

# Terms of Reference of the Cattanach Board

(Version 1.6, Dr Sophie Flemig (SF, Chief Executive), 14<sup>th</sup> March 2020)

## 1. General

1.1 Cattanach is Scottish Charitable Incorporated Organisation (SCIO) that operates as an independent funder and is registered as a charitable body with the Office of the Scottish Charity Regulator (SC049833), operating to further the charitable purposes as set out in clauses 7 and 9(1) of the SCIO Constitution.

1.2 These Terms of Reference, for regulation of the conduct and proceedings of the Board of Cattanach is made in accordance with the spirit of the original Trust Deed, as reconstituted by the SCIO Constitution.

1.3 Cattanach is a single-tier SCIO meaning that the Trustees and Members are the same individuals. The members of the body corporate, who are appointed by the Chair and the body of Trustees, will be known as “the Board of Trustees” or simply “the Board” as set out in clause 5 of the SCIO Constitution. The Chair of Cattanach, elected by Trustees, may be referred to as the “Chair of the Board” or “the Chair”. The Vice Chair will be appointed by the Chair, and their position will be confirmed by Trustees.

1.4 These Terms of Reference should be read in conjunction with the Cattanach SCIO Constitution.

1.5 These Terms of Reference are made by and can be altered, suspended or revoked, in whole or in part, by a clear numeric majority of the Trustees. They remain in force unless and until so altered, suspended or revoked.

1.6 These Terms of Reference shall be reviewed by the full Board at least every three (3) years or as and when the business of the charity or structural changes dictate the need to amend them.

1.7 Where these Terms of Reference do not make specific provision, the Chair – or, in their absence – the Vice Chair – , in consultation with the Chief Executive, will have discretion to determine all questions of procedure for the conduct and proceedings of the Board, making decisions where required.

## 2. Membership

2.1 Trustees are appointed to and hold office of the Cattanach Board in accordance with clauses 10, 11 and 20 of the SCIO Constitution. The collective membership of Cattanach will be known as, and may be referred to as, “the Board of Trustees”, as set out in 1.3 above.

2.2 Trustees are appointed to the Board in accordance with clause 20 of the SCIO Constitution in their individual capacity and they do not hold office as representatives of any personal or professional group or any professional or

corporate body. Trustees are expected to subscribe to and comply with the Code of Conduct and the conditions set out in clauses 10 and 11 of the SCIO Constitution.

2.3 The Board will participate actively in collective decision making; be sensitive and respectful of the views of other Trustees and staff in and out of meetings; challenge supportively and rigorously proposals put to the board; and accept collective responsibility for the decisions of the Board.

2.4 Where required, the Board will participate in committees, working groups and wider activities of the Board.

2.5 The Board will require to register their interests as per clause 11 of the SCIO Constitution within one month of the date of their appointment to the Board, in a register kept by the Cattanach Executive (“the Executive”) for that purpose, and published on the Cattanach website. Ensuring the Register is up to date and reflects any changes in personal circumstances is the responsibility of each Trustee.

2.6 Where a dispute arises as to whether a conflict of interest arises in respect of any Trustee (other than the Chair), the following procedure will apply:-

(a) in the event of the potential conflict arising during the course of a meeting, the Chair will determine whether such a conflict exists. If a conflict exists, the Trustee concerned will not be permitted to be further involved in that part of the meeting affected by the conflict;

(b) in the event of the potential conflict arising outwith a meeting, the Chair will determine whether such a conflict exists. If a conflict exists, the Trustee concerned will not be permitted to be further involved in the business affected by the conflict, whether in discussion, in secure electronic communication or by any other means;

(c) before reaching a conclusion in either of the circumstances set out in (a) or (b) above, the Chair may consult other Trustees as they consider necessary;

(d) a record of the area of potential conflict and of the action taken under (a) or (b) above will be retained by the Executive.

### **3. Chair of the Board**

3.1 The Chair of Cattanach as defined in clause 15 of the SCIO Constitution, or in their absence the Vice Chair, will preside at meetings of the Board in accordance with these terms (Clause 17(3) of the SCIO Constitution). Any power or duty assigned to the Chair in relation to the conduct of a Board meeting may be exercised by the Vice Chair when they are chairing a meeting.

3.2 In the event that the Chair is unable to attend a meeting, and the Vice Chair is also unable to attend, a temporary deputy will be selected by the Trustees present as per clause 17(4) of the SCIO Constitution. Any power or duty assigned to the Chair in relation to the conduct of a Board meeting may be exercised by the temporary deputy at the meeting.

3.3 The Chair will regulate discussion and debate at Board meetings and will ensure that all present enjoy equality of opportunity to express their views.

3.4 The Chair will undertake the appraisal of individual Trustees at least annually and conduct a performance review with the Chief Executive every six months. In addition to these formal performance monitoring meetings, the Chair will also have regular informal conversations with the Chief Executive and Trustees.

3.5 If in the opinion of the Chair any person present at a meeting is incapacitated, behaving inappropriately or without due consideration for other Trustees or persons present, the Chair may require that person to leave the meeting.

3.6 The Chair is bound, in the same way as are all Trustees, by the provisions of the Code of Conduct, clause 11 of the SCIO Constitution, and of parts 2.3 and 2.4 of this Terms of Reference, in respect of the registration and declaration of interests. Where a conflict of interest arises during the course of a meeting, as determined by a majority of Trustees, the Chair will not be further involved in that part of the meeting which is affected by the conflict, and the Vice chair will preside at that part of the meeting until conclusion of the relevant business. Where a conflict arises outwith a meeting, the Chair will not be involved in the business affected by the conflict, whether in discussion, in secure electronic communication or by any other means. Before reaching a conclusion in either of these circumstances, the Chair may consult other Trustees as they consider necessary and appropriate. A record of the area of potential conflict and of the action taken will be retained by the Secretariat.

