

PLEASE BRING THIS AGENDA WITH YOU

1

The Lord Mayor will take the Chair at ONE
of the clock in the afternoon precisely.



COMMON COUNCIL

SIR/MADAM,

You are desired to be at a Court of Common Council, at **GUILDHALL**, on
THURSDAY next, the **14th day of January, 2016**.

JOHN BARRADELL,
Town Clerk & Chief Executive.

*Guildhall,
Wednesday 6th January 2016*

Sir Michael David Bear

The Rt Hon Baroness Patricia Scotland of Asthal, QC



Aldermen on the Rota

1 **Apologies for Absence**

2 **Declarations by Members under the Code of Conduct in respect of any items on the agenda**

3 **Minutes**

To agree the minutes of the meeting of the Court of Common Council held on 3 December 2015.

For Decision
(Pages 1 - 18)

4 **Resolutions on Retirements, Congratulatory Resolutions, Memorials.**

5 **Docquets for the Hospital Seal.**

6 **The Freedom of the City**

To consider a circulated list of applications for the Freedom of the City.

For Decision
(Pages 19 - 24)

7 **Legislation**

To receive a report of the Remembrancer setting out measures introduced into Parliament which may have an effect on the services provided by the City Corporation. Explanatory notes thereon are available from the Remembrancer's office.

For Information
(Pages 25 - 26)

8 **Appointments**

To consider the following appointments:

- a) One Member to the **Board of Governors of the City of London School**, for the balance of a term expiring June 2017.

Nominations received:-

Keith David Forbes Bottomley
The Revd. Dr Martin Raymond Dudley
Michael Hudson

- b) Three Members on the **Castle Baynard Educational Foundation & Alderman Samuel Wilson Fund**, for three year terms expiring in March 2019.

** denotes a Member standing for re-appointment*

Nominations received:-

*Nigel Kenneth Challis
*Catherine McGuinness, Deputy
*Jeremy Lewis Simons

- c) One Member on the **City Arts Trust**, for a four year term expiring in January 2020.

** denotes a Member standing for re-appointment*

Nominations received:-

*Jeremy Mayhew

- d) Seven Members on **Christ's Hospital**, for four year terms expiring in January 2020.

** denotes a Member standing for re-appointment*

Nominations received:-

*Dennis Cotgrove

*Lucy Frew

*Ian Christopher Norman Seaton

9 **Questions**

10 **Motions**

11 **Awards and Prizes**

12 **Policy and Resources Committee**

To consider reports of the Policy and Resources Committee as follows:

- (A) **Election of Chief Commoner** – proposing revisions to the process by which candidates for Chief Commoner are nominated and seeking approval to amend Standing Orders accordingly.

For Decision
(Pages 27 - 30)

- (B) **Elections to Single Vacancies** – proposing a change to the way in which candidates are elected by the Court of Common Council to single vacancies on committees and outside bodies.

For Decision
(Pages 31 - 36)

- (C) **Governance of the City's Sole Sponsored Academies** – proposing the creation of a new corporate governing body for all of the City of London Corporation's existing and future sole-sponsored academies.

For Decision
(Pages 37 - 42)

- (D) **Review of Grant Giving Activity** – to receive an update on the ongoing review of grant giving activity across the City of London Corporation.

For Information
(Pages 43 - 48)

13 **Hospitality Working Party of the Policy and Resources Committee**

To consider reports of the Hospitality Working Party of the Policy and Resources Committee, as follows:

- (A) **Applications for the Use of Guildhall** – to note the prior approval of the listed applications for the use of Guildhall.

For Information
(Pages 49 - 50)

- (B) **Application for Hospitality** – to consider a recommendation concerning the provision of hospitality.

For Decision
(Pages 51 - 52)

14 **Finance Committee**

To consider reports of the Finance Committee, as follows:

- (A) **Council Tax Reduction Scheme** – seeking approval to the introduction of a new Council Tax Reduction Scheme.

For Decision
(Pages 53 - 58)

- (B) **Pension Fund Deficit** – providing clarity as to the position in respect of the City of London Corporation's Pension Fund deficit.

For Information
(Pages 59 - 64)

- (C) **City's Cash Financial Statements 2014/15** – presenting the latest approved Statement of Accounts for City's Cash.

For Information
(Pages 65 - 84)

15 **Planning and Transportation Committee**

To consider a report seeking authority to submit to the Mayor of London information relating to the City of London Corporation's On-Street Parking Reserve.

For Decision
(Pages 85 - 88)

16 **The City Bridge Trust**

To receive a report outlining the City Bridge Trust's revised arrangements in respect of awarding proactive grants for strategic initiatives.

For Information
(Pages 89 - 94)

17 **Licensing Committee**

To consider a report of the Licensing Committee proposing the adoption of a new Statement of Licensing Principles in accordance with the requirements of the Gambling Act 2005.

For Decision
(Pages 95 - 122)

MOTION**18 By the Chief Commoner**

That the public be excluded from the meeting for the following items of business below on the grounds that they involve the likely disclosure of exempt information as defined in Paragraph 3 of Part 1 of Schedule 12A of the Local Government Act, 1972, or which fall under paragraph 100A(2) of the Local Government Act 1972 relating to confidential information that would be disclosed in breach of an obligation of confidence by a department of Her Majesty's Government?:-

19 Non-public minutes

To agree the non-public minutes of the meeting of the Court held on 3 December 2015.

For Decision
(Pages 123 - 124)

20 Application for Hospitality

To consider an application for hospitality.

For Decision
(Pages 125 - 126)

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Item No:



MOUNTEVANS, MAYOR COURT OF COMMON COUNCIL

3rd December 2015
MEMBERS PRESENT

ALDERMEN

Sir Michael David Bear
Sheriff Charles Bowman
John Garbutt
Sir Roger Gifford
David Andrew Graves
Timothy Russell Hailes JP

Gordon Warwick Haines
Peter Lionel Raleigh Hewitt, JP
Robert Picton Seymour Howard
Vincent Thomas Keaveny
Ian David Luder JP
Professor Michael Raymond Mainelli
Julian Henry Malins QC

The Rt Hon the Lord Mayor, The Lord
Mountevans, Jeffrey Evans
William Anthony Bowater Russell
The Rt Hon the Baroness Patricia Scotland of
Asthall, QC
Dame Fiona Woolf
Sir David Hugh Wootton

COMMONERS

George Christopher Abrahams
John David Absalom, Deputy
Randall Keith Anderson
Alex Bain-Stewart JP
John Alfred Barker, OBE, Deputy
John Bennett, Deputy
Nicholas Michael Bensted-Smith, JP
Christopher Paul Boden
Mark Boleat
Keith David Forbes Bottomley
David John Bradshaw
Revd Dr William Goodacre
Campbell-Taylor
Roger Arthur Holden Chadwick
John Douglas Chapman, Deputy
Dennis Cotgrove
William Harry Dove OBE, JP,
Deputy (Chief Commoner)
Simon D'Olier Duckworth, OBE,
DL
Peter Gerard Dunphy
Emma Edhem
Anthony Noel Eskenzi, CBE,
Deputy
Kevin Malcolm Everett, Deputy

John William Fletcher
William Barrie Fraser, OBE,
Deputy
Stuart John Fraser, CBE
Marianne Bernadette Fredericks
Lucy Frew
George Marr Flemington Gillon
Stanley Ginsburg, JP, Deputy
The Revd Stephen Decatur
Haines, Deputy
Brian Nicholas Harris, Deputy
Graeme Harrower
Christopher Michael Hayward
Tom Hoffman
Ann Holmes
Michael Hudson
Wendy Hyde
Jamie Ingham Clark, Deputy
Henry Llewellyn Michael Jones,
Deputy
Alastair John Naisbitt King,
Deputy
Gregory Alfred Lawrence
Vivienne Littlechild JP

Oliver Arthur Wynlayne Lodge, TD
Edward Lord, OBE, JP
Professor John Stuart Penton
Lumley
Paul Nicholas Martinelli
Jeremy Mayhew
Catherine McGuinness, Deputy
Andrew Stratton McMurtrie, JP
Wendy Mead, OBE
Brian Desmond Francis Mooney
Gareth Wynford Moore
Hugh Fenton Morris
Alastair Michael Moss, Deputy
Sylvia Doreen Moys
Joyce Carruthers Nash, OBE,
Deputy
Barbara Patricia Newman, CBE
Graham David Packham
Dhruv Patel
Ann Marjorie Francescia Pembroke
James Henry George Pollard,
Deputy
Henrika Johanna Sofia Priest
Gerald Albert George Pulman JP,
Deputy

Chris Punter
Delis Regis
Elizabeth Rogula
Virginia Rounding
James de Sausmarez
John George Stewart Scott, JP,
Ian Christopher Norman
Seaton
Dr Giles Robert Evelyn Shilson,
Deputy
Jeremy Lewis Simons
Tom Sleigh
Graeme Martyn Smith
Sir Michael Snyder
Angela Mary Starling
Patrick Thomas Streeter
David James Thompson
James Michael Douglas
Thomson, Deputy
John Tomlinson, Deputy
James Richard Tumbridge
Michael Welbank, MBE
Mark Raymond Peter Henry
Delano Wheatley
Philip Woodhouse

1. Minutes

Resolved – That the Minutes of the last Court are correctly recorded.

2. Vote of
Thanks to the
Lord Mayor

Resolved unanimously – That the vote of thanks read informally at the last meeting of this Honourable Court be agreed, included in the Minutes of this meeting; and that it be fairly transcribed, signed by the Town Clerk and presented in a manner agreeable to the late Lord Mayor.

Harris, B.N.,
Deputy;
Dove, W.H.,
O.B.E., J.P., Deputy

Resolved unanimously – That the Members of this Court take great pleasure in expressing to:

Alderman Alan Colin Drake Yarrow

their most sincere thanks for the distinguished way in which he has carried out the varied demands of the Office of Lord Mayor of the City of London over the past year.

Whether at home or abroad, Alan has been an exemplary ambassador for the City of London, working tirelessly not only to promote the City as the world's premier financial and professional services centre, but also to further the key theme of his mayoralty: Creating Wealth, Giving Time and Supporting People. His efforts have successfully informed a number of key initiatives aimed at promoting a better understanding of the positive role played by the financial and professional services industry, including the successful City Giving Day, which has been a showcase for the wider social benefit generated by the extensive Corporate Social Responsibility and community involvement of City firms.

During his time in office the Lord Mayor has undertaken an extensive overseas programme, visiting more than 25 countries. Visits to regions including the Arabian Gulf, Latin America and Asia have succeeded in fostering bilateral trade and good will, identifying commercial opportunities and, notably, deepening Commonwealth bonds. A visit to Malaysia - the country of his birth - in May reflects his own personal interests as well as those of the City financial.

In addition to the overseas programme, Alan has also worked hard to support the financial and professional services industry within the United Kingdom itself with visits to a number of UK cities and the hosting of many special occasions at Mansion House and Guildhall, a highlight being the magnificent state banquet held to mark the visit of the President of Mexico. Such a wide programme has placed huge demands on the Lord Mayor but he has met this challenge unfailingly, with good sense and good humour at all times.

His colleagues on this Court also wish to pay tribute to Gilly, the Lady Mayoress, who has herself undertaken a varied programme with passion and commitment. Her many contributions are warmly acknowledged. In taking their leave of this, their 687th Lord Mayor, Honourable Members trust that, after a well-earned rest, he will look back on a unique year with the greatest pleasure, a justifiable pride and immense satisfaction.

3. Resolutions

The Chief Commoner welcomed a new Alderman, Robert Picton Seymour Howard, to his first meeting of the Court of Common Council as an Alderman.

Alderman Robert Howard was heard in reply.

Pollard, J.H.,
Deputy;
Dove, W.H.,
O.B.E., J.P., Deputy

Resolved unanimously – That the Members of this Court wish to place on record their appreciation of the loyal service to the City of London of Adrian Leppard, QPM during the term of his appointment as Commissioner of Police for the City.

Since joining the City of London Police as Commissioner in 2011, he has demonstrated a commitment to the City and its values, and in particular to the officers he has led. In 2016 as he leaves the Force, the City remains the national lead force for Economic Crime and fraud.

Members of this Court, and especially those of the Police Committee, have benefited from his advice and guidance and all are pleased to take this opportunity of expressing to Mr Leppard and his partner their very best wishes for the future.

4. Overseas
Visits

The Right Honourable the Lord Mayor reported on his recent overseas visit to Malta coinciding with the Commonwealth Heads of Government meeting. He also took the opportunity to congratulate Alderman Baroness Scotland on her appointment as the next Secretary-General of the Commonwealth of Nations.

5. Policy
Statement

There was no statement.

6. Hospital Seal

Sundry documents were sealed with the Hospital Seal.

7. Freedoms

The Chamberlain, in pursuance of the Order of this Court, presented a list of the under-mentioned, persons who had made applications to be admitted to the Freedom of the City by Redemption:-

John Robert Sotheby Boas <i>John George Stewart Scott, CC</i> <i>David Andrew Graves, Ald.</i>	an Investment Banker, retired <i>Citizen and International Banker</i> <i>Citizen and Solicitor</i>	Marylebone
Karen Elisabeth Boas <i>David Andrew Graves, Ald.</i> <i>John George Stewart Scott, CC</i>	a Concert Promoter, retired <i>Citizen and Solicitor</i> <i>Citizen and International Banker</i>	Marylebone
Nicola Wendy Lovell <i>Eric Davies</i> <i>Arthur John Barnett</i>	a Bursar, retired <i>Citizen and Stationer & Newspaper</i> <i>Maker</i> <i>Citizen and Baker</i>	Chiswick
Callum Tristan Piers Butler <i>Michael Richard Butler</i> <i>Donald Howard Coombe, MBE</i>	a Chef <i>Citizen and Poulter</i> <i>Citizen and Poulter</i>	Swanton Abbott, Norfolk
Dr Nicholas Harold Randell Simpson <i>John Alexander Smail</i> <i>John Donald Lunn</i>	a Medical Practitioner <i>Citizen and Distiller</i> <i>Citizen and Fan Maker</i>	Quorn, Loughborough, Leicestershire
Geoffrey Michael Booth <i>Joyce Nash, OBE, Deputy</i> <i>William Harry Dove, OBE, JP,</i> <i>Deputy</i>	a School Teacher <i>Citizen and Feltmaker</i> <i>Citizen and Ironmonger</i>	West Cheshunt, Hertfordshire
Helen Mary Guinness <i>Neville John Watson</i> <i>Peter Francis Clark</i>	a Management Development Company Director <i>Citizen and Fletcher</i> <i>Citizen and Mason</i>	Brighton, East Sussex

Kenneth Paul Marcus <i>Howard Andre Beber</i> <i>Andrew Charles Parmley, Ald.</i>	a Healthcare Chairman <i>Citizen and Poulter</i> <i>Citizen and Musician</i>	Higgovale, Cape, South Africa
John Peberdy, MBE <i>John Alexander Smail</i> <i>Joseph Larry Herzberg</i>	a Sub Postmaster, retired <i>Citizen and Distiller</i> <i>Citizen and Apothecary</i>	Sutton Bonington, Loughborough, Leicestershire
Christopher Francis Wolferstan Chanter <i>Michael Steele Keith Grant</i> <i>Thomas Lloyd Barker</i>	a Manufacturing Company Proprietor <i>Citizen and Information Technologist</i> <i>Citizen and Farrier</i>	Huish Champflower, Nr Taunton, Somerset
Benjamin Philip Wood <i>Neville John Watson</i> <i>Peter Francis Clark</i>	a Teacher <i>Citizen and Fletcher</i> <i>Citizen and Mason</i>	Dawley, Telford, Shropshire
Zander Charles Jarrott Cornish-Moore <i>Amber Bielby</i> <i>Niall Daws</i>	an Aerial Survey Operations Manager <i>Citizen and Glass Seller</i> <i>Citizen and Baker</i>	Stanton St John, Oxfordshire
Elizabeth Honor Lewzey <i>Flora Ann Reed</i> <i>Alan Roy Willis</i>	an Accountant, retired <i>Citizen and Glass Seller</i> <i>Citizen and Baker</i>	Oxshott, Surrey
Duncan Maynard Cox <i>Andrew James Ford</i> <i>Stephen Wilfred Howells</i>	an Estate Agent, retired <i>Citizen and Basketmaker</i> <i>Citizen and Butcher</i>	Ashtead, Surrey
Charlotte Susannah Wilson <i>Ian Kelly</i> <i>Alan Stanley Cook</i>	a Charity Chief Executive <i>Citizen and Butcher</i> <i>Citizen and Gunmaker</i>	Waltham Forest
Catherine Mary Vinson Grimley <i>Alison Jane Gowman, Ald.</i> <i>Clive Martin Grimley</i>	a Teacher, retired <i>Citizen and Glover</i> <i>Citizen and Glover</i>	Burgess Hill, West Sussex
Ahmed Ali Khan <i>Frederick Joseph Trowman</i> <i>Anthony Sharp</i>	a Consultant Psychiatrist, retired <i>Citizen and Loriner</i> <i>Citizen and Loriner</i>	Chigwell, Essex
Ryan Sydney Morris <i>Lady Susan Garden</i> <i>Mark Glyn Hardy</i>	a Royal Air Force Officer <i>Citizen and World Trader</i> <i>Citizen and World Trader</i>	Emersons Green, Bristol
Christopher Patrick <i>Alan Montague Ware, MBE</i> <i>Jane Elizabeth Ann Ware</i>	a Police Officer <i>Citizen and Gold & Silver Wyre Drawer</i> <i>Citizen and Gold & Silver Wyre Drawer</i>	South Woodham Ferrers, Essex
Linda Karen Sharpstone <i>Stanley Ginsburg, Deputy</i> <i>Henry Llewellyn Michael Jones, Deputy</i>	a Procurement Manager <i>Citizen and Glover</i> <i>Citizen and Common Councilman</i>	Luton, Bedfordshire

Antony Stuart Sharpstone <i>Stanley Ginsburg, Deputy</i> <i>Henry Llewellyn Michael Jones, Deputy</i>	a Security Company Director <i>Citizen and Glover</i> <i>Citizen and Common Councilman</i>	Luton, Bedfordshire
Terrell Lewis Jenkins <i>Mr Dusan Alexander Hamlin</i> <i>Richard Leslie Springford</i>	a Moorings Manager <i>Citizen and Plumber</i> <i>Citizen and Carman</i>	Petronella, Tower Bridge Moorings
Denise Marie Reine Le Gal <i>Anthony Ben Charlwood</i> <i>Donald Newell</i>	a County Councillor <i>Citizen and Basketmaker</i> <i>Citizen and Pattenmaker</i>	Farnham, Surrey
Timothy Simon Sanders <i>Richard Leslie Springford</i> <i>Richard Stuart Goddard</i>	a Solicitor <i>Citizen and Carman</i> <i>Citizen and Shipwright</i>	Epsom, Surrey
Robert John Barrett <i>Anthony Ben Charlwood</i> <i>Donald Newell</i>	an Sales Manager <i>Citizen and Basketmaker</i> <i>Citizen and Pattenmaker</i>	Faversham, Kent
John Sullivan of Braemar <i>Anthony John Keith Woodhead</i> <i>John Alexander Smail</i>	an Estate Company Director <i>Citizen and Tax Adviser</i> <i>Citizen and Distiller</i>	Lytham-St-Annes
Gerald Edmund Sacks <i>Frederick Joseph Trowman</i> <i>David Robert Boston</i>	a Medical Practitioner <i>Citizen and Loriner</i> <i>Citizen and Gold & Silver Wyre Drawer</i>	Eynsham, Oxford
Joanna Mary Cadman <i>Leslie Gordon Alwyne Clarke</i> <i>Frederick James Carey</i>	a Parish Council Clerk <i>Citizen and Plaisterer</i> <i>Citizen and Plaisterer</i>	Ewhurst Green, Nr Cranleigh, Surrey
Ita Sacks <i>Frederick Joseph Trowman</i> <i>David Robert Boston</i>	a Teacher, retired <i>Citizen and Loriner</i> <i>Citizen and Gold & Silver Wyre Drawer</i>	Eynsham, Oxford
Zeus Patel <i>Timothy Russell Hailes, Ald., JP</i> <i>Elizabeth Rogula, CC</i>	a Student <i>Citizen and International Banker</i> <i>Citizen and Common Councilman</i>	Greene House, Southwark
Michael Dominic James Barnes <i>Stanley Brown, QGM, TD</i> <i>Michael Richard Adkins</i>	a Sales Executive <i>Citizen and Loriner</i> <i>Citizen and Water Conservator</i>	Taplow, Maidenhead, Berkshire
Selim Pierre Salem <i>Derek Martin Morley</i> <i>Christopher Michael Hayward, CC</i>	an Engineer <i>Citizen and Furniture Maker</i> <i>Citizen and Pattenmaker</i>	Rennes, France
Samuel John Chadd <i>Timothy Russell Hailes, Ald., JP</i> <i>Elizabeth Rogula, CC</i>	a Student <i>Citizen and International Banker</i> <i>Citizen and Common Councilman</i>	Stewkley, Leighton Buzzard, Buckinghamshire

Paul Edward Forman, OBE <i>Richard Peppiatt</i> <i>Roy Derrick Peppiatt</i>	a Chartered Civil Engineer <i>Citizen and Joiner</i> <i>Citizen and Joiner</i>	Albert Embankment, Lambeth
Janet Rose Thomas <i>His Hon. Judge Stephen Ernest Kramer, QC</i> <i>His Hon. Judge Nicholas Richard Maybury Hilliard, QC</i>	a Court Usher <i>Citizen and Baker</i> <i>Citizen and Wax Chandler</i>	Sydenham
Raymond James Hardy <i>Anthony John Keith Woodhead</i> <i>Peter Reginald Allcard</i>	a Consulting Engineer <i>Citizen and Tax Adviser</i> <i>Citizen and Blacksmith</i>	Girton, Cambridge, Cambridgeshire
Laurentiu Braic <i>Clifford Mark Sturt</i> <i>Barry Ian Hoffbrand</i>	a Ph.D. Student <i>Citizen and Scrivener</i> <i>Citizen and Apothecary</i>	Southwark
Jason Warren Patrick Fermoy-Marlow <i>Alan Leslie Warman</i> <i>Terence Taylor</i>	a Professional Driver <i>Citizen and Clockmaker</i> <i>Citizen and Clockmaker</i>	Stanford Le Hope, Essex
Joost Hubert Roselaers <i>John Alfred Bennett, Deputy</i> <i>Philip William Brading</i>	a Minister <i>Citizen and International Banker</i> <i>Citizen and Carpenter</i>	London
Diana Bernardine Perriton <i>Barry John Frederick Theobald-Hicks</i> <i>John James Tunesi of Liongam, The Younger</i>	a Counsellor and Psychotherapist <i>Citizen and Scrivener</i> <i>Citizen and Scrivener</i>	Saltdean, Brighton, East Sussex
Robert Timothy James Brown <i>Richard Leslie Springford</i> <i>Richard Stuart Goddard</i>	a Solicitor <i>Citizen and Carman</i> <i>Citizen and Shipwright</i>	Windsor, Berkshire
Patrick Joseph Swint <i>Daniel Edward Doherty</i> <i>Lee John Robertson</i>	an Entrepreneur <i>Citizen and Needlemaker</i> <i>Citizen and Marketer</i>	Austin, Texas, United States of America
Karen Amanda Bowman <i>Robert Roberts, MBE</i> <i>Valerie Marion Hiscock</i>	a Leadership Coach <i>Citizen and World Trader</i> <i>Citizen and World Trader</i>	Walthamstow
Helen Elizabeth Bromley <i>Alan Leslie Warman</i> <i>Gilbert Aubrey Singleton</i>	a Chartered Physiotherapist <i>Citizen and Clockmaker</i> <i>Citizen and Clockmaker</i>	Welwyn Garden City, Hertfordshire
Kevin Leon Harvey Bromley <i>Alan Leslie Warman</i> <i>Gilbert Aubrey Singleton</i>	a Podiatrist <i>Citizen and Clockmaker</i> <i>Citizen and Clockmaker</i>	Welwyn Garden City, Hertfordshire
Sheila Anne Moules <i>Marianne Bernadette Fredericks, CC</i> <i>John Michael Welbank, MBE</i>	a Road Safety Officer <i>Citizen and Baker</i> <i>Citizen and Chartered Architect</i>	Maulden, Bedfordshire

