

Terms of Reference: External Funding Ethical Review Board (EFERB)

The Ethics (Grants and Donations) Panel shall comprise the following terms of reference and membership:

1. Type

1.1 A standing committee that operates as a sub-committee of the Ethics Management Board (EMB) of the School Management Committee (SMC). These Terms of Reference and the External Funding Acceptance Procedures are approved by the Ethics Management Board.

2. Purpose

2.1 The remit of the External Funding Ethics Review Board is to review and scrutinise due diligence on the source of the funding and to decide whether the sources of funding coming into the School are ethically acceptable. The Board is not responsible for approving the purpose/use of the funding.

2.3 Board members are required to make informed decisions on each case balancing the risks and the benefits to the School and on the basis of the criteria set out in the External Funding Acceptance Policy.

3. Scope

3.1 Sources of funding are individuals, companies and charitable organisations hereafter collectively referred to as 'funds' or 'funding', and the sources as 'funders'. These funds may be received by the School through grants, donations and corporate partnerships through Philanthropy and Global Engagement (PAGE) and the Research and Innovation Division (R&I).

3.2 Referrals will be made to the Board in accordance with the External Funding Acceptance Procedures. Referrals are made through the Secretary's Division, and may originate from Philanthropy and Global Engagement (PAGE) and Research and Innovation Division (excluding LSE Consulting, Innovation and Generate).

4. Authority

4.1 The Board is responsible for deciding if external funding is acceptable for the School on ethical and reputational risk grounds.

4.2 The School Management Committee is informed of all decisions of the EFERB. SMC may decide that the funding should not be accepted by the School after the source has been approved as SMC considers many School wide and external factors in their decision making.

4.3 However, neither the Ethics Management Board or the School Management Committee (SMC) can over-rule a decision by the Board **not** to accept external funding.

4.4 As per the External Funding Acceptance Procedures the Governance and Ethics Manager (Secretary's Division) reviews all cases between £25,000 and £249,999, The Chair and Vice-Chair review and decide on all cases between £250,000 and £4,999,999m. The full Board considers all cases over £5m and cases that have been referred to it due to ethical or reputational risk concerns.

4.5 Where EFERB have concerns about the purpose they may refer any concerns that they have on the purpose of a proposed external funding to be considered by SMC following ethical approval of the funder.

4.6 If the Board is unable to reach a majority decision the case will be referred to the Ethics Management Board (EMB) of the School Management Committee (SMC), which might consult the Ethics Committee or its Chair. Where the Ethics Management Board is unable to reach a decision, cases are referred to Council.

4.7 The Ethics Management Board should review and approve the External Funding Acceptance Procedures and the EFERB terms of reference annually.

5. Membership

5.1 The Chair of the Board is the School Secretary (Ex-officio) and is a full voting member.

5.2 The Vice-Chair is an academic member of the Board appointed for a term of two years. The Vice-Chair will work closely with the Chair to review cases by email and to Chair meetings and deputise for the Chair as required.

5.3 The Secretary of the Board will be a member of the Governance Services Team (Secretary's Division).

5.4 Membership is comprised of:

Voting members: senior academic members (Twenty) from a range of departments, covering expertise required by the Board (e.g. legal, international, communications, sustainability) and fundraising priorities. At least two Board members must also be a member of the Campaign Working Group.

Non-voting non-academic members (four) in ex-officio advisory capacity:

- Director of Communications
- Director of the Faith Centre (member of Ethics Committee)
- Operational Director and Director of Alumni & Supporter Engagement (PAGE)
- Governance and Ethics Manager (Secretary's Division)

5.5 Members are appointed on three-year terms, which are renewable without term limits, due to the expertise required.

5.6 New academic members are nominated by the Ethics Management Board. Members must represent a range of areas of the School and key areas of knowledge (e.g. legal, finance, sustainability).

5.7 In attendance:

- Director (or nominated officer) of Research and Innovation (where there are cases from Research and Innovation) and;
- Two of the three below roles from PAGE:
 - Head of Income Management Services
 - Due Diligence and Income Administration Manager
 - Funding Due Diligence Officer

5.8 Those directly responsible for securing the funding or potential recipients of the funding are not permitted to attend meetings of the Board.

5.9 Members are encouraged to attend meetings due to the importance of member expertise and consistency in decision making. Whilst teaching obligations must take priority members should discuss attendance with the Chair if they are regularly unable to attend.

6. Meeting arrangements

6.1 Meetings of the Board will be arranged in advance for each academic year. There will be four scheduled meetings per year.

6.2 The meetings will usually be held online to support attendance.

6.3 Exceptional meetings will be arranged where urgent decisions are required between the scheduled meeting dates.

6.4 In addition to cases for decision, the Board will receive updates on the work of relevant divisions and briefings relevant to the work of the Board.

6.5 Members should indicate in advance whether they will be joining the meeting. Members who are unable to attend must provide their comments at least 2 working days before the meeting.

6.6 Meeting papers will be compiled by the Secretary's Division and circulated to the Board five working days in advance of the meeting. Cases referred to the Board after the circulation of papers may be added to the agenda and circulated no less than two working days before the meeting takes place.

6.7 The quorum for meetings is five academic voting members and the Chair or six academic members in the absence of the Chair. The Vice Chair will chair the meeting in the absence of the Chair. Where both the Chair and Vice Chair are unable to attend the meeting it will either be re-arranged or the Chair will appoint a member to act as Chair for that Board meeting.

6.8 A written resolution may be used. A written resolution will only be used in extraordinary circumstances. The quorum for a written resolution is ten academic voting members and the Chair or 11 academic members in the absence of the Chair.

6.9 Decisions of the Board are normally made on the basis of consensus amongst members. Decisions may be made through a formal vote where the Chair determines this is appropriate. Majority decision of voting members attending the meeting, or responding to a written resolution, is required for approval. In cases where there is an equality of votes, the Chair has the second, or casting vote. Whilst comments on cases may be submitted in advance of meetings, if members are unable to attend, these will not be counted towards a vote.

6.10 The Director of Communications must provide a comment in advance for each case where they (or a delegated representative) are unable to attend in person.

6.11 The Secretary's Division will provide administrative support for the Board. This will include minutes of all meetings which, once approved by the Chair, shall be made available to all members of the Board, and attendees. Members will be invited to provide any comments prior to the minutes being confirmed.

6.12 Members will be asked to declare any conflict of interest with the cases to be considered by the Board, including any part they may have had in discussing the acceptance and/or relationship with the funder. If the Chair has a conflict of interest with a particular matter, the Vice-Chair shall Chair the meeting.

6.13 PAGE and/or Research and Innovation Division will introduce and respond to queries relating to cases but shall not participate in the decision-making process.

6.14 The Board may, at its discretion, invite individuals to provide comments or attend meetings on a specific matter to provide information or expert guidance.

7. Reporting

7.1 An update on EFERB cases is provided to SMC following each meeting, for SMC to review the funding sources and decisions.

7.2 After consideration of a draft at a meeting, EFERB shall make an annual report to the Ethics Management Board. The annual report will summarise the issues considered by the Board and where appropriate, make recommendations for refinements or amendments to the process for approval.

7.3 The Annual Report shall also be presented to the Ethics Committee.

**Approved by Ethics Management Board
20 June 2023**