3.7 The role of the Vice Chair will be to undertake the duties of the Chair as required in their absence; to act as a support and sounding board for the Chair and to lead on particular themes and activities as agreed with the Chair, dependent on their skills and knowledge.

## 4. Ordinary Board Meetings

4.1 The Board will usually meet four (4) times in each financial year. A rolling schedule setting meeting dates for the year ahead will be maintained and circulated by the Executive as agreed with the Chair. Additional ad hoc meetings may be convened throughout the year as detailed in clauses 6 and 16 of the SCIO Constitution. Ideally, at least fourteen (14) days' notice must be given unless a degree of urgency dictates otherwise (clause 16(1) SCIO Constitution).

4.2 Where possible, seven (7) calendar days prior to the date of a Board meeting the following documents will be issued electronically by the Executive to each Trustee;

- (a) an agenda detailing the business to be transacted; and
- (b) reports, briefings and other documents referred to in, or to be read with, the agenda.

Late papers will be issued or tabled at the discretion of the Chair.

4.3 Cattanach is committed to minimising its use of hard copy papers. Any Trustee who wishes to receive the agenda and papers for meetings in paper copy must ensure that the Secretariat receives notice to that effect.

4.4 In exceptional circumstances, a Trustee may, at the start of a Board meeting, raise a matter not set out in the agenda. Subject to the Trustee providing appropriate reasons for the urgency or delay, the matter may be discussed or decided upon, either as a substantive agenda item or under Any Other Competent Business, if the Chair and majority of Trustees present agree to the addition of that matter to the agenda. Where business to be transacted has not been completed within the time allotted for a Board meeting:-

- those present may resolve to continue the meeting in order to deal with the business; or
- the Board may adjourn any meeting to another date, time and place by majority agreement of Trustees present; or
- any business not completed may become part of the agenda for a subsequent Board meeting.

4.5 All decisions must be made by the Board unless it has authorised an individual Trustee, a Board Committee, the Chief Executive or any other member of staff to exercise a function or deal with a specific issue in accordance with clause 14 of the SCIO Constitution. In so doing, the Board remains responsible for the exercise of the function.

4.6 Decisions of the Board will normally be by consensus. If consensus cannot be reached on a particular issue by Trustees attending including any Trustee attending via video or teleconference (per section 4.12 of the Terms of Reference), the Chair or another Trustee may ask for a vote to be taken. Any matter put to the vote is decided by a simple majority. In the event of a tie, the Chair has a second or casting vote as set out in clauses 17(5)-(7) of the SCIO Constitution. Voting will be by verbal agreement or disagreement. Only Trustees present (including via video or teleconference) at a meeting may vote and proxy voting is only allowed if agreed in advance with the Chair. Notwithstanding the above, Trustees departing early will be treated as non-attending for the purpose of any decision taken after the time of their departure.

4.7 Decisions of the Board are binding on all Trustees and staff.

4.8 A Trustee may have their dissent to a decision of the Board recorded, provided that they have attended for the whole of the discussion and decision, and asks to record his or her dissent immediately after the decision is concluded. The recording of any such dissent shall not affect section 4.7 of this Terms of Reference.

4.9 The quorum for meetings of the Board is one-half plus one (rounded up to the nearest whole number) of the Trustees as per clause 17(1) of the SCIO Constitution. If any meeting is not quorate, then business discussed may be homologated at the following Board meeting.

4.10 Apologies for absence should be tendered to the Executive and will be noted. Where a Trustee has submitted apologies in respect of the meeting, but wishes to provide comment in respect of any of the papers tabled, these comments should be submitted to the Chair and Chief Executive, who will highlight them to Trustees as part of the main discussion.

4.11 Should a Trustee fail to attend three board meetings within a year, or a series of consecutive meetings, without a reason which was known to the Chair beforehand, e.g. long term illness; maternity or paternity leave; then the Chair may discuss with the Trustee the circumstances surrounding their unplanned absence and, if need be, their suitability for remaining a Trustee of the Board. In such circumstances the Chair may raise with the remaining Board the potential removal of that member as per clause 21(1)(9) of the SCIO Constitution. In the case where a Trustee knows that they will be absent from a meeting, before the day, they should contact the Chair in the first instance.

4.12 The Chair may permit a Trustee to attend a Board meeting by way of either tele- or video-conferencing, but the preference is for physical presence whenever possible. Where a Trustee attends a meeting in this way, he or she will be regarded as being present for the purposes of constituting a quorum and will be entitled to vote.

4.13 Board and committee meetings are usually private. The Board (or its Committees) may invite individuals, bodies or organisations to attend its meetings or parts of its meetings, provide information and/ or make representations to it about particular issues in accordance with clause 17(8) of the SCIO Constitution. In the event of a vote, these individuals, bodies or organisations do not have a vote. The Board (or its Committees) may also invite individuals,

bodies or organisations to provide written submissions for consideration in advance of meetings of the Board (or its Committees).

## 5. Agenda

5.1 The agenda for Ordinary meetings of the Board will be prepared by the Executive and circulated to the Chair for approval or comment at least two weeks in advance of the date of the meeting. The final decision on the agenda will rest with the Chair.

5.2 The order of business at Ordinary meetings of the Board may be varied by the Chair, but will normally be:-

- (a) Declarations of interest
- (b) Apologies for absence
- (c) Minutes of the last meeting and matters arising (if not otherwise on the agenda)
- (d) Business in the order in which it is noted on the agenda
- (e) Any other competent business.

