



Community & Children's Services Committee

Date: FRIDAY, 8 SEPTEMBER 2017
Time: 11.30 am
Venue: COMMITTEE ROOMS, WEST WING, GUILDHALL

Members:

Rehana Ameer	Angus Knowles-Cutler
Randall Anderson (Deputy Chairman)	The Lord Mountevans
Tom Anderson	Deputy Joyce Nash
Matthew Bell	Barbara Newman
Peter Bennett	Dhruv Patel (Chairman)
Richard Crossan	Susan Pearson
James de Sausmarez	William Pimlott
Mary Durcan	Henrika Priest
John Fletcher	Jason Pritchard
Marianne Fredericks	Deputy Elizabeth Rogula
Prem Goyal	Ruby Sayed
Alderman David Graves	Pooja Suri Tank
Deputy the Revd Stephen Haines	Deputy John Tomlinson
Caroline Haines	Mark Wheatley
Alderman Robert Howard	Deputy Philip Woodhouse
Deputy Catherine McGuinness	George Abrahams
Deputy Henry Jones	Mark Bostock

Co-opted Members: Laura Jørgensen and Matt Piper

Enquiries: Natasha Dogra tel. no.: 020 7332 1434
Natasha.Dogra@cityoflondon.gov.uk

Lunch will be served in Guildhall Club at the rising of the Committee

John Barradell
Town Clerk and Chief Executive

AGENDA

Part 1 - Public Reports

1. **APOLOGIES**
2. **MEMBERS' DECLARATIONS UNDER THE CODE OF CONDUCT IN RESPECT OF ITEMS ON THE AGENDA**
3. **MINUTES**
To agree the minutes of the previous Committee meeting.

For Decision
(Pages 1 - 8)
4. **EDUCATION CHARITY SUB COMMITTEE APPOINTMENTS**
The Committee is invited to appoint four Members to the Education Charity Sub Committee (please find attached the terms of reference).

For Decision
(Pages 9 - 12)
5. **CITY OF LONDON CULTURAL STRATEGY**
Report of the Director of Community and Children's Services.

For Information
(Pages 13 - 28)
6. **BARBICAN AND COMMUNITY LIBRARIES CUSTOMER SURVEY**
Report of the Director of Community and Children's Services.

For Information
(Pages 29 - 40)
7. **QUARTER 1 BUSINESS PLAN UPDATE**
Report of the Director of Community and Children's Services.

For Information
(Pages 41 - 54)
8. **FINANCIAL SUPPORT WITH MAJOR WORKS FOR LEASEHOLDERS**
Report of the Director of Community and Children's Services.

For Decision
(Pages 55 - 66)
9. **QUESTIONS ON MATTERS RELATING TO THE WORK OF THE COMMITTEE**
10. **ANY OTHER BUSINESS THAT THE CHAIRMAN CONSIDERS URGENT**

11. **EXCLUSION OF THE PUBLIC**
MOTION - That under Section 100A(4) of the Local Government Act 1972, the public be excluded from the meeting for the following items of business on the grounds that they involve the likely disclosure of exempt information as defined in Paragraph 3 of Part I of Schedule 12A of the Local Government Act.

For Decision

Part 2 - Non-Public Reports

12. **NON-PUBLIC MINUTES**
To agree the non-public minutes of the previous Committee meeting.

For Decision
(Pages 67 - 68)

13. **CARE LEAVERS COUNCIL TAX EXEMPTION**
Report of the Director of Community and Children's Services.

For Decision
(Pages 69 - 82)

14. **ADULT SOCIAL CARE DEBT WRITE OFF**
Report of the Director of Community and Children's Services.

For Decision
(Pages 83 - 86)

15. **HOUSING DELIVERY PROGRAMME**
Report of the Director of Community and Children's Services.

For Decision
(Pages 87 - 104)

16. **THE CITY OF LONDON CORPORATION COMBINED RELIEF OF POVERTY CHARITY (1073660) - RATIONALISATION OF CHARITABLE FUNDS**
Report of the Director of Community and Children's Services.

For Decision
(Pages 105 - 110)

17. **QUESTIONS ON MATTERS RELATING TO THE WORK OF THE COMMITTEE**

18. **ANY OTHER BUSINESS THAT THE CHAIRMAN CONSIDERS URGENT AND WHICH THE COMMITTEE AGREE SHOULD BE CONSIDERED WHILST THE PUBLIC ARE EXCLUDED**

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COMMUNITY & CHILDREN'S SERVICES COMMITTEE

Friday, 14 July 2017

Minutes of the meeting of the Community & Children's Services Committee held at Committee Rooms, West Wing, Guildhall on Friday, 14 July 2017 at 11.30 am

Present

Members:

Dhruv Patel (Chairman)	The Lord Mountevans
Randall Anderson (Deputy Chairman)	Deputy Joyce Nash
Tom Anderson	Barbara Newman
Matthew Bell	Susan Pearson
Peter Bennett	William Pimlott
Richard Crossan	Deputy Elizabeth Rogula
James de Sausmarez	Pooja Suri Tank
Mary Durcan	Deputy John Tomlinson
Marianne Fredericks	Deputy Philip Woodhouse
Prem Goyal	George Abrahams
Alderman David Graves	Mark Bostock
Deputy the Revd Stephen Haines	
Deputy Catherine McGuinness	
Angus Knowles-Cutler	

Officers:

Paul Murtagh	-	Community & Children's Services Department
Mark Lowman	-	City Surveyor's Department
Jacquie Campbell	-	Community & Children's Services Department
Natasha Dogra	-	Town Clerk's Department
Chris Pelham	-	Community & Children's Services Department
Mike Kettle	-	Community & Children's Services Department
Neal Hounsell	-	Community & Children's Services Department
Gerald Mehrtens	-	Community & Children's Services Department
Mark Jarvis	-	Chamberlain's Department

1. APOLOGIES

Apologies had been received from Rehana Ameer, John Fletcher, Caroline Haines, Alderman Robert Howard, Deputy Henry Jones, Henrika Priest, Jason Pritchard, Ruby Sayed, Mark Wheatley and Matt Piper.

It was noted that John Fletcher, Deputy Henry Jones and Jason Pritchard were attending the funeral of a local resident.

2. MEMBERS' DECLARATIONS UNDER THE CODE OF CONDUCT IN RESPECT OF ITEMS ON THE AGENDA

There were no declarations of interest.

3. **MINUTES**

Resolved – that the minutes be agreed as an accurate record.

It was noted that Ruby Sayed had been appointed as the Safeguarding Lead Member and Marianne Fredericks had been appointed as the Adult Safeguarding Lead Member.

4. **PRESENTATION: LEISURE CENTRE AND SPORT DEVELOPMENT SERVICE**

The Committee received a presentation from Fusion Lifestyle regarding leisure centre and sports development. Members noted that for Fusion Lifestyle total income was down by 19% year on year. Total participation was down by 17% year on year. As for Golden Lane Sport & Fitness participation was down by 17% year on year whilst membership line was down by 6% year on year. This has happened due to the increased competition in the area from the City University and the gym; this made it difficult to attract new members in a competitive market. Another reason was that sports hall floor affected participation for badminton schools and junior activities such as indoor tennis and gymnastics. This equates to a £12,000 reduction in income based on June to December year on year.

For Golden Lane sport & Fitness their actual income was £674,000 (down by 15%) whilst the reported figure was £649,000 (down by 19%). In terms of participation for Golden lane & Fitness the projected actual attendance was 98,595 compared to the reported figure of 79,933. However, Fusion are doing all they can to improve their performance, for example Fusion have installed 16 new spin bikes in February 2017, they have also launched an app in May 2016, developed the swimming school to reach capacity and also increasing group exercise programme.