Colette Rachel Hawkins <i>Charles Edward Lord, OBE, JP, CC</i> <i>The Revd. Stephen Decatur Haines, Deputy</i>	a Human Resources Projects Manager <i>Citizen and Broderer</i> <i>Citizen and Pewterer</i>	Crayford, Dartford, Kent
Julian Scott Palfreyman <i>William Barrie Fraser, OBE, Deputy</i> <i>Peter York Bartlett</i>	a Chief Executive Officer, retired <i>Citizen and Gardener</i> <i>Citizen and Fruiterer</i>	Camden
Brian Hudson <i>Paul Joseph Jeremy Burton</i> <i>Simon Stuart Walsh</i>	a Creative Group Chairman, retired <i>Citizen and Fruiterer</i> <i>Citizen and Loriner</i>	South Kensington
Anita Dobson <i>Hugh Paul Nolan</i> <i>Michael Richard Adkins</i>	an Actress <i>Citizen and Fanmaker</i> <i>Citizen and Water Conservator</i>	Holland Park
David Tait Coughtrie <i>George Marr Flemington Gillon, CC</i> <i>George Charles Robin Booth</i>	a Chartered Architect <i>Citizen and Chartered Surveyor</i> <i>Citizen and Clothworker</i>	Southwark
Nathaniel David Burke <i>Piers Nicholson</i> <i>Daniel Edward Doherty</i>	a Software Director <i>Citizen and Tyler & Bricklayer</i> <i>Citizen and Marketer</i>	Barnet
Fiona Ann Tozzi <i>Keith Tozzi</i> <i>Ralph Alexander Riley</i>	a Healthcare Company Director <i>Citizen and Water Conservator</i> <i>Citizen and Distiller</i>	Gerrards Cross, Buckinghamshire
Natalie Judith Coney <i>Ann Spain</i> <i>Stuart Victor Robbins</i>	a Civil Servant <i>Citizen and Fletcher</i> <i>Citizen and Fletcher</i>	Bexleyheath, Kent
George Phillipson <i>Professor Geoffrey John Bennett</i> <i>John Hazel</i>	a School Master, retired <i>Citizen and Educator</i> <i>Citizen and Baker</i>	Clapham, Bedford
Nigel Martin Evans <i>Matthew Charles Falco Lombardi Richardson, Ald.</i> <i>Adam Fox McCloud Richardson, CC</i>	a Member of Parliament <i>Citizen and Wax Chandler</i> <i>Citizen and Common Councilman</i>	Pendleton, Lancashire
Richard Anthony Curtis <i>Patricia Agnes Campfield</i> <i>Wendy Mead, OBE, CC</i>	a Barrister <i>Citizen and Wheelwright</i> <i>Citizen and Glover</i>	Shoeburyness, Southend-on-Sea
Paul Noel Rochford <i>Alan Robert Brumwell</i> <i>Mark Kennedy Wheeler</i>	a Lecturer, retired <i>Citizen and Plumber</i> <i>Citizen and Plumber</i>	Gidea Park, Romford, Essex
Andrew Ian Nicholls <i>Sir Clive Martin, OBE, TD, DL,</i> <i>Brian Andrew Kay, OBE, TD, DL</i>	a Head of Security and Licensing <i>Citizen and Stationer & Newspaper Maker</i> <i>Citizen and Furniture Maker</i>	West Bridgford, Nottingham

Terence Sidney Tamcken <i>Steven William Tamcken</i> <i>Stephen John Sanders</i>	a Bank Clerk, retired <i>Citizen and Basketmaker</i> <i>Citizen and Firefighter</i>	Ingoldisthorpe, Norfolk
Joshua Mark Leakey, VC <i>The Rt. Hon. The Lord Mayor</i> <i>William Harry Dove, OBE, JP,</i> <i>Deputy</i>	a Regular Army Non-Commissioned Officer <i>Citizen and Ironmonger</i>	Farnborough, Hampshire
Nicholas Charles Bromley <i>Alan Leslie Warman</i> <i>Gilbert Aubrey Singleton</i>	a Student <i>Citizen and Clockmaker</i> <i>Citizen and Clockmaker</i>	Welwyn Garden City, Hertfordshire
Alexander Charles Guittard <i>Alexander John Cameron Deane, Deputy</i> <i>Matthew Charles Falco Lombardi Richardson, Ald.</i>	a Diplomat <i>Citizen and Currier</i> <i>Citizen and Wax Chandler</i>	St John's Wood
Brian Roberts-Davidson <i>Kevin Malcolm Everett, Deputy</i> <i>Richard Evans</i>	a Training Company Chairman <i>Citizen and Fletcher</i> <i>Citizen and Educator</i>	Canvey Island, Essex
Adam Phillip Bromley <i>Alan Leslie Warman</i> <i>Gilbert Aubrey Singleton</i>	a Student <i>Citizen and Clockmaker</i> <i>Citizen and Clockmaker</i>	Welwyn Garden City, Hertfordshire
Peter John Banks <i>Julia Sibley, MBE</i> <i>Philippe Roland Rossiter</i>	a Hotel Manager <i>Citizen and Innholder</i> <i>Citizen and Innholder</i>	Bishop Monkton, Harrogate
Jane Louise Case <i>Stuart John Fraser, CBE, CC</i> <i>Philip Woodhouse, CC</i>	a Non-Practicing Solicitor <i>Citizen and Fletcher</i> <i>Citizen and Grocer</i>	Epsom, Surrey
Nicholas John Case <i>Stuart John Fraser, CBE, CC</i> <i>Philip Woodhouse, CC</i>	an Interior Design Company Director <i>Citizen and Fletcher</i> <i>Citizen and Grocer</i>	Epsom, Surrey
Lucinda Jayne Martin <i>Joyce Nash, OBE, Deputy</i> <i>Wendy Mead, OBE, CC</i>	an Insurance Officer <i>Citizen and Feltmaker</i> <i>Citizen and Glover</i>	South Woodford, Redbridge
John Peter France <i>Alan Robert Brumwell</i> <i>Mark Kennedy Wheeler</i>	a Police Officer, retired <i>Citizen and Plumber</i> <i>Citizen and Plumber</i>	Hornchurch, Essex
Janet Mary Pearman <i>Henry Llewellyn Michael Jones, Deputy</i> <i>William Barrie Fraser, OBE, Deputy</i>	a Hazardous Waste Officer <i>Citizen and Common Councilman</i> <i>Citizen and Gardener</i>	Grays, Essex
His Royal Highness Davit Bagration Mukhrani Batonishvili, Duke of Lasos <i>Lord Robert Lingfield, Kt., DL.</i> <i>Nigel Anthony Chimmo Branson, JP</i>	Head of the Royal House of Georgia <i>Citizen and Goldsmith</i> <i>Citizen and Haberdasher</i>	Valencia, Spain

Jing Li <i>Jeremy Charles Hipkins</i> <i>Christopher Charles Hipkins</i>	a Banking Risk Manager <i>Citizen and Basketmaker</i> <i>Citizen and Basketmaker</i>	Spencer Way, Tower Hamlets
David Hardwick Medhurst <i>George Raymond Gibson</i> <i>Neil Frederick Purcell</i>	an Internet Technology Company Partner <i>Citizen and Air Pilot</i> <i>Citizen and Painter-Stainer</i>	Toronto, Ontario, Canada
Trevor Gard <i>George Raymond Gibson</i> <i>Neil Frederick Purcell</i>	a Facilities Management Vice- President <i>Citizen and Air Pilot</i> <i>Citizen and Painter-Stainer</i>	Waterdown, Ontario, Canada
Philip Hatch Chambers <i>George Raymond Gibson</i> <i>Neil Frederick Purcell</i>	a Lawyer <i>Citizen and Air Pilot</i> <i>Citizen and Painter-Stainer</i>	Toronto, Ontario, Canada

Resolved – That this Court doth hereby assent to the admission of the said persons to the Freedom of this City by Redemption upon the terms and in the manner mentioned in the several Resolutions of this Court, and it is hereby ordered that the Chamberlain do admit them severally to their Freedom accordingly.

8.
Parliamentary
Measures

The Remembrancer reported on measures introduced by Parliament which might have an effect on the services provided by the City Corporation as follows:-.

Subordinate Legislation

Title	with effect from
The Modern Slavery Act 2015 (Duty to Notify) Regulations 2015, S.I. No. 1743	1 November 2015
The Environmental Permitting (England and Wales) (Amendment) (No. 3) Regulations 2015, S.I. No. 1756	30 October 2015
The Licensing Act 2003 (Late Night Refreshment) Regulations 2015, S.I. No. 1781	5 November 2015
The Welfare of Animals at the Time of Killing (England) Regulations 2015, S.I. No. 1782	5 November 2015
The Income-related Benefits (Subsidy to Authorities) Amendment Order 2015, S.I. No. 1784	9 November 2015
The Housing Benefit (Abolition of the Family Premium and date of claim) (Amendment) Regulations 2015, S.I. No. 1857	1 May 2016
The Children (Secure Accommodation) (Amendment) (England) Regulations 2015, S.I. No. 1883	7 December 2015

(The text of the measures and the explanatory notes may be obtained from the Remembrancer's office.)

9. Ballot
Results

The Town Clerk reported the results of ballots taken at the last Court as follows:-

Where applicable:

- * denotes a Member standing for re-appointment
- + denotes more than ten years' service on the Court
- < denotes fewer than ten years' service on the Court
- ★ denotes appointed.

- a) **Police Committee** (one vacancy for the balance of a term expiring in April 2017).

	Votes
Nicholas Michael Bensted-Smith, J.P.	41 ★
Emma Edhem	24
John George Stewart Scott, J.P.	14
James Richard Tumbridge	18

Read.

Whereupon the Lord Mayor declared Nicholas Bensted-Smith to be appointed to the Police Committee.

- b) **Ceremonial Protocols Working Party** (two vacancies for Members with fewer than 10 years' service on the Court and two vacancies for Members with more than 10 years' service).

	Votes
< Henry Nicholas Almroth Colthurst	40 ★
< Karina Dostalova	22
+ Simon D'Olier Duckworth, O.B.E., D.L.	49
< Sophie Anne Fernandes	22
+ Wendy Mead, O.B.E.	51 ★
+ Joyce Carruthers Nash, O.B.E., Deputy	66 ★
+ Ann Marjorie Francescia Pembroke	7
< Dr Giles Robert Evelyn Shilson, Deputy	52 ★
< Tom Sleigh	33
< Graeme Martyn Smith	15

Read.

Whereupon the Lord Mayor declared Henry Colthurst, Wendy Mead, Deputy Joyce Nash and Deputy Dr Giles Shilson to be appointed to the Ceremonial Protocols Working Party.

- c) **Board of Governors of the Museum of London** (one vacancy for a three year term expiring in November 2018).

	Votes
*Tom Hoffman	72 ★
Graeme Martyn Smith	25

Read.

Whereupon the Lord Mayor declared Tom Hoffman to be appointed to the

Board of Governors of the Museum of London.

10.
Appointments
to Committees
and Outside
Bodies

The Court proceeded to consider appointments to the Investment Committee, the Hampstead Heath Highgate Wood and Queen's Park Committee, the Open Spaces and City Gardens and the West Ham Park Committees, and the East London NHS Foundation Trust.

- a) **Investment Committee** (one vacancy for the balance of a term expiring in April 2017).

Nominations received:-

Robert Picton Seymour Howard, Alderman

Read.

Whereupon the Lord Mayor declared Alderman Robert Howard to be appointed to the Investment Committee.

- b) **Hampstead Heath, Highgate Wood and Queen's Park Committee** (one vacancy for the balance of a term expiring in April 2018).

Nominations received:-

Keith David Forbes Bottomley

Read.

Whereupon the Lord Mayor declared Keith Bottomley to be appointed to the Hampstead Heath, Highgate Wood and Queen's Park Committee.

- c) One Member on the **Open Spaces and City Gardens Committee** and the **West Ham Park Committee**, for the balance of a term expiring in April 2017.

Nominations received:-

Robert Picton Seymour Howard, Alderman

Read.

Whereupon the Lord Mayor declared Alderman Robert Howard to be appointed to the Open Spaces and City Gardens and the West Ham Park Committees.

- d) **East London NHS Foundation Trust**, (one vacancy for a term expiring in October 2018).

** denotes a Member standing for re-appointment*

Nominations received:-

*Dhruv Patel

Read.

Whereupon the Lord Mayor declared Dhruv Patel to be appointed to the East London NHS Foundation Trust.

11. Questions

Streeter, P.T. to the Chairman of the Port Health and Environmental Services Committee

Air Quality

Patrick Streeter asked a question of the Chairman of the Port Health and Environmental Services Committee concerning the steps that might be taken to tackle poor air quality in the City. In response, the Chairman explained the restrictions around the legal action that could be taken in respect of issuing public health notices to taxis and fixed penalty notices to the drivers of idling vehicles. Notwithstanding these limitations, a significant volume of work had been undertaken with other local authorities, drivers and residents to tackle this issue, and further work was planned. The Chairman made particular reference to the proposed pedestrianisation of Beech Street outlined within the Barbican Area Strategy, which was to be considered later at that meeting.

Responding to a supplementary question from Deputy Stanley Ginsburg concerning potential pollution caused by vehicles sitting in heavy traffic on Middlesex Street, the Chairman of the Planning and Transportation Committee agreed to discuss the matter with the Director of the Built Environment.

Mooney, B.D.F. to the Chairman of the Freedom Applications Committee

Freedom Criteria

Brian Mooney asked a question of the Chairman of the Freedom Applications Committee seeking clarity as to the criteria by which people are nominated for the Freedom of the City. By way of reply, the Chairman provided a summary of the distinction between the various types of Freedom and set out the criteria for nomination applied to each category.

Mainelli, M.M., Alderman to the Chairman of the Planning and Transportation Committee

Shredding Vans

Alderman Professor Michael Mainelli asked a question of the Chairman of the Planning and Transportation Committee concerning the impact of confidential shredding vans operating within the City. In response, the Chairman noted the concerns that had been raised and reassured Members that the issue was being looked at seriously. He advised that a report was being prepared for the Planning and Transportation Committee to enable a full and measured consideration to take place.

Luder, I.D., Alderman to the Chairman of the Planning and Transportation Committee

Traffic Regulations

Alderman Ian Luder asked a question of the Chairman of the Planning and Transportation Committee concerning the possibility of a comprehensive review of traffic regulations in the City. In response, the Chairman agreed that such a review would be appropriate.

12. Motions

*Harris, B.N., Deputy;
Dove, W.H., O.B.E., J.P., Deputy*

a) *Resolved Unanimously* – That the vote of thanks to the late Lord Mayor, passed by Common Hall on 29th September last, be presented in a form agreeable to him.

*Fraser, W.B., O.B.E., Deputy;
Dove, W.H., O.B.E., J.P., Deputy*

b) *Resolved Unanimously* – That the vote of thanks to Dr Andrew Parmley, Alderman and Musician and Fiona Adler, Citizen and Tobacco Pipe Maker & Tobacco Blender, the late Sheriffs of the City, passed by Common Hall on 29th

September last, be presented in a form agreeable to them.

13. Awards and Prizes There was no report.

14. **POLICY AND RESOURCES COMMITTEE**

(Mark John Boleat)

19 October 2015

Local Government Association

The Policy and Resources Committee recently reviewed the work of the Local Government Association (LGA), the City of London Corporation's involvement with that outside body and the appointment of our representatives on it. The City Corporation's current representative serves in this capacity on an informal basis and it was therefore concluded that this should be formalised.

Whilst the appointment of the City Corporation's LGA representative was currently delegated to the Policy and Resources Committee, appointments in London local authorities' are generally determined at a meeting of the full council on an annual basis. It was therefore felt that the suggested City Corporation's representatives should be endorsed by the Court of Common Council.

A separately printed and circulated report had therefore been submitted, providing Members with details of the work of the LGA and **recommending** the appointment of two representatives to serve as the City Corporation's representatives on the LGA's General Assembly.

Resolved – That the Chairman of the Policy and Resources Committee (for the time being) or his or her representative and Alderman Sir David Wootton be appointed to serve as the City Corporation's representatives on the LGA's General Assembly.

15. **HOSPITALITY WORKING PARTY OF THE POLICY AND RESOURCES COMMITTEE**

(Billy Dove, O.B.E., J.P., Deputy, Chief Commoner)

16 September 2015

(A) Applications for the Use of Guildhall

In accordance with the arrangements approved by the Court on 21 June 2001 for the approval of applications for the use of Guildhall, the Court was informed of the following applications which had been agreed to:-

<u>Name</u>	<u>Date</u>	<u>Function</u>
The Sun	Friday 22 January 2016	Awards Ceremony
Chew Events Ltd	Friday 11 March 2016	Dinner
Innovate Finance	Sunday 10 April 2016 (set up) Monday 11 April 2016	Conference

Association of the Luxemburg Fund Industry	Tuesday 3 May 2016 Wednesday 4 May 2016	Conference
London District Surveyors Association	Friday 13 May 2016	Awards Ceremony
Extel	Tuesday 7 June 2016 (set up) Wednesday 8 June 2016	Awards Ceremony
Age UK	Thursday 9 June 2016	Dinner
William Reed	Tuesday 14 June 2016	Dinner
London Air Ambulance	Thursday 30 June 2016	Dinner
The Worshipful Company of Carmen	Wednesday 13 July 2016	Cart Marking and Luncheon
World Nuclear Association	Friday 16 September 2016	Dinner
Baltic Air Charter Association	Wednesday 19 October 2016	Awards Lunch
Restoration of Appearance and Function Trust	Tuesday 25 October 2016	Dinner
British Property Federation	Thursday 3 November 2016	Dinner
Octane Media Ltd	Thursday 17 November 2016	Dinner
World Jewish Relief	Monday 28 November 2016	Dinner
The Guild of Freemen of the City of London	Monday 12 December 2016	Dinner

Resolved – That the various applications be noted.

6 October 2015

(B) Report of Urgent Action Taken: Queen Elizabeth Prize for Engineering

The Court was informed of action taken as a matter of urgency, pursuant to Standing Order No.19, in approving arrangements for hospitality prior to the presentation of the Queen Elizabeth Prize for Engineering.

In September, the City Corporation was approached to host a lunch in honour of the winner of this year's Queen Elizabeth Prize for Engineering, to be presented by HM The Queen on Monday 26 October. The Prize is awarded for ground breaking innovation and engineering which has been of global benefit to humanity, and the Corporation has previously hosted the lunch for the inaugural Prize.

With the opportunity only emerging in September and with insufficient time to seek the approval of the Court in the usual manner, urgent approval was consequently sought and obtained.

Resolved – That the action taken be noted.

16.

FINANCE COMMITTEE**(Roger Arthur Holden Chadwick)**

30 September 2015

(A) City Fund and Pension Funds - 2014/15 Statement of Accounts and Auditors' Management Letters

On 23 May 1996, the Court authorised this Committee to approve, amongst other things, the Statement of Accounts for the City Fund and Pension Funds. The Finance Committee had duly considered and approved the 2014/15 City Fund and Pension Funds Statement of Accounts.

The management letters from Deloitte LLP on its audit of the funds had been circulated for the information of the Court. In addition, the Statement of Accounts and management letters had been published on the City's website.

It was accordingly **recommended** that the Court receive the 2014/15 City Fund and Pensions Fund Statement of Accounts.

Resolved – That the 2014/15 City Fund and Pensions Fund Statement of Accounts be received.

21 July 2015

(B) Annual Reports and Financial Statements for Bridge House Estates and Sundry Trusts 2014/15

On 23 May 1996, the Court authorised the Finance Committee to approve, amongst other things, the Annual Reports and Financial Statements for Bridge House Estates and the Charitable Trusts. The Committee had now duly considered and approved the Annual Reports and Financial Statements for the year ending 31 March 2015.

Copies of the Annual Reports and Financial Statements had been placed in the Members' Reading Room and are available on the City's website. The management letter from Moore Stephens LLP on its audit of the funds had been circulated for the information of the Court and had also been published on the website.

It was accordingly **recommended** that the Court receives the 2014/15 Bridge House Estates and Charitable Trusts Statement of Accounts.

Resolved – That the 2014/15 Bridge House Estates and Charitable Trusts Statement of Accounts be received.

17.

PLANNING AND TRANSPORTATION COMMITTEE**(Michael Welbank, M.B.E.)**

3 December 2015

(A) Barbican Area Strategy

In 2008, the original Barbican Area Strategy was adopted and resulted in the successful implementation of all high priority projects. The strategy had been reviewed and updated over the last year in order to analyse the changing area within the context of new developments and improvements.

The revised strategy -

- recognises the key qualities of the area and the listed estates and gardens;
- analyses the possible impact of changes in the area and identifies new issues;
- takes account of developments; including the delivery of Crossrail services to Long Lane and Moorgate in 2019, major residential and office schemes at The Heron (Milton Court), Roman House, St Alphage House and One London Wall Place;
- takes account of the development of a 'cultural hub' by the City of London Corporation together with the Museum of London, the Barbican Centre, Guildhall School of Music and Drama and London Symphony Orchestra; and
- notes that the City of London Corporation has an unparalleled opportunity to enhance the international cultural district through a renewed public realm strategy.

A separately printed and circulated report was submitted thereon and the adoption of the Strategy was **recommended** accordingly.

Resolved – That the adoption of the Barbican and Golden Lane Area Strategy be agreed.

8 September 2015

(B) Bloomberg Development s278 Highway Changes - Gateway 4b

The Planning and Transportation Committee, through its Streets and Walkways Sub Committee, had granted approval to a project linked to the Bloomberg Development, largely relating to the section 278 highway changes that were necessary to integrate the development into the public highway. These changes needed be delivered in time for the building's practical completion in late 2017.

As the cost of the project was estimated in excess of £5million, the authority of the Court of Common Council was required to progress the project to the next stage. A separately printed and circulated report had been submitted thereon and it was **recommended** that the Bloomberg Development Project be progressed to Gateway 5 accordingly.

Resolved – That approval be given for the project to progress to Gateway 5, the "Authority to Start Work" phase.

18. **FREEDOM APPLICATIONS COMMITTEE**

(Sir David Wootton, Alderman)

13 October 2015

Freedom Applications Fee

In line with its enhanced role of monitoring the Freedom Applications process your Committee had reviewed the City Corporation's policy which allowed the fee applicable to Freedom applications to be waived for applicants who appear on the Ward List (City of London Electoral Roll).

Following careful consideration, the Committee was of the view that, in general, the waiver was an historical anomaly which had been maintained over the years

without review. There was no longer felt to be any merit in retaining the current practice particularly as very few people made use of it. The Committee was, however, of the view that whilst the practice should be dispensed with generally, it should be retained for candidates on the Electoral Roll wishing to stand for election in the City of London.

Accordingly a separately printed and circulated report was submitted for consideration, **recommending** that the waiver of the fee applicable to Freedom applications for candidates who appear on the Ward List be dispensed with.

A number of Members expressed their concerns in respect of the proposal and spoke against the Motion. During the debate, the following comments were made:

- In reference to the recent decline in the number of registered residential and business voters, it was suggested that any action which might further discourage potential voters from becoming actively involved in civic life would be unwise at this time.
- The appropriateness of removing one of the few privileges remaining to City voters was questioned, with it observed that the original intent of the introduction of the waiver had been to encourage increased electorate participation in the City's civic activities.
- It was noted that the requirement to award the Freedom to those who claimed that they were intending to stand for election would mean that, in practice, individuals could avoid the proposed fee in any case. The need to award the Freedom to prospective candidates in the period ahead of the forthcoming elections in 2017 would make this particularly difficult to police and could lead to a situation whereby residents and workers within the City were unfairly disadvantaged by having to pay the proposed fee, whereas non-residents could avoid the fee by claiming that they were intending to stand for election.
- Concern was expressed in respect of the potential impact on those City residents who, whilst being deeply proud of being City residents and cherishing the link with the Freedom, might struggle to afford the proposed fee. It was noted that only a relatively small number of people on the Ward List exercised their right to have the fee waived each year and that there would be no real financial benefit to removing the waiver.

Responding to the concerns raised, the Chairman thanked Honourable Members for their comments and accepted that the undertaking to offer the Freedom gratis to those intending to stand for election did cause some difficulty in respect of the proposal. He explained that the drive behind the proposal was in response to the calls to rationalise the Freedom applications process in the wake of the recent fee increase, removing a number of exemptions in the interest of overall fairness. He noted that there was no evidence to suggest that the current waiver had acted as an incentive to increased electoral participation, pointing to the consistently low-level of take up. He added that the Committee had expressed its doubt that the waiver was the most appropriate way to encourage electoral participation.

Upon the Motion being put, the Lord Mayor declared the report not to be carried.

Resolved – That the Motion be not carried.

19. **BARBICAN CENTRE BOARD**

(John Tomlinson, Deputy)

19 November 2015

Barbican Centre Board: Amendments to Terms of Reference

The Barbican Centre Board had reviewed its constitution and governance arrangements and developed a number of proposals to enhance its effectiveness. The Policy and Resources Committee had also considered these proposals and concurred with the recommendations the Barbican Centre Board had made.

It was therefore proposed to amend the Terms of Reference of the Barbican Centre Board:

- to enable the appointment of up to two more external Members (while adjusting quorums to ensure City control)
- and to indicate foreseen skill/background deficits when advertising vacancies to the Court - while recognising the absolute freedom the Court has to appoint whoever it sees fit.

A separately printed and circulated report was submitted thereon and it was **recommended** that approval be granted to the proposals set out.

Resolved – That the amendments to the Barbican Centre Board's Terms of Reference as set out in Annex A to the report be approved.

20.

*Dove, W.H.,
O.B.E., J.P., Deputy.;
Chadwick,
R.A.H.*

Resolved – That the public be excluded from the meeting for the following item of business below on the grounds that it involves the likely disclosure of exempt information as defined in Paragraph 3 of Part 1 of Schedule 12A of the Local Government Act, 1972.

Summary of exempt items considered whilst the public were excluded:-

The Court:-

- a) received a report of the Property Investment Board advising of urgent action taken in approving the purchase of a long-leasehold.

The meeting commenced at 1.00 pm and ended at 1.50 pm

BARRADELL.



List of Applications for the Freedom

To be presented on Thursday, 14th January, 2016

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

Set out below is the Chamberlain's list of applicants for the Freedom of the City together with the names, etc. of those nominating them.