5.3 A schedule of (annual) standing items will be developed by the Executive, and be accessible to all Trustees. The following will be standing items on the Agenda for Ordinary meetings:-

- Minutes of the last meeting and matters arising
- Chief Executive/Operational Report
- Management Accounts
- Operational and Strategic Risk Registers

Other items will be added to the Agenda of Ordinary meetings as the need arises.

5.4 Any Trustee wishing to raise an urgent item at a Board meeting must give notice at the start of the meeting. The Trustees present will decide whether any such item will be discussed at the meeting (see section 4.5 of this Terms of Reference) or held over to a subsequent meeting.

5.5 Following meetings of the Finance and Audit Committee, Investment Committee and Grants Committee, the Board will receive and consider oral and/ or written updates from each, on matters relating to each Committee's areas of delegated responsibility. The Board will receive an annual written report from each Committee summarising its activities during the year, and giving an overall assessment in respect of its impact and effectiveness.

5.6 The Board will also undertake an annual self-assessment review of its performance.

## 6. Special Meetings

6.1 The Chair, a Trustee or Trustees, or the Chief Executive may at any time propose a special meeting of the Board to deal with an urgent matter of business which has unexpectedly arisen as set out in clause 16 of the SCIO Constitution. The special meeting will proceed as long as a simple majority of Trustees respond to the Chair confirming that they are content for it to do so.

6.2 Decisions of the Board and transaction of business at special meetings will be subject to the requirements of section 4.9 (quorum) in the same way as at ordinary Board meetings.

6.3 In addition to considering the urgent matter of business which has arisen, other Board business (usually consequential to the urgent matter) may be transacted. Special Board meetings are subject to the requirements of standing order 4.11.

## 7. Minutes

7.1 Minutes will be kept from each Board meeting (including special Board meetings) in accordance with clauses 17(9) and 17(10) of the SCIO Constitution.

7.2 Following each Board meeting, the Executive will prepare a draft minute and action log which will be sent to the Chair within ten (10) working days of the meeting, and circulated to all Trustees within fifteen (15) working days, where possible. The draft minutes will be tabled at the next Board meeting for approval (as detailed in 5.2 this Terms of Reference).

7.3 Decisions on issues of immediate importance may be disseminated to interested parties following the Board meeting, notwithstanding that the minute of the meeting which records the decision may not have been approved or published.

## 8. Committees

8.1 Committees may be established by the Board under clause 14(1) of the SCIO Constitution.

8.2 When establishing Committees, the Board will:-

- (a) agree the terms of reference, including the frequency of meetings and arrangements for reporting to the Board on progress being made in the Committee's areas of delegated responsibility;
- (b) agree the chair, membership and period(s) of appointment to committees as proposed by the Chair;
- (c) determine procedures, and which of the standing orders will apply to the conduct of committees.

8.3 Committees may comprise Trustees and individuals who are not Trustees ("co-opted members"). Every Committee must contain at least two Trustees. No business will be transacted at a meeting of any committee unless at least one Trustee is present.

8.4 Every Trustee except for the Chair and Vice Chair must be a member of at least one Committee.

8.5 Members of a Cattanach Committee who are co-opted are bound by the provisions set out in the Cattanach Board Code of Conduct.

8.6 Members of a Cattanach Committee who are not Trustees are entitled to vote one (1) vote per person at meetings of the Committee if this is set out in the respective Committees' terms of reference.

8.7 The Board may delegate to its Committees such of its functions as it considers appropriate. The Board however remains responsible for the exercise of all functions.

8.8 The Board or its Committees may organise, as appropriate, business planning meetings, strategy days and working groups to consider specific tasks or to respond to emerging issues. Such meetings will be discursive and will not be decision-making fora; they must be minuted if appropriate and falling under clause 17(9) of the SCIO Constitution, and shared with the full Board, within fifteen (15) business days.

8.8 The following will be standing committees of the Cattanach Board:-

(a) Finance and Audit Committee

(b) Investment Committee

(c) Grants Committee.

Any other Committees to whom the Board decides to delegate any of its functions.

8.9 The full Board will review its Committee structure annually.

## 9. Decisions Reserved to the Board

9.1 The following decisions are reserved for the Board, in consultation with the Chief Executive:-

- Cattanach standards and values;
- Strategic direction, including vision, aims and strategies to guide Cattanach to achieve its aims in the most efficient and effective manner consistent with its organisational values and approach;
- Approval of multi-year plans and budgets, to monitor progress against these plans and budgets and to approve any material changes (defined as expenditure over the value of £10,000 and/or exceeding the annual limit of 10 transactions);
- Monitoring and evaluation of the progress of Cattanach against its strategic aims, objectives and financial targets;
- Board terms of reference, including schedule of delegation;
- Establishment of terms of reference and reporting arrangements for all Committees acting on behalf of the Board;
- Corporate financial, audit and risk reporting and control arrangements;
- Corporate performance management reporting arrangements;
- Other decisions reserved to the Board under the Scheme of Internal Delegation;

The Schedule of Internal Delegation is set out in Annex I.

## 10. Schedule of Internal Delegation

10.1 The Schedule of Internal Delegation found in Appendix 1 provides authority for the Chief Executive and/or other Committees to manage plans, budgets, charity assets, employee resources etc. within the framework of this Terms of Reference. The Chief Executive is the senior manager of Cattanach and is responsible for advising the Board of Trustees when it is developing its policies and priorities and to ensure effective implementation.

