



## **Board of Trustees**

### **Terms of Reference**

#### **Purpose and objectives of the board**

Sir Jules Thorn created the Trust in 1964 using a Trust Deed and later followed this up with a letter in 1978. Guided by these documents, the Board is responsible for setting the strategic direction and goals of the Trust, reviewing its performance and approving its operating plan and budget. The Board is also responsible for ensuring the Trust complies with its statutory responsibilities as a registered charity and relevant guidance on good practice.

#### **Membership**

- The Trust Deed is not prescriptive regarding the membership of the Board but, unless the circumstances are exceptional, there will not be less than seven and no more than ten Trustees.
- Board meetings are quorate when at least 50% of Trustees are in attendance.
- New Trustees are normally appointed for a term of 5 years, which may be renewable with the agreement of the Board. The Trust has considered guidance published in the Charity Governance Code regarding the period for which trustees should normally serve on boards, but concluded it was not appropriate to set an upper limit on the period for which Trustees could serve. This decision reflects the length of the funding cycle for a number of the Trust's programmes and the period needed for funded research to come to fruition.
- The Trust greatly values its continued connections to the founding family, and the Board therefore has discretion to determine the length of service for any member of the family appointed to serve either as a Trustee or Chairman.
- The Chairman will be elected by the Trustees.
- The Board will review its membership periodically in order to ensure that its membership includes the skills and expertise needed to fulfil its responsibilities, as the strategy of the Trust evolves.

#### **Meetings**

The Board will hold a minimum of two meetings each year. Additional meetings may be convened, if required.

## **Terms of reference**

The Board's primary responsibilities are as follows:

- i. To set the Trust's strategy, ensuring that this reflects the Trust's mission, the wishes of the founder and the external environment in which it works
- ii. To ensure the Trust complies with its statutory responsibilities as a registered charity and relevant guidance on good practice
- iii. To monitor and evaluate the performance of the Trust and its grant programmes against the objectives outlined in the Trust's strategy
- iv. To determine the awards made under the Trust's grant programmes, taking advice where appropriate from the Medical Advisory Committee or others delegated to undertake the assessment of grant proposals.
- v. To have the ultimate financial and business responsibility for the Trust, ensuring that appropriate controls are in place for the sound management of its activities and resources, and that the Trust complies with relevant legal and regulatory requirements
- vi. To safeguard the financial sustainability of the Trust, through oversight of its endowment and setting appropriate policies to ensure that the capital and income are applied appropriately in support of the Trust's strategy
- vii. To approve the Trust's annual Financial Statements
- viii. To approve, and keep under review, key policies to ensure they continue to support the delivery of the Trust's strategy
- ix. To determine which matters are reserved to the Board and which can be delegated
- x. To approve the annual operational plan and budget for the Trust
- xi. To appoint the Trust's external auditor, taking advice from the Investments Sub-Committee
- xii. To appoint the Trust's investment managers, taking advice from the Investments Sub-Committee
- xiii. To ensure there are proper arrangements in place for the appointment, supervision, support and remuneration of Trust staff
- xiv. To review the Trust's strategic risks on a regular basis and ensure that appropriate plans are in place to mitigate and manage key risks
- xv. To safeguard the reputation and values of the Trust.

## **Delegation**

The Board delegates a number of responsibilities, as follows:

- i. The assessment of applications for the Sir Jules Thorn Award and other research awards is delegated to the Medical Advisory Committee. The Committee will make a final recommendation on the awards, for consideration by the Board
- ii. Aspects of the due diligence on applications for the Trust's capital programmes, including visits to applicants where appropriate, is delegated to the Chairman and the Director, who will report any observations to the Board
- iii. The assessment of applications and decisions on awards under the Ann Rylands Small Donations programme is delegated to the Chairman and the Director

- iv. The detailed review of the investment managers' performance and their stewardship of the Trust's investment assets is delegated to the Investment Sub-Committee.
- v. The detailed review of the external auditor's report regarding the Financial Statements may be delegated to the Investment Sub-Committee

The Board may delegate specific matters to the Chairman or other Trustees where decisions are required outside the normal cycle of Board meetings.

### **Board effectiveness**

The Board will review its operating procedures in line with the Charity Governance Code. The Board may decide to appoint an external advisor to assist the review, where appropriate.

November 2023