

N&N HOSPITALS CHARITY COMMITTEE

TERMS OF REFERENCE

1 CONSTITUTION AND PURPOSE

By resolution of the Trust Board of Directors, acting in its capacity as Corporate Trustee, a Committee of the Trust is established, to be known as the N&N Hospitals Charity Committee (“the Committee” or “the Charity Committee”).

The Purpose of the Committee is to:

- provide assurance oversight of the management of the Norfolk and Norwich Hospitals Charity (registered charity number 1048170) (“the Charity”);
- oversee investment of the Charity’s assets;
- assist the Board in meeting its responsibilities as the Corporate Trustee of the Charity;
- support the Corporate Trustee in strategic overview and development of the Charity.

2 AUTHORITY

The Committee has no executive powers other than those specified in these Terms of Reference. The Committee is authorised to investigate any activity within its Terms of Reference. It is authorised to seek any information it requires from any employee and all employees are directed to co-operate with any request made by the Committee.

The Committee is authorised to obtain independent professional advice as it considers necessary in accordance with these Terms of Reference.

The Committee has delegated authority to approve expenditure of charitable funds in accordance with the Scheme of Delegation approved by the Corporate Trustee.

3 MEMBERSHIP

Membership of the Committee shall comprise:

- ❖ at least two Non-Executive Directors;
- ❖ at least two executive directors;
- ❖ the Trust executive with assigned responsibility for the Charity (if not one of the above);
- ❖ no more than two independent members (who shall not be current members of Trust staff).

The Corporate Trustee will review the membership of the Committee annually to ensure that it meets the requirements of the Charity and Corporate Trustee.

Only members of the Committee are entitled to be present at its meetings. The Committee may however invite non-members, including external advisors, to attend part or all of its meetings as it considers necessary and appropriate. If not a member of the Committee, the Chairman of the Trust shall have the right of attendance at meetings of the Committee.

4 MEETINGS AND QUORUM

The Committee shall be chaired by one of the non-executive directors of the Trust.

Meetings of the Committee shall take place at a frequency and timing necessary to enable discharge of its Purpose and Duties and the Committee will routinely meet once every quarter. Additional meetings of the Committee may be called at the discretion of the Committee Chair or otherwise at the request of at least 2 Committee Members.

To be quorate, at least one executive director member and one non-executive director member of the Committee must be present.

Attendance at the meeting may be by teleconference or videoconference at the discretion of the Committee Chair.

Arrangements for administrative support for the Committee shall be established in consultation with the Committee Chair. Agendas for forthcoming meetings will be agreed with the Committee Chair and papers distributed to members in advance of the meeting as agreed. Meeting papers will also be available to other members of the Board for information.

The Committee will establish an annual Work Programme, summarising those items and reports that it expects to consider at forthcoming meetings.

5 DUTIES

In furtherance of achievement of its Purpose, particular duties of the Committee are to act on behalf of the Corporate Trustee to:

Management and Expenditure of the Charity's funds

5.1 receive reports concerning the Charity which should include the following information¹:

- i) number and value of charitable and endowment funds;
- ii) spend in period;
- iii) total spent to date*;
- iv) comparative figures for the previous financial year*;
- v) budget for year*;
- vi) list of large or unusual transactions;
- vii) list of significant donations;
- viii) use of chairman's (or other officers') discretionary and delegated authority;
- ix) summary investment report;
- x) report on slow moving or overdrawn funds; and
- xi) compliance with any restrictions on use of funds.

* broken down to fund or budget heading

5.2 receive such reports from individual fund advisers as it considers appropriate, which may include fundraising or spending plans;

Investment of the Charity's funds

5.3 engage and take such advice from professional investment managers as the Committee thinks fit and:

- i) agree an investment strategy for the Charity, including the appointment and monitoring of investment managers;
- ii) oversee and approve investment transactions of the Charity; and
- iii) consider and monitor the risk profile of the Charity's investments such that any necessary and appropriate recommendations may be made to the Corporate Trustee;

5.4 ensure that, where the Committee delegates discretionary powers in respect of investments:

- i) the investment policy and scope of the power delegated is clearly set out in writing, communicated to the person or persons who will exercise it and kept under review;
- ii) adequate internal controls and procedures are in place to ensure that the delegated power is being exercised properly and prudently; and
- iii) the person(s) exercising the delegated power are subject to appropriate regulation and their performance is regularly reviewed.