Sarah Mary Hughes <i>Alan Roy Willis Flora Ann Reed</i>	an Office Manager <i>Citizen and Baker Citizen and Glass Seller</i>	Haddenham, Aylesbury, Buckinghamshire
Gerald Vivian Stimson <i>Hugh Fenton Morris, CC Marianne Bernadette Fredericks, CC</i>	a Professor, retired <i>Citizen and Maker of Playing Cards Citizen and Baker</i>	Richmond, Surrey
Patricia Louise Fitzsimons <i>John Eric Gilbert Jonathan Martin Averbs</i>	a Chief Executive <i>Citizen and Gardener Citizen and Fletcher</i>	Waltham Forest
Terry Stewart Meek <i>Adarsh Kumar Sharma Michael Peter Cawston</i>	a Head of Sustainability & Estates Compliance <i>Citizen and Chartered Accountant Citizen and Tyler & Bricklayer</i>	Aylesbury, Buckinghamshire
Andrew Kenneth Bartles <i>Donald Howard Coombe, MBE Richard Howard Coombe</i>	an Investment Management Company Director <i>Citizen and Poulter Citizen and Poulter</i>	Ecclesall, Sheffield, Yorkshire
Sheryn Kim Ross <i>Anthony Ben Charlwood Simon Victor Langton</i>	an Information Compliance Officer <i>Citizen and Basketmaker Citizen and Basketmaker</i>	Chalfont St Peter, Buckinghamshire
Giles Rackley Orpen-Smellie <i>Peter Lionel Raleigh Hewitt, Ald. Douglas Gordon Fleming Barrow, Deputy</i>	an Army Officer, retired <i>Citizen and Woolman Citizen and Shipwright</i>	Wood Norton, Norfolk
Victoria Jane Owen <i>Michael Peter Cawston Geoffrey Douglas Ellis</i>	a Secretary <i>Citizen and Tyler & Bricklayer Citizen and Joiner</i>	Brentwood, Essex

Alison Julia Thomas <i>Anthony Ben Charlwood</i> <i>Simon Victor Langton</i>	a Civil Servant <i>Citizen and Basketmaker</i> <i>Citizen and Basketmaker</i>	Loughton, Essex
Dawn Brook <i>Virginia Rounding, CC</i> <i>Catherine Sidony McGuiness,</i> <i>Deputy</i>	a Financial Services Head <i>Citizen and Common Councilman</i> <i>Citizen and Solicitor</i>	Birch Hill, Croydon, Surrey
Andrew John Bowen <i>Joyce Nash, OBE, Deputy</i> <i>Wendy Marilyn Hyde, CC</i>	a Head of Global Markets <i>Citizen and Feltmaker</i> <i>Citizen and World Trader</i>	Tonbridge, Kent
Jessica Harriet Rachel Parry <i>Kevin Joseph McNicholas</i> <i>Malcolm Brooks</i>	an Event Co-ordinator <i>Citizen and Loriner</i> <i>Citizen and Loriner</i>	Wandsworth
Lord Michael Maurice Cashman, CBE <i>Timothy Russell Hailes, Ald., JP</i> <i>Charles Edward Lord, OBE, JP,</i> <i>CC</i>	a Life Peer/actor <i>Citizen and International Banker</i> <i>Citizen and Broderer</i>	Limehouse
Fraser William Easton <i>Michael Steele Keith Grant</i> <i>Jeremy Nigel Fortescue Norman</i>	a Company Secretary <i>Citizen and Information Technologist</i> <i>Citizen and Solicitor</i>	Lenham, Kent
Jennifer Ann Williams <i>Christopher Maxwell Woolley</i> <i>William Standish O'grady Haly</i>	a Managing Director <i>Citizen and Merchant Taylor</i> <i>Citizen and Merchant Taylor</i>	Wynyard, Billingham, Cleveland
Garry Lee Pain <i>Alan Robert Brumwell</i> <i>Mark Kennedy Wheeler</i>	a Television Cameraman <i>Citizen and Plumber</i> <i>Citizen and Plumber</i>	Romford, Essex
Michael Barry Heathcote <i>Patricia Agnes Campfield</i> <i>Wendy Mead, OBE, CC</i>	a Chartered Accountant <i>Citizen and Wheelwright</i> <i>Citizen and Glover</i>	Arundel, West Sussex
Oliver George Hall <i>Peter Kenneth Estlin, Ald.</i> <i>Sir Roger Gifford, Kt., Ald.</i>	a Student <i>Citizen and International Banker</i> <i>Citizen and Musician</i>	Guildford, Surrey
Angus Duncan Pierpoint Watts <i>Mark Anthony Grove</i> <i>Anthony John Keith Woodhead</i>	a Security Consultant, retired <i>Citizen and Cook</i> <i>Citizen and Tax Adviser</i>	Basildon, Essex
Michael Keith Seigel <i>Patricia Agnes Campfield</i> <i>Joseph Charles Felix Byllam</i> <i>Byllam-Barnes</i>	a Headmaster, retired <i>Citizen and Wheelwright</i> <i>Citizen and Upholder</i>	Kingston Upon Thames
John David Perkins <i>Vincent Keaveny, Ald.</i> <i>Christopher Paul Boden</i>	a Telecommunications Manager <i>Citizen and Solicitor</i> <i>Citizen and Common Councilman</i>	Bexleyheath, Kent
John Merlin Hinton Hutchings <i>Michael Steele Keith Grant</i> <i>David Anthony Bickmore</i>	a Lawyer <i>Citizen and Information Technologist</i> <i>Citizen and Wax Chandler</i>	Westminster

Alun Thomas-Evans <i>Lorna Zaitzeff</i> <i>Anthony John Zaitzeff</i>	a Director of Education <i>Citizen and Wax Chandler</i> <i>Citizen and Arbitrator</i>	Tynwydd, Treorchy, Rhondda Cynon Taff
Edward Joseph Galgano <i>Anthony John Keith Woodhead</i> <i>Anne Elizabeth Holden</i>	a Banker <i>Citizen and Tax Adviser</i> <i>Citizen and Basketmaker</i>	Billerica, Essex
Anthony Gorman <i>Anne Elizabeth Holden</i> <i>Anthony John Keith Woodhead</i>	a Telecommunications Manager, retired <i>Citizen and Basketmaker</i> <i>Citizen and Tax Adviser</i>	Ickenham, Middlesex
John Michael Halligan <i>Leslie Ralph Jackson</i> <i>Spencer Howard Kerven Williams</i>	a Printing Company Director, retired <i>Citizen and Joiner</i> <i>Citizen and Solicitor</i>	Hayes, Kent
John Alan Schofield <i>Jeremy Penn</i> <i>Douglas Gordon Fleming Barrow,</i> <i>Deputy</i>	a Maritime Arbitrator <i>Citizen and Shipwright</i> <i>Citizen and Shipwright</i>	Petts Wood, Orpington, Kent
Ronald Sidney Archibald Storer <i>Malcolm Brooks</i> <i>Wesley Val Hollands</i>	a Shop Operative, retired <i>Citizen and Loriner</i> <i>Citizen and Loriner</i>	Minster On Sea, Sheerness, Kent
David Victor Hagger <i>John Alexander Smail</i> <i>Gordon Mark Gentry</i>	a Solicitor, retired <i>Citizen and Distiller</i> <i>Citizen and Baker</i>	Cropston, Leicester
Charles Jonathan Whitburn Bailey <i>Michael Steele Keith Grant</i> <i>David Anthony Bickmore</i>	an Account Director <i>Citizen and Information Technologist</i> <i>Citizen and Wax Chandler</i>	Weston Colley, Hants
David Martin James Hickey <i>Richard Leslie Springford</i> <i>Richard Stuart Goddard</i>	a Financial Service Company Chairman <i>Citizen and Carman</i> <i>Citizen and Shipwright</i>	Wimbledon
Michael Frederick Warner <i>James William Lane</i> <i>Michael Peter Cawston</i>	a Publican, retired <i>Citizen and Tyler & Bricklayer</i> <i>Citizen and Tyler & Bricklayer</i>	Bromley, Kent
Anthony Stocker <i>James William Lane</i> <i>Michael Peter Cawston</i>	a Heating and Ventilation Company Director <i>Citizen and Tyler & Bricklayer</i> <i>Citizen and Tyler & Bricklayer</i>	Kingswood, Surrey
Peter James Ashley <i>Michael Peter Cawston</i> <i>David Robert Attwood</i>	a Retail Company Director, retired <i>Citizen and Tyler & Bricklayer</i> <i>Citizen and Plumber</i>	Bexley
Ankita Patel <i>Angus MacLennan</i> <i>John Elder</i>	a Livery Company Finance Manager <i>Citizen and International Banker</i> <i>Citizen and International Banker</i>	Chingford, Essex

Nicola Anne Foster <i>Thomas Roger Cloke</i> <i>Jeanette Clements Ayre</i>	a Banker <i>Citizen and Fueller</i> <i>Citizen and Fueller</i>	Dulwich
Christopher John Birch <i>David Michael Bole</i> <i>Lawrence John Day</i>	a Design Consultant <i>Citizen and Maker of Playing Cards</i> <i>Citizen and Maker of Playing Cards</i>	Surbiton, Surrey
Andrew Philip Beaumont <i>Adarsh Kumar Sharma</i> <i>Michael Peter Cawston</i>	an Information Technologist Manager, retired <i>Citizen and Chartered Accountant</i> <i>Citizen and Tyler & Bricklayer</i>	Norton St. Philip, Bath
Linda Mei Harlow <i>His Hon. Judge Nicholas Richard</i> <i>Maybury Hilliard, QC</i> <i>Charles Edward Beck Bowman,</i> <i>Ald.</i>	a Civil Servant <i>Citizen and Wax Chandler</i> <i>Citizen and Grocer</i>	Hadley Wood, Hertfordshire
Guy Alexander Oxley <i>Michael Richard Adkins</i> <i>Stanley Brown, QGM, TD</i>	a Hearing Aid Audiologist <i>Citizen and Water Conservator</i> <i>Citizen and Loriner</i>	Bromley, Kent
Arabella Boxer <i>David Robert Stanley Pearson</i> <i>Vivienne Littlechild, CC, JP</i>	a Food Writer, retired <i>Citizen and Stationer & Newspaper</i> <i>Maker</i> <i>Citizen and Common Councilman</i>	Chelsea
Francis John Paszyk <i>Douglas William Abbott</i> <i>Ivor Cook</i>	a London Market Broker <i>Citizen and Poulter</i> <i>Citizen and Poulter</i>	Chelsea
John Black <i>Andrew John Gillett</i> <i>Clive Tudor Shaw Allport</i>	a Surgeon, retired <i>Citizen and Founder</i> <i>Citizen and Founder</i>	Malvern, Worcestershire
George Bizos <i>The Rt. Hon The Lord Mayor</i> <i>Patricia Janet Scotland Baroness</i> <i>Scotland of Asthal, PC, QC</i>	a Lawyer <i>Citizen and Alderman</i>	Johannesburg, South Africa
Ahmed Mohamed Kathrada <i>The Rt. Hon The Lord Mayor</i> <i>Patricia Janet Scotland Baroness</i> <i>Scotland of Asthal, PC, QC</i>	a Politician, retired <i>Citizen and Alderman</i>	Houghton, South Africa
Andrew Mlangeni <i>The Rt. Hon The Lord Mayor</i> <i>Patricia Janet Scotland Baroness</i> <i>Scotland of Asthal, PC, QC</i>	a Politician <i>Citizen and Alderman</i>	Soweto, Gauteng, South Africa
Denis Theodore Goldberg <i>The Rt. Hon The Lord Mayor</i> <i>Patricia Janet Scotland Baroness</i> <i>Scotland of Asthal, PC, QC</i>	a Government Special Adviser, retired <i>Citizen and Alderman</i>	Cape Town, South Africa
Lord Joffe Joel Goodman Joffe <i>The Rt. Hon The Lord Mayor</i> <i>Patricia Janet Scotland Baroness</i> <i>Scotland of Asthal, PC, QC</i>	a Member of the House of Lords, retired <i>Citizen and Alderman</i>	Liddington, Swindon, Wiltshire

His Excellency, Dr Gordon Muir Campbell

*The Rt. Hon The Lord Mayor
Mark John Boleat, CC*

The High Commissioner of
Canada

Citizen and Insurer

Westminster

His Grace, The Duke of Wellington, Arthur Charles Valerian Wellesley, OBE DL

*Alan Colin Drake Yarrow, Ald.
Peter Lionel Raleigh Hewitt, Ald.*

a Peer of the Realm

*Citizen and Fishmonger
Citizen and Woolman*

Piccadilly, London

The Rt Hon John Simon Bercow, MP

*The Rt. Hon The Lord Mayor
Mark John Boleat, CC*

The Speaker of the House of
Commons

Citizen and Insurer

House of Commons, Westminster

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ITEM 7

Report – Measures introduced into Parliament which may have an effect on the services provided by the City Corporation

To be presented on Thursday, 14th January 2016

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

Measure:	Date in force:
The NHS Bodies and Local Authorities Partnership Arrangements (Amendment) Regulations 2015, S.I. No. 1940	<i>1 April 2016</i>
The Animal By-Products (Enforcement) (England) (Amendment) Regulations 2015, S.I. No. 1980	<i>31 December 2015</i>
The School and Early Years Finance (England) Regulations 2015, S.I. No. 2033	<i>7 January 2016</i>
The Non-Domestic Rating (Levy and Safety Net) (Amendment) (No. 2) Regulations 2015, S.I. No. 2039	<i>16 December 2015</i>

(The text of the measures and the explanatory notes may be obtained from the Remembrancer's office.)

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ITEM 12(A)

Report – Policy and Resources Committee Election of Chief Commoner

To be presented on Thursday, 14th January 2016

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

SUMMARY

The annual election of a Chief Commoner is conducted in accordance with Standing Order No. 18, as agreed following the 2011 Governance Review Process and as amended following the Post Implementation review in 2012. Whilst the election process has worked well to date, Members have identified a number of potential opportunities to enhance and further refine the parts of the process relating to the nomination of candidates for election.

Your Policy and Resources Committee has considered these proposals, namely the introduction of an official “campaign period” and the introduction of an upper limit to the number of nominations candidates can receive, and recommends that the Court of Common Council approves the amendments and authorises the requisite changes to Standing Orders (set out at Appendix 1).

RECOMMENDATION

That approval be given to:

- The introduction of an official start date of 1st September for prospective candidates to begin canvassing for support;
- The introduction of an upper limit to the number of nominations a candidate can receive, such that once ten nominations have been obtained the candidate is considered to be validly nominated and no further names in support of their nomination will be accepted;
- The requirement for candidates to submit the signatures of each of the ten Members nominating them to the Town Clerk in order to be considered validly nominated.

MAIN REPORT

Background

1. As part of the City of London Corporation’s Governance Review process conducted in 2011, new arrangements were established to govern the election of a Chief Commoner. These arrangements were reviewed as part of the Post-Implementation study in 2012, with further amendments made in response to Members’ comments.

2. Although the system implemented has worked well to date, a number of opportunities to refine the process were identified by Members. These refinements specifically relate to the nominations process leading up to the October Court meeting each year.
3. With it being three years since the Post-Implementation review, it was considered timely to look once again at the arrangements with a view to identifying any further potential improvements or points of clarification.

Issues

Canvassing Period

4. Your Policy and Resources Committee gave consideration to the matter of the period in which candidates should begin to campaign, noting that there are no regulations (either formal or informal) in place around the period during which prospective candidates should canvass for support.
5. Over the years, some Members have started seeking support for their candidature many months in advance of the October election; others have waited until closer to the date. The Town Clerk currently sends a reminder of the process following the summer recess of each year; this email however does not mark an official “start date” for campaigning and no prohibitions on earlier canvassing exist.
6. Concern was expressed that this might disadvantage those Members who decide not to begin canvassing for support as early as other prospective competitors. Those who are not clear about standing at an earlier time might be dissuaded from standing, fearing that competitors had already attained a significant advantage.
7. Accordingly, it was felt that an official start date for this canvassing period of 1st September each year should be implemented.

Nominations Required

8. Your Policy and Resources Committee also gave consideration to the number of nominations required for a candidate to be validly nominated.
9. Whilst a minimum of ten nominations from fellow Members is required, there is currently no upper limit to the number of nominations a Member can receive. Accordingly, some Members are able to successfully canvas and obtain the support of a large proportion of the Court well in advance of the deadline.
10. There was concern that this might limit the ability of other Members to stand, thereby restricting the democratic choice of the Court and meaning the pool of candidates presented to the Court of Common Council to be balloted upon could be unduly restricted.
11. Consequently, it was considered that an upper limit on the number of nominations a Member could receive should be introduced. In practice, this would mean that once a Member had received their ten nominations, their

candidature would be confirmed and no further additions to the list of nominators would be accepted.

12. This would not of course prohibit those validly nominated candidates from continuing to canvas support for their bid and also for individual Members' votes at the October Court meeting. The restriction would be solely upon the issue of named nominators.
13. It was further considered that prospective candidates should be required to obtain the signatures of each of the ten Members nominating them and submit them to the Town Clerk to confirm their candidature.

Conclusion

14. Honourable Members are asked to approve the proposed amendments to the process by which candidates for Chief Commoner are nominated and agree the associated minor changes to Standing Orders. These changes are set out at Appendix 1 and comprise minor amendments to the existing sub-section at 18(5) and the insertion of a new sub-section, to be labelled 18(6).

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

DATED this 19th day of November 2015.

SIGNED on behalf of the Committee.

Mark Boleat
Chairman, Policy and Resources Committee

Proposed Amendments to Standing Orders

18. Chief Commoner

- (5) *Candidates for election to the Office of Chief Commoner shall be nominated by ~~at least~~ exactly 10 other Members, nominations to be submitted to the Town Clerk by no later than nine working days before the meeting of the Court for inclusion in the Summons. Submissions must be made in writing and accompanied by the signatures of the 10 Members supporting the candidate's nomination.*
- (6) *The beginning of the campaign period, in which candidates might canvass for support and obtain nominations, shall begin on 1 September of each year.*

ITEM 12(B)

Report – Policy and Resources Committee Procedure for Elections to Single Vacancies

To be presented on Thursday, 14th January 2016

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

SUMMARY

Following the various ballots for places on Committees undertaken at the 23 April meeting of the Court of Common Council, the suggestion was made at a meeting of your Policy and Resources Committee that alternative voting arrangements should be explored. This was with a view to achieving a fairer and more open democratic process and one that would ensure that those elected had a significant proportion of support from the full Court.

Your Policy and Resources Committee has since considered a number of potential systems and is minded that the introduction of an Alternative Vote (AV) system for electing to single vacancies on committees would increase the fairness of the process. This report provides an explanation as to the practicalities and advantages of an AV electoral method and details how such a system would work.

RECOMMENDATION

That the implementation of an Alternative Vote system be agreed for Court of Common Council elections to single vacancies, with the requisite amendments to Standing Orders approved as set out at Appendix 2.

MAIN REPORT

Current System

1. The existing process is set out in Standing Order No.10, as follows:

10.4 When one vacancy has to be filled the following requirements shall apply:-

a) if there are fewer than four candidates, the successful candidate shall require a majority of the votes cast;

b) if there are four or more candidates, the successful candidate shall require 40% of the votes cast;

c) if, in the circumstances described in both (a) and (b) above, no candidate secures the proportion of votes required, the two candidates with the highest number of votes shall proceed to a second ballot.

2. This system is what is known as a “plurality” system and is a variant of a “first-past-the-post” method. The main advantages of such a voting system are that the voting process is straightforward and there is a high degree of familiarity with it, and that the count is straightforward and is undertaken relatively swiftly after the vote, requiring no specialist equipment. The variant used for Court

elections has an additional advantage in that candidates require a minimum of 40% of votes cast to be returned.

3. However, a disadvantage is that where there are multiple candidates standing for a single vacancy and the vote is split, a winner can be returned who is not necessarily the preferred option of the full Court. For example:

There are four candidates, Members A, B, C, and D competing for one vacancy on a Committee. Members A and B are both popular and effective Members who are well-regarded by the full Court. Meanwhile, candidate C enjoys strong support from a proportion of the Court – around 40% - but is viewed as divisive or unsuitable by the remaining 60%. Member D does not enjoy significant support and is likely to receive few votes.

The majority of the Court, who are not supportive of Member C, have their vote split by A and B, whilst all of C's supporters back him. As a result, C is returned to the dissatisfaction of the majority, despite the fact that both A and B are widely popular and the full Court would have been content with either of them being appointed.

4. Another drawback is that, whilst the 40% threshold for where there are more than four or more candidates means that successful candidates can claim at least the support of a large minority of the Court, in practice due to the vote being split a second round of voting is often required before one candidate reaches 40%. This delays the appointment process by at least a month, until the next meeting of the Court.

Alternative Vote System

5. The Alternative Vote method provides a solution to these issues. It works by allowing for ranked or preferential voting, where Members number against the candidates the order in which they would like to see them returned. The voter puts a '1' by their first choice a '2' by their second choice, and so on, until they no longer wish to express any further preferences or run out of candidates (rather than marking an "X" at present).
6. Just as with the present system, candidates are elected outright if they gain the support of half of those voting. However, under AV if no candidate reaches the 50% threshold, then the candidate who received the fewest first preference votes is eliminated from the contest and their votes are redistributed according to the second (or next available) preference marked on the ballot paper. This process continues until one candidate receives 50% of the vote.
7. The Alternative Vote system is therefore very similar in practice to that currently used during the election of Committee Chairmen where there are more than two candidates, but in a more efficient manner.
8. Presently where there are more than two candidates standing a ballot takes place and, if one of the candidates gains 50% of the vote they are elected. If nobody reaches that threshold, then the candidate with fewest votes is eliminated and another ballot takes place between the two remaining candidates to determine the winner. The obvious advantage of this process is

that the winning candidate is the consensus choice and will be the preference of the majority of those voting.

9. AV simply allows for this “second round of voting” to take place automatically, without the need to re-ballot, as second preferences are expressed on the same ballot paper, so the appointment process would never be delayed to the next month.
10. Accordingly, not only is the electoral process made quicker, but it is also ensured that any candidate elected is the clear majority or consensus choice of the Court.
11. The AV system is widely used, including in the House of Lords (for electing Hereditary Peers), the House of Commons (for electing Select Committee Chairmen), for Australian State Government and House of Representative elections, and for the Presidential elections in Ireland and India.
12. In practice, the move to an AV system represents only a minor change from the way in which elections are currently conducted. For instance:

Current System Example: *Smith, Jones and Evans stand for a vacancy to the Standards Committee. You vote for Smith. The votes are counted and no one candidate receives 50% of the vote. However, Smith turns out to be the least popular and is eliminated. Members are re-balloted at the next meeting of the Court; this time you vote for Evans, whom you find preferable to Jones. In practice, you have expressed a preference - Smith as “first preference”, Evans as “second preference”.*

Under AV: *The AV system allows you to indicate this preference on your initial ballot paper, by marking Smith as 1 and Evans as 2, thereby obviating the need for Members to complete ballot papers again at the next meeting. Officers conducting the count will simply reallocate all votes for Smith (after his elimination) to whichever candidate the voter has indicated on their ballot paper as their second preference.*

Implementation

13. An example ballot paper is provided at Appendix 1.
14. Any change to the electoral process would require associated amendments to Standing Orders. These are set out at Appendix 2.
15. Your Policy and Resources Committee considered a number of potential voting systems which might be used for elections to both multiple and single vacancies, taking into account their various advantages and disadvantages. Whilst it was felt that the Alternative Vote represented a straightforward improvement in respect of single vacancies, your Committee considered that the possible alternative arrangements for voting associated with multiple vacancies on committees were potentially too complex. It was therefore concluded that no changes should be made in respect of the current system in place for multiple vacancies at this time.

Conclusion

16. This report explains how the Alternative Vote system could be utilised for the election of Members to single vacancies on committees. Members are **recommended** to agree its implementation for ballots held at the Court of Common Council where there are single vacancies.

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

DATED this 19th day of November 2015.

SIGNED on behalf of the Committee.

Mark Boleat
Chairman, Policy and Resources Committee

Appointment of ONE Member to the XX Committee

Instead of using a cross (X), please number the candidates in the order of your preference.

Put the number 1 next to the name of the candidate who is your first preference, 2 next to your second preference, 3 next to your third preference, 4 next to your fourth preference, and so on.

You can mark as many or as few preferences as desired.

CANDIDATE A	4
CANDIDATE B	2
CANDIDATE C	1
CANDIDATE D	
CANDIDATE E	3
CANDIDATE F	5

Revised Standing Order 10.4

- 10.4 *When one vacancy has to be filled, voters shall mark numbers against candidates' names on ballot papers in order of preference.*
- a) the successful candidate shall require a majority of the votes cast.*
 - b) If no candidate is in receipt of 50% of first preference votes, the candidate with the fewest first preference votes will be eliminated and their votes reallocated according to the second preference indicated on their ballot papers.*
 - c) This process continues until one candidate has obtained 50% of the votes cast.*

ITEM 12(C)

Report – Policy and Resources Committee Governance of the City's Sole Sponsored Academies

To be presented on Thursday, 14th January 2016

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

SUMMARY

The City of London Corporation is the sole sponsor for one secondary academy and one primary academy (Redriff, affiliated to Southwark Academy), and has been approved to progress to the 'Pre-opening Phase' for two new primary academies, for which the City Corporation will be sole sponsor. The Corporation also co-sponsors Hackney Academy (with KPMG) and the City of London Academy Islington (with City University). The current structure reflects the organic development of the City of London Corporation academy offer over the last decade. Overall it lacks coherence and does not reflect best practice in academy governance as recommended by the Department for Education.

Your Policy and Resources Committee and Education Board recommend that to address this lack of coherence and deliver best practice in the governance of the City of London academies, the existing Southwark Multi Academy Trust (MAT) be 'scaled up' into the new corporate governing body for all of the City of London Corporation's existing and future sole-sponsored academies, with an associated change of name to become the "City of London Academies".

