

Committee	Dated:
Social Investment Board	13 December 2016
Subject: Terms of Reference and Membership Review	Public
Report of: Town Clerk	For Decision
Report author: Philippa Sewell, Committee & Members' Services Officer	

Summary

The purpose of this report is to review the Social Investment Board's Terms of Reference and membership. The report sets out the current governance and recommends the following changes:

- The addition of a City Bridge Trust Committee Member to the Board;
- Giving the Investment Committee appointment powers for the two Members previously elected by the Court of Common Council. These appointments would still be made from the entire Court Membership (not just from the Investment Committee).
- External co-opted members be appointed for four-year terms, subject to annual reappointment.

Recommendation

Members are asked to consider the proposed changes to the Social Investment Board's governance.

Main Report

Terms of Reference

1. The current terms of reference for the Social Investment Board are:-
 - a) to approve criteria for social investments and to authorise social investments in accordance with such criteria
 - b) to approve the appointment of and monitor the performance of independent advisors tasked with undertaking due diligence of investment proposals; and
 - c) all of the above to be consistent with the strategic investment policies determined by the Policy and Resources Committee and the Investment Committee.
2. There is provision within the Investment Committee's Terms of Reference to enable the Chairman of the Social Investment Board to report on and speak to

their activities and responsibilities in the Court of Common Council and to ensure that any decisions are taken without undue delay.

3. **The Town Clerk recommends no changes to the Social Investment Board's Terms of Reference.**

Composition

4. The current composition of the Social Investment Board is:

- The Chairman of the Policy & Resources Committee for the time being or his/her nominee;
- The Chairman of the Finance Committee for the time being or his/her nominee;
- The Chairman of the City Bridge Trust Committee for the time being or his/her nominee;
- The Chairman of the Financial Investment Board for the time being or his/her nominee;
- One Member of the Financial Investment Board;
- Two Members elected by the Court of Common Council, one of whom shall have fewer than five years' service on the Court at the time of their appointment.

5. All nominees must be Members of the Court of Common Council.

6. **The Town Clerk recommends the following changes to the Social Investment Board's Composition:**

- The Chairman of the Policy & Resources Committee for the time being or his/her nominee;
- The Chairman of the Finance Committee for the time being or his/her nominee;
- The Chairman of the City Bridge Trust Committee for the time being or his/her nominee;
- **One Member of the City Bridge Trust Committee;**
- The Chairman of the Financial Investment Board for the time being or his/her nominee;
- One Member of the Financial Investment Board;
- Two Members **of the Court of Common Council elected by the Investment Committee,** one of whom shall have fewer than five years' service on the Court at the time of their appointment.

7. The addition of another Member of the City Bridge Trust Committee is proposed in order to reinforce the relationship between the grant-giving work of the Trust and the work of this Board, particularly in light of the continued success of the Stepping Stones Fund.

8. Currently the Investment Committee is not able to appoint to the Social Investment Board, as Members are appointed by the Court of Common

Council, Financial Investment Board, and the Policy and Resources, Finance, and City Bridge Trust Committees. However, the Investment Committee is tasked with strategic oversight of the Board's work.

9. The proposal to transfer appointment powers from the Court of Common Council to the Investment Committee aims to give the latter greater ability to achieve strategic oversight and monitoring of all three of its Boards, whilst retaining the ability to seek expertise from the wider Court.

Quorum

10. Any three Members of the Board.
11. **The Town Clerk recommends no changes to the Social Investment Board's Quorum.**

Chairmanship

12. The Social Investment Board shall elect annually a Chairman and a Deputy Chairman from amongst all of its Members (including ex-officio Members who shall also have the power to vote in such elections) with the exception of any co-opted people.
13. **The Town Clerk recommends no changes to the Social Investment Board's Chairmanship.**

Co-Option

14. The Financial Investment Board, Property Investment Board and Social Investment Board are empowered to co-opt people with relevant expertise or experience, including non-Members of the Court of Common Council, to assist in their deliberations.
15. The Social Investment Board currently uses the same co-option protocol as the Financial and Property Investment Boards which restricts appointments to a maximum of 12 months. This is because, like all Sub-Committees, the entire membership of the Social Investment Board is appointed on an annual basis. It would not be advisable for Co-opted Members' terms to be longer than Full Members'.
16. The Board, however, has previously discussed the need for continuity and as such the Town Clerk proposes that:
17. **The term of appointment for external (i.e. non-members of the Court of Common Council) co-optees be limited to four years, subject to annual re-election. After this four-year period a formal interview process will be carried out.**

18. It is proposed that this rule be applied for the Social Investment Board only, with the Financial and Property Investment Boards remaining free to appoint otherwise.

Conclusion

19. To summarise, the proposed changes are:

- The addition of a City Bridge Trust Committee Member to the Board;
- Giving the Investment Committee appointment powers for the two Members previously elected by the Court of Common Council. These appointments would still be made from the entire Court Membership (not just from the Investment Committee).
- External co-opted members be appointed for four-year terms, subject to annual reappointment.

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