Fusion has projected how their improvements in performance will affect the participation and income of Fusion leisure centres. In terms of income, they expect a 1% growth in income year on year, also a grow membership by 1.5% year on year. In terms of participation, they expect an increase of 1% in overall participation (80,522), also an increase in target group participation by 2% year on year (50,846)

Fusion have been engaged in increasing sports development through community engagement by the availability of after school clubs which include 22 sessions across 9 local schools. They have also included a swim school which they have a target to grow by 10%. Fusion have organised a variety of events to increase sports development, there has been London Youth Games which they have achieved a Gold medal in swimming and top 5 finish in Tennis. Fusion also plans to introduce projects such as City Of London Mini Olympic Provision. £225,000 bid has been submitted to deliver a football tournament (October 2017) and an Athletics (May 2018).

In order to ensure the project is sustainable Fusion has recommended transferring all members to direct debit members, this would lead to increase

monthly direct debit fees from £2.08 to £2.50. Fusion have recommended this change as there would be a more realistic picture of active members and ease of members to cancel with illness or holiday periods. This would benefit Fusion in many ways such as better management and more realistic picture of active members.

In response to a question from a member relating to the introduction of a 'young' plan which has an appealing price plan aimed at those aged 25 years of and under, which could potentially entice users and increase participation, members were informed that this question would be taken into consideration and fed back to the committee.

In response to a question from a member relating to customer engagement and whether Fusion Lifestyle had sought the views of its customers, members were informed that there is a stakeholder engagement plan in place which liaises with service users and seeks their views on services offered. The feedback received is reviewed and monitored on a regular basis.

In response to a question from a member as to how the services offered by Fusion Lifestyle compare with the costs of services provided by other leisure centres, members were informed that the costs of services are higher, as Fusion Lifestyle pays its staff the London living wage. In addition, the swimming pool is costs are higher due to other associated costs and having a lifeguard on site during the swimming pool opening hours.

In response to a question from a member as to why the repairs of the sports hall and the ladies cubicles took up to a period of six months before any action was taken, members were informed that this was partially due to liaising with the Insurance provider. A detailed overview can be provided. In relation to the repairs of the ladies cubicles, it was acknowledged that the repairs took longer than usual. However, members were informed that there is now a new general manager who ensures that repairs are completed in adequate time.

In response to a question from a member regarding the accounts, the allocation of costs and overheads, members were informed that the monthly reports of accounts is sent to the Corporation of London and includes detailed breakdown of all allocation of costs and overheads.

Resolved – that Members received the presentation.

5. **FIRE SAFETY IN THE CITY'S RESIDENTIAL BLOCKS**

Members noted the report of the Director of Community and Childrens Services. In addition it noted the amended and recirculated Appendix A in relation to the City of London Residential Blocks with four of more floors.

Officers were commended for their hard work and efforts during this difficult period.

In response to a question from a member relating to issues about rubbish being placed outside of estate buildings, and the confusion surrounding whether

individuals should stay inside their homes or wait for the fire brigade, members were informed that FAQ sheets had been circulated to all estates and webpages providing key information were also available.

In response to a question from a member as to whether the risk assessment icon could be placed on websites for reassurance, members were informed that this had been actioned.

In response to a question from a member as to how confident officers were that the contractors hired to carry out works within estates were competent, members were informed that the contractors went through a stringent procurement and tendering process. The City of London Corporation is confident in the contractors chosen.

In response to a question from a member as to whether there was a timetable available of when works relating to the installation of sprinklers and appropriate fire doors would be undertaken, members were informed that a meeting is scheduled to take place with the consultants on Monday 17 July. It is anticipated that by September/October, a feasibility study on the sprinkler system should have been conducted which will inform the steps moving forward. In relation to the Fire doors, it was noted that this would cost in the region of £3 - £5 million pounds. It was noted that a systematic approach is being used to complete works and therefore it is difficult to give a time estimate on the works due to be undertaken.

In response to a question from a member as to whether work on estates should be put on hold temporarily whilst they await the outcome of the Grenfell report and the reasons for the fire, members were informed that there are pressure issues on Great Arthur House which need auctioning irrespective of the outcome of the fire at Grenfell.

Resolved that:-

- (a) Fire risk recommendations are brought to future meetings

6. REVENUE OUTTURN 2016/17 - COMMUNITY AND CHILDREN'S SERVICES COMMITTEE

Member received the report which compared the 2016/17 revenue outturn for the non-Housing Revenue Account (HRA) services overseen by your Committee with the final agreed budget for the year. The Director of Community and Children's Services local risk budget was underspent by £16,000 with an overspend on all risks of £17,000.

The Director of Community and Children's Services is proposing to carry forward

£16,000 of his local risk underspend for identified purposes of this Committee. These proposals will be considered by the Chamberlain in consultation with the Chairman and Deputy Chairman of the Resource Allocation Sub-Committee and, if agreed, will be added to the Director's budgets for 2017/18.

Resolved – that Member received the report.

7. HOUSING REVENUE ACCOUNT - OUTTURN 2016/17

The Committee noted the outturn for the Housing Revenue Account (HRA) in 2016/17 with the final agreed budget for the year.

- The total net transfer from reserves for the year was £1.963m, whereas the final agreed budget assumed £0.236m, this was mainly a result of a £2.0m higher than budgeted transfer to the Major Repairs Reserve (MRR) to fund increased capital expenditure expected in 2017/18. Revenue Reserves ended the year with a balance of £8.139m.
- The Major Repairs Reserve ended the year with a balance of £6.497m, £2.712 more than expected, mainly due to the increased transfer from the Revenue reserves of £2.0m and £0.7m lower capital expenditure.

Members were informed that a bid had been made to cover all schemes. As a result, the City of London Corporation were successful in winning £14.6 million which will be put towards eight schemes.

Resolved – that Members received the report.

8. HOMELESSNESS BUDGET PROPOSALS

The City of London Corporation is likely to incur increased costs in fulfilling its statutory duty to assist some homeless households. It is also experiencing a significantly increased level and complexity of rough sleeping, to which its current level of service is unable to fully respond.

The paper sets out the forecast increase in the cost of meeting these demands and a range of additional specialist services to tackle them (budgeted at £427,000). The Corporation seeks Members' approval for this budget.

It was pointed out to members that the recommendation for 2017/18 should read £195.5k.

In response to a question from a member as to whether there were targeted accommodation for women only, Members were informed that the resources will be used to tailor the services required.

Resolved that Members approve the increase in 2017/18 of £195,500 and a permanent increase in the baseline budget of £427,000 in subsequent years.

9. PORTSOKEN PAVILION/ ALDGATE SQUARE UPDATE

Members noted that the Aldgate Square development is a major public realm project, managed by the Department of Built Environment. A Pavilion is included in the project, from which a café will operate. In 2015 Members agreed that the Pavilion should be operated by a social enterprise, commissioned by Community and Children's Services. City Surveyors have managed the construction of the Pavilion. In September 2015 Community and Children's Services Committee awarded the contract to operate the Pavilion to Kahaila.

The Pavilion was originally scheduled to open in Autumn 2016. However in October 2016 Community and Children's Services Committee were informed of significant delays in the completion of the construction of the Pavilion, until Autumn 2017, and agreed to offer a one year rental contract to Kahaila in temporary premises at 6 Harrow Place to ensure a service was being provided in the local area.

In January 2017 Community and Children's Service Committee were informed that the anticipated completion date for both the Pavilion and the Square was the end of 2017.

In September and October 2016 Streets and Walkways Sub Committee agreed a split reporting structure where the City Surveyor reported on the specifics of the Pavilion and the Director of Built Environment reported on the overall project.

