



Report of the Education Board

Trustee Appointment Rights to The Aldgate & Allhallows Foundation

To be presented on Thursday 4th December 2014

*To the Right Honourable The Lord Mayor, Aldermen and Commons
of the City of London in Common Council.*

Summary

The City of London Corporation has been approached by The Aldgate & Allhallows Foundation (Registered Charity 312500) with a request that the City Corporation forgo its trustee appointment rights to the Foundation. The request follows a review by the Foundation of its governance structure and is motivated by the Foundation's desire to bring its governance into line with modern best-practice.

Recommendations

- That the City of London Corporation forgo its trustee appointment rights to The Aldgate and Allhallows Foundation.

Main Report

Background

1. **The Aldgate & Allhallows Foundation (Registered Charity 312500).** The Aldgate & Allhallows Foundation is an independent educational grant-making charity based in the City of London and operating in both the City and in Tower Hamlets. Over 120 years old, it is an amalgamation of three older charitable trusts founded by Sir Samuel Starling, a previous Lord Mayor (1675), Anthony Death (1679) and Alderman James Hickson (1686). The charity has a close association with the Sir John Cass's Foundation.
2. **City of London Corporation Appointment Rights.** Following the abolition of the Inner London Education Authority (ILEA) in 1990, a right to appoint one Representative Governor to the Foundation's Governing (and trustee) Body was allocated to the City of London Corporation. This right was accepted by the Court of

Common Council at its meeting on 15 November 1990 following a recommendation made by the Education Committee.

Current Position

3. **Request to forgo Appointment Rights.** The City of London Corporation was contacted in July 2014 by the Clerk and Chief Executive of the Foundation with a request that the City of London Corporation forgo its right to appoint a Governor to the Foundation's Governing Body. The Foundation's request follows a review of its governance structure that concluded that it would be in the best interests of the charity to amend the charity's constitution to bring it into line with modern best practice, by reducing the size of the Governing Body and by giving the Governing Body greater control over the appointment of trustees with the requisite independence, skills and experience.
4. Should the City Corporation agree to forgo its appointment rights, the Foundation will have the power under section 280 of the Charities Act 2011 to make the necessary amendment to its constitution by way of resolution of the Governing Body.
5. The Foundation made a similar request to the Central Foundation Schools of London and the Merchant Taylors' School, and both have already agreed to forgo their rights of appointment of the Board.

Proposals

6. It is proposed that the Court of Common Council, at the recommendation of the Education Board, agree to forgo the City Corporation's appointment rights to The Aldgate & Allhallows Foundation.
7. In reaching its decision, the Court of Common Council must act in the best interests of the Foundation, not the City Corporation. It is considered that the Foundation has provided sufficient information to support its request as being in the best interests of the charity. Charity trustees should keep their governance arrangements under review to ensure that they remain fit for purpose and enable the charity to effectively operate to further its charitable objectives. Amending the charity's constitution to reduce the size of the Governing Body, and to provide the Governing Body with the power and flexibility to appoint trustees who have the appropriate skills and experience, would achieve this therefore being in the best interests of the charity. As such it is recommended that the City Corporation forgo its trustee appointment rights.

Implications

8. The Comptroller and City Solicitor has been consulted on the proposal outlined within this report and his comments incorporated in the Report.

Conclusion

9. The request by The Aldgate & Allhallows Foundation is considered reasonable and in the Foundation's best interests, in that it will support the effective administration of the charity in meeting its charitable objectives. It is therefore recommended that Members agree to forgo the City of London's appointment rights to the Foundation's Governing Body.

All of which we submit to the judgment of this Honourable Court.

DATED this 21st day of November, 2014.

SIGNED on behalf of the Committee.

Deputy Catherine McGuinness,
Chairman