Strategic Overview and Development of the Charity

5.5 review and agree as appropriate:

- i) relevant strategy, policies and procedures relating to the Charity;
- ii) major fundraising and expenditure plans;
- iii) publicity material and literature relating to the Charity for potential donors;
- iv) guidance for individual fund advisers;
- v) relevant reports of the internal and external auditors;
- vi) the annual accounts and Report of the Trustee; and

¹ As recommended by the National Audit Office (Charitable Funds Associated with NHS bodies -June 2000).

vii) the Charity's Annual Plan and Budget.

5.6 review grant applications and approve expenditure of funds in accordance with delegated authority (<£100k), making recommendations to the Corporate Trustee as appropriate;

5.7 promote a clear and effective approach to supporting equality, diversity and inclusion in the Charity's policies and practice.

5.8 carry out an annual review of its satisfaction of these Terms of Reference.

6 REPORTING

After each meeting of the Committee, the Chair of the Committee shall make a report to the next meeting of Trust Board and draw to its attention any issues that require its particular attention or require it to take action.

Minutes of meetings of the Committee are to be presented to the Trust Board in its capacity as Corporate Trustee.

7 RELATIONSHIP WITH AUDIT AND FINANCE AND INVESTMENT COMMITTEES

Through alignment of the relevant Work Programmes for each of the Board Committees overlap or gaps in their collective assurance function will be avoided. For the avoidance of doubt, it is noted that the following items remain within the area of responsibility of the Audit Committee (as specified in its Terms of Reference):

- Internal and External Audit
- Local Counter Fraud Specialist work
- Approval of Financial Statements and Quality Accounts
- Oversight of the structures and systems for risk management and the processes in place for identifying and managing key risks including the Risk Register.

8 DECLARATIONS OF INTEREST

All members must declare any actual or potential conflicts of interest relevant to the work of the Committee, which shall be recorded in the Minutes accordingly. Members should exclude themselves from any part of a meeting in which they have a material conflict of interest. The Chair will decide whether a declared interest represents a material conflict.

9 REPORTING COMMITTEES

There are no standing sub-committees which report to the Charity Committee.

10 PROCESS FOR MONITORING EFFECTIVENESS OF THE COMMITTEE

The Committee will carry out an annual review of its performance and function in satisfaction of these Terms of Reference and report to the Board on any consequent recommendations for change.

11 OTHER MATTERS

Guidance or documents associated with these Terms of Reference include:

- ❖ NNUH Standing Financial Instructions and Scheme of Delegation;
- ❖ Charity Commission document NHS charities guidance (October 2022) [NHS charities guidance - GOV.UK \(www.gov.uk\)](https://www.gov.uk/government/publications/nhs-charities-guidance)
- ❖ National Audit Office – Charitable Funds Associated with NHS bodies (June 2000).
- ❖ Charity Commission - Charities and investment matters: a guide for trustees (August 2023) <https://www.gov.uk/government/publications/charities-and-investment-matters-a-guide-for-trustees-cc14/charities-and-investment-matters-a-guide-for-trustees>
- ❖ Charity Commission Guidance for trustees [Charity Commission guidance - GOV.UK \(www.gov.uk\)](https://www.gov.uk/government/publications/charity-commission-guidance-for-trustees)
- ❖ Guidance for charities associated with a non-charity [Guidance for charities with a connection to a non-charity - GOV.UK \(www.gov.uk\)](https://www.gov.uk/government/publications/guidance-for-charities-with-a-connection-to-a-non-charity)
- ❖ NHS Charitable Funds – HFMA Practical Guide 5th ed (2020) <https://www.hfma.org.uk>
- ❖ HFMA - [accounting-and-auditing-for-nhs-charities-the-legal-requirements.pdf](https://www.hfma.org.uk/~/media/1/2/Accounting-and-auditing-for-nhs-charities-the-legal-requirements.pdf)