For Community and Children's Services Committee, whose main interest is the management of the Pavilion, once it is open, the key issue is that the completion of the Pavilion is still scheduled to take place by the end of 2017. However the completion of Aldgate Square is now scheduled for March 2018 so earlier access to the Pavilion may have to be facilitated by a temporary footway as the finished surface surrounding the Pavilion may not be constructed by the time it opens.

Resolved – that the report be received.

10. **CITY OF LONDON CORPORATION'S APPRENTICESHIPS PROGRAMME**

Members noted that the City of London Corporation confirmed its commitment to delivering 100 apprenticeships across its departments in 2017/18. This level will be maintained each year. This report provides an update on progress to meet that commitment. Following a departmental internal skills audit which took place during autumn 2016, COLC managers identified their apprenticeship needs. The recruitment of the first of four annual cohorts was completed in April/May 2017. The response to the marketing and promotional campaign has exceeded our expectations. The service received approximately 800 applicants for a total of 39 apprenticeships. Of these, 29 positions have been filled in the first cohort and 10 positions have been extended into the second cohort.

The first cohort of new apprentices attended an induction session at Guildhall in June 2017. The marketing campaign for the second cohort of 43 apprentices will focus strongly on school leavers in summer 2017. The campaign is currently underway.

Resolved – that the report be received.

11. **JOINT HEALTH AND WELLBEING STRATEGY AND ACTION PLAN**

Member received the *City of London Joint Health and Wellbeing Strategy and Action Plan* for information. The Strategy sets out the City of London Health and Wellbeing Board's commitment to improving the health of City residents, workers and rough sleepers against five key priorities. These are:

- Priority 1: Good mental health for all
- Priority 2: A healthy urban environment
- Priority 3: Effective health and social care integration
- Priority 4: Children have the best start in life
- Priority 5: Promoting healthy behaviours.

Resolved – that Members approved the Action Plan.

12. REVISED ELIGIBILITY CRITERIA FOR THE CITY EDUCATIONAL TRUST FUND AND THE CITY OF LONDON CORPORATION COMBINED EDUCATION CHARITY

In accordance with its Terms of Reference, the Education Charity Sub (Education Board) Committee has reviewed the eligibility criteria for the City Educational Trust Fund (Charity Number 290840) and the City of London Corporation Combined Education Charity (Charity Number 312836) (the Charities) and recommends the revised eligibility criteria for the two Charities. The new eligibility criteria for the Charities aim to streamline the assessment process, reduce costs of charity administration and maximise expenditure of funds to further the Charities' aims.

Resolved – that Members of the Community & Children's Services Committee are

- Consider the amended eligibility criteria for the Charities.

Members of the Education Board are asked to:

- Approve the amended eligibility criteria for the Charities; and
- Approve the dates for the next deadline of the Education & Employment theme of the Central Grants Programme.

13. QUESTIONS ON MATTERS RELATING TO THE WORK OF THE COMMITTEE

There were no questions.

14. ANY OTHER BUSINESS THAT THE CHAIRMAN CONSIDERS URGENT

Middlesex Street Development Working Group

Members received a paper which sets out the history of the working group. The recommendations were agreed. Further, it was noted that Randall Anderson, Prem Goyal, and Peter Bennett would sit as members on the group.

Resolved that:-

Members agreed to rename the group the Middlesex Street Development Working Group.

15. EXCLUSION OF THE PUBLIC

MOTION – That under Section 100(A) of the Local Government Act 1972, the public be excluded from the meeting for the following items on the grounds that they involve the likely disclosure of exempt information as defined in Part I of the Schedule 12A of the Local Government Act.

The meeting ended at 1.00 pm

Chairman

**Contact Officer: Natasha Dogra tel. no.: 020 7332 1434
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Committee: Education Board	Date: 25 May 2017
Subject: Appointment of Sub Committees 2017/18	Public
Report of: Town Clerk	For Decision
Report Author: Alistair MacLellan	

Summary

This paper outlines the terms of reference and composition of the Nominations Sub Committee and Education Charity Sub Committee and invites the Education Board to appoint those Sub Committees and their memberships.

Recommendation(s)

That Members,

- Review and approve the proposed terms of reference and composition of both the Nominations Sub Committee and Education Charity Sub Committee;
- Subject to its composition being approved, appoint two Common Council Members to serve on the Nominations Sub Committee;
- Appoint two Members to serve on the Education Charity Sub Committee.

Main Report

Background

1. The first meeting of each City of London Corporation Committee and Board after its appointment by the Court of Common Council provides an opportunity to establish any Sub Committees that Members consider are necessary for the Board or Committee to carry out its functions.
2. To date the Education Board has chosen to appoint a Nominations Sub Committee and an Education Charity Sub Committee. The purpose and composition of these Sub Committees is outlined below.

Nominations Sub (Education Board) Committee

3. The Nominations Sub (Education Board) Committee is responsible for reviewing the skills audit of Education Board Members, and recommending to the Education Board the appointment of external Members in the event of any vacancies arising among external Members on the Board.
4. It is proposed that the Nominations Sub (Education Board) Committee is constituted to include both the Chairman and Deputy Chairman of the Education Board, and at least two additional Members. A proposed terms of reference for this sub committee is included as an appendix.

Education Charity Sub (Education Board) Committee

5. Following the City of London Corporation's Grants Review, the Education Board has been given responsibility for managing the City of London Corporation Combined Education Charity and the City Educational Trust Fund. The Board is responsible for consulting with the Community and Children's Services Committee on any policy adopted for the application of grants from those charities.
6. The composition of the Education Charity Sub (Education Board) Committee is set by the Court of Common Council: it must be composed of four members of the Education Board and four members of the Community and Children's Services Committee.

Alistair MacLellan

Town Clerk's Department

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Appendix

Nominations Sub (Education Board) Committee Terms of Reference

Constitution

- Chairman and Deputy Chairman of the Education Board.
- At least two members of the Education Board, who are also members of the Court of Common Council.

[Membership 2016/17: Catherine McGuinness, Henry Colthurst, Randall Anderson, Chris Hayward, Virginia Rounding, Sheriff & Alderman William Russell]

Quorum

- Any three members.

Terms of Reference

- Review the skills audit of the Education Board's membership and identify areas in which the Board would benefit from the addition of expertise;
- Review supporting statements from interested parties who wish to be considered as external members of the Education Board;
- Make recommendations on the appointment of external candidates to the Education Board.

Education Charity Sub (Education Board) Committee

Terms of Reference

Constitution

- Chairman and Deputy Chairman of the Education Board, and two further Members of the Education Board.
- Four Members appointed by the Community and Children's Services Committee.

[Membership 2016/17: EDUCATION BOARD Catherine McGuinness, Henry Colthurst, Randall Anderson, Deputy John Bennett COMMUNITY AND CHILDREN'S SERVICES COMMITTEE John Fletcher, Deputy Bill Fraser, Ann Holmes, Philip Woodhouse]

Quorum

- Any three Members.

Terms of Reference

- To be responsible for the application of funds from the City of London Combined Education Charity (registered charity no. 312836) and the City Educational Trust Fund (registered charity no. 290840), in line with any policy set by the Education Board governing the management of those charities.
- To review the eligibility criteria of those charities ahead and make any recommendations on proposed amendments to the Education Board.
- To make recommendations to the Education Board on any policy governing the management of the City of London Combined Education Charity (registered charity no. 312836) and the City Educational Trust Fund (registered charity no. 290840).

