatives. Linked charity leads will be invited annually to present their annual report to the Committee. Administrative support is provided by the Personal Assistant to the Director of Strategy.

## **Quoracy**

The quorum will be three members (including the Chair of the Committee). Members are expected to attend all meetings. In the unusual event that the Chair is absent from the meeting, the Committee will agree another Non-Executive Director to take the chair.

## **Voting**

All members carry one vote. In event of a tied vote the Chair of the Committee shall have the casting vote.

## **Frequency of meetings**

The Committee will meet a minimum of four times per year.

## **Authority**

The Committee has the authority to act within its terms of reference, unless specifically delegated to the Committee by Trust Board.

## **Duties**

1. To equitably manage the Trust's charitable funds in accordance with statutory requirements of the Charity Commission and Department of Health guidance.
2. To ensure that any expenditure is in line with the objects of those funds.
3. To establish appropriate delegated responsibility for the management of designated charitable funds and the linked charities Creative Minds, Spirit in Mind and Mental Health Museum.
4. Review of the Minutes of the Linked Charities Governance Group.
5. Review of bids is delegated to a sub-group and the Committee is responsible for overseeing this group and taking any decisions on bids where the subgroup is unable to reach a decision or on bids over £5,000.
6. To take a proactive role in fundraising for the Charity to increase donations.
7. To establish mechanisms by which donations are facilitated and properly accounted for.
8. To undertake an annual review of the effectiveness of the Committee and produce an Annual Report.
9. To ratify the annual report and accounts, following presentation to the Audit Committee.

With regards to the duty listed number three, responsibility for special funds has been delegated to the General Manager for that service or facility (as agreed by Trust Board). However if monies have not expended from their funds for 12 months then these funds will be transferred to Business Development Unit (BDU) general funds. However, expenditure on general funds has been reserved to the Committee. (General funds are funds donated with fairly broad objectives, whilst special funds are those donated for a specific purpose and/or service/facility.)

## **Linked Charities**

Any Linked Charity will report to the Committee and must abide with the following:

1. Each linked charity will have a named person responsible, responsibility for Creative Minds, Spirit in Mind and Mental Health Museum has been delegated to the Creative Minds Strategic Lead, Head of Pastoral Care and the Museum Curator respectively, they will be responsible for providing an annual report setting out how they have met their charitable objectives including an overview of income, expenditure and approved projects.

2. Any request to become a linked charity must be made to the Committee.
3. All linked charities must follow Trust Standing Orders, Standing Financial Instructions, policies and procedures.
4. All expenditure must be within their income.
5. Any Minutes of separate linked charity governance groups will be received by the Committee.

### **Reporting to Trust Board**

The Trust Board, in its role as the charity's Trustee, receives the Minutes of the Committee quarterly (in January, April, July and October).

### **Other**

All members of the Committee are required to undertake suitable training in order to discharge their duties as members of the Committee.