RECOMMENDATIONS

That the Court of Common Council agree the recommendations of the Education Board and the Policy and Resources Committee, that:

- i) The City of London Corporation have one legal entity to continue to deliver the academies for which it is sole-sponsor and that this entity should be the City of London Academies (Southwark) ("Southwark MAT");
- ii) The City of London Primary Academy Islington (COLPAI) undertaking should be transferred to Southwark MAT and the COLPAI company be wound up and this recommendation will be made to the members of that company who are all City Corporation officers and elected Members;
- iii) Consistent with (1) above the City Corporation would recommend to the Southwark MAT that the company change its name to the "City of London Academies" and that the registered office be transferred to the Guildhall;
- iv) The City Corporation as sponsor exercises its rights to make the following changes to the Southwark MAT's company members –
 - a. by replacing the current members (whether by resignation or removal); and

- b. to appoint up to four new members of the company, to be the Chairman and a Deputy Chairman of the Policy Committee, and the Chairman and Deputy Chairman of the Education Board.
- v) It be recommended to the members of the company, once appointed under 4 (b) above, that they adopt new Articles of Association effective on a named date (“the transition date”) which reflect the current Department for Education (DfE) model multi-academy trust (MAT) Articles of Association and which provide for a smaller Board of Directors/Trustees which will be responsible for the strategic direction of the company (and which provide the City Corporation as sponsor with the right to appoint and to remove up to six Directors/Trustees, the City Corporation having majority appointment rights), which Board will hold the ultimate legal accountability for the educational outcomes of the company’s academies, the management of its finances and all regulatory compliance;
- vi) Subject to the company members adopting new Articles of Association as proposed, that at the transition date –
 - a. the City Corporation agree to be appointed as a corporate member of the company and to appoint the Town Clerk (and his representatives appointed under the City Corporation’s Officer Scheme of Delegations) to be its authorised representative(s) for that purpose;
 - b. the existing Board of Directors be removed; and
 - c. the City Corporation appoint up to six Directors/Trustees to consist of two Directors/Trustees nominated by the Policy Committee, two Directors/Trustees nominated by the Education Board, and the Chairman and Deputy Chairman of the Education Board;
- vii) The Town Clerk, in consultation with the Chairman and Deputy Chairman of the Education Board be given delegated authority, in consultation with the Director of Community and Children’s Services and the Comptroller and City Solicitor, to take any other decisions relating to the above (including any negotiations with the Department for Education) necessary to implement the proposal that the City have one academy trust company to deliver its sole-sponsored academies.

MAIN REPORT

Background

1. The City of London Corporation (“the City Corporation”) currently sponsors one secondary academy (Southwark) and co-sponsors two further secondary academies in Islington and Hackney (with City University and KPMG respectively). It has also been approved to progress to the ‘Pre-opening Phase’ for two new primary academies as the sole-sponsor, namely: City of London Primary Academy Islington (a single academy trust) and Galleywall Primary (which is part of the existing Southwark MAT).
2. The current governance structure for the City Corporation’s academies reflects the City Corporation’s early involvement with academy delivery, and has evolved as the City Corporation has sponsored additional schools. The current

structure lacks coherence and effective lines of governance, accountability and control. It also does not reflect both the Department for Education's (DfE) current policy which requires sponsors to take on a more active role in supporting the success of the academies they sponsor, or the DfE's preferred governance framework where an organisation sponsors a number of academy schools.

3. At its meetings in July and October 2015 the Education Board considered potential options for the City Corporation to exercise its governance responsibilities as an academy sponsor and resolved to support the principle that one multi-academy trust (MAT) deliver the City Corporation's sole-sponsored academies, subject to further consultation with stakeholders.
4. The proposed overarching MAT would only govern the City of London Corporation's sole-sponsored academies and will not include the City Corporation's co-sponsored academies. Co-sponsors have nevertheless been consulted on the proposed changes to the City Corporation academy governance, and the City Corporation's existing memoranda of understanding with its co-sponsors will be reviewed to enhance and strengthen the arrangements which exist between the sponsors and the co-sponsored academies, consistent with the proposals for the City Corporation and its sole-sponsored academies.

Current position

5. Since the Education Board's meeting on 15 October at which the Board agreed to explore the potential to 'scale up' the Southwark MAT, Officers have consulted with stakeholders, reflected upon advice from the Department for Education, and sought expert legal advice about proposals for establishing a single MAT for all current and future sole-sponsored City of London academies.

Proposal

6. This 'scaling up' proposal has been discussed in detail with key company representatives and individuals at the Southwark MAT (including at the time of writing this report the Chairman of the Board, the Heads of both schools currently delivered by that academy trust company). They support this proposal and it was agreed by their MAT Board on 30 November 2015.
7. This proposal is recommended because:
 - a) it will provide a robust, efficient and effective governance structure that will be able to support all current and future sole-sponsored City of London academies;
 - b) it is consistent with advice received from DfE about their preferred structure for a chain of academies that is the size of the City Corporation's;
 - c) the proposed adoption of new Articles reflecting the current DfE model will provide the City Corporation as sponsor with the principal, but not exclusive, rights of appointment of company members and directors/trustees;

- d) the proposed adoption of new Articles reflecting the current DfE model will also create a smaller Board of directors/trustees better suited to strategic governance and oversight of the company;
 - e) it has the support of the Southwark MAT Board; and
 - f) legal advice received by Officers has confirmed that this course is the least disruptive, and most efficient and effective, way to merge the existing entities (by the transfer of the COLPAI undertaking to the Southwark MAT and winding up that company).
8. Implementation of this proposal (consistent with the timetable for opening the new Galleywall Primary in Southwark) will require:
- a) the City Corporation to agree that there be one legal entity to deliver the City Corporation's sole-sponsored academy offer and that this should be the Southwark MAT entity;
 - b) relevant decisions to be taken to transfer the COLPAI undertaking to the Southwark MAT company;
 - c) the MAT members to agree to adopt new Articles of Association reflecting the current DfE model which would better support delivery of an increased number of schools (and noting that the Articles will need to be approved by the DfE in negotiating and agreeing the funding agreement for both COLPAI and Galleywall Primary School with the DfE.);
 - d) the City Corporation as sponsor to exercise its rights to remove existing company members of the MAT (or they would resign) and to make new appointments in their stead (as per recommendation 4b);
 - e) the company members to adopt new Articles of Association reflecting the current DfE model and the expanded role of the MAT company, at which time it is recommended that the MAT would agree to adopt a new name (e.g. the City of London Academies) and move the registered office to Guildhall;
 - f) the City Corporation agree to be appointed as a corporate member of the company and to appoint the Town Clerk (and his representatives appointed under the City Corporation's Officer Scheme of Delegations) to be its authorised representative(s) for that purpose;
 - g) on a date to be agreed, the current undertaking of the COLPAI would be transferred to the MAT entity and the COLPAI company would be wound up;
 - h) the new Articles of Association to provide for a MAT Board of up to 6 directors/trustees appointed by the sponsor (who will be in the majority), to have, collectively with the other directors/trustees appointed to the board, strategic direction of and legal accountability for the company. It is proposed that these appointments (and the simultaneous removal of the existing Board) would be made, and become effective on the same day that the new articles are adopted ("the transition date"). It is proposed that the sponsors/directors /trustees would be appointed as set out in recommendation 6c. The model Articles provide that the Board would meet at least three times a year;

- i) an executive, led by a Chief Executive Officer (CEO), would be created to (subject to the necessary powers delegated by the board of directors) deliver and support the effective operation of the company and who would be directly accountable to the Board;
 - j) written and practical arrangements would be developed and agreed between the City Corporation and the MAT to ensure regular liaison and dialogue, and to clearly set out the City Corporation's expectations in its sponsorship of the schools which are part of the MAT, including the aims of the City Corporation's Education Strategy which the City intends to achieve through its sponsorship.
9. It is vital that the new MAT strikes the correct balance to ensure the local governing bodies of academies are able to exercise autonomy in the management of their schools, whilst ensuring there is proper accountability. It is envisaged that local circumstances would determine the nature and form of local governing bodies and the leadership arrangements in each school, with appropriate delegations in place and employee and parent representation on Local Governing Bodies. The Board of Directors/Trustees will be responsible for agreeing the framework of delegation which is considered to be in the best interest of the company and the schools in their delivery of education.
10. In order to ensure that the approval of the funding agreements for the two free schools is not delayed due to the DfE deciding that an adequate governance structure is not in place, it is imperative that a new governance structure is operational early in the New Year.
11. Officers have received expert legal advice that, subject to all relevant decisions being taken and resourcing of the actions required and the approval of the DfE to the revised MAT Articles of Association, it would be feasible to implement the proposals set out above within that timeframe.

Corporate & Strategic Implications

12. The proposed revised governance structure for the City Corporation's sole-sponsored academies will allow for the effective delivery of a unified sole-sponsored academies offer from the City of London Corporation. This will have strategic implications, such as the need:
- a) for the independent operation of the MAT supported by embedded arrangements to ensure on-going dialogue and liaison between the City Corporation, as sponsor, and the MAT company;
 - b) for the expanded MAT to have an executive (and CEO) to provide appropriate support to the MAT Board of trustees and the academies;
 - c) management of the increased demand on the City Corporation's broader educational offer;
 - d) for identifying suitable individuals to fulfil sponsor appointments; and
 - e) for additional or redistribution of funding allocations.

Conclusion

13. This proposal provides the City Corporation with the opportunity to implement a robust, efficient and effective governance structure that will enable it to fulfil its duties as an academy sponsor and enable it to support all current and future sole-sponsored City of London academies. This proposal is consistent with advice received from DfE about their preferred structure for a chain of academies that is the size of the City Corporation's, if supported by key company members and individuals at the Southwark MAT and is supported by expert legal advice confirming that this proposal is the least disruptive, and most efficient and effective, way to merge the existing entities for which the City Corporation is responsible.

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

DATED this 10th day of December 2015.

SIGNED on behalf of the Committee.

Mark Boleat
Chairman, Policy and Resources Committee

ITEM 12(D)

Report – Policy and Resources Committee

Grant Giving: update on the review of Grant Giving Activity across the Corporation's Committees

To be presented on Thursday, 14th January 2016

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

SUMMARY

As part of the Service Based Review (SBR), a review of the grant giving activities of the City of London Corporation under City Fund and City's Cash was commissioned. This review excluded the activities of the City Bridge Trust. The objective was to analyse the grants programmes offered by the Corporation to make a more consistent approach to grant giving, improve value for money and increase impact.

The review was conducted by officers and proposals were presented to your Policy and Resources Committee in May 2015, which agreed to the overall approach. The report provides information of the review of the proposals by each of the relevant Service Committees. The broad outcome of this is that a new process for the making of grants will come into effect, which is:

- Resource Allocation Sub (Policy and Resources) Committee identifies various priorities for grant giving activities for the coming year.
- The relevant Service Committee considers the applications related to priorities within their area of responsibilities.
- The Finance Grants (Sub) Committee provides monitoring of the grants which have been awarded, and reports annually to Resource Allocation Sub (Policy and Resources) Committee on the effectiveness of the scheme.

The changes to the process for the awarding of grants will require the amendment to the terms of reference of various Committees. Proposed amendments to the Terms of Reference are set out within the report, and will be submitted to the Court for approval within the White Paper in April 2016.

It is **recommended** that the Court receives this report for information.

MAIN REPORT

Background

1. A cross-cutting review of the grant giving activities of the City of London Corporation was commissioned as part of the Service Based Review programme. The objectives were to analyse the grants programmes which are offered by the City of London Corporation and suggest how to improve value for

money and increase impact. This review excluded the activities of the City Bridge Trust.

2. Currently the Finance Grants Sub (Finance) Committee has responsibility to for making grants from the various funds within its control. However, many other Committees make payments to other organisations in formats which, in some cases, may be considered to be grants. The review concluded that there was not consistent approach across the City of London Corporation to governing or managing disbursements, potentially exposing the City of London Corporation to financial, organisational and reputational risk.
3. The review report identified seven core principles, which would form the basis for a more consistent, coherent and co-ordinated approach to grant giving across the City of London Corporation:
 - Set out a clear corporate offer;
 - allocate resources strategically;
 - Streamline governance;
 - Establish a common identity and branding for City of London Corporation grants;
 - Provide a dependable City of London Corporation customer experience;
 - Review all City of London Corporation grants in a consistent and proportionate way; and
 - Manage City of London Corporation grants more efficiently and effectively.
4. The report considered by your Policy and Resources Committee in May 2015 is attached at available online at:
<http://democracy.cityoflondon.gov.uk/documents/s51270/Review%20of%20Grants.pdf>

Consultation with Service Committees

5. Due to the cross-cutting nature of the review, the report was considered by various Committees and Boards, each considering responsibilities for grant-giving activities within their bailiwick. The following section of the report sets out the proposals which were brought to each Committee and the outcome from these Committees.

Strategic oversight of grant giving activities

Role of Resource Allocation Sub (Policy and Resources) Committee

- To set the annual quantum for each City's Cash and City Fund grants programme (including City's Cash funded open spaces grants)
- To set distinct themes for grant giving which reflect the City Corporation's priorities, on an annual basis.
- To consider annual performance reports for all grants programmes from the Finance Grants (Finance) Sub-Committee

6. These proposals regarding the role of the Resource Allocation Sub (Policy and Resources) Committee were considered and agreed by both that Sub-Committee and the Policy and Resources Committee on 28 May 2015.

Finance Grants Sub (Finance) Committee

- To adopt a strategic oversight/ performance management role in respect of all City of London Corporation grants programmes and relinquish its direct grant giving role.
7. The basis upon which Finance Grants Sub-Committee was asked to relinquish its direct grant giving role was that, given that the Resource Allocation Sub-Committee would agree the priorities for grant-giving in any given year, the relevant Service Committee responsible for delivering that priority would be best positioned to make determinations on how any grant applications would help to deliver the priority.
 8. The Finance Committee approved the proposal regarding the role of the Finance Grants Sub (Finance) Committee at its meeting on 9 June 2015. Revised Terms of Reference for the Sub-Committee will be brought before the Finance Committee early in 2016.

Committees gaining grant giving authority

9. As stated at paragraph 7 above, the Finance Committee agreed that the relevant Service Committees would be best placed to consider whether grant applications were likely to deliver on the approved priorities. Therefore, after the approval of the Finance Committee to remove the grant-giving aspect of the Finance Grants Sub-Committee, the following Committees were asked to consider whether they would wish to be assigned additional powers to make grants, in line with the priorities and resources which will be agreed by the Resource Allocation Sub-Committee.

Establishment Committee

- To take over responsibility for prioritising the (City's Cash) funds to support welfare initiatives (e.g. staff annual lunch and Guildhall Sports Club).
10. The Establishment Committee approved this proposal at its meeting on 11 June 2015.

Culture, Heritage and Libraries Committee

- To take responsibility for the governance of a formal grants programme encompassing the range of cultural / arts awards currently made by other committees.
11. The Culture, Heritage and Libraries Committee approved this proposal at their meeting on 13 July 2015.

Community and Children's Services Committee

- To take responsibility for the governance of the Combined Relief of Poverty charity and of the various 'poverty relief' charities proposed for merger.

12. The Community and Children's Services Committee approved this proposal at their meeting on 10 July 2015.

Community and Children's Services Committee
Education Board

- to review with the most appropriate governance arrangements for the Combined Education Charity and City Educational Trust Fund (proposed for transfer from Finance Grants Sub Committee) in relation to the role of both Committees.
13. The Community and Children's Services Committee and the Education Board considered this proposal at their meetings on 10 July 2015 and 25 June 2015 respectively. Both Committees agreed to conduct a joint review of the most appropriate means of joint governance, with the Education Board, of the Combined Education Charity and City Educational Trust Fund. This review is currently ongoing.

Open Spaces and City Gardens Committee
Epping Forest and Commons Committee
Hampstead Heath, Highgate Wood and Queen's Park Committee
West Ham Park Committee

- to adopt a more structured approach to grant giving which is jointly governed by all Open Spaces committees and which is publicised and managed as part of the City Corporation's suite of grants programmes.
14. This proposal was considered by the Open Spaces and City Gardens Committee on 8 June 2015, Epping Forest and Commons Committee on 6 July 2015, Hampstead Heath, Highgate Wood and Queen's Park Committee on 20 July 2015 and West Ham Park Committee on 27 July 2015. The Committees agreed that it would be beneficial to create an Open Spaces Grants Review Working Party.
15. This Working Party met on 16 September 2015 and 25 November 2015. The Working Party agreed to recommend that the most appropriate way to deal with open spaces grants in the future will be for the Epping Forest and Commons Committee, the Hampstead Heath, Highgate Wood and Queen's Park Committee, or the West Ham Park Committee (along with any relevant consultative committees) to consider any grant request made relating to their area of responsibility and make a recommendation to the Open Spaces and City Gardens Committee. The Open Spaces and City Gardens Committee will then consider the recommendation from the relevant Committee and determine whether to make the grant.
16. This proposal is being put to these four Grand Committees in late January and early February 2016.

Committees relinquishing authority for grant giving

17. In order to facilitate this more strategic allocation of grant funding in line with the annual priorities, to be agreed by Resource Allocation Sub-Committee, a

number of Committees were asked to relinquish their responsibility for making grants from various charitable funds.

Port Health and Environmental Services Committee

18. It was proposed that the Signor Pasquale Favale Marriage Bequest be assimilated into the single poverty relief charity. The Port Health and Environmental Services Committee considered this proposal at their meeting on 7 July 2015, with specific reference to the proposal to include the Signor Pasquale Favale Marriage Bequest within this new charity. The Committee resolved that the Bequest not be assimilated into this charity, due to the historical importance of the bequest and the positive publicity the bequest brings to the Corporation. The Committee felt that this would be lost if the Bequest became a small part of a larger charity.

General Purposes Committee of Aldermen

19. The General Purposes Committee of Aldermen considered this proposal at their meeting on 8 July 2015. The Committee agreed that the consolidation of the Emanuel Hospital and Mansion House Staff Fund into the single poverty relief charity be progressed. The Committee agreed that a merger of the Sir William Coxen Trust Fund with a similar orthopaedic charity should be explored in order to streamline grant giving in this area. A further report will be submitted to the Committee to provide it with information of the proposals for these charitable funds once all remaining issues have been resolved.

Education Board

20. During consideration of the proposals, the Board noted that City Corporation funding for King Edward's School Witley and Christ's Hospital was allocated by the Finance Grants Sub Committee (City's Cash). The Board requested that Policy and Resources Committee clarify whether funding for King Edward's School Witley and Christ's Hospital would be provided from before funds were fully allocated to any other proposed future grants programmes for current Finance Grants Sub Committee funds without provision for these grants. A resolution from Education Board is due to be considered by the Policy and Resources Committee in January 2015.

Amendments required to Terms of References

21. As a result of these changes agreed by the various Services Committees, changes will be required to the Terms of Reference of various Committees. These changes are currently going through the process of being formalised by the Service Committees via the annual review of Terms of Reference. These changes will be brought before the Court for approval in the White Paper in April 2016.

Conclusion

22. The review of the Corporation's grant giving activities has been considered by each of the Committees whose role will be affected by the proposed updates to the grant giving activities. It is expected that these updates will allow there to be a more strategic and consistent approach to grant giving across the Corporation, ensuring that grants are targeted towards strategic objectives and awarded by the Service Committee responsible for delivering in these areas.

This will ensure that the grant giving activities provide greater impact and value for money.

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

DATED this 19th day of November 2015.

SIGNED on behalf of the Committee.

Mark Boleat
Chairman, Policy and Resources Committee

ITEM 13(A)

Report – Hospitality Working Party of the Policy and Resources Committee

Applications for the Use of Guildhall

To be presented on Thursday, 14th January 2016

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

Applications for the Use of Guildhall

<u>Name</u>	<u>Date</u>	<u>Function</u>
Institute of Fiscal Studies	Monday 8 February 2016	Conference
Global Capital	Wednesday 25 May 2016	Dinner
E-Act	Friday 8 July 2016	Lunch
ifs School of Finance	Friday 9 September 2016	Graduation
Emunah	Monday 12 September 2016	Dinner
City of London Pensioners' Reunion Committee	Monday 7 November 2016	Lunch
Mulberry	Thursday 18 February 2016 to Monday 22 February	Fashion Show and set-up

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

DATED this 11th day of December 2015.

SIGNED on behalf of the Working Party.

William Harry Dove, OBE, JP, Deputy
Chief Commoner and Chairman, Hospitality Working Party

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ITEM 13(B)

Report – Hospitality Working Party of the Policy and Resources Committee

Applications for Hospitality

To be presented on Thursday, 14th January 2016

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

100 Years of Anglo-Irish Relations: Lecture and Reception

In March, the Government of Ireland announced the launch of a national and international programme of events to commemorate the 100th anniversary of the Easter Rising. To mark the occasion, it is proposed that the President of Ireland be invited to deliver a lecture on the significance of the centenary and the future of Anglo-Irish relations. It will also provide an opportunity for the City to develop and strengthen links and relationships formed during the State Visit in 2015. The lecture would be followed by reception and high level dinner.

We **recommend** that hospitality be granted for a lecture, reception and private dinner at Guildhall and that the arrangements be made under the auspices of the Policy and Resources Committee; the costs to be met from City's Cash and within the approved parameters.

This would be a Committee event.

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

DATED this 11th day of December 2015.

SIGNED on behalf of the Working Party.

William Harry Dove, OBE, JP, Deputy
Chief Commoner and Chairman, Hospitality Working Party

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ITEM 14(A)

Report – Finance Committee City of London Corporation Council Tax Reduction Scheme

To be presented on Thursday, 14th January 2016

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

SUMMARY

Until 2013 there was a national Council Tax Benefit scheme to assist people on low incomes with their council tax bills. This was replaced by a locally determined Council Tax Reduction Scheme (CTRS) from the financial year 2013/14. The Government defined a default scheme which was almost identical to the old Council Tax Benefit scheme. To protect residents on low incomes, the City of London Corporation adopted the Government's default scheme and subsequently has kept the CTRS in line with Government increases of benefits generally.

However, changes were made to national benefits in the July 2015 budget and the Scheme will no longer be compliant with legislation. Changes will be therefore be required from 2016/17. As this is a change to the Council Tax scheme, approval is required from the Court of Common Council. It is obligatory to consult on any changes to the scheme and hence consultation was undertaken with all council tax payers on two options.

Option One was to introduce revised applicable amounts, personal allowances, backdating and non-dependant deductions, keeping these in line with Housing Benefit. This would protect existing claimants from possibly being worse off, although it would also limit backdating in future for new claimants and it would keep the administration of CTRS in line with Housing Benefit. This was the option recommended to Council Tax payers.

Option Two was to make technical adjustments to allow the current scheme to continue broadly as at present, including the current rates of applicable amounts, personal allowances and non-dependant deductions. This could make some claimants worse off and would cause the CTRS to be less aligned with Housing Benefit and other national benefits, but would continue to allow longer backdating for new claimants.

Consultation letters were sent to 5,800 council tax payers, from whom there were 178 responses. 140 of these responses favoured Option One, 34 favour Option Two and four stated no preference. Option One is therefore recommended as it would help protect the most vulnerable City residents, and was the preferred option from the consultation. Your Finance Committee agreed that this was the most appropriate option and recommends it to the Court.

It is difficult to calculate the precise financial impact on the City of London, although it will be low, with an estimated cost of Option One of between £240 and £1,000 per annum (Option Two is estimated to cost between £90 and £500).

RECOMMENDATION

It is **recommended** that the Court approves the introduction of a new Council Tax Reduction Scheme, with applicable amounts, personal allowances, backdating and non-dependent inductions in line with the Housing Benefit Scheme.

MAIN REPORT

Background

1. In 2013 the Council Tax Reduction Scheme (also known as Council Tax Support) replaced the Council Tax Benefit scheme that had existed to assist council tax payers with low incomes to pay their council tax. It is, in effect, a rebate from full council tax and the reduction can be any amount up to 100%. Council Tax Benefit was very closely related to Housing Benefit, using similar rules about calculating income. The change was brought about partly as a result of the Government's aim to replace Housing Benefit with Universal Credit and partly in line with the Localism agenda, giving Councils more discretion over the rebate scheme they offer for council tax. Since 2013 pensioners have been fully protected and their entitlement to Council Tax Reductions continues to be assessed in accordance with existing national benefit regulations. Any changes, therefore, only apply to working age claimants.
2. Prior to April 2013, the amount of Council Tax Benefit granted was wholly funded by central Government. From 2013/14 a grant was provided to local authorities, intended to be 90% of the amount of Council Tax Benefit. In the City of London Corporation's case, the majority of this grant was actually not paid, following a Government formula. In subsequent years no grant was paid and the council tax reduction awarded notionally formed part of the overall council tax calculation.
3. For 2013/14 it was possible to use the Government's default scheme (i.e. having a CTRS which mirrored the old Council Tax Benefit scheme and was linked to the Housing Benefit rules). Some Councils chose to adopt the default scheme and made up the 10% shortfall themselves. Those that did not use the default scheme had to consult with all tax payers and other stakeholders about their proposed schemes.
4. The City of London Corporation adopted the default scheme in 2013, meaning that no one was worse off than under the old arrangements, and picked up the shortfall in funding. For the two subsequent years, although the default scheme technically no longer existed, the City continued with a CTRS which mirrored the Housing Benefit Scheme. Hence no consultations were undertaken but the CTRS was confirmed as part of the council tax setting procedure each year.
5. However, the July 2015 budget made changes to the "uprating" (increases/decreases) rules for Housing Benefit, by which some people (other than pensioners) could be worse off. The budget changed the increases to the

amounts (“applicable amounts”) set by Government to reflect the basic living needs of the claimant and family that are used to assess entitlement to CTRS discount. The Government announced that the applicable amounts would be frozen for four years for working age claimants. However, some benefits will continue to increase and some claimants could be worse off. To prevent this happening, the local CTRS would have to change and it would therefore no longer be possible to continue with what was in effect the default scheme beyond the financial year 2015/16. There are also changes to the rules around backdating of benefit; applicable amounts for families; and non-dependant deductions (a non-dependant is someone who normally resides with the claimant on a non-commercial basis. Typically these are adult sons and daughters in the household).

Current Position

6. It is not possible to comply with the legislation and to protect working age claimants while continuing with the current CTRS, so continuing with the existing scheme was not a practical option. Although most of the scheme can be retained and the only necessary changes are highly technical, a full consultation was required by legislation in order to implement them for 2016/17. The new scheme must be set by resolution of the Court of Common Council.
7. The consultation has now taken place, following advice from the Comptroller and City Solicitor. It ran for a six-week period from 12th October 2015 to 16th November 2015. All City of London Council Tax payers were consulted as well as the Greater London Authority, as the major preceptor, and the Temples, as minor preceptors (parishes).
8. In total 5,800 letters were sent to council tax payers, offering two options and recommending one of them. There were 178 responses (just over 3%) of whom the majority, 140, favoured Option One; 34 favoured Option Two; and 4 made comments but did not state a preference. A total of 18 comments were received in writing. Some were simple comments thanking for being consulted, some were comments supplementing the response and saying that people should not be worse off under a revised scheme, a few raised queries about the costs of the scheme and there were six respondents who did not understand the letter or thought the options unclear. The Greater London Authority responded that they had no comments and the Inner and Middle Temples did not respond formally to the consultation.

