

<b>Committee(s)</b> Education Board Community and Children's Services Policy and Resources Court of Common Council	<b>Dated:</b> 12 May 2016 13 May 2016 19 May 2016 23 June 2016
<b>Subject:</b> Management of the City Educational Trust Fund and the City of London Corporation Combined Education Charity	<b>Public</b>
<b>Report of:</b> Town Clerk	<b>For Decision</b>
<b>Report Author:</b> Alistair MacLellan, Senior Members' Services Officer	

### Summary

This report recommends that Members agree some proposed amendments to the terms of reference of the Education Board and the Community and Children's Services Committee. The purpose of these amendments is to give one Grand Committee primary responsibility for the management of two charities, the City Educational Trust Fund and the City of London Corporation Combined Education Charity. It is proposed that the Education Board be appointed as the Grand Committee responsible for those charities, and that it appoint an Education Charity Sub (Education Board) Committee to oversee the application of funds from those charities. The Community and Children's Services Committee will be responsible for making recommendations to the Education Board on any policy adopted for the application of those funds, and appointing some of its membership to serve on the Education Charity Sub (Education Board) Committee. The report also proposes some minor clarifications to the existing terms of reference.

### Recommendation(s)

That Members,

- Approve the enclosed proposed amendments to the terms of reference of both the Education Board and Community and Children's Services Committee, for onward submission to the Court of Common Council for final approval.
- Delegate authority to the Town Clerk to make any further amendments deemed necessary prior to submission to the Court, in consultation with the Chairmen and Deputy Chairmen.

### Main Report

1. Under the City of London Corporation's recent Effectiveness of Grants Service Based Review, it was proposed that the Education Board and the Community and Children's Services Committee exercise joint responsibility for two education charities, the City Educational Trust Fund and the City of London Corporation Combined Education Charity ("the Combined Education Charity"). The City of London Corporation is the corporate trustee of both charities and exercises those trustee functions through the City's existing corporate governance framework. It is the City's usual practice to delegate the principal administration and management of each charity (including the award of grants) to a named Grand Committee, accepting that certain functions under the City's corporate governance framework remain within the purview of other Committees in accordance with their terms of reference, e.g. relevant functions of the Court of Common Council relating to audit of the charitable funds remain with Audit and Risk Management Committee.

2. It was envisaged that in practice the responsibility for managing those two charities would be exercised by a sub-committee of either the Education Board or the Community and Children's Services Committee, and that the membership of that sub-committee be composed of members from both the Board and the Community and Children's Services Committee.
3. Wording that reflected this proposed 'joint' responsibility was intended to be submitted for approval to the Court of Common Council at its meeting on 21 April 2016. In the interim and on the basis of advice from the Comptroller & City Solicitor, the Town Clerk deemed it necessary, for the avoidance of doubt and to eliminate the potential for challenge as to the City's proper administration of those charities under the City's delegated arrangements, that reference to any 'joint' management be removed from the terms of reference of both the Education Board and the Community and Children's Services Committee, and this amendment was reflected in the terms of reference approved at that meeting of the Court.
4. The Court can only effectively delegate the exercise of particular charitable trustee functions to one of its Committees at any one time. This is to ensure that there is clear accountability for any decisions and actions taken under delegated authority affecting the administration of the charity, and to enable the expedient conduct of the charity's business in the best interests of the charity's beneficiaries. Officers therefore recommend that the terms of reference should make it clear that principal management of those charities is the responsibility of a single Grand Committee (reflecting the arrangements which were in place prior to the Corporate Grants Service Based Review).
5. Therefore, it is proposed that the Education Board is given that responsibility in respect of the management of the two charities, given their educational character, and that the charitable grant-making activity in respect of each charity be undertaken by a sub-committee of the Board. In recognition of the Community and Children's Services Committee's role as the Grand Committee responsible for the City of London Corporation's statutory education function, it is further proposed that the sub committee appointed by the Board should have membership drawn from both the Board and the Community and Children's Services Committee. Furthermore, it is proposed that the Community and Children's Services Committee be authorised to make recommendations to the Education Board on the policy to be adopted for the application of funds from both charities, although the final decision as to any policy to be adopted will lie with the Education Board consistent with its management responsibilities in respect of each charity.
6. Lastly, the opportunity has been taken to clarify some associated wording within the terms of reference of both the Board and the Community and Children's Services Committee. Proposed amendments and deletions are clearly marked as set out within the appendix.