10.2 The Board of Trustees will be responsible for high-level or strategic policies and decision making. The Chief Executive has delegated authority to determine everyday policies, and will operate within policies and priorities agreed by the Board of Trustees. Within the terms of the Scheme of Internal Delegation, the Chief Executive has delegated responsibility for the effective and efficient management of Cattanach.

## 11. Correspondence

11.1 All incoming correspondence to Cattanach is for the attention of the whole Board, whether addressed to an individual Trustee or to the secretariat.

11.2 The Chief Executive will file all correspondence to and from the Board. Any correspondence received or sent by an individual Trustee in relation to Cattanach should be copied, normally electronically, to the Chief Executive for this purpose.

## 12. Urgent Actions

12.1 The Chair, or in his or her absence the Vice Chair, has the authority to require or permit the Chief Executive or other members of staff to take urgent action (on matters that are permitted to be delegated from the Board to other such individuals) or to reply to urgent correspondence.

12.2 If the issue in relation to which the urgent action relates is not one permitted to be delegated by the Board, agreement to take such action should be sought and obtained through secure electronic means of communication from a majority of the Trustees.

12.3 On every occasion on which section 12.1 or 12.2 of this Terms of Reference is invoked, the circumstances will be reported to all Trustees.

## 13. Public Statements and Media Enquiries

13.1 Public statements concerning Cattanach will normally be made by the Chief Executive or alternatively by a member of staff authorised by them and the Chair. Roles and responsibilities in connection with statements relating



to novel or contentious matters and matters having potential reputational or legal impact on Cattanach, and other communications functions, are set out in the Schedule of Internal Delegation.

13.2 All media enquiries will go to the Chief Executive with the exception of those relating to the Board or its governance in which case they will go to the Chair, or in their absence the Vice Chair or a designated Trustee.

## 14. Signing of Documents

14.1 Where deeds are required to be executed on behalf of Cattanach, once the Trustees have consulted each other and ratified the decision to enter into deed they shall be signed:-

(a) by the Chair; or

(b) by one trustee on behalf of the board of trustees.

and witnessed in the appropriate manner where required.

14.3 Delegation of the signing of deeds by the Trustees can only occur when (a) the Board has properly assessed and agreed the decision to enter into the deed, (b) minuted that the deed is authorised to be signed by an individual which is not a trustee, and (c) a power of attorney is in place to delegate that authority.

14.2 Other operational documents, contracts or agreements implementing the appropriately authorised business of Cattanach may be signed by the Chief Executive in furtherance of delegated authorities set out in Appendix 1 – Schedule of Internal Delegation.

## 15. Confidentiality

15.1 All Trustees, the Executive and any other person present at a meeting of the Board, have a duty not to:-

(a) discuss items of business agreed as being confidential, with any person who was not present at that meeting, unless authorised to do so by the Chair or the Chief Executive; or

(b) comment on any matter in any way that undermines the principle of collective responsibility for decisions reached at such meetings.

## 16. Papers and Documents

16.1 Trustees will be held personally responsible for the safe custody of any papers or documents which may be issued or entrusted to them in the course of their duties. The loss of any such documents must be reported immediately to the Chief Executive and, in the absence of the Chief Executive the Chair.

16.2 Trustees and staff are bound by the Cattanach privacy policy and relating policies that deal with the security and confidentiality of papers with personal and/or sensitive data.

## 17. Expenses

17.1 Cattanach will reimburse appropriately receipted expenses incurred by Trustees or any member of a Committee established by the Board, and all claims should be submitted to the Executive within three months of the meeting/event having taken place.

## 18. Interpretation

18.1 In these Terms of Reference and their Appendices:-

“Cattanach Executive” or “Executive” means the Chief Executive of Cattanach or any member of staff appointed by them to act in this capacity;

“financial year” means the period beginning on 1 January and ending on 31 December of the same year.

## Appendix I – Schedule of Internal Delegation

Board Responsibility	Delegated Responsibility	Delegated To
<b>1. Strategy, planning and performance</b>		
<b>1.1 Set strategic direction: approve strategic and corporate plans and associated performance framework including: priorities and strategic objectives</b>	1.1.1 Advise on strategic direction.	Chief Executive
	1.1.2 Initiate and develop strategic collaborations for SCIO.	Chief Executive
	1.1.3 Operationalise strategic direction through production of corporate plans and associated performance framework.	Chief Executive
	1.1.4 Ensure and maintain appropriate resources, management systems and procedures to support the achievement of strategic aims, priorities, objectives and performance measures	
<b>1.2 Consider performance against corporate plans and associated performance framework and any remedial action as necessary</b>	1.2.1 Provide prompt and accurate reporting to the Board on progress towards meeting strategic aims, objectives and performance measures.	Chief Executive
	1.2.2 Alert the Board to any performance, budget or delivery concerns with significant potential reputational or financial implications, or which could impact on the delivery of strategic aims and objectives and, as necessary, provide advice on any proposed remedial action for consideration and approval	Chief Executive
<b>1.4 Champion effective partnership working with other funders and statutory or private bodies</b>	1.4.1 Oversee effective collaborations with other funders, statutory and private bodies.	Chief Executive
	1.4.2 Represent Cattanach officially at events and in discussion with such stakeholders.	Chief Executive
	1.4.3 Provide advice to the Board on emerging themes and policies relevant to Cattanach work.	Chief Executive
<b>2. Cattanach Organisation Design</b>		
<b>2.1 Oversee Cattanach’s future design and set up</b>	2.1.1 Provide direction and guidance for the organisational design decisions by establishing strategies and agreeing key decisions.	Chief Executive
	2.1.2 Commission and support development of Cattanach design; e.g. Website presence, etc.	Chief Executive
		Chief Executive