Options

9. As set out above, it is not possible to comply with the legislation and to protect working age claimants while continuing with the current CTRS so to do nothing would not be an option. A new, legal CTRS is required. Given the City of London Corporation has previously followed the Government’s default scheme, two options were offered in the consultation which enable the existing scheme to continue with minimal change and therefore to protect existing working age claimants as far as possible. It is important to note that pensioners are fully protected and not affected by any change.

10. The two options for the future CTRS which were offered are set out below; by the very nature of benefits these have to be quite technical:

Option One

Introduce revised applicable amounts, personal allowances, backdating and non-dependant deductions in line with Housing Benefit. The effects of this would be that:

- broadly speaking, claimants are likely to receive the same amount of CTRS discount as they have done until now and as under the old Housing Benefit scheme (provided, of course, that their personal circumstances do not change);
- backdating the start date of the CTRS claim would be aligned with new Housing Benefit rules. This was previously 6 months but from April 2016 will be reduced to 4 weeks. This will only affect new claims which have been made late;
- where the claimant has non-dependants (generally adult sons or daughters) living in the household, the amount that the non-dependants are expected to contribute will increase in line with the prescribed scheme for pensioners to ensure that the contributions are the same whether or not the non-dependant is a pensioner or non-pensioner.

Option Two

Continue to award CTRS discount based on the current scheme, using the current rates of applicable amounts, personal allowances, and non-dependant deductions, but not make technical adjustments to the scheme to bring it in line with the prescribed scheme for pensioners and the Housing Benefit scheme. The effect of this would be that:

- the applicable amounts and personal allowances would remain the same and claimants could be awarded a smaller amount of CTRS discount;
- not making the technical changes to backdating and non-dependant deductions would leave CTRS out of alignment with the prescribed pensioner CTRS and with Housing Benefit.

Proposals

11. Option One was recommended to Council Tax payers as it would protect existing claimants from a reduction in CTRS and would keep the scheme more in line with Housing Benefit. It should be noted that the changes in the backdating provisions for Housing Benefit would reduce the period of backdating from six months to four weeks. The change to backdating will only affect new claimants who do not make a claim for CTRS discount at the appropriate time.
12. As Option One protects existing claimants better than Option Two and of those who responded to the consultation, a clear majority, 79%, favoured this option, it is proposed that Option 1 be adopted for the financial year 2016/17.

13. In time it is likely that CTRS will diverge increasingly from Housing Benefit. When Universal Credit replaces Housing Benefit there will be nothing on which to base the local CTRS. Also, the Government has just announced a review of the operation of the CTRS overall. It is proposed, therefore, that a review of the City's CTRS be undertaken during 2016/17.

Financial Implications

14. The current CTRS caseload consists of 373 households, around 5% of all council tax dwellings. Of these, 230 are working age and therefore potentially affected by the changes. This caseload is subject to fluctuation as entitlement could change for a number of reasons not related to changes to the scheme, such as change in income or household composition
15. The current total cost of council tax discount for 2015/16 is estimated to be £209,000, although this may fluctuate slightly over the remainder of the year. It is difficult to calculate precisely the effect of the two options as CTRS entitlement could change for a number of reasons not related to changes to the scheme, as stated above. However, based on current caseload, it is estimated that in total Option One would cost somewhere between £240 and £1,000 per annum and Option Two between £90 and £500.

Conclusion

16. It is therefore **recommended** that the Court approves the introduction of a new Council Tax Reduction Scheme, with applicable amounts, personal allowances, backdating and non-dependent inductions in line with the Housing Benefit Scheme.

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

DATED this 15th day of December 2015.

SIGNED on behalf of the Committee.

Roger Arthur Holden Chadwick
Chairman, Finance Committee

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ITEM 14(B)

Report – Finance Committee City of London Corporation Pension Fund Deficit

To be presented on Thursday, 14th January 2016

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

SUMMARY

At the Court of Common Council meeting on 15 October 2015, Honourable Members asked questions regarding the Pension Fund deficit. It was agreed that the Finance Committee would provide a report on this matter to the Court to clarify the position. This report provides that information. Honourable Members should also be aware that a briefing on the Pension Fund deficit has been scheduled through the Member Development Programme for 11 January 2015 at 4.00pm.

There are two types of valuation applied to the Pension Fund – the accounting valuation and the actuarial valuation. This can cause significant confusion regarding the level of the deficit as multiple figures are given, depending on which valuation method and date are used.

At Court of Common Council in October, Members cited a Pensions deficit of c. £497m. This figure referred to the accounting valuation of the fund, which is calculated only in order to comply with International Accounting Standards. The valuation which is used to make decisions about the fund is the actuarial valuation. The most recent estimate (31 March 2015) of the actuarial valuation of the Pension Fund is a deficit £107m, meaning the Pension Fund is 88.5% funded. This is a better position than the average for Local Government Pension Schemes, which, as at the most recent available figures, average 80% funded. Therefore, there are no specific concerns to highlight to Members.

RECOMMENDATION

It is **recommended** that the Court receives this report for information.

MAIN REPORT

Background

1. Honourable Members will recall that at the Court of Common Council meeting on 15 October 2015, Common Councilmen asked questions regarding the Pension Fund deficit. It was agreed that the Finance Committee would provide a report on this matter to the Court to clarify the position. This report provides that information.
2. In addition to this report, it was agreed that a briefing would be arranged for Members on this matter to allow Members the opportunity to discuss the matter

in detail with Officers. This briefing has been scheduled for 11 January 2015 at 4.00pm, under the Member Development Programme.

3. The Local Government Pension Scheme (LGPS) is a statutory pension scheme and is the largest public sector pension scheme in the UK. It is a nationwide pension scheme for people working in local government or other types of employer participating in the scheme. The LGPS in England and Wales is administered locally through 89 local pension funds including the City of London. Changes to scheme rules are discussed at national level by employee and employer representatives, and can only be amended with the approval of Parliament.
4. It should be noted that the LGPS does not apply for City of London Police uniformed staff, but does apply for City of London Police civilian staff.
5. In March 2011, Lord Hutton published the independent Public Service Pensions Commission final Report to the Government recommending future changes to public sector pensions. The Hutton Report had been commissioned by the Chancellor to review the structure of public service pension provision. The Government had already confirmed its commitment to maintaining some form of defined benefit pension for public service employees. However the Commission were asked to make recommendations on how public service pensions can be made sustainable and affordable in the long term, fair to the public workforce, employers and taxpayers and ensure they are consistent with the economic challenges ahead whilst protecting existing pension rights.
6. Since the Hutton Report was published there have been a number of changes to the LGPS including:
 - Increasing pension ages in line with state pensions.
 - Moving from a final salary scheme to a career average. Up until 31 March 2014 the LGPS was a final salary scheme. From 1 April 2014 the scheme has been based on career average, although benefits based on service to 2014 will still be based on final pay.
7. To ensure the long term sustainability of the LGPS it is subject to a new cost management process which will monitor the long term cost of the scheme to ensure it stays within agreed parameters as set by the LGPS Advisory Board and HM Treasury. Under this process extra valuations will be carried out at a national level every three years from 31 March 2016. Should costs increase outside those parameters future changes to the scheme may be required – either less generous benefits, higher employee contributions, or a mixture of both.

Valuations

8. The Pension Fund is subject to two types of valuation – an actuarial (funding) valuation and an accounting valuation (known as the IAS26 valuation) which are two different measurers of the same liabilities. The difference between the two valuations comes mainly from the financial assumptions adopted to value the liabilities.

Actuarial Valuation

9. An actuarial valuation is undertaken every three years by an independent actuary. This is the valuation method which is used to make decisions regarding the fund. The purpose of the actuarial valuation is to review the financial position of the Pension Fund and to set the level of future contributions required from each employer so that the assets will be sufficient to meet future pension payments. The assumptions used in the valuation are set by the Actuary following discussions with the Corporation as the administering authority and in line with the LGPS Regulations. The assumptions are challenged robustly by an informal Member and Officer Group.
10. Assumptions are made in areas such as:
 - Future levels of price inflation
 - Pay increases
 - Retirement age and longevity
 - Expected returns on investments (which then is reflected in the discount rate applied to liabilities)
11. The last actuarial valuation was undertaken as at 31 March 2013 and the results were reported to the Finance Committee at its meeting on 21 January 2014. At that time the overall funding level was 85% (a deficit of £128m). Members agreed that the deficit recovery period should be maintained at 20 years from 2014/15 and employers' overall contribution rate should be maintained at 17.5% for the financial years 2014/15 to 2016/17. The next triennial valuation will be undertaken as at 31 March 2016 with any revised employer contributions coming into force on 1 April 2017. The average published funding level for all LPGS' at the 2013 valuations was 80%.
12. In addition to the triennial actuarial valuation, the Financial Investment Board (which oversees the appointment of and monitoring of investment managers to the Pension Fund) receives on an annual basis a funding update. The last funding update which was as at 31 March 2015 indicated that the overall funding level had increased to 88.5% (a deficit of £107m) and that it was marginally ahead of the 20 year deficit recovery period funding plan.

Accounting Valuation

13. The purpose of the accounting valuation is to meet statutory disclosure requirements and international accounting standards. They also allow employer's pensions obligations to be compared with other employers on a consistent basis.
14. The accounting valuation ensures that the assets and liabilities are measured using a method and assumptions which meet the prescriptive requirements of International Accounting Standards (IAS), specifically IAS26 and IAS19. IAS26 is the accounting valuation for the Pension Fund as a whole whilst IAS19 is an accounting valuation for each employer within the Pension Fund and is undertaken using the same methodology as IAS26. Therefore, for the City of

London Corporation IAS19 excludes admitted bodies to the Pension Scheme (such as the Museum of London).

15. The accounting standards require organisations to recognise liabilities for pension benefits as they are earned even if the payment of such benefits will be many years into the future. Accounting deficits are usually larger than funding deficits and are more volatile because the prescribed discount rate applied to the liabilities assumes that all the assets are corporate bonds. Unlike the actuarial valuation, the discount rate does not take account of expected returns from the actual investment strategy.

Comparison of valuation techniques

16. The table below provides the Court with a direct comparison of the funding positions of the Pensions Fund based on the various valuation methods and dates referred to above.

As at 31/03/2013	Funding (Actuarial) – Pension Fund	Accounting – Pension Fund (IAS26)	Accounting – Corporation only (IAS19)
Value of Assets	£702M (smoothed market value)	£709M	£647M
Value of Liabilities	£830M	£1,073M	£989M
Deficit	£128M	£364M	£342M

As at 31/03/2015	Funding (Actuarial) – Pension Fund	Accounting – Pension Fund	Accounting – City of London
Value of Assets	£819M (smoothed market value)	£816M	£752M
Value of Liabilities	£926M	£1,352M	£1,250M
Deficit	£107M	£536M	£498M

17. The table above demonstrates that since 31 March 2013, the value of assets across all three valuation techniques has increased on broadly the same scale (16.7% in the actuarial valuation, 15.1% for the IAS26 valuation and 16.2% for the IAS19 valuation). However, the table above also demonstrates that the valuation techniques cause a significant variation in the value of liabilities (15.7% increase for actuarial valuation, 26% for IAS26 valuation, 26.4% for IAS19 valuation). This is because the actuarial valuation calculates liabilities based on the expected return on investment of the assets held by the fund, while IAS requires that the accounting valuation assumes that all assets are corporate bonds.
18. Therefore, the key deficit figure is the actuarial funding deficit, as this is the deficit which the employer contributions are targeted to fund over the next 20 years or so. As the actuarial funding deficit is based on the expected returns from our investment portfolio it is the most accurate estimate we have.

19. The accounting deficits – whether for the Pension Fund as a whole or for the Corporation – are determined solely to meet accounting requirements and for comparison purposes in published accounts.

Conclusion

20. The different valuation calculations create the potential to cause significant confusion, particularly when the accounting valuation indicates a pensions deficit of over £500m. This report should provide the Court with clarity regarding the actual level of the deficit and should reassure the Court that the Corporation's pensions deficit, using the actuarial valuation, is in a better situation than the average member of the LGPS.

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

DATED this 15th day of December 2015.

SIGNED on behalf of the Committee.

Roger Arthur Holden Chadwick
Chairman, Finance Committee

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ITEM 14(C)

Report – Finance Committee

City's Cash Financial Statements 2014/15

To be presented on Thursday, 14th January 2016

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

SUMMARY

On 23 May 1996, the Court authorised the Finance Committee to approve, amongst other things, the Annual Report and Financial Statements for City's Cash. We have duly considered and approved the Annual Report and Financial Statements for the year ending 31 March 2015. Hard copies of the Statement have been placed in the Members' Reading Room and are available from the Chamberlain. The management letter from Moore Stephens on its audit of the funds is attached for the information of the Court. In addition, the Annual Report and Financial Statements and Moore Stephen's management letter have been published on the City's website at <http://www.cityoflondon.gov.uk/about-the-city/how-we-make-decisions/budgets-and-spending/Pages/Council-budgets-and-spending.aspx>

It is **recommended** that the Court receives the 2014/15 City's Cash Statement of Accounts.

DATED this 17th day of November 2015.

SIGNED on behalf of the Committee.

Roger Arthur Holden Chadwick
Chairman, Finance Committee

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MOORE STEPHENS

REPORT TO THOSE CHARGED WITH GOVERNANCE
NOVEMBER 2015



City of London Corporation

City's Cash

DRAFT Audit Management Report on the 2014-15 Financial Statements Audit

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PRECISE. PROVEN. PERFORMANCE.

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Audit management report for the year ended 31 March 2015

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1 Purpose of the report

International Standard on Auditing (UK & Ireland) 260, “Communication with those charged with governance” requires Moore Stephens to report to those charged with governance on the significant findings from our audit.

This report aims to provide the City of London Corporation with constructive observations arising from the audit process. We set out in this report details of:

- any expected modifications to our audit reports;
- any unadjusted items in the financial statements (except any unadjusted items which are clearly trivial) including the effect of unadjusted items related to prior periods on the current period;
- any material weaknesses in systems we have identified during the course of our audit work and our views about the quality of accounting practices and financial reporting procedures; and
- any other relevant matters.

Our procedures are carried out solely for the purpose of our audit so that we can form and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Our audit does not necessarily disclose every weakness and for this reason the matters referred to may not be the only shortcomings which exist.

We take this opportunity to remind you that:

- This report has been prepared for the sole use of the City of London Corporation;
- It must not be disclosed to any third party without our written consent; and
- No responsibility is assumed by us to any other person who may choose to rely on it for their own purposes.

The report has been discussed and agreed with the Chamberlain.

We would like to thank the Chamberlain, Dr Peter Kane, Caroline Al-Beyerty and the Finance Team for their co-operation and assistance during our audit.

2 Audit conclusion

Status of the audit

We have substantially completed our on-site audit work and subsequent completion. The remaining areas of work include:

- Clearance of points raised by the Audit Review Panel;
- Review of final annual report and accounts; and
- Review of subsequent events to the date of signing the financial statements.

Audit conclusion

In our opinion the financial statements give a true and fair view and comply with the UK GAAP.

We are pleased to report that our audit report, which is included in the financial statements, is unqualified. In our opinion, from information provided to us during the audit, no events or conditions appear to exist which cast doubt on the ability of City's Cash to continue as a going concern. We are therefore satisfied with the disclosures in the financial statements.

Our audit opinion is based on your approval of the financial statements and signing of the Letter of Representation, a draft of which has been included as an appendix to this report. Within the letter, you have confirmed that there are no subsequent events which require amendment to the financial statements.

3 Respective responsibilities

Responsibilities of Management

The City of London Corporation is responsible for preparing the City's Cash financial statements in accordance with United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice). It is also responsible for keeping proper accounting records and safeguarding assets and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Responsibilities of the Auditor

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

The audit includes the consideration of internal controls relevant to the preparation of the financial statements but we do not express an opinion on the effectiveness of internal control. We are also required to communicate any significant matters arising from the audit of the financial statements that are relevant to those charged with governance in overseeing the financial reporting process. The matters being reported are limited to those deficiencies in control that we have identified during the audit and that we have concluded are of sufficient importance to merit being reported to those charged with governance.

International Standards on Auditing (UK and Ireland) do not require the auditor to design procedures for the purpose of identifying supplementary matters to communicate with those charged with governance.

Fee

The fee for the 2014-15 audit of City's Cash, Bridge House Estates, City's Cash Trusts and Sundry and Other Trusts amounts to £115,000. Of the total fee, £36,800 has been allocated to Bridge House Estates, with the remaining £78,200 being charged to City's Cash. A further £10,000 will be charged for audit verification work for the Guildhall School of Music and Drama.

In our Audit Planning Report we set out that the fee was dependent upon:

- City of London Corporation delivering a complete Annual Report and Accounts of sufficient quality that have been subject to appropriate internal review on the date agreed;
- City of London Corporation delivering good quality supporting evidence and explanations within the agreed timetable; and
- Appropriate City of London Corporation staff being available during the audit.

Following delays to and difficulties encountered during the 2013-14 final audit of Bridge House Estates and City's Cash, an additional fee of £9,500 was charged.

Materiality

The concept of materiality recognises that financial statements are rarely absolutely correct, and that an audit is designed to provide reasonable, rather than absolute, assurance that the financial statements are free from material misstatement. A matter is material if its omission or misstatement would reasonably influence the decisions of users of the financial statements. The assessment of what is material is a matter of the auditor's professional judgement and includes consideration of both the amount and the nature of the misstatement. In determining materiality, we consider a range of measures relevant to the account.

Materiality levels are generally set as percentages of income or assets. Our initial calculation of materiality, as set out in our Audit Planning Report, was £1.5m, which was based on a percentage of income. Following receipt of the draft 2014-15 accounts, there was a significant difference in value between income at £199.3m and net assets at £2,074m. We therefore assessed materiality based on net assets, which was set at £13m. Recognising that this was a high level of materiality in the context of the income and expenditure account, we treated the income and expenditure account as a sensitive area of testing, and assessed materiality as £2m for income and expenditure transactions.

Independence

International Standard on Auditing (UK & Ireland) 260, “Communication with those charged with governance” requires us to communicate on a timely basis all facts and matters that may have a bearing on our independence.

We can confirm that we have complied with the APB’s Ethical Standard 1 – “Integrity, Objectivity and Independence”. In our professional judgement the audit process has been independent and our objectivity has not been compromised.

4 Significant audit risks and risk factors

Significant audit risks

As noted in our audit planning report submitted to the Audit and Risk Management Committee in December 2014 the following audit risk areas were identified as significant matters and therefore considered in detail during our audit fieldwork.

Audit risk areas	Audit findings
<p>Revenue recognition (All funds and entities)</p> <p>Under International Standard on Auditing (UK and Ireland) 240, there is a presumed, albeit rebuttable, significant risk of fraud in revenue recognition. We consider this risk cannot be rebutted for income in all organisations.</p>	<p>We have documented, evaluated and tested the controls which ensure income is completely and accurately recorded in the City's Cash accounts. No significant weaknesses in controls have been identified.</p> <p>We have substantively tested material income streams across all entities and funds and performed procedures to ensure income is complete. Investment property income procedures on City's Cash included confirming the amounts received on a sample of properties to rent agreements as well as performing analytical procedures to gain assurance on the completeness of income. Managed investment income procedures included agreeing dividend income obtained as well as confirming realised investments from pooled investment vehicles. We have also considered the movement in fair value on investments and the unrealised gain on investments by comparing yields obtained by the funds to fund manager reports and benchmarks.</p> <p>Conclusion:</p> <p>Satisfactory assurance has been gained in respect of the presumed risk of fraud in revenue recognition.</p>
<p>Management override</p> <p>Under International Standard on Auditing (UK and Ireland) 240, there is a presumed significant risk of material misstatement owing to fraud arising from the potential for management to override controls.</p>	<p>We carried out focused testing on journals, estimation techniques and any significant/unusual transactions. We reviewed significant estimates and judgements made in the financial statements for evidence of bias. Journal testing focused on transactions that were perceived to be of higher risk and more likely to indicate a management override of controls. No significant issues were noted in our testing.</p> <p>Investment property valuations for City's Cash comprise a significant judgement in the financial statements. The value of property held at 31 March 2015 is £1,298m and has increased 16% on the value held at 31 March 2014 (including additions and disposals). Investment property valuations are conducted internally by the City Surveyor's team and by an external firm of property valuers. We have met with representatives of the City Surveyor and the external firm of property valuers to discuss the methodology of the valuations overall and to review individual property valuations that were significantly above or below the average increase. We did not identify any indication of management bias in the valuations applied. Further analysis of the investment property values is on page 11 of this report.</p> <p>Conclusion:</p> <p>Satisfactory assurance has been gained in respect of the presumed risk of management override.</p>

During the audit we identified a further significant audit risk, related to investment property transactions, which we now bring to your attention.

Audit risk areas	Audit findings
<p>Investment Property transactions</p> <p>The City Fund audit highlighted the need for a change to the accounting treatment for the sale of investment property where a land element was included in the sale. As land generally has an indefinite life, it is unlikely that the sale of a land leasehold will be for the majority of its economic life and therefore, the sale of land should be treated as an operating lease.</p> <p>During the 2014-15 year, City's Cash disposed of a head lease for land for the period of the lease – 155 years. At the point of sale a profit of £6.4m was recognised and the asset was disposed of in the financial records.</p> <p>An adjustment was made to reverse the profit recognised, reinstate the land as an asset of City's Cash and to recognise the total receipt for the sale of the lease as deferred income. The £20m receipt will now be released to the income and expenditure account over the life of the lease. As these adjustments reflect a reclassification, the net impact is that total net assets and total capital employed are unchanged.</p>	<p>We have reviewed all investment property disposals made by City's Cash during the year and confirmed that only the disposal referred to opposite would have a material impact on the financial statements with the updated accounting treatment. We have audited the adjustment raised in the final accounts, confirming valuations used and are satisfied that the adjustment made is complete and accurate.</p> <p>Conclusion:</p> <p>Satisfactory assurance has been gained in respect of the mitigation of the risk of investment property transactions being materially misstated.</p>

Other risk factors

As noted in our audit planning report submitted to the Audit and Risk Management Committee in December 2014 the following audit risk areas were identified as risk factors which could potentially result in a material misstatement. The table below sets out our approach and conclusions to these risk factors.

Audit risk areas	Audit findings
<p>Managed Funds Transfer</p> <p>We understand that the City of London Corporation intends to make a number of changes to managed funds. Segregated funds held by City's Cash are being transferred to pooled vehicles.</p>	<p>During the year a transfer was made from the existing segregated account held with Ruffer to a new pooled fund operated by Pyrford. The aim of this was to achieve a more balanced split across the fund managers used by the Corporation. We reviewed supporting documentation to assess and agree the accounting treatments applied and the adequacy of disclosures made in the financial statements. Audit testing confirmed that the transactions pre and post transfer have been accounted for appropriately.</p> <p>Conclusion:</p> <p>Satisfactory assurance has been gained in respect of the risk factor identified on the managed funds transfer.</p>

Audit risk areas	Audit findings
<p>Crossrail Contribution</p> <p>The 2013-14 City's Cash accounts recognised a contingent liability on the basis that the City of London Corporation was in discussions with Government concerning a possible contribution of £50m from City's Cash upon completion of the Crossrail project. While the timing of the payment is projected to be 2018 and 2019, discussions during the year may clarify the liability further, which could impact the accounting treatment.</p>	<p>The City's Cash contribution to Crossrail of £50m has been recognised as a commitment in the financial statements, with expected payment in the 2018-19 and 2019-20 financial years. We held discussions with officers and reviewed supporting documentation to assess and agree the accounting treatments and disclosures made in the financial statements. The agreement is classified as an executory contract and provision will be made once all milestones have been reached. We consider that the disclosures made in the financial statements are appropriate, materially correct and in line with UK GAAP.</p> <p>Conclusion:</p> <p>Satisfactory assurance has been gained in respect of the risk factor identified on the Crossrail contribution.</p>

Going concern and subsequent events

We are required under International Standard on Auditing (UK & Ireland) 570, "Going concern" to consider the appropriateness of the going concern assumption in the preparation of the financial statements, and to consider whether there are material uncertainties about the organisation's ability to continue as a going concern which need to be disclosed in the financial statements.

The term "subsequent events" is used to refer to events occurring between the period end date of the financial statements and the date of the auditor's report. International Standard on Auditing (UK & Ireland) 560, "Subsequent events" requires us to assess all such matters before signing our audit report.

In order to gain assurance on these matters our work has included:

- performing a review of budgets and cash flow projections covering a period of 12 months from the expected signing of the audit report, together with management accounts for 2015-16;
- reviewing minutes of relevant City of London Corporation sub-committees held since 31 March 2015;
- enquiring of senior management and the organisation's solicitors concerning litigation, claims and assessments; and
- performing sample testing of post reporting date transactions.

Conclusion

Our work has not highlighted any concerns or issues affecting the ability of City's Cash to continue as a going concern.

5 Significant audit and accounting matters

Audit adjustments

To enable those charged with governance to assess the extent to which the draft financial statements presented for audit have been subject to change as a result of the audit process and ongoing management review, we present below the adjustments made to the accounts during the audit process.

As a result of our audit, management review and similar transactions recorded in the City Fund accounts, adjustments were made to the draft financial statements presented for audit.

	Income and Expenditure Account/Statement of Gains and Losses		Balance Sheet	
	DR £'000	CR £'000	DR £'000	CR £'000
Profit on sale of Investment Property	6,350			
Gain on Revaluation of Investment Properties		6,350		
Investment Property Assets			20,000	
Deferred Income				20,000
Working Capital Fund			20,000	
Investment Property Revaluation Reserve				20,000
<i>A 155 year lease granted for a premium was originally classified as a 'finance' lease. This has now been reclassified as an 'operating' lease.</i>				
	6,350	6,350	40,000	40,000

All audit adjustments have been discussed and agreed with the Chief Accountant and Group Accountant.