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Agenda Item 5

Committee(s)		Dated:
Culture Heritage and Libraries	For decision	04/09/17
Community and Children's Services	For information	08/09/17
Education Board	For information	14/09/17
Board of Governors of the Guildhall School	For information	18/09/17
Barbican Centre Board	For information	27/09/17
Planning and Transportation	For information	03/10/17
Board of Governors of the Museum of London	For information	04/10/17
Open Spaces	For information	11/10/17
Cultural Hub Working Party	For information	18/10/17
Policy & Resources Committee	For decision	19/10/17
Court of Common Council	For decision	07/12/17
Subject: City of London Cultural Strategy		Public
Report of: Assistant Town Clerk and Cultural Hub Director		For Decision
Report author: Matt Pitt, Policy and Projects Officer		

Summary

The City of London Corporation's current cultural strategy expires at the end of December 2017. It came into effect during the 2012 Cultural Olympiad but no longer reflects the full extent of the organisation's activities across arts, culture, heritage and learning or its new and emerging ambitions.

Following a successful tender process, Global Cities Limited were appointed in May to assist the organisation in developing a new cultural strategy. A draft of the strategy is included as an appendix to this report.

Recommendation(s)

Members of Culture, Heritage and Libraries Committee, Policy and Resources Committee and the Court of Common Council are asked to:

- Provide any comments on the draft strategy; and
- Approve the draft strategy for formal adoption by the City of London Corporation.

Members of other committees listed above are asked to:

- Note the draft strategy; and
- Provide any comments for consideration by the Policy and Resources Committee on 19 October before the Strategy is finally considered by the Court of Common Council on 7 December 2017.

Main Report

Background

1. The City of London Cultural Strategy 2012-17 will expire at the end of the year. Whilst previous drafts of a new strategy had been made, it was felt that the organisation needed to move away from the descriptive strategy of 2012-17 to a more strategic high-level document for the future that reflected the strong ambitions of the City of London Corporation within it. A fresh approach was required.
2. Global Cities were engaged to assist the organisation in developing the new strategy. They conducted interviews with officers and Members across the organisation including Town Clerk's Cultural Services, Department for the Built Environment, the Guildhall School and the Barbican. Key partners such as the London Symphony Orchestra and Museum of London were also involved and external organisations the GLA, DCMS and Arts Council England have been consulted.
3. Following the interview stage, certain themes and ideas began to emerge. In order to test these, a workshop was established which stakeholders were invited to. This workshop was held immediately after the Place Steering Group on 19 June and involved officers from that group as well as Members. The draft appended to this report (Appendix A) is very much a reflection of both the interviews and the key themes which emerged at the workshop.
4. Throughout the process close attention has been paid to ensuring the draft strategy aligns with existing strategies and particularly the emerging Corporate Plan. On 27 July, the Summit Group approved the current draft for progression through committees in autumn 2017 in order to have a new strategy in place by the start of the New Year.

Strategy

5. The strategy is broken down into two parts – an executive summary with the vision, the City's role, our values & strategic objectives and the full strategy document. The latter goes into greater detail, particularly on the 10 strategic objectives, why these are important, and outlines some priority actions for the organisation to progress.
6. The Strategy is deliberately high level and ambitious and will be delivered by departments across the organisation. Whilst there are objectives and priority actions which readers will recognise as supporting existing activity there are also new objectives designed to challenge the organisation over the coming years. These ambitions very much reflect conversations that have taken place throughout the process. Subject to the strategy being approved by Members, business planning will need to address the new strategic objectives and priority actions appropriately.
7. The strategy is currently formatted for an internal audience, however, it will be a key tool in communicating the unique and valuable contribution that the City of

London Corporation makes to external audiences. It is therefore anticipated that the strategy will be professionally produced following its formal adoption.

Proposals

8. It is proposed that Members of Culture, Heritage and Libraries Committee, Policy and Resources Committee and Court of Common Council provide any comments on the draft strategy and approve the draft strategy for formal adoption by the City of London Corporation.
9. It is further proposed that Members of other committees receiving this report note the draft strategy and provide any comments for consideration by the Policy and Resources Committee before the Strategy is finally considered by the Court of Common Council on 7 December 2017.

Conclusion

10. A new cultural strategy has been developed in partnership with Global Cities Ltd. It reflects the brief for the strategy to be high-level and ambitious whilst also addressing the organisation's existing activities across the sector. The strategy also seeks to frame new initiatives such as Culture Mile and the Cultural Education Partnership.

Appendices

- Appendix A – Draft Cultural Strategy

Matthew Pitt

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Draft City of London Cultural Strategy – Executive Summary

We want to:

Seize a once in a generation opportunity to reposition the City as a world capital for commerce and culture, harnessing the power of arts, heritage, learning and libraries to make the Square Mile far more open, creative, resilient and entrepreneurial. We will work collaboratively with cultural partners to drive social and economic change and contribute to a thriving city.

The City has a unique combination of roles:

- A major investor in an extraordinary cluster of diverse cultural organisations with considerable profile, reach and influence in London, the UK and abroad
- A convening power that brings together cultural partners in the City with other stakeholders to achieve social and economic impact – being greater than the sum of our parts
- A landowner and planning body which can embed creativity into the urban fabric and act as a beacon of place-based regeneration
- A long term custodian of heritage but also a facilitator of innovation, creative talent and new entrepreneurial ideas
- An independent voice speaking about the role of culture at regional, national and international levels

Our values:

- We believe in the power of innovation and creativity to generate wealth for people in a long term, sustained way – commerce and culture are intertwined throughout the City's history.
- We expect the City and our cultural partners to be open, communicative, responsive and welcoming to a diverse range of people, businesses and visitors
- We are a global, flexible and cosmopolitan city yet have a strong sense of pride in our place, history, neighbourhoods and identity
- We value cultural learning and engagement as an essential part of the cultural experience, but also for the transformative personal, social and economic impact this can have
- We recognise and embrace the diversity of London's culture and champion the excellence and innovation that this brings
- We prioritise areas under our direct control but are mindful of our responsibility to work with others to support the wider needs of the capital and the UK
- We seek to be joined up, agile, experimental and generous in our approach as a catalyst and convener at the forefront of cultural, economic and social change

In the next five years we want to [Strategic Objectives]:

1. Transform the City's public realm and physical infrastructure, making it a more open, distinct, welcoming and culturally vibrant destination

2. Develop Culture Mile in the north west of the City which will become an exciting destination for London and act as a catalyst for change across the rest of the Square Mile
3. Support cultural excellence in a range of fields and champion an ethos of creative risk taking, innovation and artistic citizenship
4. Support an exemplary Cultural Education Partnership and enable our world-leading institutions to cultivate the creativity, skills and knowledge of the next generation
5. Become a leading centre of the digital and creative economy and unlock the creative potential and resilience of individuals and businesses using our estate and resources
6. Promote our cultural, heritage and creative strengths in the UK and abroad
7. Better promote our world class cultural offer and use our wealth of outdoor spaces to widen its appeal to a more diverse audience in the City and beyond
8. Work better with cultural organisations to build their capacity and engage with City businesses and employees, so that they can become more resilient
9. Play our part as a catalyst and convener in supporting and connecting with the wider cultural ecology of the capital and the rest of the UK
10. Develop clear leadership on culture: working in collaboration with cultural partners to develop our skills, align our objectives, develop performance measures, communicate our impact and build our capacity to be more than the sum of our parts

Draft

Draft City of London Cultural Strategy

Vision

Throughout history, the City of London has been a place where commerce and creativity have thrived side by side. As well as being one of the world's oldest and most important financial hubs the Square Mile has fostered over centuries the long-term growth of arts and crafts, public entertainment, green spaces, marketplaces, fairs, and pageantry. Since the late twentieth century the City has become a world class centre for culture, with an extraordinary concentration of institutions like the Barbican, the Museum of London, the London Symphony Orchestra and the Guildhall School of Music and Drama, as well as a range of heritage assets, libraries, exciting outdoor events and cutting edge contemporary art programmes like Sculpture in the City. Investing over £80m every year, the City is the fourth largest funder of culture in the UK.