	2.1.3 Provide advice to the Board to enable them to shape Cattanach’s strategic direction.	
<b>3. Governance, scrutiny and challenge</b>		
<b>3.1 Ensure effective governance and scrutiny of all aspects of Cattanach business and uphold high standards of conduct within the organisation and funded organisations; supporting the Chief Executive in doing this.</b>	3.1.1 Establish and maintain sound internal governance arrangements and controls.	Chief Executive
	3.1.2 Ensure that the Board has an opportunity to scrutinise any novel, contentious or repercussive proposals, especially proposals with reputational consequences for Cattanach, including those which otherwise fall within delegated financial limits.	Chief Executive
	3.1.3 Take steps to protect the assets, interests and reputation of Cattanach and alert the Board to any significant issues affecting these.	Chief Executive
	3.1.4 Ensure that arrangements are in place for the appropriate handling of grantee and partner information and that all data are processed in line with data protection requirements.	Chief Executive
	3.1.5 Ensure that the Board are alert to the public benefit and legal implications of any course of action proposed are considered on a timely basis with all briefings to the Board being informed by such advice.	Chief Executive
<b>4. Finance and Resources</b>		
<b>4.1 Promote high standards of financial management.</b>	4.1.1 Ensure the integrity of financial information and controls and systems of risk management are robust and defensible.	Chief Executive
	4.1.2 Build and maintain a delivery system to support such financial management standards.	Chief Executive
<b>4.2 Approve annual budget.</b>	4.2.1 All cost category budget allocations approved by the Board for business delivery.	Chief Executive
<b>4.3 Consider and approve adjustments to budgets beyond those delegated to the Chief Executive in Finance and Audit Committee Terms of Reference.</b>	4.3.1 Transfer of budget provision between approved cost categories up to £10k.	Chief Executive
<b>5. Risk</b>		
<b>5.1 Promote high standards of risk management</b>	5.1.1 Scrutiny of strategic arrangements for risk, control and governance, and other matters as agreed by the Board as set out by the Finance and Audit Committee Terms of Reference.	Finance and Audit Committee

	5.1.2 Identify key risks to the effective, efficient, high quality and economical operation of Cattanach arising from staffing issues, digital systems and other risks and ensure these are managed and mitigated effectively.	Finance and Audit Committee
<b>6. Staff and Remuneration</b>		
<b>6.1 Promote high standards in staffing matters and remuneration</b>	6.1.1 Provide effective leadership to the staff of Cattanach and exercise responsibility for the management, engagement and development of staff; ensure that human resource policies and procedures are effectively managed; ensure that strategic human resource planning, development, and skills development support Cattanach strategic objectives; and secure and maintain excellence in staff health, safety and wellbeing.	Chief Executive
<b>6.2 Approve and increase in permanent FTE staff numbers over agreed baseline</b>	6.2.1 Appointment of permanent FTE staff approved by the Board for business delivery.	Chief Executive
	6.2.2 Appointment of fixed term or casual staff as dictated by business need within Board approved budget.	Chief Executive
<b>7. Statutory Compliance</b>		
<b>7.1 Obtain assurance that Cattanach meets all statutory obligations, including those relating to health and safety, employment, data protection, freedom of information and equality.</b>	7.1.1 Monitor compliance with statutory obligations, keeping records of compliance achievement, taking actions within delegated limits wherever possible to ensure compliance and ensuring that statutory compliance issues are properly reflected in risk registers and annual assurance statements.	Chief Executive
	7.1.2 Report any irregularity that involves significant risk to Cattanach (e.g. fraud, theft, substantial financial loss, mismanagement or misbehaviour, reputational damage, significant sums of money donated from an unverifiable source, criminal activity, concerns raised by another regulatory body etc) to the Chair. Appropriate reporting will go to the Board for decision with respect of any compliance issue that cannot be resolved within the delegated authority, including the assessment of the reporting of a Notifiable Event to OSCR if deemed necessary,	Chief Executive
<b>7.2 Fulfil reporting requirements to OSCR and other relevant regulators</b>	7.2.1 Ensure and maintain adequate resources to meet requirements, including annual reporting obligations to OSCR.	Chief Executive
<b>8. Communications</b>		

<b>8.1 Agree media and communications strategy</b>	8.1.1 Advise Board by formulating media and communications strategy for sign off.	Chief Executive
	8.1.2 Oversee media and communications strategy and supporting infrastructure and approaches, including website and social media channels.	Chief Executive
	8.1.3 Oversee the issue of proactive media statements and announcements, seeking clearance from the Chair where any such statement or announcement relates to a novel or contentious matter or has potential reputational or legal implications for Cattanach.	Chief Executive
	8.1.4 Authorise reactive media statements on a day-to-day basis, consulting the Chair (or nominated deputy) in advance if possible where any such statement relates to directly to the Board of trustees, a novel or contentious matter or has significant reputational or legal impact on Cattanach.	Chief Executive
<b>9. Investments</b>		
<b>9.1 Setting investment priorities and ensuring the development of the portfolio in line with Cattanach public benefit objectives and values</b>	9.1.1 Appointing investment managers and scrutiny of their performance.	Investment Committee
	9.1.2 Setting of objectives for portfolio, taking into account Cattanach values, charity law and public benefit goals.	Investment Committee
	9.1.3 Day-to-day management of portfolio managers.	Investment Committee/ Chief Executive
<b>10. Grant Making</b>		
<b>10.1 Awarding grants to organisations fulfilling funding criteria and within budget</b>	10.1.1 Direct contact, including capacity building, around project proposals for funding with charitable organisations.	Chief Executive
	10.1.2 Scrutiny of proposals submitted for consideration of Cattanach and recommendation to Board for awarding of funding.	Grants Committee Chief Executive
	10.1.3 Day-to-day management of funding relationship with grantees.	Chief Executive
<b>10.2 Setting criteria for awarding funding and evaluating impact</b>	10.2.1 Consulting with Grants Committee and operationalising insights to formulate funding criteria for scrutiny and sign off by Board.	Chief Executive
	10.2.2 Operationalising funding objectives in terms of staffing and business delivery.	Chief Executive