Unadjusted items

We are obliged to bring to your attention the errors found during the audit that have not been corrected as not material, unless they are 'clearly trivial', which we have identified as below 1% of assessed materiality, subject to a de-minimis reporting level of £20,000. We have identified no such errors during our audit.

Qualitative aspects of accounting practices and financial reporting

During the course of our audit, we consider the qualitative aspect of the financial reporting process, including items that have a significant impact on the relevance, reliability, comparability, understandability and materiality of the information provided by the financial statements. The following observations have been made:

Qualitative aspect considered	Audit conclusion
The appropriateness of the accounting policies used.	We have reviewed the significant accounting policies, which are disclosed in the financial statements, and we consider these to be appropriate to City's Cash.
The timing of the transactions and the period in which they are recorded.	We did not identify any significant transactions where we had concerns over the timing or the period in which they were recognised.
The appropriateness of the accounting estimates and judgements used.	We are satisfied with the appropriateness of accounting estimates or judgements used in the preparation of the financial statements. We met with representatives of the City Surveyor and the external firm of property valuers to assess the judgements applied in the valuation of investment properties. We consider the judgements used to be appropriate.

Qualitative aspect considered	Audit conclusion
The potential effect on the financial statements of any uncertainties, including significant risks and disclosures such as pending litigation, that are required to be disclosed in the financial statements.	We did not identify any uncertainties including any significant risk or required disclosures that should be included in the financial statements. Disclosures made in the Hampstead Heath accounts regarding future commitments relating to the Hampstead Heath Ponds project have been appropriately included in the City's Cash accounts.
The extent to which the financial statements have been affected by unusual transactions during the period and the extent that these transactions are separately disclosed in the financial statements.	From our testing performed, we identified no unusual transactions in the period.
Apparent misstatements in the annual reports or material inconsistencies within the financial statements.	Our review of the annual report identified no misstatement or material inconsistency with the financial statements.
Any significant financial statement disclosures to bring to your attention.	There are no significant financial statement disclosures that we consider should be brought to your attention. All disclosures made are required by relevant legislation and applicable accounting standards.
Disagreement over any accounting treatment or financial statement disclosure.	There was no disagreement during the course of the audit over any accounting treatment or disclosure.
Difficulties encountered in the audit.	<p>The unexpected and protracted discussions on the classification and accounting treatment of the granting of long leases for premiums in relation to City Fund investment properties had a knock on effect to the preparation and auditing of the City's Cash financial statements. Although we were kept informed of progress, the City's Cash audit began a week late on 10 August and we did not receive a full set of accounts until Monday 21 August, after the majority of our fieldwork had been completed.</p> <p>As part of our recommendations on the 2013-14 audit, it was suggested and agreed that a managed investment note, using a new format would be provided for audit review as at 31 December 2014. This was started but not fully completed by the finance team. However, the work that was undertaken did have positive benefit as no significant issues were encountered in this area during the 2014-15 audit - albeit the notes did take longer to complete.</p>

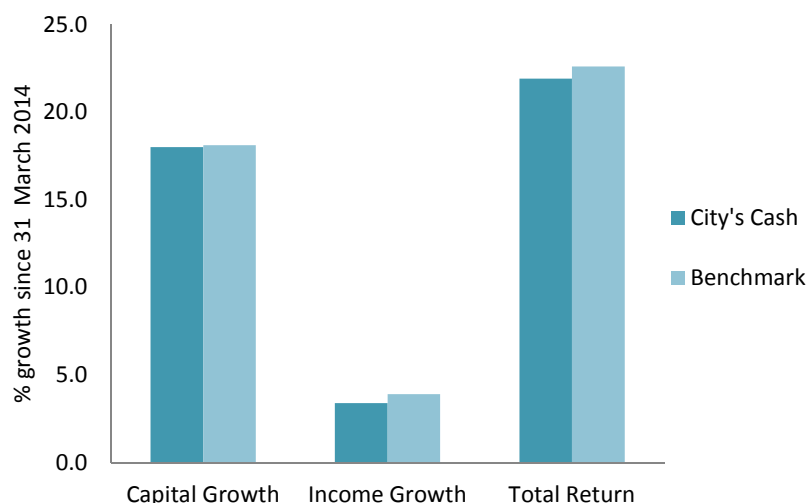
Investment Property Valuations

City's Cash holds a significant investment property portfolio, totalling £1,298m as at 31 March 2015. Properties are valued annually in line with accounting standard requirements for investment properties. All properties are valued in accordance with the RICS Red Book. The valuation process is split between internal valuations, performed by the City Surveyor's department and a firm of external valuers. In 2014-15, Cushman Wakefield were appointed on a three year contract to perform the property valuations for City's Cash. The split of valuations performed as at 31 March 2015 is outlined below:

	External Valuation	Internal Valuation	Total
Number of properties	55	89	139
Value of properties	£428m	£890m	£1,318m

As part of our audit work, we have met with representatives of the City Surveyor and the external firm of property valuers to discuss the methodology of the valuations overall and to review individual property valuations that were significantly above or below the average increase.

The chart below demonstrates the growth of the fund in the 2014-15 financial year.

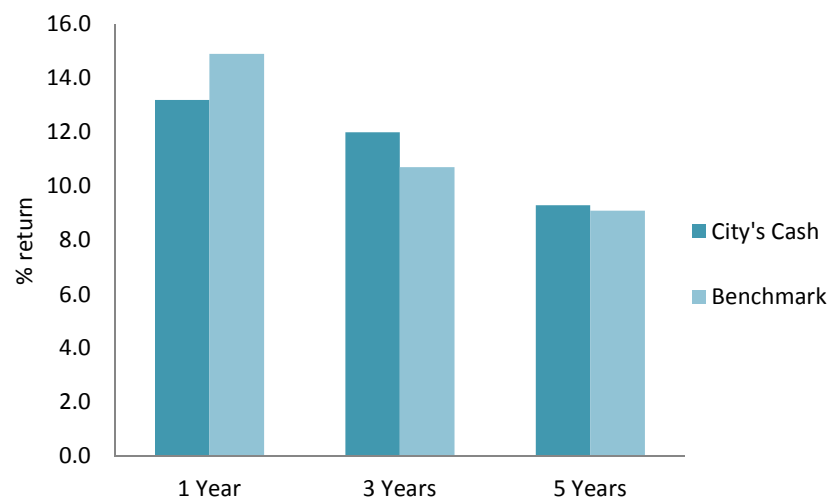


Income growth is broadly in line with the benchmark due to increasing rents as properties have refurbishments completed and as a consequence are able to be marketed at a higher rate than prior valuations expected. This has been noted on a number of properties where significant valuation increases have been recorded.

Capital growth remains strong, with City's Cash being in the top quartile of London properties, as monitored by an independent benchmarking exercise.

Non-Property Investment Valuations

In addition to investment property, City's Cash holds a significant portfolio of non-property investments totalling £732.4m as at 31 March 2015. Investments are held across a number of fund managers who all invest according to the Investment Strategy set by the Corporation. The chart below demonstrates the performance of the City's Cash investment funds, against benchmark over a five year period.



Fund returns obtained by the City's Cash investment funds have been higher than the benchmark (as calculated by WM Fund) over a five and three year period. While the benchmark has not been met or exceeded in the last financial year, we note that the performance of the fund in the final quarter of 2014-15 was higher than benchmark, with City's Cash recording a return of 5.6% against a benchmark of 5.1%.

Management representations

We have requested that a signed representation letter, covering a number of issues, be presented to us at the date of signing the financial statements. A copy of this letter is included in appendix 1 to this report.

Fraud and irregularity

Responsibility for preventing and detecting fraud and other irregularities lies with management. We are not required to search specifically for such matters and our audit should not be relied upon to disclose them. However, we planned and conducted our audit so as to give a reasonable expectation of detecting any material misstatements in the financial statements resulting from improprieties or breach of regulations.

We are pleased to report that we did not identify any issues of concern in relation to fraud and irregularity.

Legality

We planned and performed our audit recognising that non-compliance with statute or regulations may materially affect the financial statements.

We are pleased to report that we did not identify any instances of concern with regard to the legality of transactions or events.

6 Accounting systems and internal controls

During the course of our audit of the financial statements, we examined the principal internal controls which have been established to enable them to ensure, as far as possible, the accuracy and reliability of the organisation's accounting records and to safeguard the organisation's assets.

It should be noted that our audit was planned and performed in order to allow us to provide an opinion on the financial statements and it should not be relied upon to reveal all errors and weaknesses that may exist.

Our work did not identify any system weaknesses.

Action plan – audit recommendations

We identified a number of observations which we consider require management action. Recommendations to address the observations are detailed in the action plan below, together with management responses.

Grade	Definition
1	major issues for the attention of senior management which may have the potential to result in a material weakness in internal control
2	important issues to be addressed by management in their areas of responsibility
3	problems of a more minor nature which provide scope for improvement.

No priority 1 points have been raised during our audit of the 2014-15 City's Cash accounts. A number of priority 2 and priority 3 findings were raised directly with Management following our audit of Bridge House Estates, City's Cash Trusts and Sundry and Other Trust accounts, a summary of which was provided to the Audit and Risk Management Committee in July 2015. We have no further points to raise.

7 Future financial reporting developments relevant to City's Cash

FRS 102

Entities that currently prepare their financial statements under UK GAAP, will be applying FRS from accounting periods beginning on or after 1 January 2015. For City's Cash, this means that the 2015-16 financial statements will be presented under the new accounting framework.

Section 35 of FRS 102 sets out the transitional requirements. The basic rule is full retrospective application as at the date of transition. This means that the financial statements will need to be prepared as if FRS 102 had always been applied by City's Cash. To facilitate this change, we provided a training session in March 2015, to the City of London Corporation finance team to appraise them of the changes to be expected in the new accounting framework.

The most significant changes under the new accounting framework are:

Managed Investments and Investment Properties

Gains or losses on these items will be shown as 'Fair Value through Profit and Loss', meaning that they are shown as an 'incoming resource' and will therefore affect the 'Net Incoming Resources' for the year. Under current UK GAAP, such gains or losses are shown below this line. This will increase volatility in the income statement year on year as the property and investment markets fluctuate.

Using the 2014-15 figures, City's Cash actually recorded an operational deficit of £27.7m (before profits on the sales of fixed assets), however the inclusion of the gain in fair value of non-property investments means that an operating surplus of £44.9m is shown on the face of the Income and Expenditure account. Under FRS102, the gain in fair value on property investments will also require to be shown on the face of the Income and Expenditure account, meaning that the operating 'surplus' recorded for the 2014-15 accounts (as restated in the 2015-16 accounts) will be over £200m.

Statement of cash flows

Renamed, to match the IFRS equivalent, the Statement of Cash Flows has been reduced in size with three mandatory headings of Operating, Investing and Financing activities.

We will continue to work with the Corporation finance team to establish an agreed program for the restatement exercise, which we would wish to be completed by 31 December 2015. We will keep the Audit and Risk Management Committee appraised of progress.

Appendix 1 – Management representation letter for City’s Cash

Moore Stephens LLP
150 Aldersgate Street
London
EC1A 4AB

Dear Sirs

City of London Corporation - City's Cash

This representation letter is provided in connection with your audit of the financial statements of City’s Cash for the year ended 31 March 2015 for the purpose of expressing an opinion as to whether the financial statements give a true and fair view in accordance with UK Generally Accepted Accounting Practice.

By a resolution of the Finance Committee, passed today, we are directed to confirm to you, in respect of the financial statements of City’s Cash (and its subsidiaries) for the year ended 31 March 2015, the following:-

1. We have fulfilled our responsibilities for preparing financial statements which give a true and fair view in accordance with UK Generally Accepted Accounting Practice and for making accurate representations to you.
2. We have provided you with:
 - access to all information of which we are aware that is relevant to the preparation of the financial statements such as records, documentation and other matters;
 - additional information that you have requested from us for the purpose of the audit; and
 - unrestricted access to persons within the entity from whom you determined it necessary to obtain audit evidence.
3. All transactions have been recorded in the accounting records and are reflected in the financial statements.
4. We acknowledge our responsibilities for the design and implementation of internal control in order to prevent and detect fraud and to prevent and detect error.
5. We confirm that we have disclosed separately to you the results of our assessment of the risk that the financial statements may be materially misstated as a result of fraud.
6. We have disclosed to you all information in relation to fraud or suspected fraud that we are aware of and that affects the entity and involves:
 - management
 - employees who have significant roles in internal control
 - others where the fraud could have a material effect on the financial statements.
7. We are not aware of any allegations of fraud or suspected fraud with a potential effect on the financial statements which have been communicated to us by employees, former employees, analysts, regulators or other third parties.
8. We have disclosed to you all known instances of non-compliance or suspected non-compliance with laws and regulations whose effects should be considered when preparing the financial statements.
9. In our opinion, the significant assumptions that have been used in determining fair values, whether such values are disclosed or applied in the financial statements, are reasonable and reflect the ability and intent to carry out specific courses of action, where this is relevant to the determination of those values.
10. In our opinion the significant assumptions used in making accounting estimates are reasonable.
11. We have disclosed to you the identity of City’s Cash related parties and all related party relationships and transactions of which we are aware.

12. Related party relationships and transactions have been appropriately accounted for and disclosed in accordance with the requirements of UK Generally Accepted Accounting Practice.
13. In particular, no director, shadow director, their connected persons or other officers had any indebtedness, agreement concerning indebtedness or disclosable interest in a transaction with the group at any time during the year, other than as indicated in the financial statements.
14. There are no plans or intentions that may materially alter the carrying value or classification of assets and liabilities reflected in the financial statements.
15. There are no plans to abandon activities or other plans or intentions that will result in any excess or obsolete stocks, and no stock is stated at an amount in excess of net realisable value.
16. The group has satisfactory title to all assets and there are no liens or encumbrances on City's Cash assets, other than as disclosed in the financial statements.
17. We have recorded or disclosed, as appropriate, all liabilities, both actual and contingent, and all guarantees that we have given to third parties.
18. All events subsequent to the date of the financial statements and for which UK Generally Accepted Accounting Practice require adjustment or disclosure have been adjusted or disclosed. Should any material events occur which may necessitate revision of the figures included in the financial statements or inclusion in the notes thereto, we will advise you accordingly.
19. The group has complied with all aspects of contractual agreements that could have a material effect on the financial statements in the event of non-compliance.
20. Except as disclosed in the financial statements, the results for the year were not materially affected by:
 - any change in accounting policies;
 - transactions of a type not usually undertaken by the group;
 - circumstances of an exceptional or non-recurrent nature; or
 - charges or credits relating to prior periods.
21. We have disclosed to you all known actual or possible litigation or claims whose effects should be considered when preparing the financial statements and that they have been accounted for and disclosed in accordance with UK Generally Accepted Accounting Practice.
22. We have reviewed the reasoning for the classification of the proposed contribution by City's Cash to Crossrail as a commitment and consider that given the uncertainties surrounding the finalisations of an agreed contribution, this is the most appropriate classification of the likely costs.
23. We have reviewed going concern considerations and are satisfied that it is appropriate for the financial statements to have been drawn up on the going concern basis. In reaching this opinion we have taken into account all relevant matters of which we are aware and have considered a future period of at least one year from the date on which the financial statements were approved.
24. We confirm the financial statements are free of material misstatements, including omissions. We believe that those uncorrected misstatements identified during the audit are immaterial both individually and in aggregate to the financial statements as a whole. A list of these items is attached to this letter of representation, together with our reasons for not correcting them.

We confirm that the above representations are made on the basis of enquiries of management and staff with relevant knowledge and experience (and, where appropriate, of inspection of supporting documentation) sufficient to satisfy ourselves that we can properly make each of the above representations to you.

Yours faithfully

.....
 The Chamberlain of London
 Signed on behalf of the City of London Corporation
 On (date)

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ITEM 15

Report – Planning and Transportation Committee Surplus Arising for On-Street Parking 2014/15 and Utilisation of Accrued Surplus

To be presented on Thursday, 14 January 2016

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

SUMMARY

The City of London in common with other London authorities is required to report to the Mayor for London on action taken in respect of any deficit or surplus in its On-Street Parking Account for a particular financial year.

The purpose of this report is to inform Members that:

- the surplus arising from on-street parking activities in 2014/15 was £5.786m;
- a total of £6.452m, was applied in 2014/15 to fund approved projects; and
- the surplus remaining on the On-Street Parking Reserve at 31st March 2015 was £14.987m, which will be wholly allocated towards the funding of various highway improvements and other projects over the medium term.

RECOMMENDATION

That Members note the contents of the report and approve its submission to the Mayor of London.

MAIN REPORT

Background

1. Section 55(3A) of the Road Traffic Regulation Act 1984 (as amended) requires the City of London, in common with other London authorities (i.e. other London Borough Councils and Transport for London), to report to the Mayor of London on action taken in respect of any deficit or surplus in their On-Street Parking Account for a particular financial year.
2. Legislation provides that any surplus not applied in the financial year may be carried forward. If it is not to be carried forward, it may be applied by the City for one or more of the following purposes:
 - (i) making good to the City Fund any deficit charged to that Fund in the four years immediately preceding the financial year in question;

- (ii) meeting all or any part of the cost of the provision and maintenance by the City of off-street parking accommodation whether in the open or under cover;
- (iii) the making to other local authorities, or to other persons, of contributions towards the cost of the provision and maintenance by them, in the area of the local authority or elsewhere, of off-street parking accommodation whether in the open or under cover;
- (iv) if it appears to the City that the provision in the City of further off-street parking accommodation is for the time being unnecessary or undesirable, for the following purposes, namely:
 - meeting costs incurred, whether by the City or by some other person, in the provision or operation of, or of facilities for, public passenger transport services;
 - the purposes of a highway or road improvement project in the City;
 - meeting the costs incurred by the City in respect of the maintenance of roads at the public expense; and
 - for an “environmental improvement” in the City.
- (v) meeting all or any part of the cost of the doing by the City in its area of anything which facilitates the implementation of the Mayor’s Transport Strategy, being specified in that strategy as a purpose for which a surplus can be applied; and
- (vi) making contributions to other authorities, i.e. the other London Borough Councils and Transport for London, towards the cost of their doing things upon which the City in its area could incur expenditure upon under (i)-(vi) above.

2014/15 Outturn

3. The overall financial position for the On-Street Parking Reserve in 2014/15 is summarised below:

	£m
Surplus Balance brought forward at 1st April 2014	(15.653)
Surplus arising during 2014/15	(5.786)
Expenditure financed during the year	6.452
Funds remaining at 31st March 2015, wholly allocated towards the funding of future projects	(14.987)

4. Total expenditure of £6.452m in 2014/15 was financed from the On-Street Parking Reserve, covering the following approved projects:

Revenue/SRP Expenditure :	£000
Highway Resurfacing and Maintenance	1,992
Concessionary Fares and Taxi Card Scheme	503
Barbican Area Strategy	58

Crossrail Moorgate Urban Integration	53
Special Needs Transport	24
Parking Enforcement Plan	19
Planting Maintenance	9
New Roads and Highway Improvement	9
Milton Court Highway Works	7
Off Street Parking Contribution	4
Cheapside Area Strategy and Stage 4A	1
Shoe Lane Phase 3 Wine Office Court	1

Total Revenue Expenditure	2,680
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Capital Expenditure :

Beech Gardens/Barbican Podium Waterproofing	2,904
Barbican Area Strategy - Silk Street	528
Farringdon Street Bridge	266
Milton Court Highway Works	110
St Giles Terrace & Ben Jonson Highwalk	40
Queen Street Pilot Project	24
Shoe Lane Phase 3 Wine Office Court	1
Holborn Circus Area Enhancement	(101)

Total Capital Expenditure	3,772
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Total Expenditure Funded in 2013/14	6,452
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5. The surplus on the On-Street Parking Reserve brought forward from 2013/14 was £15.653m. After expenditure of £6.452m funded in 2014/15, a deficit balance of £666k was carried forward to future years to give a closing balance at 31st March 2015 of £14.987m.
6. Currently total expenditure of some £33.591m is planned over the medium term up to 31st March 2019, by which time it is anticipated that the existing surplus plus those estimated for future years will be fully utilised. This total includes expenditures of £10.704m, £10.965m, £7.042m and £4.880m planned from 2015/16 until 2018/19 respectively, which are anticipated to reduce significantly the surpluses arising in those years.
7. The total programme covers a number of major capital schemes including funding towards the Barbican Podium Waterproofing, Street Lighting Strategy, repairs to Snow Hill Bridge and Holborn Viaduct, Barbican Area Strategy, Minories car park structural monitoring/work, 'Ring of Steel' traffic monitoring infrastructure, and various street scene projects as well as ongoing funding of revenue projects including highway resurfacing and road maintenance projects, concessionary fares and taxi cards (card which allows drivers to make a set number of subsidised journeys in licensed London taxis) and contributions to the costs of Off-Street car parks. The progression of each individual scheme is, of course, subject to the City's normal evaluation criteria and Standing Orders.

8. A forecast summary of income and expenditure arising on the On-Street Parking Account and the corresponding contribution from or to the On Street Parking Surplus, over the medium term financial planning period, is shown below:

On-Street Parking Account Reserve Projections 2014/15 to 2018/19	2014/15 Actual £m	2015/16 Forecast £m	2016/17 Forecast £m	2017/18 Forecast £m	2018/19 Forecast £m	Total £m
Income	(8.5)	(7.4)	(7.6)	(7.7)	(7.9)	(39.1)
Expenditure (<i>Note 1</i>)	2.7	2.9	3.0	3.0	3.1	14.7
Net Surplus arising in year	(5.8)	(4.5)	(4.6)	(4.7)	(4.8)	(24.4)
Capital, SRP and Revenue Commitments	6.5	10.7	11.0	7.0	4.9	40.1
Net in year contribution from/(to) the surplus	0.7	6.2	6.4	2.3	0.1	15.7
Deficit/(Surplus) carried forward at 1 st April	(15.7)	(15.0)	(8.8)	(2.4)	(0.1)	
Deficit/(Surplus) carried forward at 31st March	(15.0)	(8.8)	(2.4)	(0.1)	0	

Note: On-Street operating expenditure relates to direct staffing costs, repair & maintenance of meters, VINCI contractor costs, fees & services (covering cash collection, pay by phone, postage & legal), IT software costs for enforcement systems, provision for bad debts for on-street income and central support recharges.

9. There is now a combined service for Civil Parking & Traffic Enforcement, including the Cash Collection Contract which has resulted in on-going savings to the operating costs of the On-Street Parking Account

Conclusion

10. So that we can meet our requirements under the Road Traffic Regulation Act 1984 (as amended), we ask that the Court of Common Council notes the contents of this report, which would then be submitted to the Mayor of London.

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

DATED this 17th November 2015.

SIGNED on behalf of the Committee.

Michael Welbank, MBE
Chairman, Planning and Transportation Committee

Report – The City Bridge Trust Committee

Proactive Grants for Strategic Initiatives

To be presented on Thursday, 14th January 2016

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

SUMMARY

In July 2015, the Court agreed an increase to the City Bridge Trust annual grants budget to about £20M to tackle disadvantage throughout Greater London.

The criteria that frame the grant spend are set out in the grants policy agreed on 18 July 2013, following the recommendation of the City Bridge Trust Committee. No change to the grants policy is proposed. The Trust, however, is mindful of changes in its operating environment: in particular, the reduction of about 40% in London Boroughs' budgets and the reduction in grant funding available at a time when many organisations face increased demand. The Trust, therefore, anticipates greater demand for its resources. In response, the Trust has decided to make a shift in the balance in its funding – from its reactive grant-making (i.e. grants made in response to applications to its 'Investing in Londoners' grants programme) to more proactive grant making – from a c. 90:10 ratio to 80:20. This should allow for more strategic responses, informed by the reactive work. At the same time, the Trust will be improving the transparency and processes of its proactive grant-making.

Your City Bridge Trust Committee invites the Court of Common Council to note its recent decisions. Namely, that:

- a) up to 20% of the City Bridge Trust Committee's total annual grants budget be committed through proactive grant-making (not including the £1m strategic grant to the Prince's Trust);
- b) up to one-quarter of this 20% (i.e. 5% of the annual proactive grants budget) be ring-fenced for the consideration of grant proposals that fall outside of the reactive grants programme criteria, but which are informed by those criteria, and/or the broader evidence of need (elicited at the previous quinquennial review or through evidence of need brought about by circumstances not present when the previous external consultation took place); and
- c) the improvements, filters and prioritisation guidance for proactive grants, as summarised in the report and the attached appendix, were agreed.

The Court of Common Council is asked to note that, with the increased budget agreed at your meeting in 18 July 2013, the proposed increase in the budget for strategic grants would not affect the monies available for the regular grants programme, nor the allocation to the Prince's Trust.

RECOMMENDATION

That the amendments to the City Bridge Trust's grant-making approach be noted.

MAIN REPORT

Background

1. In July 2015, your meeting agreed an increase to the City Bridge Trust annual grants budget to c. £20M. The Trust is now London's largest grant funder independent of Central Government and is the 20th largest Trust/Foundation in the UK. At any one time, c.600 not-for-profit organisations are in receipt of the Trust's grants - tackling disadvantage throughout every London Borough.
2. The criteria that frame the grant spend are set out in the grants policy you agreed on 18 July 2013, following the recommendation of the City Bridge Trust Committee. This policy is underpinned by the evidence arising from a comprehensive, external consultation on the needs of London. The Trust undertakes this consultation every 5 years (quinquennial review). The Trust is currently mid-way between quinquennial reviews.
3. No change to the grants policy is proposed. The Trust, however, is mindful of changes in its operating environment: in particular, the reduction of c.40% in London Boroughs budgets and the reduction in grant funding available at a time when many organisations face increased demand. The Trust, therefore, anticipates greater demand for its resources.