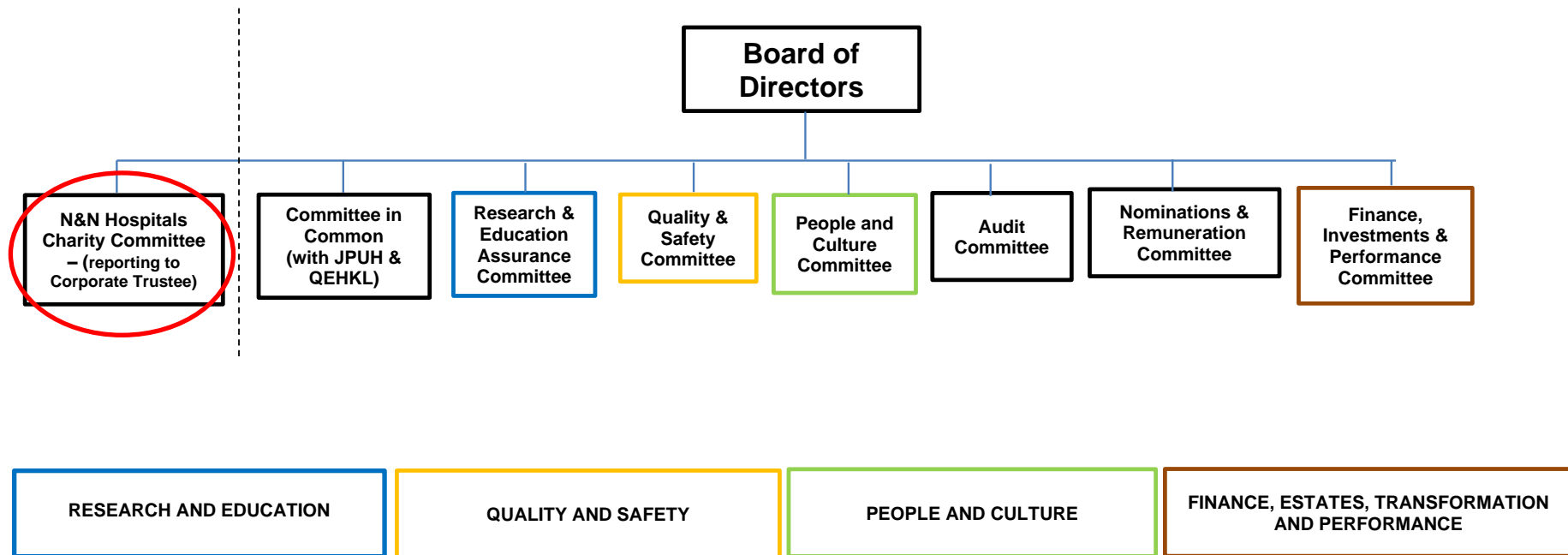
Approved by the Board of Directors as Corporate Trustee on: 06 Nov 2024

Date for next review: Dec 2025

Board of Directors and Management Board Reporting and Accountability Structure

Foundation Trust Board Reporting Structure

- i. Leadership of the Foundation Trust is provided by its Board of Directors (a unitary Board with a majority of Non-Executive Directors (8) and 6 Executive Directors).
- ii. The Board has established a structure of Board Committees with responsibility to seek assurance on behalf of the Board and/or to exercise specific delegated authority.
- iii. That Committee structure is detailed below:



As at October 2024

Charity Committee Terms of Reference Trust Docs ID: 9817
Approved by Board of Directors as Corporate Trustee on: 06.11.2024

Our Values **P**eople focused **R**espect **I**ntegrity **D**edication **E**xcellence

Section 4 - Charity Governance

- Executive Lead: Company Secretary



The Norfolk and Norwich Hospitals Charity is registered with the Charity Commission (registration number 1048170). By securing donations, legacies and sponsorship, the Charity is able to provide support for additional equipment and projects above and beyond what is available through normal NHS funding. Ultimately the Charity is overseen by the Board of Directors, acting on behalf of the Foundation Trust as a **Corporate Trustee**.

The Charity Commission has issued guidance which is relevant to charities associated with third parties such as NHS bodies <https://www.gov.uk/guidance/guidance-for-charities-with-a-connection-to-a-non-charity>.

The guidance sets out six principles:

- i. [Recognise the risks](#) – relationships with non-charities can benefit charities, but the risks of any particular relationship must be assessed and appropriate steps taken to manage risks.
- ii. [Do not further non-charitable purposes](#) – for a charity to be charitable **all charitable funds must be applied exclusively for charitable purposes**.
- iii. [Operate independently](#) – a charity must remain independent of any non-charitable organisation with which it has a close connection. **The trustees must act in the best interests of the charity alone**.
- iv. [Avoid unauthorised personal benefit and address conflicts of interest](#) – The guidance notes that any personal benefit from a charity must be appropriately authorised in advance and any conflict of interest must be appropriately managed.
- v. [Maintain your charity's separate identity](#) – The guidance states that **charity trustees have a legal obligation “to keep it [the charity] distinct from any connected organisation”**. The guidance is particularly concerned with the extent to which a charity might share its identity with a non-charitable organisation, and the potential risks of sharing an identity.
- vi. [Protect your charity](#) - A key duty of charity trustees is to safeguard the assets of their charity (including its reputation).

It is therefore crucial that there should be clear segregation and distinction between the funds and interests of the Charity and those of its host Foundation Trust. The Charity has separate accounts and governance from the Foundation Trust, with separate lines of decision-making and reporting. An established N&N Charity Committee oversees the Charity's – investments policy, budget setting and long-term plans., in accordance with the Charity's Strategy (2023-27) - **Supporting Better Care** .