	<p>10.2.3 Advising Board on strategic funding considerations for general grants, designated grants and strategic granting funds.</p>	<p>Chief Executive/Grants Committee</p>
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## Appendix II – Terms of Reference of the Cattanach Finance and Audit Committee

### 1. Purpose of the Committee

- 1.1. Financial governance is a responsibility of the Board of Trustees (“the Board”). The overall purpose of the Finance Committee (“the Committee”) is to assist the Board in its duty to supervise the direction of the SCIO’s financial affairs.
- 1.2. The Committee will also act as an Audit Committee and indicate clearly when it is acting in this capacity.

### 2. Committee Business

- 2.1. The Committee will engage in the following activities:
  - 2.1.1. act as a sounding board and source of advice for the Chief Executive on major areas of change, innovation and development in relation to the financial affairs of the SCIO;
  - 2.1.2. undertake tasks as delegated by the Board and which are within these terms of reference;
  - 2.1.3. review and comment on management accounts and financial forecasts;
  - 2.1.4. consider financial implications of proposals for areas of major new strategic development on behalf of the Board and make recommendations to the Board regarding their suitability;
  - 2.1.5. review the SCIO’s financial policies and commenting upon proposed changes before making recommendations to the Board;
  - 2.1.6. keep sight of and providing advice, where appropriate, on potential and actual financial opportunities and threats;
  - 2.1.7. assist the Board in identifying the SCIO’s major financial risks and developing appropriate approaches to risk management, including reviews of the risk registers (operational and strategic).
- 2.2. The Committee’s roles in its Audit functions is set out in Appendix I.

### 3. Committee Operation

- 3.1. The Committee will consist of at least three Trustees, including the Chair, nominated from the Board, with suitable expertise in finance and/or accounting.
- 3.2. The Chair of the SCIO will recommend to the Board the person to be appointed as chair of the Committee after consultation with the Chief Executive.



- 3.3. The chair of the Committee will recommend to the Trustees the members of the Committee after consultation with the Chair and the Chief Executive.
- 3.4. The Committee will arrange at least four meeting dates each year, when possible at least seven days before the full Board meets. These meetings can be cancelled if no business is put forward for discussion. Additional meetings may be arranged should either the Board or the Committee consider it necessary.
- 3.5. All of the Committee members shall be expected to attend at least three out of four meetings unless there is significant reason for their absence.
- 3.6. The Committee will invite the SCIO's auditors to attend the May Board meeting and liaise with the auditors, the accountants and the Chief Executive in producing the Annual Accounts.
- 3.7. The quorum for the Committee will be two trustees, including those participating by teleconference.
- 3.8. The chair of the Committee will have the power to co-opt members of the Committee as and when required. In their absence, the Chair of the Board can exercise this power.
- 3.9. The Chief Executive will attend meetings. Other trustees are invited to attend meetings at the chair of the Committee's invitation.
- 3.10. The Chief Executive will be the primary contact for the Committee and will provide secretarial duties for the Committee.
- 3.11. Decisions are ultimately the responsibility of the Committee members but in reaching their decisions and recommendations they will, so far as possible, consider and take into account the views of Chief Executive and any co-opted advisors.

#### **4. Reporting to the Board**

- 4.1. Agendas and minutes of meetings will be circulated to all Trustees. The chair of the Committee, or another Trustee member, will report to the Board on its meetings at the next Board meeting following the Committee meeting.

#### **5. Delegated Powers**

- 5.1. The Committee can authorise changes in personnel named in the SCIO's bank mandates. These do not require reporting to the Board.
- 5.2. The Committee members, together with the Chair and the Vice Chair, and – where appropriate, the Chief Executive and the SCIO's accountants – will be included as signatories<sup>1</sup>.
- 5.3. Operational transactions from the SCIO's bank account will require at least two signatories, set out as the follows:

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<sup>1</sup> Signatories, for the purpose of this document, refer to both the signatories to a cheque or those authorising an online payment.

- 5.3.1. Up to a value of £10,000 pounds: The Chief Executive and one Trustee, or the Chief Executive and one of the designated partners of the SCIO's accountants, or a Trustee and the designated partners of the SCIO's accountants;
- 5.3.2. Over a value of £10,000: Two Trustees, or one Trustee and one of the partners of the SCIO's accountants.
- 5.4. For unbudgeted expenditures under £10,000 approval should be sought from the Finance Chair and, in their absence, the Chair of the SCIO, with an accumulative limit of 10 transactions. Unbudgeted expenditures over the value of £10,000 and/or exceeding the annual limit of 10 transactions require the ratification from the Board.
- 5.5. On behalf of the Board, the Committee will scrutinise, at its quarterly meetings, and express its opinions and recommendations to the Board, regarding:
  - 5.5.1. Its Cashflows
  - 5.5.2. Its Financial Accounts

#### **Appendix I (Finance and Audit Committee)**

The Finance Committee will encompass the role of an Audit Committee with the following specific purposes:

##### **1. Acting as an Audit Committee**

- 1.1. To oversee the process of appointing the SCIO's auditors, approving of audit fees, considering any questions of resignation or dismissal of the auditors, and making recommendations to the Board.
- 1.2. To discuss with the auditors, before the audit commences, the nature and scope of the audit.
- 1.3. To have at least one meeting each year, or part thereof, with the auditors, usually involving all Trustees.
- 1.4. To review the annual audited financial statements before submission to the Board, focusing particularly on the consistency of, and any changes to, accounting policies; major areas of judgement; significant adjustments resulting from the audit, compliance with any charity law requirements; and financial reporting standards, and presentation of the accounts from a non-financial perspective.
  - 1.4.1. Its Annual Accounts
  - 1.4.2. Its Annual Accounts timetable
- 1.5. To discuss with the auditor matters arising from the audit.
- 1.6. To review policy and procedures in respect of internal financial controls.
- 1.7. To report periodically to the Board.

## Appendix III – Terms of Reference of the Cattanach Investment Committee

### 1. Purpose of the Committee

- 1.1. The governance of Cattanach’s investment portfolio is a responsibility of the Board of Trustees (“the Board”). The overall purpose of the Investment Committee (“the Committee”) is to assist the Board in its duty to supervise the direction of the SCIO’s investment affairs.

### 2. Committee Business

- 2.1. The Committee will engage in the following activities:

- 2.1.1. act as a sounding board and source of advice for the Chief Executive on major areas of change, innovation and development in relation to the investment affairs of the SCIO;
- 2.1.2. undertake tasks as delegated by the Board and which are within these terms of reference;
- 2.1.3. maintain an overview and scrutiny of performance of the SCIO’s investment portfolio;
- 2.1.4. review the SCIO’s investment policy and the performance of the SCIO’s investment managers, preceding every Board meeting.
- 2.1.5. Keep sight of and providing advice, where appropriate, on potential and actual investment opportunities and threats;
- 2.1.6. Assist the Board in identifying the SCIO’s major investment risks and report to the Trustees on relevant issues arising.

### 3. Committee Operation

- 3.1. The Committee will consist of at least three Trustees, including the Chair, nominated from the Board, with suitable expertise in finance and/or accounting.
- 3.2. The Chair of the SCIO will recommend to the Board the person to be appointed as chair of the Committee in consultation with the Chief Executive.
- 3.3. The chair of the Committee will recommend to the Board the members of the Committee after consultation with the Chair and the Chief Executive.
- 3.4. The Committee will arrange at least four meeting dates each year, when possible at least seven days before the full Board meets. These meetings can be cancelled if no business is put forward for discussion. Additional meetings may be arranged should either the Board or the Committee consider it necessary.
- 3.5. All of the Committee members shall be expected to attend at least three out of four meetings unless there is significant reason for their absence.

- 3.6. The quorum for the Committee will be two Trustees, including those participating by teleconference.
- 3.7. The chair of the Committee will have the power to co-opt members of the Committee as and when required. In their absence, the Chair of the Board can exercise this power.
- 3.8. The Chief Executive will attend meetings. Other Trustees are invited to attend meetings at the chair of the Committee's invitation.
- 3.9. The Chief Executive will be the primary contact for the Committee and will provide secretarial duties for the Committee.
- 3.10. Decisions are ultimately the responsibility of the Committee members but in reaching their decisions and recommendations they will, so far as possible, consider and take into account the views of Chief Executive and any co-opted advisors.

#### **4. Reporting to the Board**

- 4.1. Agendas and minutes of meetings will be circulated to all Trustees. The chair of the Committee, or another trustee member, will report to the Board on its meetings at the next Board meeting following the Committee meeting.

#### **5. Delegated Powers**

- 5.1. The Committee can authorise changes in signatories named in the SCIO's investment mandates. These do not require reporting to the Board.
- 5.2. The Committee members, together with the Chair and the Vice Chair will be included as signatories.
- 5.3. Transactions from the SCIO's investment portfolio will require at least two signatories, including the chair of the Committee and a Trustee member or the Vice Chair.
- 5.4. On behalf of the Board, the Committee will scrutinise, at its quarterly meetings, and express its opinions and recommendations to the Board, regarding the SCIO's investment portfolio.
- 5.5. The Committee has the authority to meet the SCIO's investment managers as appropriate. The investment managers will be invited to attend one general board meeting per annum in person. This meeting will be open to the full Board to give all Trustees the opportunity to ask questions.
- 5.6. On behalf of the Board, the Committee will oversee the process of appointment of new investment managers as and when appropriate.
- 5.7. The Committee will make recommendations to the Board regarding the SCIO's investment objectives. It cannot make changes to the SCIO's investment objectives without the Board's approval but it can make changes to the ancillary aspects of the SCIO's investment policy.

## Appendix IV – Terms of Reference of the Cattanach Grants

### Committee

#### 1. Cattanach Funding Theme

- 1.1. Cattanach is entitled to fund a wide range of charitable purpose as set out in clause 7 of the SCIO Constitution. Its current strategic theme (clauses 7(2) and (3) of the SCIO Constitution) is the early years, in particular parenting, attachment, family support, and communication within the family, with a focus on its impacts on the healthy emotional and physical development of young children.
- 1.2. While the Committee can make recommendations regarding Cattanach’s strategic theme, only the full Board can change the thematic focus (clause 7(2) of the SCIO Constitution).