Current Practice

Reactive grant-making

4. Between 80% and 90% of the total grants budget is currently spent through "reactive" grant-making, i.e. grant decisions in response to applications made against published grants programme criteria. The current programme is called Investing in Londoners and runs for a period between 2013 – 2017. Although there is room for improvement, this process is robust and is further strengthened by a monitoring and evaluation framework, using a combination of regular reporting by the grantees against outcomes and a programme of monitoring visits (including some unannounced visits).

Proactive grant-making

5. The remainder of the Trust's grant-making is proactive in nature: that is your City Bridge Trust Committee deciding on the basis of officer-generated proposals that complement, add value to, and underpin the reactive grant-making. This is all anchored in the evidence of need and the Trust's overall vision of a fairer London and its work to tackle disadvantage in London.
6. The City Bridge Trust Committee recently discussed the amount and the level of guidance and transparency around the criteria and prioritisation of such grant-making and, as a result, a larger amount of up to 20% of the total, together with a more structured process has now been agreed.

Improvements, Filters and Prioritisation guidance for Proactive Grant-making (a.k.a. Strategic Initiatives)

7. Improvements are being made to the Trust's proactive grant-making in 4 key areas:

(i) More transparent criteria

8. That strategic initiatives be informed by the reactive grant-making and that they have the potential to achieve impact beyond an individual reactive grant.
9. Your Committee has, therefore, formally agreed:
 - a) that no more than 20% of the total annual grants budget is committed to proactive grant-making (on current figures, this would equate to c. £4M); and
 - b) that of the 20% referred to above, up to one quarter of that sum (i.e. 5% of the annual proactive grants budget) is ring fenced for the consideration of grant proposals that fall outside of the grants programme criteria, but which are either informed by the broader evidence of need (elicited at the previous quinquennial review), or through evidence of need brought about by circumstances not present when the previous consultation took place (on current figures, 25% would be c. £1M).

(ii) A more structured process

10. That the Chief Grants Officer maintains overall operational responsibility for the Trust's grant-making, but the Deputy Chief Grants Officer becomes the nominated senior lead for all proactive grant proposals, and that any member of the City Bridge Trust Committee or the grants team can propose a subject/theme for a strategic initiative. This would be underpinned by a number of internal processes - such as grants team consultation (with reference to thematic/geographical leads as outlined under point (iii) below), prioritisation guidance (see Appendix 1 attached), and the record of all strategic initiatives considered, including those rejected, which will also be presented regularly to the City Bridge Trust Committee. Proposals for funding would be presented to the Committee for decision in the usual way.

(iii) An enhanced link between the reactive and proactive grant-making

11. That there be Grants Officer thematic/geographic leads and that the monitoring and evaluation team consider the need to resource more operational capacity. This would create greater capacity to analyse the monitoring and evaluation data relating to both the Trust's grants portfolio and the social investments, to inform future grant-making.

(iv) Making more of the expertise and knowledge of Grants Officers beyond the senior team

12. That all Grants Officers be encouraged to consider proactive grant-making, informed by their reactive portfolios, to increase potential impact across London.

13. Further guidance was also adopted to assist in assessing and prioritising proactive grant proposals; this is outlined in appendix 1.
14. When there are several proactive grants under consideration, a scoring system is being adopted against each criterion (see Appendix 1). Whilst this should provide more structure to the consideration and prioritisation of proactive grants, the importance of informed judgment by officers and ultimately Members should never be under-played.

Conclusion

15. The Court of Common Council is invited to note the City Bridge Trust Committee's decision to set more transparent criteria and a more structured process for the Trust's proactive grants and strategic initiatives.

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

DATED this 26th of November 2015.

SIGNED on behalf of the Committee.

Jeremy Mayhew
Chairman, The City Bridge Trust Committee

Guidance adopted to assist in assessing and prioritising proactive grant proposals

Filters:

Will the proactive grant:

- further the Trust's Vision and Mission: working for a fairer London and tackling disadvantage?
- support work within one of the existing Investing in Londoners programmes, or meet a clear need that has arisen since the parameters of the Investing in Londoners programmes were agreed?
- have the potential for impact beyond that of an individual reactive grant or number of individual reactive grants?
- be affordable within the agreed annual budget (from the Trust alone or in combination with other funders) and, looking forward, leave sufficient budget to meet anticipated proactive grants for the remainder of the financial year?
- be made to an organisation(s) that conforms to the Trust's eligibility criteria and has the capacity and expertise to deliver the work?

Prioritisation Guidance:

Evidence

- Is there external and/or internal research and information that supports the need for the proposed grant?
- Is there external and/or internal research and information that indicates the approach proposed in the grant will be successful?
- Is there evidence that indicates the work will be hard to fund from other sources?

Impact

- Will the grant tackle a root cause(s) of need, or positively influence policy or practice?
- Will the work/approach funded be replicable?
- Does the grant provide an opportunity to strengthen Civic Society in London?
- Is the work sustainable beyond the period of the grant?
- Can the impact of the work be measured through evaluation?

Leverage

- Will the grant particularly benefit from the Trust's and the Corporation's distinctive networks and connections? Is there an opportunity to add value in this regard?
- Will the grant be able to build on the Trust's knowledge and expertise of its existing grantees/investees?
- Will the grant have the potential to leverage any other funding from other sources?
- Will the grant disincentivise other statutory or non-statutory funding (noting that where either type of funding ceases, it can be acceptable for a grant from the Trust to step in)?

Spread

- **Geographic**
Will the grant support work in geographic area(s) where there is high need but relatively low Trust spend?
- **Thematic**
Will the grant support work in a thematic area(s) of the Investing in Londoners Programme where there is high need, but relatively low Trust spend?
- **Portfolio**
Within the Trust's Strategic Initiative portfolio, is the grant duplicating or complementing anything already funded?

Approach

- Will the grant enable better collaboration between relevant organisations?
- Is the proposed work across more than one LA or is it London-wide?
- Does the proposed work explicitly link the private, statutory and voluntary sectors?

In terms of the use of this checklist, it is proposed that any final list be used:

- In the first instance by Grants Officers, when considering proactive grant-making;
- As a framework for the discussion in the Grants Officer meetings and the write-ups to Committee
- As a framework for Committee discussions of proactive grant-making.

Report – Licensing Committee

Gambling Act 2005 – Review of Statement of Licensing Principles

To be presented on Thursday, 14 January 2016

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

SUMMARY

1. The Gambling Act 2005 requires all licensing authorities to produce and publish a Statement of Licensing Principles ('policy'). As prescribed by the statutory timetable the City Corporation produced its first such statement at the time the Act came into force in January 2007. The legislation requires that all authorities review their policy at three yearly intervals.
2. The Policy was last reviewed in January 2013 and therefore is required to be reviewed by January 2016.
3. We have recently reviewed the City's policy, and are currently undertaking consultation on the proposed new policy, with the intention of publishing the new document by the end of January 2016. The consultation period concludes on 13 January 2016 and the Court of Common Council will be advised of any further substantial comments received between the publication of this report to the Court of Common Council and its meeting on 14 January.
4. The City's current policy was largely based on a concise template drafted by the Local Authority Coordinating Body on Regulatory Services (now Local Government Regulation) with additions to specifically suit the City of London and amended to reflect Government changes to published guidance. By using this template the Corporation has ensured that the statutory requirements and inclusions recommended by the Guidance were adhered to.
5. In April 2015 the Gambling Commission published a special bulletin making it clear that national templates for policy statements were unlikely to fully and adequately address local concerns, risks and features of the gambling landscape e.g. demographics, socio-economic profile and what mix of gambling is provided or indeed desired. Officers were therefore awaiting new guidance which was only rewritten and published in September 2015 (Guidance to Licensing Authorities 5th Edition). The guidance notes made it clear that additional work was required in order to produce a statement of licensing principals that meet the recommendations.

6. We have not found any deficiencies in the City's current policy. The new policy therefore only currently contains minor administrative amendments to reflect some of the latest guidance and, as such, is an interim policy until a more substantial policy fully reflecting the government's changes to published guidance can be brought before Members for approval before the end of 2016.

RECOMMENDATION

7. We **recommend** that the draft Statement of Licensing Principles, as set out in the Appendix, be approved as the text of the City of London Statement of Licensing Principles for a period commencing in January 2016, subject to the receipt of any responses to the current consultation which closes on 13th January 2016 (should there be any substantive comments received these will be reported to the Court).

MAIN REPORT

Background

1. The Gambling Act 2005 (the 'Act') requires licensing authorities to prepare and publish a statement of licensing principles (the 'policy') that they will apply in exercising their functions under the Act. The legislation further prescribes that the policy shall remain valid for a period of three years, after which it must be reviewed and re-published.
2. The current policy was published in January 2013. It is therefore now necessary for the City Corporation to prepare the publication of its policy to run for three years from January 31 2016.
3. The Gambling industry as controlled by the Gambling Act 2005 has a relatively light impact on the City of London. The City is not permitted to have a casino.

Premises licensed within the City are currently as follows:-

- | | |
|---|------|
| • Betting Shops | - 39 |
| • Adult Gaming Centres | - 0 |
| • Alcohol licensed premises with two or fewer amusement machines (one time notification only) | - 88 |
| • Alcohol licensed premises with three or more amusement machines. | - 23 |
4. In order to comply with the statutory process the Corporation must consult with the following:
 - The Chief Officer of Police for the City of London
 - Persons representing the interests of persons carrying on gambling businesses within the City
 - Persons representing the interests of persons who may be affected by the City exercising its functions under the Act

5. The City's current policy was largely based on a concise template drafted by the Local Authority Coordinating Body on Regulatory Services (now Local Government Regulation) with additions to specifically suit the City of London and amended to reflect Government changes to published guidance. By using this template the Corporation has ensured that the statutory requirements and inclusions recommended by the Guidance were adhered to.
6. During the period that the City's policy has been current there has been no evidence of any deficiency in its content.

Current Position

7. Since the current policy was drafted the Gambling Commission has rewritten its guidance (Guidance to Licensing Authorities 5th Edition) which it published in September 2015). It has also published a document entitled 'Licence conditions and codes of practice' (LCCP) in February 2015 which was updated in April 2015.
8. The current policy would normally be updated to reflect the latest guidance. However the LCCP published in February 2015 contained:
 - A new social responsibility code provision relating to the assessment of local risk.
 - A new ordinary code provision relating to shared risk assessments.
9. The social responsibility code provision requires licensees to assess the local risk to the licensing objectives posed by their gambling operations at each of their premises. In making these assessments, licensees have to take into account relevant matters identified in the corporation's licensing policy.
10. The new ordinary code provision requires operators to share their risk assessment with licensing authorities when applying for a premises licence or a variation, or otherwise on request. The effect of this is that when an application is submitted, the authority can expect to see how risks which it has identified in its policy are to be dealt with.
11. In April 2015 the Gambling Commission published a special bulletin making it clear that that national templates for policy statements (referred to in paragraph 4 of the summary of this report) were unlikely to fully and adequately address local concerns, risks and features of the gambling landscape e.g. demographics, socio-economic profile and what mix of gambling is provided or indeed desired.
12. Although work on obtaining this information has commenced not all bodies which might contribute to the production of a Local Area Profile have been met.
13. The Licensing Team will continue to gather the necessary data and compile a Local Area Profile for the City of London. This information will be incorporated within a revised policy which will come before your Licensing Committee on 27 April 2016. A further, more extensive consultation, will then take place during May 2016 after which the final policy will return to your Licensing Committee for

agreement and the final report will go before the Court of Common Council for adoption before the end of 2016.

Conclusion

14. We therefore recommend that the draft Statement as set out in the appendix to this report be approved as the text of the City of London Statement of Licensing Principles.

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

DATED this 21st of October 2015.

SIGNED on behalf of the Committee.

Marianne Bernadette Fredericks
Chairman, Licensing Committee



CITY OF LONDON CORPORATION

GAMBLING ACT 2005

STATEMENT OF LICENSING PRINCIPLES

January 2016

FOREWORD

[To be added]

DRAFT

PART A

GENERAL

1. The Licensing Objectives

1.1 In exercising most of their functions under the Gambling Act 2005, licensing authorities must have regard to the licensing objectives as set out in section 1 of the Act. The licensing objectives are:

- preventing gambling from being a source of crime or disorder, being associated with crime or disorder or being used to support crime
- ensuring that gambling is conducted in a fair and open way
- protecting children and other vulnerable persons from being harmed or exploited by gambling.

1.2 It should be noted that the Gambling Commission has stated:
‘The requirement in relation to children is explicitly to protect them from being harmed or exploited by gambling.’

1.3 The City of London Corporation is aware that, as per Section 153, in making decisions about premises licences and [provisional statements] it should aim to permit the use of premises for gambling in so far as it thinks it is:

- in accordance with any relevant code of practice [under section 24 of the Act]
- in accordance with any relevant guidance issued by the Gambling Commission
- reasonably consistent with the licensing objectives and
- in accordance with the [licensing] authority’s statement of policy.

2. Introduction

2.1 The City of London Corporation provides local government services for the financial and commercial heart of Britain, the “Square Mile”. It is committed to maintaining and enhancing the status of the business City as the world’s leading international financial and business centre through the policies it pursues and the high standard of services it provides. Its responsibilities extend far beyond the City boundaries in that it also provides a host of additional facilities for the benefit of the nation. These include open spaces such as Epping Forest and Hampstead Heath and the Barbican Arts Centre.

2.2 The City of London combines its ancient traditions and ceremonial functions with the role of a modern and efficient local authority, looking after the needs of its residents, businesses and over 320,000 people who come to work in the “Square Mile” every day. Among local authorities the City of London is unique; not only is it the oldest in the country but it operates on a non-party political basis through the Lord Mayor, Aldermen and Members of the Court of Common Council. The Lord Mayor, in particular, has an important role as the principal ambassador of the City

of London Corporation and the Business City, supporting and promoting the City generally and particularly as the world's leading international financial and business centre both at home and abroad; consulting widely within the City community on business needs.

- 2.3 Licensing authorities are required by the Gambling Act 2005 to publish a statement of the principles which they propose to apply when exercising their functions. This statement must be published at least every three years. The statement must also be reviewed from 'time to time' and any amended parts re-consulted upon. The statement must then be re-published.
- 2.4 The City of London Corporation consulted widely upon this statement before finalising and publishing it. A list of those persons consulted is provided below.
- 2.5 The Gambling Act requires that the following parties are consulted by licensing authorities:
- the Chief Officer of Police;
 - one or more persons who appear to the authority to represent the interests of persons carrying on gambling businesses in the authority's area;
 - one or more persons who appear to the authority to represent the interests of persons who are likely to be affected by the exercise of the authority's functions under the Gambling Act 2005.
- 2.6 List of persons this authority consulted:
- Chief Officer of Police
 - Ladbrokes
 - William Hill
 - Coral
 - Paddy Power
 - Betfred
 - Gamcare
 - Gambling Related Trust
- 2.7 Our consultation took place from December 4 2015 to January 13 2016.
- 2.8 The full list of comments made and the consideration by the City of London Corporation of those comments is available by request to the contact details at the end of this document.
- 2.9 The policy was approved at a meeting of the Court of Common Council on January 14 2016 and was published via our website. Hard copies were available on request.
- 2.10 Should you have any comments as regards this policy statement please send them via e-mail or letter to the contact details at the end of this document.

- 2.11 It should be noted that this policy statement will not override the right of any person able to make an application, make representations about an application, or apply for a review of a licence, as each will be considered on its own merits and according to the statutory requirements of the Gambling Act 2005.

3. Declaration

- 3.1 In producing the final statement, the City of London Corporation declares that it has had regard to the licensing objectives of the Gambling Act 2005, the guidance issued by the Gambling Commission, and any responses from those consulted on the statement. However, it shall be noted that this statement does not, at this stage, fully reflect the new guidance issued in September 2015 and the Gambling Commission's 'Licence conditions and codes of practice' issued in February 2015 and itself currently under review. Further work is being carried out with a revised statement, which fully reflects the documents above, being produced during 2016.
- 3.2 In producing the final statement the City of London Corporation gave appropriate weight to the views of those it has consulted. In determining what weight to give particular representations, the Corporation took into account the following factors:
- who is making the representations (what is their expertise or interest)
 - relevance of the factors to the licensing objectives
 - how many other people have expressed the same or similar views
 - how far the representations relate to matters that the licensing authority should be including in its policy statement

4. Responsible Authorities

- 4.1 The City of London Corporation is required by regulations to state the principles it will apply in exercising its powers under Section 157(h) of the Act to designate, in writing, a body which is competent to advise the authority about the protection of children from harm. The principles are:
- the need for the body to be responsible for an area covering the whole of the City of London Corporation's area; and
 - the need for the body to be answerable to democratically elected persons, rather than any particular vested interest group.
- 4.2 In accordance with the suggestion in the Gambling Commission's Guidance for local authorities, this authority designates the Director of Community and Children's Services for this purpose.
- 4.3 The contact details of all the Responsible Authorities under the Gambling Act 2005 are available via the City of London Corporation's website at: www.cityoflondon.gov.uk

5. Interested Parties

- 5.1 Interested parties can make representations about licence applications, or apply for a review of an existing licence. These parties are defined in the Gambling Act 2005 as follows:

‘For the purposes of this Part a person is an interested party in relation to an application for or in respect of a premises licence if, in the opinion of the City of London Corporation which issues the licence or to which the application is made, the person:

- a) lives sufficiently close to the premises to be likely to be affected by the authorised activities,
- b) has business interests that might be affected by the authorised activities, or
- c) represents persons who satisfy paragraph (a) or (b).’

- 5.2 The City of London Corporation is required by regulations to state the principles it will apply in exercising its powers under the Gambling Act 2005 to determine whether a person is an interested party. The principles are:

- each case will be decided upon its merits
- this authority will not apply a rigid rule to its decision making
- it will consider the examples of considerations provided in the Gambling Commission’s Guidance for local authorities in s.8
- it will also consider the Gambling Commission's Guidance that "has business interests" should be given the widest possible interpretation and include partnerships, charities, faith groups and medical practices

- 5.3 Interested parties can be persons who are democratically elected such as Aldermen, Common Councilmen and Members of Parliament. No specific evidence of being asked to represent an interested person will be required as long as the elected representative represents the ward likely to be affected. Other than these however, this authority will generally require written evidence that a person/body (e.g. an advocate / relative) ‘represents’ someone who either lives sufficiently close to the premises to be likely to be affected by the authorised activities and/or has business interests that might be affected by the authorised activities. A letter from one of these persons, requesting the representation is sufficient.

- 5.4 If individuals wish to approach Aldermen & Common Councilmen to ask them to represent their views then care should be taken that they are not part of the Licensing Committee dealing with the licence application. If there are any doubts then please contact the Licensing Section as detailed at the end of the document.

- 5.5 Where an application is made for a premises licence an interested party, as detailed in paragraph [5.3] of this document, or a responsible authority may make representations in writing to the City of London Corporation. Such representations must be made within such period as the Government set and must relate to the

licensing objectives.

- 5.6 Where a licence is held an interested party or a responsible authority may apply for a review. Applications for review must be made in a manner and format which [complies with The Gambling Act 2005 (Premises Licences) (Review) Regulations 2007.]

6. Exchange of Information

- 6.1 Licensing authorities are required to include in their statements the principles to be applied by the authority in exercising the functions under sections 29 and 30 of the Act with respect to the exchange of information between it and the Gambling Commission, and the functions under section 350 of the Act with the respect to the exchange of information between it and the other persons listed in Schedule 6 to the Act.
- 6.2 The principle that the City of London Corporation applies is that it will act in accordance with the provisions of the Gambling Act 2005 in its exchange of information which includes the provision that the Data Protection Act 1998 will not be contravened. The City of London Corporation will also have regard to any Guidance issued by the Gambling Commission to local authorities on this matter when it is published, as well as any relevant Regulations issued by the Secretary of State under the powers provided in the Gambling Act 2005.
- 6.3 Should any protocols be established as regards information exchange with other bodies then they will be made available.

7. Enforcement

- 7.1 Licensing authorities are required by regulation under the Gambling Act 2005 to state the principles to be applied by the authority in exercising the functions under Part 15 of the Act with respect to the inspection of premises; and the powers under section 346 of the Act to institute criminal proceedings in respect of the offences specified.
- 7.2 The City of London Corporation's principle is that it will be guided by the Gambling Commission's Guidance for local authorities and will endeavour to be:
- proportionate: regulators should only intervene when necessary: remedies should be appropriate to the risk posed, and costs identified and minimised;
 - accountable: regulators must be able to justify decisions, and be subject to public scrutiny;
 - consistent: rules and standards must be joined up and implemented fairly;
 - transparent: regulators should be open, and keep regulations simple and user friendly;
 - targeted: regulation should be focused on the problem, and minimise side effects.

- 7.3 Following the Gambling Commission's Guidance for local authorities the City of London Corporation will endeavour to avoid duplication with other regulatory regimes so far as possible.
- 7.4 The City of London Corporation has adopted and implemented a risk-based inspection programme, based on;
- The licensing objectives
 - Relevant codes of practice
 - Guidance issued by the Gambling Commission, in particular at Part 36
 - The principles set out in this statement of licensing policy
- 7.5 The main enforcement and compliance role for the City of London Corporation in terms of the Gambling Act 2005 will be to ensure compliance with the premises licences and other permissions which it authorises. The Gambling Commission will be the enforcement body for the operating and personal licences. It is also worth noting that concerns about manufacture, supply or repair of gaming machines will not be dealt with by the City of London Corporation but will be notified to the Gambling Commission.
- 7.6 The City of London Corporation will also keep itself informed of developments as regards the work of the [Department of Business Innovation and Skills] in its consideration of the regulatory functions of local authorities.
- 7.7 Bearing in mind the principle of transparency, the City of London Corporation's enforcement/compliance protocols/written agreements will be available upon request from the Licensing Section detailed at the end of this document.

8. Licensing Authority Functions

- 8.1 Licensing authorities are required under the Act to:
- be responsible for the licensing of premises where gambling activities are to take place by issuing Premises Licences
 - issue Provisional Statements
 - regulate members' clubs and miners' welfare institutes who wish to undertake certain gaming activities through issuing Club Gaming Permits and/or Club Machine Permits
 - issue Club Machine Permits to Commercial Clubs
 - grant permits for the use of certain lower stake gaming machines at unlicensed Family Entertainment Centres
 - receive notifications from alcohol licensed premises (under the Licensing Act 2003) for the use of two or fewer gaming machines
 - issue Licensed Premises Gaming Machine Permits for premises licensed to sell/supply alcohol for consumption on the licensed premises, under the Licensing Act 2003, where there are more than two machines

- register small society lotteries below prescribed thresholds
- issue Prize Gaming Permits
- receive and Endorse Temporary Use Notices
- receive Occasional Use Notices
- provide information to the Gambling Commission regarding details of licences issued (see section 6 above concerning Exchange of Information)
- maintain registers of the permits and licences that are issued under these functions

8.2 It should be noted that local licensing authorities will not be involved in licensing remote gambling at all. This will fall to the Gambling Commission via operating licences.

PART B

PREMISES LICENCES

1. General Principles

- 1.1 Premises licences will be subject to the requirements set out in the Gambling Act 2005 and regulations, as well as specific mandatory and default conditions which will be detailed in regulations issued by the Secretary of State. Licensing authorities are able to exclude default conditions and also attach others, where it is believed to be appropriate.
- 1.2 The City of London Corporation is aware that in making decisions about premises licences it should aim to permit the use of premises for gambling in so far as it considers such use to be:
 - in accordance with any relevant code of practice issued by the Gambling Commission;
 - in accordance with any relevant guidance issued by the Gambling Commission;
 - reasonably consistent with the licensing objectives; and,
 - in accordance with the authority's statement of licensing policy.
- 1.3 It is appreciated that as per the Gambling Commission's Guidance for local authorities 'moral objections to gambling are not a valid reason to reject applications for premises licences' (except as regards any 'no casino resolution' - see section 4 below concerning Casinos) and also that unmet demand is not a consideration for a licensing authority.
- 1.4 Definition of "premises". In the Act, "premises" is defined as including "any place". Section 152 therefore prevents more than one premises licence applying to any place. But a single building could be subject to more than one premises licence, provided they are for different parts of the building and the different parts of the

building can be reasonably regarded as being different premises. This approach has been taken to allow large, multiple unit premises such as a pleasure park, pier, track or shopping mall to obtain discrete premises licences, where appropriate safeguards are in place. However, licensing authorities should pay particular attention if there are issues about sub-divisions of a single building or plot and should ensure that mandatory conditions relating to access between premises are observed.

The Gambling Commission states in the fifth edition of its Guidance to Licensing Authorities that: “In most cases the expectation is that a single building / plot will be the subject of an application for a licence, for example, 32 High Street. But, that does not mean 32 High Street cannot be the subject of separate premises licences for the basement and ground floor, if they are configured acceptably. Whether different parts of a building can properly be regarded as being separate premises will depend on the circumstances.

The location of the premises will clearly be an important consideration and the suitability of the division is likely to be a matter for discussion between the operator and the licensing officer. However, the Commission does not consider that areas of a building that are artificially or temporarily separated, for example by ropes or moveable partitions, can properly be regarded as different premises.”

1.5 The City of London Corporation takes particular note of the Gambling Commission’s Guidance to Licensing Authorities which states that: licensing authorities should take particular care in considering applications for multiple licences for a building and those relating to a discrete part of a building used for other (non-gambling) purposes. In particular they should be aware of the following:

- The third licensing objective seeks to protect children from being harmed by gambling. In practice that means not only preventing them from taking part in gambling, but also preventing them from being in close proximity to gambling. Therefore premises should be configured so that children are not invited to participate in, have accidental access to or closely observe gambling where they are prohibited from participating.
- Entrances to and exits from parts of a building covered by one or more premises licences should be separate and identifiable so that the separation of different premises is not compromised and people do not “drift” into a gambling area. In this context it should normally be possible to access the premises without going through another licensed premises or premises with a permit.
- Customers should be able to participate in the activity named on the premises licence.

