

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

The External Funding Ethical Review Board shall comprise the following terms of reference and membership:

1. Type

- 1.1. A standing committee that reports to the School Management Committee (SMC). These Terms of Reference and the External Funding Acceptance Procedures are approved by SMC.

2. Purpose

- 2.1. The remit of the External Funding Ethical Review Board is to review and scrutinise due diligence on the sources of the funding coming into the School. The Board considers whether the sources of funding are ethically acceptable and whether acceptance would pose a significant reputational risk to the School. The Board is not responsible for approving the purpose/use of the funding.
- 2.2. Board members are required to make informed decisions on each case, balancing the risks and the benefits to the School 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, or corporate partnerships.
- 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 usually originate from Philanthropy and Global Engagement (PAGE), or the Research and Innovation Division, but may also come from other areas of the School.

4. Authority

- 4.1. The Board is responsible for deciding if external funding is acceptable for the School on the grounds of ethical and reputational risk.
- 4.2. As per the External Funding Acceptance Procedure, decisions on ethical approvals are made at various levels depending on financial value and identified risks. The External Funding Ethical Review Board considers all cases over £5,000,000, as well as cases that have been referred to the Board due to ethical or reputational risk concerns.
- 4.3. Decisions will normally be made by consensus but may be made through a formal vote if the Chair determines this is appropriate. Approval by a majority of voting members attending the meeting, or responding to a written resolution, is required for approval. In instances where there is an equality of votes, the Chair has the tiebreaking vote.
- 4.4. If the Board is unable to reach a majority decision, the case will be referred to the School Management Committee. If the School Management Committee is unable to reach a decision, cases are referred to Council.
- 4.5. The School Management Committee should review and approve the External Funding Acceptance Policy and Procedure every three years. The EFERB terms of reference should be reviewed annually by EFERB and any changes approved by SMC.

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 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:
 - i. Seven senior academic members, one of whom shall be a member of the School Management Committee. Expertise in the following areas is desirable but not essential:

- Sustainability
- Finance/Management
- Economics
- Health
- Data science/Artificial Intelligence/ Technology
- Government/International Relations
Development

The above academic areas of expertise are subject to review. Changes to the areas of expertise may be necessary to meet the requirements of the Board.

ii. The Academic members of the Board will be drawn from the following positions:

- SMC
- Directors of centres and institutes
- Heads of Department
- Former Heads of Department or equivalent or;
- Nominees from Heads of Department

iii. Four additional members will be drawn from the following areas:

- LSE Communications
- Council (not an LSE member of staff)
- Alumni (not an LSE member of staff)
- General Counsel

The above additional membership positions are subject to review. Changes to the positions may be necessary to meet the requirements of the Board.

5.5. The Board will also have ex-officio advisory support comprised of the following people:

- Executive Director of Strategy, Talent and Services (PAGE)
- Governance and Ethics Manager (Secretary's Division)
- Director of the LSE Faith Centre

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

5.7. Members are appointed for three-year terms, and may serve up to three terms, based on the expertise required.

- 5.8. New members are nominated by the School Management Committee.
- 5.9. In attendance as required (to provide context on cases):
- 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 Proposition Development and Income Management
 - Due Diligence and Income Administration Manager
 - Due Diligence and Income Administration Officer
- 5.10. Those directly responsible for securing funding or potential recipients of funding shall not attend meetings of the Board at which their particular funding is to be considered.

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.
- 6.3. Members must declare any conflict of interest in 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, the Vice-Chair shall Chair the meeting.
- 6.4. The quorum for meetings of the External Funding Ethical Review Board shall be not less than eight members of the Board, at least half of whom will be academic members and one of whom shall be the Chair or Vice 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.
- 6.5. In exceptional circumstances, additional meetings or decisions via correspondence may be arranged to facilitate business. The quorum for decisions via correspondence shall be the same as for regular business meetings. The Board may approve

applications via correspondence. However, if a majority decision is not reached, a meeting will be arranged for further discussion.

- 6.6. Members should indicate in advance whether they will be joining the meeting.
- 6.7. Members are expected to attend all meetings of the External Funding Ethical Review Board. If a member is absent for three meetings within a year, or three consecutive meetings, their membership will be withdrawn.
- 6.8. Meeting papers will be compiled by the Secretary's Division and should be 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 with papers circulated no less than two working days before the meeting takes place.
- 6.9. 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.
- 6.10. 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.

7. Reporting

- 7.1. An update on EFERB cases is provided to SMC annually, for SMC to review the funding sources and decisions.
- 7.2. EFERB shall make an annual report to the School Management Committee. The report will provide an overview of the sources of funding and decisions as well as 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 Audit Committee.

**Approved by the School Management Committee
December 2024**