#### 2. Purpose of the Committee

- 2.1. The making of grants is a responsibility of the Board of Trustees (“the Board”). The overall purpose of the Grants Committee (“the Committee”) is to assist the Board in its duty to scrutinise funding proposals and make recommendations about the direction of the SCIO’s grant making activities.
- 2.2. The Committee has the power to make grant recommendations to the Board following the assessment of grant applications, but the Board retains full responsibility and final approval for grants then ultimately made by Cattanach.

#### 3. Committee Business

- 3.1. The Committee will engage in the following activities:
  - 3.1.1. act as a sounding board and source of advice for the Chief Executive on major areas of change, innovation and development in relation to grant making practice;
  - 3.1.2. undertake tasks as delegated by the Board and which are within these terms of reference;
  - 3.1.3. scrutinise funding proposals made to Cattanach according to Cattanach values and funding criteria as set out in the relevant policies and make recommendations for funding decisions to the Board, with meetings preceding every Board meeting; and
  - 3.1.4. assist the Board in identifying Cattanach’s strategic funding activities and report to the Trustees on relevant issues arising.

#### 4. Committee Operation

##### 4.1. Committee Member Appointment

- 4.1.1. The Committee will consist of at least two (2) Trustees, which may, but does not have to, include the Chair, nominated from the Board, with suitable expertise in grant making and/or an Early Years-related field (“Trustee Committee Members”), and in addition to at least two (2) co-opted members, appointed

on an ad hoc basis according to their particular expertise in relation to submitted project applications to be considered at any given Committee meeting ("Co-Opted Committee Members").

4.1.2. The Chair of the SCIO will recommend to the Board the person to be appointed as chair of the Committee in consultation with the Chief Executive.

4.1.3. The chair of the Committee will recommend to the Board the other members of the Committee after consultation with the Chair and the Chief Executive.

4.1.4. The Chief Executive will appoint the Co-Opted Committee Members in consultation with the Committee chair.

#### **4.2. Committee Meetings**

4.2.1. The Committee will arrange at least four meeting dates each year, when possible at least seven (7) days before the full Board meets. These meetings can be cancelled if no business is put forward for discussion. Additional meetings may be arranged should either the Board or the Committee consider it necessary.

4.2.2. All of the Trustee Committee Members shall be expected to attend at least three out of four meetings unless there is significant reason for their absence. If a member misses three consecutive meetings without significant reason for their absence, the Committee may review their membership and recommend to the Chair of the Board to ask the member to step down.

4.2.3. The quorum for the Committee will be two Trustee Committee Members and two Co-Opted Committee Members, including those participating by teleconference.

4.2.4. If a Trustee Committee Member is unable to attend, they can appoint a deputy from the Board, in consultation with the Grants Committee chair.

4.2.5. The Chief Executive and, if appropriate grant manager/officer, will attend meetings. Other Trustees are invited to attend meetings as observers at the invitation of the chair of the Committee but they do not have voting rights in the Committee to make recommendations to the Board.

4.2.6. The Chief Executive will be the primary contact for the Committee and will provide secretarial duties for the Committee or delegate these to another member of staff.

#### **4.3. Committee Decision Making on Grants Recommendations**

4.3.1. Decisions regarding grant recommendations to the Board made by the Committee should normally be reached by consensus. If a consensus cannot be reached, the Committee chair or any other member can ask for a vote to take place. Should this situation arise, it will be communicated to the Board.

4.3.2. Every Trustee and Co-Opted Committee Member has one (1) vote and a decision on the grant recommendations will be reached by simple majority.

4.3.3. In case of a tied vote, the Committee chair has a second/casting vote.

4.3.4. Decisions regarding grant recommendations are ultimately the responsibility of the Committee members but in reaching their decisions to form grant recommendations they will, so far as possible, consider and take into account the views of Chief Executive and grant managers/officers.

## **5. Reporting to the Board**

- 5.1. Agendas and minutes of Committee's meetings will be circulated to all Trustees. The chair of the Committee, or another Trustee Committee Member, will report to the Board on its meetings at the next Board meeting following the Committee meeting with an official recommendation about Cattanach's funding choices for any given quarter.
- 5.2. It is the Board's collective responsibility to consider and ratify these recommendations when presented at each Board meeting. For the avoidance of doubt, it is the full Board which has the ultimate responsibility for Cattanach's grant making and the authorisation of grants.

## **6. Delegated Powers**

- 6.1. On behalf of the Board, the Committee will scrutinise, at its quarterly meetings, and express its opinions and recommendations to the Board, regarding Cattanach's funding decisions.
- 6.2. The Committee has the authority to ask the Chief Executive to meet with organisations submitting funding proposals as appropriate or, in special circumstances, ask organisations to meet with the Committee directly.
- 6.3. The Committee will make recommendations to the Board regarding Cattanach's funding objectives. It cannot make changes to Cattanach's funding objectives without the Board's approval.

## Appendix V – Version history

Date	Name	Version	Role	Content of Change
10/02/2020	Sophie Flemig	1.0	Chief Exec	Creation of 1 <sup>st</sup> Draft
11/02/2020	Sophie Flemig	1.1	Chief Exec	Review of 1 <sup>st</sup> Draft
14/02/2020	Sophie Flemig	1.2	Chief Exec	Incorporating feedback from Brodies (Helen Kidd)
21/02/2020	Sophie Flemig	1.3	Chief Exec	Incorporating another round of feedback from Brodies (Helen Kidd)
24/02/2020	Sophie Flemig	1.4	Chief Exec	Incorporating suggestions from RR (Trustee).
27/02/2020	Sophie Flemig	1.5	Chief Exec	Incorporating suggestions from Trustees.
14/03/2020	Sophie Flemig	1.6	Chief Exec	Incorporating final edits from Brodies (Helen Kidd)

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