The Guidance also gives a list of factors which the licensing authority should be aware of, which may include:

- Do the premises have a separate registration for business rates

- Is the premises' neighbouring premises owned by the same person or someone else?
- Can each of the premises be accessed from the street or a public passageway?
- Can the premises only be accessed from any other gambling premises?

The City of London Corporation will consider these and other relevant factors in making its decision, depending on all the circumstances of the case.

1.6 Premises “ready for gambling”

The Guidance states that a licence to use premises for gambling should only be issued in relation to premises that the licensing authority can be satisfied are going to be ready to be used for gambling in the reasonably near future, consistent with the scale of building or alterations required before the premises are brought into use.

If the construction of a premises is not yet complete, or if they need alteration, or if the applicant does not yet have a right to occupy them, then an application for a provisional statement should be made instead.

In deciding whether a premises licence can be granted where there are outstanding construction or alteration works at a premises, this authority will determine applications on their merits, applying a two stage consideration process:-

- First, whether the premises ought to be permitted to be used for gambling
- Second, whether appropriate conditions can be put in place to cater for the situation that the premises are not yet in the state in which they ought to be before gambling takes place.

Applicants should note that this authority is entitled to decide that it is appropriate to grant a licence subject to conditions, but it is not obliged to grant such a licence.

More detailed examples of the circumstances in which such a licence may be granted can be found at paragraphs 7.59 - 7.64 of the Guidance.

- 1.7 Multiple Premises - The City of London Corporation recognises that certain bookmakers have a number of premises within its area. In order to ensure that any compliance issues are recognised and resolved at the earliest stage, operators are requested to give the authority a single named point of contact, who should be a senior individual, and whom the authority will normally contact first should any compliance queries or issues arise.
- 1.8 Location - The City of London Corporation is aware that demand issues cannot be considered with regard to the location of premises but that considerations in terms of the licensing objectives can. As per the Gambling Commission's Guidance for local authorities, this authority will pay particular attention to the protection of children and vulnerable persons from being harmed or exploited by gambling, as

well as issues of crime and disorder. Should any specific policy be decided upon as regards areas where gambling premises should not be located, this statement will be updated. It should be noted that any such policy does not preclude any application being made and each application will be decided on its merits, with the onus upon the applicant showing how potential concerns can be overcome.

Planning:

The Gambling Commission Guidance to Licensing Authorities states:

7.58 – In determining applications, the licensing authority should not take into consideration matters that are not related to gambling and the licensing objectives. One example would be the likelihood of the applicant obtaining planning permission or building regulations approval for their proposal.

This authority will not take into account irrelevant matters as per the above guidance. In addition this authority notes the following excerpt from the Guidance:

7.65 - When dealing with a premises licence application for finished buildings, the licensing authority should not take into account whether those buildings have to comply with the necessary planning or building consents. Nor should fire or health and safety risks be taken into account. Those matters should be dealt with under relevant planning control, building and other regulations, and must not form part of the consideration for the premises licence. S.210 of the Act prevents licensing authorities taking into account the likelihood of the proposal by the applicant obtaining planning or building consent when considering a premises licence application. Equally, the grant of a gambling premises licence does not prejudice or prevent any action that may be appropriate under the law relating to planning or building.

- 1.9 Duplication with other regulatory regimes - The City of London Corporation will seek to avoid any duplication with other statutory/regulatory systems where possible, including planning. This authority will not consider whether a licence application is likely to be awarded planning permission or building regulations approval, in its consideration of it. It will though, listen to, and consider carefully, any concerns about conditions which are not able to be met by licensees due to planning restrictions, should such a situation arise.

When dealing with a premises licence application for finished buildings, this authority will not take into account whether those buildings have to comply with the necessary planning or buildings consents. Fire or health and safety risks will not be taken into account, as these matters are dealt with under relevant planning control, buildings and other regulations and must not form part of the consideration for the premises licence.

- 1.10 Licensing objectives - Premises licences granted must be reasonably consistent with the licensing objectives. With regard to these objectives, the City of London Corporation has considered the Gambling Commission's Guidance to local

authorities and some comments are made below.

- 1.11 Preventing gambling from being a source of crime or disorder, being associated with crime or disorder or being used to support crime - The City of London Corporation is aware that the Gambling Commission will be taking a leading role in preventing gambling from being a source of crime. The Gambling Commission's Guidance does however envisage that licensing authorities should pay attention to the proposed location of gambling premises in terms of this licensing objective. Thus, where an area has known high levels of organised crime this authority will consider carefully whether gambling premises are suitable to be located there and whether conditions may be suitable such as the provision of door supervisors. The City of London Corporation is aware of the distinction between disorder and nuisance and will consider factors such as whether police assistance was required and how threatening the behaviour was to those who could see it, so as to make that distinction. Issues of nuisance cannot be addressed via the Gambling Act provisions.
- 1.12 Ensuring that gambling is conducted in a fair and open way - The City of London Corporation has noted that the Gambling Commission has stated that it would generally not expect licensing authorities to become concerned with ensuring that gambling is conducted in a fair and open way as this will be addressed via operating and personal licences.
- 1.13 Protecting children and other vulnerable persons from being harmed or exploited by gambling - The City of London Corporation has noted that the Gambling Commission's Guidance for local authorities states that this objective means preventing children from taking part in gambling (as well as restriction of advertising so that gambling products are not aimed at, or are particularly attractive to, children). The City of London Corporation will, therefore, consider, as suggested in the Gambling Commission's Guidance, whether specific measures are required at particular premises, with regard to this licensing objective. Appropriate measures may include supervision of entrances / machines, segregation of areas etc.
- 1.14 The City of London Corporation will also make itself aware of the Codes of Practice which the Gambling Commission issues as regards this licensing objective, in relation to specific premises such as casinos.
- 1.15 As regards the term "vulnerable persons" it is noted that the Gambling Commission is not seeking to offer a definition but states that 'it will for regulatory purposes assume that this group includes people who gamble more than they want to; people who gamble beyond their means; and people who may not be able to make informed or balanced decisions about gambling due to a mental impairment, alcohol or drugs.' The City of London Corporation will consider this licensing objective on a case by case basis.
- 1.16 Conditions - Any conditions attached to licences will be proportionate and will be:
 - relevant to the need to make the proposed building suitable as a gambling facility;

- directly related to the premises and the type of licence applied for;
- fairly and reasonably related to the scale and type of premises;
- reasonable in all other respects.

1.17 Decisions upon individual conditions will be made on a case by case basis, although there will be a number of measures the City of London Corporation will consider utilising should there be a perceived need, such as the use of supervisors, appropriate signage for adult only areas etc. There are specific comments made in this regard under some of the licence types below. The City of London Corporation will also expect the licence applicant to offer his/her own suggestions as to the way in which the licensing objectives can be met effectively.

1.18 The City of London Corporation will also consider specific measures which may be required for buildings which are subject to multiple premises licences. Such measures may include the supervision of entrances; segregation of gambling from non-gambling areas frequented by children; and the supervision of gaming machines in non-adult gambling specific premises in order to pursue the licensing objectives. These matters are in accordance with the Gambling Commission's Guidance. The Secretary of State has prescribed the categories of gaming Machine and current details of the stakes and prizes of each category are available on the City of London's website in the licensing section.

1.19 This authority will also ensure that where category C or above machines are on offer in premises to which children are admitted:

- all such machines are located in an area of the premises which is separated from the remainder of the premises by a physical barrier which is effective to prevent access other than through a designated entrance;
- only adults are admitted to the area where these machines are located;
- access to the area where the machines are located is supervised;
- the area where these machines are located is arranged so that it can be observed by the staff or the licence holder; and
- at the entrance to and inside any such areas there are prominently displayed notices indicating that access to the area is prohibited to persons under 18 years of age.

These considerations will apply to premises including buildings where multiple premises licences are applicable.

1.20 As per the Gambling Commission's Guidance, the City of London Corporation will consider the impact upon the third licensing objective and the need to ensure that entrances to each type of premises are distinct and that children are excluded from gambling areas where they are not permitted to enter.

1.21 It is noted that there are conditions which the licensing authority cannot attach to premises licences as follows:

- any condition on the premises licence which makes it impossible to comply with an operating licence condition;
- conditions relating to gaming machine categories, numbers, or method of operation;
- conditions which provide that membership of a club or body be required (the Gambling Act 2005 specifically removes the membership requirement for casino and bingo clubs and this provision prevents it being reinstated);
- conditions in relation to stakes, fees, winnings or prizes.

1.22 Door Supervisors – The Gambling Commission advises in its Guidance to Licensing Authorities that if a licensing authority is concerned that a premises may attract disorder or be subject to attempts at unauthorised access (for example by children and young persons) then it may require that the entrances to the premises are controlled by a door supervisor, and is entitled to impose a premises licence to this effect.

Where it is decided that supervision of entrances/machines is appropriate for particular cases, a consideration of whether they need to be SIA licensed or not will be necessary. It will not be automatically assumed that they need to be licensed, as the statutory requirements for different types of premises vary (as in the Guidance, Part 33).

2. Adult Gaming Centres

2.1 The City of London Corporation will specifically have regard to the need to protect children and vulnerable persons from harm or being exploited by gambling and will expect the applicant to satisfy the authority that there will be sufficient measures to, for example, ensure that people under 18 years of age do not have access to the premises.

2.2 The City of London Corporation will expect applicants to offer their own measures to meet the licensing objectives. Appropriate measures / licence conditions may cover issues such as:

- proof of age schemes
- CCTV
- supervision of entrances / machine areas
- physical separation of areas
- location of entry
- notices / signage
- specific opening hours
- self-barring schemes
- provision of information leaflets / helpline numbers for organisations such as GamCare.

2.3 This list is not mandatory, nor exhaustive, and is merely indicative of example measures.

3. Licensed Family Entertainment Centres

- 3.1 The City of London Corporation will specifically have regard to the need to protect children and vulnerable persons from harm or being exploited by gambling and will expect the applicant to satisfy the authority, for example, that there will be sufficient measures to ensure that people under 18 years of age do not have access to the adult only gaming machine areas.
- 3.2 The City of London Corporation will expect applicants to offer their own measures to meet the licensing objectives however appropriate measures / licence conditions may cover issues such as:
- proof of age schemes
 - CCTV
 - supervision of entrances / machine areas
 - physical separation of areas
 - location of entry
 - notices / signage
 - specific opening hours
 - self-barring schemes
 - provision of information leaflets / helpline numbers for organisations such as GamCare.
 - measures / training for staff on how to deal with suspected truant school children on the premises
- 3.3 This list is not mandatory, nor exhaustive, and is merely indicative of example measures.
- 3.4 The City of London Corporation will, as per the Gambling Commission's guidance, refer to the Commission's website to see any conditions that apply to operating licences covering the way in which the area containing the category C machines should be delineated. The City of London Corporation will also make itself aware of any mandatory or default conditions on these premises licences, when they have been published.

4. Casinos

- 4.1 No Casinos resolution – The City of London Corporation has not passed a 'no casino' resolution under Section 166 of the Gambling Act 2005, but is aware that it has the power to do so. Should the City of London Corporation decide in the future to pass such a resolution, it will update this policy statement with details of that resolution. Any such decision will be made by the Court of Common Council.

5. Bingo Premises

- 5.1 The City of London corporation notes that the Gambling Commission's Guidance states:

18.5 Licensing authorities need to satisfy themselves that bingo can be played in any bingo premises for which they issue a premises licence. An operator may choose to vary their licence to exclude a previously licensed area of that premises, and then apply for a new premises licence, or multiple new premises licences, with the aim of creating separate premises in that area. Essentially providing multiple licensed premises within a single building or site. Before issuing additional bingo premises licences, licensing authorities need to consider whether bingo can be played at each of those new premises.

5.2 Guidance further states:-

18.7 Children and young people are allowed into bingo premises; however they are not permitted to participate in the bingo and if category B or C machines are made available for use these must be separated from areas where children and young people are allowed. Social Responsibility (SR) code 3.2.5(3) states that 'licensees must ensure that their policies and procedures take account of the structure and layout of their gambling premises' in order to prevent underage gambling.

6. Betting Premises

6.1 Betting machines – The City of London Corporation will, as per the Gambling Commission's Guidance, take into account the size of the premises, the number of counter positions available for person-to-person transactions, and the ability of staff to monitor the use of the machines by children and young persons (it is an offence for those under 18 years of age to bet) or by vulnerable people, when considering the number/nature/circumstances of betting machines an operator wants to offer.

6.2 While the City of London Corporation has discretion as to the number, nature and circumstances of use of betting machines, there is no evidence that such machines give rise to regulatory concerns. This authority will normally consider limiting the number of machines only where there is clear evidence that such machines have been or are likely to be used in breach of the licensing objectives. Where there is such evidence, this authority may consider, when reviewing the licence, the ability of staff to monitor the use of such machines from the counter.

7. Travelling Fairs

7.1 It will fall to the City of London Corporation to decide whether, where category D machines and / or equal chance prize gaming without a permit is to be made available for use at travelling fairs, the statutory requirement that the facilities for gambling amount to no more than an ancillary amusement at the fair is met.

7.2 The licensing authority will also consider whether the applicant falls within the statutory definition of a travelling fair.

7.3 It has been noted that the 27 days statutory maximum for the land being used as a fair is per calendar year, and that it applies to the piece of land on which the fairs

are held, regardless of whether it is the same or different travelling fairs occupying the land. The City of London Corporation will work with its neighbouring authorities to ensure that land which crosses our boundaries is monitored so that the statutory limits are not exceeded.

8. Provisional Statements

- 8.1 Developers may wish to apply to this authority for provisional statements before entering into a contract to buy or lease property or land to judge whether a development is worth taking forward in light of the need to obtain a premises licence. There is no need for the applicant to hold an operating licence in order to apply for a provisional statement.
- 8.2 S204 of the Gambling Act provides for a person to make an application to the licensing authority for a provisional statement in respect of premises that he or she:
- expects to be constructed;
 - expects to be altered; or
 - expects to acquire a right to occupy.
- 8.3 The process for considering an application for a provisional statement is the same as that for a premises licence application. The applicant is obliged to give notice of the application in the same way as applying for a premises licence. Responsible authorities and interested parties may make representations and there are rights of appeal.
- 8.4 In contrast to the premises licence application, the applicant does not have to hold or have applied for an operating licence from the Gambling Commission (except in the case of a track) and they do not have to have a right to occupy the premises in respect of which their provisional application is made.
- 8.5 The holder of a provisional statement may then apply for a premises licence once the premises are constructed, altered or acquired. The licensing authority will be constrained in the matters it can consider when determining the premises licence application, and in terms of representations about premises licence applications that follow the grant of a provisional statement, no further representations from relevant authorities or interested parties can be taken into account unless:
- they concern matters which could not have been addressed at the provisional statement stage, or
 - they reflect a change in the applicant's circumstances.
- 8.6 In addition, the authority may refuse the premises licence (or grant it on terms different to those attached to the provisional statement) only by reference to matters:
- which could not have been raised by objectors at the provisional statement stage;

- which in the authority's opinion reflect a change in the operator's circumstances; or
- where the premises has not been constructed in accordance with the plan submitted with the application. This must be a substantial change to the plan and this licensing authority notes that it can discuss any concerns it has with the applicant before making a decision.

9. Reviews:

9.1 Requests for a review of a premises licence can be made by interested parties or responsible authorities. However, it is for the licensing authority to decide whether the review is to be carried-out. This will be on the basis of whether the request for the review is relevant to the matters listed below:

- in accordance with any relevant code of practice issued by the Gambling Commission;
- in accordance with any relevant guidance issued by the Gambling Commission;
- reasonably consistent with the licensing objectives;
- in accordance with the authority's statement of licensing policy.

Consideration will also be given as to whether the request for a review is frivolous, vexatious or substantially the same previous representations or requests for review.

9.2 The licensing authority can also initiate a review of a licence on the basis of any reason which it thinks is appropriate.

Once a valid application for a review has been received, representations can be made by responsible authorities and interested parties during a 28 day period. This period begins 7 days after the application was received by the licensing authority, who will publish notice of the application within 7 days of receipt.

The licensing authority must carry out the review as soon as possible after the 28 day period for making representations has passed.

9.3 The purpose of the review will be to determine whether the licensing authority should take any action in relation to the licence. If action is justified, the options open to the licensing authority are:-

- (a) add, remove or amend a licence condition imposed by the licensing authority;
- (b) exclude a default condition imposed by the Secretary of State or Scottish Ministers (e.g. opening hours) or remove or amend such an exclusion;
- (c) suspend the premises licence for a period not exceeding three months; and
- (d) revoke the premises licence.

In determining what action, if any, should be taken following a review, the licensing authority must have regard to the principles set out in section 153 of the Act, as well as any relevant representations.

- 9.4 In particular, the licensing authority may also initiate a review of a premises licence on the grounds that a premises licence holder has not provided facilities for gambling at the premises. This is to prevent people from applying for licences in a speculative manner without intending to use them.
- 9.5 Once the review has been completed, the licensing authority must, as soon as possible, notify its decision to:
- the licence holder
 - the applicant for review (if any)
 - the Commission
 - any person who made representations
 - the chief officer of police or chief constable; and
 - Her Majesty's Commissioners for Revenue and Customs

PART C

PERMITS / TEMPORARY & OCCASIONAL USE NOTICE

1. **Unlicensed Family Entertainment Centre (FEC): Gaming Machine Permits (Statement of Principles on Permits - Schedule 10, Paragraph 7)**
- 1.1 Where a premises does not hold a premises licence but wishes to provide gaming machines, it may apply to the licensing authority for this permit. It should be noted that the applicant must show that the premises will be wholly or mainly used for making gaming machines available for use (Section 238).
- 1.2 The Gambling Act 2005 states that a licensing authority may prepare a statement of principles that they propose to consider in determining the suitability of an applicant for a permit and in preparing this statement, and/or considering applications, it need not (but may) have regard to the licensing objectives and shall have regard to any relevant guidance issued by the Commission under section 24.

The Gambling Commission's Guidance for local authorities also states:

[‘In its statement of policy, a licensing authority may include a statement of principles that it proposes to apply when exercising its functions in considering applications for permits. In particular it may want to set out the matters that it will take into account in determining the suitability of the applicant. Given that the premises is likely to appeal particularly to children and young persons, licensing authorities may wish to give weight to matters relating to protection of children from being harmed or exploited by gambling and to ensure that staff supervision adequately reflects the level of risk to this group..]

1.3 Guidance also states:

‘An application for a permit may be granted only if the licensing authority is satisfied that the premises will be used as an uFEC, and if the chief officer of police has been consulted on the application..... The licensing authority may also consider asking applicants to demonstrate:

- a full understanding of the maximum stakes and prizes of the gambling that is permissible in uFECs
- that the applicant has no relevant convictions (those that are set out in Schedule 7 of the Act)
- that employees are trained to have a full understanding of the maximum stakes and prizes.

1.4 It should be noted that a licensing authority cannot attach conditions to this type of permit.

1.5 Statement of Principles - The City of London Corporation will expect the applicant to show that there are policies and procedures in place to protect children from harm. Harm in this context is not limited to harm from gambling but includes wider child protection considerations. The efficiency of such policies and procedures will each be considered on their merits, however, they may include appropriate measures / training for staff as regards suspected truant school children on the premises, measures / training covering how staff would deal with unsupervised very young children being on the premises, or children causing perceived problems on / around the premises.

2. Alcohol Licensed Premises: Gaming Machine Permits - Schedule 13, Paragraph 4(1)

2.1 There is provision in the Act for premises licensed to sell alcohol for consumption on the premises, to automatically have two gaming machines, of categories C and/or D. The premises merely need to notify the licensing authority. The licensing authority can remove the automatic authorisation in respect of any particular premises if:

- provision of the machines is not reasonably consistent with the pursuit of the licensing objectives;
- gaming has taken place on the premises that breaches a condition of section 282 of the Gambling Act (i.e. that written notice has been provided to the licensing authority, that a fee has been provided and that any relevant code of practice issued by the Gambling Commission about the location and operation of the machine has been complied with);
- the premises are mainly used for gaming; or
- an offence under the Gambling Act has been committed on the premises.

2.2 If a premises wishes to have more than two machines, then it needs to apply for a

permit and the licensing authority must consider that application based upon the licensing objectives, any guidance issued by the Gambling Commission issued under Section 25 of the Gambling Act 2005, and ‘such matters as they think relevant.’ The City of London Corporation considers that “such matters” will be decided on a case by case basis but generally there will be regard to the need to protect children and vulnerable persons from harm or being exploited by gambling and will expect the applicant to satisfy the authority that there will be sufficient measures to ensure that people under 18 years of age do not have access to the adult only gaming machines. Measures which will satisfy the authority that there will be no access may include the adult machines being in sight of the bar, or in the sight of staff who will monitor that the machines are not being used by those under 18. Notices and signage may also be of help. As regards the protection of vulnerable persons applicants may wish to consider the provision of information leaflets / helpline numbers for organisations such as GamCare.

- 2.3 It is recognised that some alcohol licensed premises may apply for a premises licence for their non-alcohol licensed areas. Any such application would most likely need to be applied for, and dealt with as an Adult Gaming Centre premises licence.
- 2.4 It should be noted that the licensing authority can decide to grant the application with a smaller number of machines and/or a different category of machines than that applied for. Conditions (other than these) cannot be attached.
- 2.5 It should also be noted that the holder of a permit must comply with any Code of Practice issued by the Gambling Commission about the location and operation of the machine.

3. Prize Gaming Permits: Statement of Principles on Permits - Schedule 14, Paragraph 8 (3)

- 3.1 The Gambling Act 2005 states that a licensing authority may ‘prepare a statement of principles that they propose to apply in exercising their functions under this Schedule’ which ‘may, in particular, specify matters that the licensing authority propose to consider in determining the suitability of the applicant for a permit’.
- 3.2 The City of London Corporation has prepared a Statement of Principles which is that the applicant should set out the types of gaming that he or she is intending to offer and that the applicant should be able to demonstrate:
 - that they understand the limits to stakes and prizes that are set out in Regulations;
 - and that the gaming offered is within the law.
- 3.3 In making its decision on an application for this permit the licensing authority does not need to have regard to the licensing objectives but must have regard to any Gambling Commission guidance.

3.4 It should be noted that there are conditions in the Gambling Act 2005 with which the permit holder must comply, but that the licensing authority cannot attach conditions. The conditions in the Act are:

- the limits on participation fees, as set out in regulations, must be complied with;
- all chances to participate in the gaming must be allocated on the premises on which the gaming is taking place and on one day; the game must be played and completed on the day the chances are allocated; and the result of the game must be made public in the premises on the day that it is played;
- the prize for which the game is played must not exceed the amount set out in regulations (if a money prize), or the prescribed value (if non-monetary prize);
- participation in the gaming must not entitle the player to take part in any other gambling.

4. Club Gaming and Club Machines Permits

4.1 Members Clubs and Miners' welfare institutes (but not Commercial Clubs) may apply for a Club Gaming Permit or a Clubs Gaming machines permit. The Club Gaming Permit will enable the premises to provide gaming machines (three machines of categories B, C or D), equal chance gaming and games of chance as set-out in forthcoming regulations. A Club Gaming machine permit will enable the premises to provide gaming machines (three machines of categories B, C or D).

4.2 The Act states:

[‘...members’ clubs must have at least 25 members and be established and conducted ‘wholly or mainly’ for purposes other than gaming, unless the gaming is restricted to that of a prescribed kind (currently bridge and whist). Members’ clubs must be permanent in nature but there is no need for a club to have an alcohol licence.’]

4.3 The Commission Guidance also notes that ‘licensing authorities may only refuse an application on the grounds that:

- (a) the applicant does not fulfil the requirements for a members’ or commercial club or miners’ welfare institute and therefore is not entitled to receive the type of permit for which it has applied;
- (b) the applicant’s premises are used wholly or mainly by children and/or young persons;
- (c) an offence under the Act or a breach of a permit has been committed by the applicant while providing gaming facilities;
- (d) a permit held by the applicant has been cancelled in the previous ten years; or
- (e) an objection has been lodged by the Commission or the Police.’

4.4 There is also a ‘fast-track’ procedure available under the Act for premises which

hold a Club Premises Certificate under the Licensing Act 2003 (Schedule 12 paragraph 10). As the Gambling Commission's Guidance for local authorities states 'Under the fast-track procedure there is no opportunity for objections to be made by the Commission or the police, and the ground upon which an authority can refuse a permit are reduced.' and 'The grounds on which an application under the process may be refused are:

- (a) that the club is established primarily for gaming, other than gaming prescribed under Schedule 12;
- (b) that in addition to the prescribed gaming, the applicant provides facilities for other gaming; or
- (c) that a club gaming permit or club machine permit issued to the applicant in the last ten years has been cancelled.'

- 4.5 There are statutory conditions on club gaming permits that no child uses a category B or C machine on the premises and that the holder complies with any relevant provision of a code of practice about the location and operation of gaming machines.

5. Temporary Use Notices

- 5.1 There are a number of statutory limits as regards temporary use notices. Gambling Commission Guidance is noted that 'The meaning of "premises" in part 8 of the Act is discussed in Part 7 of this guidance. As with "premises", the definition of "a set of premises" will be a question of fact in the particular circumstances of each notice that is given. In the Act "premises" is defined as including "any place'. In considering whether a place falls within the definition of "a set of premises", licensing authorities will need to look at, amongst other things, the ownership/occupation and control of the premises. This is a new permission and licensing authorities should be ready to object to notices where it appears that their effect would be to permit regular gambling in a place that could be described as one set of premises.'

6. Occasional Use Notices:

- 6.1 The licensing authority has very little discretion as regards these notices aside from ensuring that the statutory limit of eight days in a calendar year is not exceeded. The City of London Corporation will though consider the definition of a 'track' and whether the applicant is permitted to avail him/herself of the notice.

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