The City's support for culture is intrinsic to its strategy because of the core belief that the free exchange of commerce is intertwined with the free exchange of creative ideas. The City has always been a unique meeting place in the world for entrepreneurs, ideas and talent - the original co-working space. Our support for culture also reflects a strong belief in a richer kind of wealth, which includes people's wellbeing, quality of life and sense of place and community.

The City today has the most vibrant ecology of cultural organisations, creative businesses and practitioners anywhere in the UK. We may be a global city but our cultural organisations are also grounded in a strong sense of place and want to serve the diverse people of the City they inhabit. Our definition of culture is broad and inclusive; it exists in both the buildings and heritage of our great institutions as well as our streets and the informal cultural spaces in between. It is for everyone, not just a narrow elite, and is a powerful driver of social mobility.

However, in recent years, the City's physical infrastructure and ways of working have not kept pace with our needs. Too often our cultural buildings have felt closed and hidden away. We have a rich and varied range of cultural assets and programmes, but we could do much more to promote them in the UK and abroad. Our cultural organisations are pioneers in research and experiment, but this is not visible in our streetscape. In short, we need to restate our role as a world capital of both commerce *and* culture.

At the start of the twenty-first century the City is also at a pivotal moment in its history. London is a global leader in finance, creative industries and technology. Despite politically uncertain times, there is a will to reach out to new trading partners and open up to more investment and talent. At home, the arrival of Crossrail in 2018 will transform the City's connectivity with the South East and bring an entirely new population into the area. Culture will play an important part in these changes.

In light of these factors, there is a once in a generation opportunity to open up the City in radical new ways so that we can welcome more people, stimulate more creative interactions and in doing so, build a sustainable long term future. We want to create a future for the arts, culture and heritage in the City because they are vital to developing People, Prosperity and Place.

Over the next five years, we will work with our cultural partners to transform the physical and social environment of the City and make it far more open, creative, resilient and entrepreneurial. We intend to invest significantly in the urban fabric of the Square Mile to make it more inviting to visitors and reveal the special cultural and historic character of the area. We want to energise people of all ages, especially the young, and inspire them to engage with the learning opportunities all

around them and perhaps pursue careers in the creative and tech sectors. We want to reflect the remarkable international quality of our businesses, people and cultural offer in our built environment. Above all, we want to champion excellence and innovation in all that we do.

All this requires purposeful leadership as well as working collaboratively. This strategy sets out the key objectives of our work, the values underpinning our approach, and the practical steps to realise them.

Catherine McGuinness

Lord Mayor

We want to:

Seize a once in a generation opportunity to reposition to the City as a world capital for commerce *and* culture, harnessing the power of arts, heritage, learning and libraries to make the Square Mile far more open, creative, resilient and entrepreneurial. We will work collaboratively with cultural partners to drive social and economic change and contribute to a thriving city.

The City has a unique combination of roles:

- A major investor in an extraordinary cluster of diverse cultural organisations with considerable profile, reach and influence in London, the UK and abroad
- A convening power that brings together cultural partners in the City with other stakeholders to achieve personal, social and economic impact – being greater than the sum of our parts
- A landowner and planning body which can embed creativity into the urban fabric and act as a beacon of place-based regeneration
- A long term custodian of heritage but also a facilitator of innovation, creative talent and new entrepreneurial ideas
- An independent voice speaking about the role of culture at regional, national and international levels

Our values:

- We believe in the power of innovation and creativity to generate wealth for people in a long term, sustained way – commerce and culture are intertwined throughout the City’s history.
- We expect the City and our cultural partners to be open, communicative, responsive and welcoming to a diverse range of people, businesses and visitors
- We are a global, flexible and cosmopolitan city yet have a strong sense of pride in our place, history, neighbourhoods and identity
- We value cultural learning and engagement as an essential part of the cultural experience, but also the transformative personal, social and economic impact this can have
- We recognise and embrace the diversity of London’s culture and champion the excellence and innovation that this diversity brings

- We prioritise areas under our direct control but are mindful of our responsibility to work with others to support and connect with the wider needs of the capital and the UK
- We seek to be joined up, agile, experimental and generous in our approach as a catalyst and convener at the forefront of cultural, economic and social change

In the next five years we want to [Strategic Objectives]:

1. Transform the City's public realm and physical infrastructure, making it a more open, distinct, welcoming and culturally vibrant destination
2. Develop Culture Mile in the north west of the City which will become an exciting destination for London and act as a catalyst for change across the rest of the Square Mile
3. Support cultural excellence in a range of fields and champion an ethos of creative risk taking, innovation and artistic citizenship
4. Support an exemplary Cultural Education Partnership and enable our world-leading institutions to cultivate the creativity, skills and knowledge of the next generation
5. Become a leading centre of the digital and creative economy and unlock the creative potential and resilience of individuals and businesses using our estate and resources
6. Promote our cultural, heritage and creative strengths in the UK and abroad
7. Better promote our world class cultural offer and use our wealth of outdoor spaces to widen its appeal to a more diverse audience in the City and beyond
8. Work better with cultural organisations to build their capacity and engage with City businesses and employees, so that they can become more resilient
9. Play our part as a catalyst and convener in supporting and connecting with the wider cultural ecology of the capital and the rest of the UK
10. Develop clear leadership on culture: working with cultural partners to develop our skills, to align our objectives, develop performance measures, communicate our impact and build our capacity to be more than the sum of our parts

Strategic Objectives

- 1. Transform the City's public realm and physical infrastructure to make it a more open, distinct, welcoming and culturally vibrant destination**

The City has long been recognised as the financial and business district of London and for over a century the physical infrastructure of the Square Mile has grown up to serve this primary function. However, there is a strong desire today to reposition the City as a centre for both commerce *and* culture, recognising that the area is also the historic centre of the capital and a vibrant cultural destination. There is a need to renew and reconfigure the public realm and make the City more open, welcoming, and conducive to all users' needs.

Priority actions

- Major investment in public realm improvements across the Square Mile, including better wayfinding and improving physical infrastructure
- Strengthening the visibility of cultural organisations and sense of welcome
- Integrating digital and creative ideas into the urban fabric and creating more connected routes for visitors that reveal the cultural and heritage offer

- Continuing to invest in the City's cultural partners, drawing on their expertise and entrusting them collectively to deliver world class programmes that keep the City at the forefront of cultural change
- Developing, enhancing and animating open and green spaces
- Emphasise the international character of the City's environment in order to attract businesses and serve their needs

2. Develop Culture Mile in the north west of the City which will become an exciting cultural destination for London and act as a catalyst for change across the rest of the Square Mile

The north-west area of the Square Mile contains an extraordinary cluster of diverse and collaborative cultural organisations. However for decades the area has suffered from a particularly poor quality public realm and lack of wayfinding, especially by comparison to the neighbouring areas of St Paul's and Tower Bridge. The original design for the Barbican estate deliberately envisaged a separation between its residents and the street level; as a result there is little outward sign of the rich culture and heritage of the area or sense of welcome. As other parts of London have developed or are developing distinct cultural identities (Southbank, South Kensington Quarter, and more recently, the Olympic Park and the Knowledge Quarter), this weak visibility is even more unsatisfactory. In 2013 the City decided to develop the idea of a new cultural hub to improve the quality of public spaces, create a distinct sense of identity and arrival, improve visitor experience, encourage more tourism, and facilitate new forms of collaboration between organisations. There is now a collective aspiration to enhance the cultural offer and invite more participation from visitors, residents and businesses. Whilst Culture Mile will be a distinct spatial area with unique licensing and planning conditions, it will act as a centre of energy, activating a similar cultural transformation for the entire Square Mile.