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## Appendix – Proposed Amended Terms of Reference

Proposed additional text is underlined and proposed deletions are ~~struck through~~.

### Education Board

#### 4. Terms of Reference

- (a) To monitor and review the City of London Education Strategy, and to oversee its implementation in consultation with the appropriate City of London Committees; referring any proposed changes to the Court of Common Council for approval;
- (b) To oversee generally the City of London Corporation's education activities; consulting with those Committees where education responsibilities are expressly provided for within the terms of reference of those Committees and liaising with the City's affiliated schools and co-sponsors;
- (c) To be responsible for the oversight and monitoring of the City of London Corporation's sponsorship of its Academies, including the appointment of academy governors and, where relevant Members, Directors and Trustees;
- (d) The management of The City of London Corporation Combined Education Charity (registered charity no. 312836), subject to consulting with the Community and Children's Services Committee as to any policy to be adopted for the application of the charity's funds;
- (e) The management of the City Educational Trust Fund (registered charity no. 290840), subject to consulting with the Community and Children's Services Committee as to any policy to be adopted for the application of the charity's funds;
- (f) To constitute Sub-Committees in order to consider particular items of business within the terms of reference of the Board, including:-  
Education Charity Sub (Education Board) Committee\*
- (g) To recommend to the Court of Common Council candidates for appointment as the City of London Corporation's representative on school governing bodies where nomination rights are granted and which do not fall within the remit of any other Committee;
- (h) To monitor the frameworks for effective accountability, challenge and support in the City Schools\*\*;
- (i) To be responsible for the distribution of funds specifically allocated to it for education purposes, in accordance with the City of London Corporation's strategic policies;
- (j) Oversight of the City of London Corporation's education-business link activities.

\* The constitution of The Education Charity Sub-Committee is set by the Court of Common Council and comprises three Members appointed by the Education Board and three Members appointed by the Community and Children's Services Committee.

\*\*The expression "the City Schools" means those schools for which the City has direct responsibility, as proprietor, sponsor or local authority, namely: The Sir John Cass Foundation Primary School, The City Academy Hackney, ~~the City of London Academies Southwark~~, the City of London Academy Islington, the City of London School, the City of London School for Girls, and the City of London Freeman's School, and the academies managed by the City of London Academies Trust.

### Community and Children's Services Committee

#### 4. Terms of Reference

- To be responsible for:-
- (a) the appointment of the Director of Community & Children's Services;
  - (b) the following functions of the City of London Corporation (other than in respect of powers expressly delegated to another committee, sub-committee, board or panel):-
    - Children's Services
    - Adults' Services
    - Education
    - Social Services
    - Social Housing (i.e. the management of the property owned by the City of London Corporation under the Housing Revenue Account and the City Fund in accordance with the requirements of all relevant legislation and the disposal of interests in the City of London Corporation's Housing Estates (pursuant to such policies as are from time to time laid down by the Court of Common Council)
    - public health (within the meaning of the Health and Social Care Act 2012), liaison with health services and health scrutiny
    - Sport/Leisure Activities
    - management of the City of London Almshouses (registered charity no 1005857) in accordance with the charity's governing instrumentsand the preparation of all statutory plans relating to those functions and consulting as appropriate on the exercise of those functions;
  - (c) ~~the management of The City of London Corporation Combined Education Charity (registered charity no. 312836);~~

- (d) appointing Statutory Panels, Boards and Sub-Committees as are considered necessary for the better performance of its duties including the following areas:-
  - Housing Management and Almshouses Sub-Committee
  - Health & Social Care Scrutiny Sub-Committee
  - Safeguarding Sub-Committee
- (e) the management of The City of London Corporation Combined Relief of Poverty Charity (registered charity no. 1073660);
- (f) To have responsibility for making recommendations to the Education Board on the policy to be adopted for the application of charitable funds from The City of London Corporation Combined Education Charity (registered charity no. 312836) and the City Educational Trust Fund (registered charity no. 290840); and to make appointments to the Sub-Committee established by the Education Board for the purpose of managing those charities.
- (g) the management of the Aldgate Pavilion.