Priority actions

- Reinforce the partnership of cultural, creative and corporate organisations within and outside the Hub, sharing resources and working together to create an 'internationally renowned, distinct, welcoming and vibrant centre for arts, heritage and learning'.
- Make cultural activity and heritage visible in the streetscape, lighting and environment, and ensure the public realm is designed to be conducive to shared programming by Hub members.
- Develop a wider spatial masterplan for the area which recognises 'zones' for particular activities, e.g. an evening economy, protected residential areas.
- Progress unique licensing and planning agreements, to support the delivery of Culture Mile aspirations
- Plan for a new leisure/evening economy and engage with residents and businesses on their concerns
- Work with cultural partners to develop a world class food offer to enhance the visitor economy
- Learn from best UK and international practice and be inspired to experiment with new ideas and partners

3. Support cultural excellence in a range of fields and champion an ethos of innovation, creative risk-taking and artistic citizenship

It is vital that our investment in culture recognises its intrinsic power and the transformative effect it has on audiences and participants. For our cultural organisations, the belief in risk-taking is core to their business and requires strong investment. We believe cultural excellence can take many diverse forms and this is reflected in the sheer range of cultural venues, activities and programmes we fund; cinema, theatre, music, visual arts, architecture, heritage, street art, libraries, learning and engagement, open spaces, outdoor events, and more. In order to achieve this, there is a need to engage and support the very best creative professionals including artists, educators, librarians, curators, programmers. In addition, there is a need to enable research, experimentation, international and national touring, and joint working to ensure the organisations we fund remain as cutting edge, internationally relevant and as creative as the City in which they are based.

Priority Actions

- Supporting existing cultural organisations with sustained investment and resources, working closely to help them realise their ambitions
- Encouraging new partnerships and international touring to stimulate new thinking and create new income streams
- Facilitate joint working and new programming ideas to capitalise on the potential of Culture Mile and other opportunities in the public realm in the Square Mile

4. Support an exemplary Cultural Education Partnership and enable our world-leading institutions to cultivate the creativity, skills and knowledge of the next generation

The City is a centre of world class culture with millions of people enjoying performances, events and opportunities every year. However equally important, it is the site of possibly the largest collection of cultural learning opportunities for people of all ages. Every day we are building the audiences, artists and creative professionals of the future. As a network, the City's cultural partners reach millions of people through school visits, large-scale off-site participatory events, learning resources, on-site classes and workshops, and world-class conservatoire education. Our School Visits Fund provides travel grants to enable schools in London to visit cultural organisations in the Square Mile. The Museum of London and Barbican-Guildhall Creative Learning have well-respected schools programmes, outreach events and concerts, the Guildhall School has the largest under-18s offer of any organisation in the UK, and the LSO has pioneered high quality music education in the ten east London boroughs, setting the standard for music hubs around the country. These organisations work with City academies and independent schools but also with schools in the surrounding boroughs, spreading their professional excellence and expertise. They also work with local socially disadvantaged residents, addressing issues of mental health, wellbeing, social cohesion and lifelong learning. Our learning and engagement programmes bring together people from all walks of life and help support social mobility as well as engender a sense of community.

To strengthen the link between the City's Education Strategy and cultural organisations, there will be a new Cultural Education Partnership. This will work to encourage deeper collaboration and develop shared programmes and digital resources for greater impact. As the pressure on cultural education in school grows, it will be even more important to engage with headteachers and provide simple and effective routes for support. It is also a priority to offer world-leading higher education and training to future performers, creative professionals, technicians, leaders and teachers, fulfilling their potential as creative citizens. All of this will help the City to achieve its ambition of enriching the lives for people from all walks of society.

Priority Actions

- Support initiatives that encourage London schools, especially in disadvantaged areas, to engage with the cultural life of the City; for instance, the Schools Visits Fund.
- Develop a single 'front door' for under-18s offering a mix of formal and informal high quality vocational training across creative skills and performing arts areas.
- Develop a series of innovative initiatives to be delivered as part of Culture Mile Learning, which develop the combined skills needed for 21st century success and position the cultural hub as a learning destination
- Support Culture Mile Learning to develop a sustainable business model and their capacity to work intensively with other London boroughs to address social mobility
- Create a unified digital strategy that amplifies and enhances the world-class offer available to schools and families across the City's cultural organisations and programmes
- Develop the wider physical and digital infrastructure that will enable access to cultural experiences and progression of fusion skills
- Create a strengthened music and performing arts education programme to support London's Music Hubs and local Cultural Education Partnerships, in preparing the ground for the proposed Centre for Music's, Museum of London and wider Culture Mile Learning ambitions
- Develop fast-track programmes to develop new local leadership in City-supported cultural organisations
- Strengthen the role of music and the performing arts across the City of London academies and schools
- Make full use of the rich cluster of creative expertise in the City, particularly through higher education and the world leading training at the Guildhall School.

5. Become a leading centre of the digital and creative economy and unlock the creative potential and resilience of individuals and businesses using our estate and resources

The City is known for being home to one of the world's largest and most dynamic financial sectors. However, a significant majority of the area's businesses are small and medium enterprises and there is an increasing presence of technology and creative start-ups. For centuries the Square Mile has thrived and remained resilient because of its mix. Increasingly many employers (and their employees) want to be situated in a stimulating and attractive environment, with convenient amenities but also the buzz of independent retailers and creative enterprises. However, there is a need to keep pace in order to maintain the area's appeal and accessibility. Many small start-ups need affordable space to grow and incubate. The cost of operating in London means that maintaining this diverse base is increasingly difficult to achieve and there is a need for the City to manage and 'curate' its own estate in order to support a variety of business types. This can enhance the vibrancy of the area, grow the creative and digital economy and unlock greater value in the longer term.

Priority Actions

- Identify underutilised parts of the estate – especially in the Barbican area - for creative and independent use, as part of a 'curated' strategy; making the City more vibrant but also addressing affordability for creative organisations in central London
- Develop a City-led programme of support for emerging creative entrepreneurs which includes access to financial expertise and business advice in the Square Mile

- Integrate the local digital economy into the broader Culture Mile offer

6. Promote our cultural, heritage and creative strengths in the UK and abroad

In 2016 London was rated number one in the Global Power Index for the fifth consecutive time, driven partly by its cultural offer. Increasingly cities and regions are aware of the ‘soft power’ of culture and heritage and harness it to attract tourists, workers and businesses. Whilst London overall has a recognised strength in this area, the Square Mile could work harder to promote its particular character and assets through press activity and profile-raising events. There is also potential to join up more effectively on international engagement, foreign tours and foreign delegation visits which could be coordinated with the Lord Mayor’s Office and other external organisations like London and Partners. In the UK, the City could do more to demonstrate its support for cultural activity across the UK, for instance, developing regional partnerships and reach through Guildhall School Young Artists, which includes the Centre for Young Musicians, Junior Guildhall and Barbican Guildhall Creative Learning programmes.

Priority Actions

- Develop a more coordinated international promotions plan which includes culture and joins up on the key messages
- Work proactively with London and Partners, the Mayor of London’s promotional agency, and other organisations such as Arts Council England, DCMS (Department of Culture, Media and Sport) and the British Council to promote the City’s cultural offer abroad

7. Better promote our world class cultural offer and use our wealth of outdoor spaces to widen its appeal to a more diverse audience in the City and beyond

The success of the 2012 Olympic and Paralympic Games showed how powerful culture could be in promoting the City. The stunning events held in key London landmarks generated significant news coverage and positive feedback. The City has always been home to major public events and shows, for instance the Lord Mayor’s Show but in recent years it has also sponsored a number of one-off ‘cultural spectacles’ to commemorate key events or anniversaries; for instance, commissioning one of the UK’s most well regarded arts producers, Artichoke, to create an event on the Thames for the Great Fire of London. Such events can be an effective way to both capture the attention of the international media, but also engage diverse audiences and act like a ‘communal campfire’, bringing Londoners’ together around a shared moment. Similarly, City workers and visitors are extremely positive about street animation, temporary art installations and outdoor programming on a more regular basis; for instance, lunchtime events in the public squares and parks and outdoor music performances. The City is developing a new outdoor programme to address this ambition. The Sculpture in the City programme has engaged millions of people in high quality art who might not ordinarily visit an art gallery, and it grows bigger each year through partnerships with local businesses and galleries. Culture Mile can also a focal point for more ambitious outdoor programming which also acts like a ‘shop window’ for the cultural organisations in the area and attracts new audiences. Crucially, any investment in programming needs a strong marketing and communication strategy to ensure more people are aware of the offer.

Priority Actions

- As part of the Visitor Strategy, develop a City-wide marketing and communications plan to drive visitors', learners' and residents' awareness of the cultural offer, specifically anticipating the increase in visitors with Crossrail in 2018 and working to engage the existing working population
- Create a commissioning fund to support one-off 'major spectaculars' as well as a new outdoor cultural programme to animate the streets and create a vibrant weekend, early evening and lunchtime environment
- Ensure cross-City departmental support for cultural activity in public spaces (e.g. planning, licensing, policing, etc.)
- Support Culture Mile cultural organisations to appeal to a wider audience base through outreach and learning initiatives and working outdoors
- Support outdoor programmes to grow and actively encourage sponsorship and participation from neighbouring commercial partners

8. Work better with cultural organisations to build their capacity to engage with City businesses and employees, so that they can become more resilient

The City has a strong relationship with its many businesses but could do even more to engage them with the cultural dimensions of its work. In the future, the City could play a stronger convening role, bringing together businesses and cultural organisations around shared interests and ideas. Ultimately, it is for the cultural organisations to raise their own funds, but a collaborative approach could yield effective results. Culture Mile will also generate a large number of joint projects and promotional opportunities which could create new income generation models across sectors. A strategic, collaborative approach could unlock value for culture and catalyse sustainable long term business models in partnership with the private sector.

Priority Actions

- Use our convening power to encourage more networking and collaboration between cultural organisations and businesses
- Create more marketing and promotion opportunities within the City estate and marketing channels to maximise value and achieve shared objectives across cultural and corporate sectors
- Work with cultural organisations to develop new and innovative models of income generation and sustainable corporate partnerships

9. Play our part as a catalyst and convener in supporting and connecting with the wider cultural ecology of the capital and the rest of the UK

The City of London has long supported cultural sites in London beyond the Square Mile, such as the green spaces of Hampstead Heath or heritage landmarks like Tower Bridge and Keats' House. As the funding climate becomes more challenging, this responsibility for the wider region will become even more important. The City's focus will be strategic initiatives which will enhance the city as a whole and bolster the City's own cultural offer. For example, the City has been an early sponsor of two schemes led by the Mayor of London; the Illuminated River project to light the central London bridges with an environmentally sustainable artist-led scheme, and the London Borough of Culture

competition which will choose its first winner in 2018. Both projects will enhance the capital's attraction to visitors and also benefit Londoners. The City also supports music education in cities and towns throughout the UK through funding for the Guildhall School Young Artists programme (CYM, Junior Guildhall, Creative Learning), allowing them to extend their unique expertise.

Priority Actions

- Support selected strategic initiatives for London which increase tourism and provide benefits for Londoners, connecting with other relevant cultural destinations such as Knowledge Quarter, North Bank, South Bank
- Engage with stakeholders like the Mayor of London's Office, the Arts Council and the Department for Culture, Media and Sport on existing support and areas of potential future collaboration

10. Develop clear leadership on culture: working with cultural partners to develop our skills, align our objectives, develop performance measures, communicate our impact and build our capacity to be more than the sum of our parts

Whilst the City has the smallest geographical area of any local government unit, it is by far the largest investor in culture. As a key funder, the Corporation plays a key role in the governance and strategic direction of the numerous cultural organisations in the area. This situation means that the Square Mile has the potential to be the most collaborative and strategically coherent network of cultural organisations in the country. It can be a powerful voice in London, the UK and the world.

To be effective in its implementation, however, the cultural strategy will need clear leadership and direction. The responsibility for culture currently sits in the Town Clerk's department and a senior official from either within the Corporation itself or one of the cultural partners will be nominated to lead on the strategy/speak on behalf of the network. This nominee will be tasked with monitoring the strategy objectives, but also speaking to external stakeholders and developing partnerships. Whilst it is important to respect the individual autonomy of organisations and recognise their distinct characteristics and priorities, there is also much to be gained from a more collaborative approach based on a set of strategic objectives that can be measured and communicated widely.

The cultural success of the City can only be as good as the people within it – developing their capacity and leadership skills is also a priority.

Priority Actions

- Nominate a senior official from within the Corporation or a cultural organisation to lead on the implementation of the cultural strategy
- Communicate our leadership more clearly to others - publicise the key people working on different aspects of the strategy, and ensure all external and internal stakeholders are aware
- Produce a short annual cultural summary for internal and external stakeholders to publicise activity and achievements
- Build a reputation as a key London partner for developing leading cultural programmes and initiatives, attending events and holding regular stakeholder meetings
- Address the skills and training requirements of our cultural leaders in order to ensure they can realise the ambitions of the Cultural Strategy

This strategy complements existing and emerging City strategies:

Visitor Engagement Strategy – 2018-2022

Corporate Plan – 2018-2022

Communications Strategy

Cultural Hub Brand Strategy

Cultural Hub Property Strategy

Open Spaces Strategy 2015

Key facts and figures [to follow]

Implementation, next steps, consultation/feedback: TBC

Draft

Committee(s)	Dated:
Culture, Heritage and Libraries – For Information Community and Children’s Services Committee – For Information	04/09/2017 08/09/2017
Subject: Barbican and Community Libraries Customer Survey	Public
Report of: Director of Community and Children’s Services	For Information
Report author: Carol Boswarthack, Head of Barbican and Community Libraries	

Summary

In May 2017, two in-depth surveys of the stock and services offered to adults and children by Barbican and Community Libraries were carried out. Responses were received from 2,898 adults and 309 children:

- 99% of Barbican Library adult customers (1,682 respondents) said that overall they were satisfied with Barbican Library (98% in 2014).
- 99% of Shoe Lane Library adult customers (563 respondents) said that overall they were satisfied with Shoe Lane Library (98% in 2014).
- 95% of Artizan Street Library and Community Centre adult customers (269 respondents) said that overall they were satisfied with the library (95% in 2014).

Responses to both surveys and all customer comments have been analysed by the Head of Barbican and Community Libraries and professional staff, a programme of work is being put into place to address concerns and feedback is being given to library customers.

The main area for development identified by the adult survey is to and educate customers in using the e-book, e-audio and e-magazine collections. A renewed programme of work is now in place comprising staff and user training sessions and revised note sheets for compatible e-reading devices. Our library apprentices have been tasked with creating online instructional videos. Loans are showing a steady year-on-year increase. Customers at all sites complained about lack of signage and this is being progressed with colleagues in Built Environment and the Barbican Centre.

Compliments regarding staff and the service accounted for 50% of all the general comments and suggestions received.

Positive responses to the Children’s Library user survey were extremely high, with 100% of customers scoring Barbican, Shoe Lane and Artizan Street Libraries as “Very good” or “Good”. This is a clear endorsement of the work plans currently in place.

Recommendation

Members are asked to:

- Note the report.

Main Report

Background

1. The City's library service has always regularly surveyed customer opinion to inform service development. In past years, this was carried out using the Chartered Institute of Public Finance and Accountancy (CIPFA) Public Library Users Survey (PLUS). However, concerns about the PLUS survey costs and the relevance of some of the questions have led many library services to look for alternatives and less than 50% of libraries in England and Wales are still using PLUS.
2. In 2013, a team of professional library staff and the Head of Barbican and Community Libraries was established to create two relevant surveys, one for adult library members and one for children aged 13 years and under. The PLUS questionnaire was used as a base as some of the questions are still highly relevant. The team then looked at what was missing from this survey and created tailored questionnaires using Survey Monkey software. In 2017, a similarly constituted team revisited the surveys and made some amendments and additions.
3. It was decided to direct as many people as possible to taking the surveys online and the Survey Monkey website was widely advertised. However, it was felt that having only online surveys would exclude many customers so paper versions was distributed in libraries over a one-week period.
4. Good use was made of volunteers. At Barbican Library, the adult paper survey was handed out to customers by the Library's volunteer group, The Friends of Barbican Library. In the past, this was done by agency staff. Volunteers also helped staff input the data from the paper surveys into Survey Monkey, which automatically processed the results. In this way, we calculated that the Friends saved the libraries more than £4,000 in staff costs and survey administration fees.
5. Questions covered library stock and services, what the respondents had done in the library that day and how using the City's lending libraries had an impact on other areas of their lives. Equalities and demographic data was also collected and participants were asked to give an overall satisfaction score.

Current Position

Adult Survey results

6. A total of 2,898 surveys were completed: 67% (1,953) of respondents were Barbican Library customers, 22% (640) used Shoe Lane Library and 11% (305) used Artizan Street Library and Community Centre.

At all libraries, the majority of respondents were male (53% at Barbican, 56% Shoe Lane and 52% Artizan Street). In 2014, more women than men responded at Artizan Street (54%). The figures for Barbican and Shoe Lane Libraries were similar to those in 2014.

The age profile of our adult customers across all libraries is:

- 4% aged under 24
- 30% aged 25–44
- 46% aged 45–64
- 15% aged 65–74
- 5% aged over 75.

City workers accounted for the majority of responses at all libraries. This is consistent with membership statistics.

7. Respondents were asked their opinion about library opening hours, external signposting, the attractiveness of the library inside and the standard of customer care received. The following table shows the percentage of respondents scoring the answers “Very good” or “Good”.

	Opening hours		External signposting		Attractiveness of the library inside		Standard of customer care received	
	2014	2017	2014	2017	2014	2017	2014	2017
Barbican	86%	86%	68%	70%	87%	89%	96%	95%
Shoe Lane	81%	89%	64%	64%	86%	83%	96%	96%
Artizan Street	91%	80%	56%	57%	87%	71%	94%	89%

The majority of comments received (203 comments) were in favour of better signposting outside and within the Barbican Centre. Signposting to the library is poor and this is being progressed with Built Environment and the Barbican Centre. Signposting in the Shoe Lane area is not as bad, but the entrance to the library is not eye-catching and we are investigating ways of using the ground floor windows to promote the library. Street signposting at Artizan Street was installed following the 2014 survey but customers still complain about not being able to find the library.

At present, there is building work taking place around the library, which has made the situation worse. A trial of “Legible London” signage between Barbican station and the Barbican Centre and the Museum of London is currently being planned. This will include a street-level route via Beech Street and one or two routes at podium level. It is hoped that the signage will be in place by the end of the calendar year. All customer comments pertaining to external signage were passed on to the relevant staff in Built Environment and are being used to inform this work. We are informed that the consultants have been asked to include Barbican Library on the new signage.

Customers at all libraries requested longer opening hours, with opening on Friday afternoons at Barbican Library being the most popular suggestion (176 comments). The decision to close on Friday afternoons was taken some years ago in order to open later on Saturdays. Full consultation with customers was carried out and the current pattern of opening hours proved the most popular option. Associated increased staff costs mean we are unable to increase our opening hours, but we are considering consulting with customers on the current spread of hours. Consultation on a changed pattern of opening hours at Artizan Street is currently under way. Staff are also considering ways to improve the appearance and general ambience of the library space.

8. Staff knowledge, skills and approachability were tested and all three libraries scored very highly.

	Staff knowledge		Staff skills		Staff approachability	
	2014	2017	2014	2017	2014	2017
Barbican	97%	98%	97%	97%	97%	95%
Shoe Lane	99%	98%	99%	98%	96%	98%
Artizan Street	96%	93%	97%	93%	92%	92%

We will continue with our current staff training and development programme.

9. We asked customers how satisfied they were with the choice and physical condition of fiction and non-fiction books. In every category, customers gave higher scores than in 2014.

	Fiction				Non-fiction			
	Choice		Condition		Choice		Condition	
	2014	2017	2014	2017	2014	2017	2014	2017
Barbican	74%	91%	75%	94%	82%	91%	85%	95%
Shoe Lane	83%	94%	85%	97%	79%	88%	83%	95%
Artizan Street	75%	81%	86%	90%	64%	78%	73%	90%

All librarians have a programme of stock maintenance to complete, including replacing tatty stock and addressing gaps in stock. Space considerations at Artizan Street Library affect the range and volume of stock available, and this was addressed following the 2014 survey. A programme of stock swaps with Shoe Lane Library is now in place to refresh the stock regularly.

10. We asked customers to give their opinion on the graphic novel collections in all libraries. In total, 75% told us that they did not borrow graphic novels. (N.B. This was a new question in 2017.)

	Graphic novels	
	Choice	Condition
	2017	2017
Barbican	90%	95%
Shoe Lane	88%	96%

Artizan Street	82%	89%
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Staff are currently looking at ways to refresh the (fairly small) collections and we are considering a programme of stock swaps.

11. We asked customers to give their opinion on the DVD and CD collections in all libraries. Approximately 50% of customers told us they did not borrow DVDs or CDs.

	DVDs				CDs			
	Choice		Condition		Choice		Condition	
	2014	2017	2014	2017	2014	2017	2014	2017
Barbican	93%	91%	82%	93%	93%	93%	93%	91%
Shoe Lane	96%	92%	95%	96%	91%	95%	96%	97%
Artizan Street	91%	80%	93%	89%	87%	80%	84%	88%

Satisfaction among users of the collections is generally high but drops have been recorded at Artizan Street where space is very limited. A programme of stock swaps with Shoe Lane Library is now in place at Artizan Street Library.

12. We asked customers to give their opinion on the talking book collections in all libraries. Approximately 77% of customers told us that they did not borrow talking books. The figure in 2014 was 75%. However, this drop in usage may be accounted for by a rise in the number of survey respondents and the continuous rise in e-audio usage. Of those who do borrow talking books, at Barbican and Shoe Lane Libraries, satisfaction with the choice available and the physical condition of stock is high and we shall continue to buy and maintain stock as normal. Since the last survey, the collection at Artizan Street Library has been removed because it was not well used and to make better use of the space and budget.

	Talking books			
	Choice		Condition	
	2014	2017	2014	2017
Barbican	90%	87%	89%	89%
Shoe Lane	95%	92%	94%	92%

13. We asked customers to give their opinion on the City's e-book and e-audiobook offering. Some 87% of customers told us that they did not borrow e-books, for a variety of reasons. In 2014, the figure was 92%. In total, 92% of respondents told us they did not borrow e-audiobooks (the same figure as in 2014). Respondents could select more than one reason for not borrowing e-books or e-audiobooks.

	e-books		e-audiobooks	
	2014	2017	2014	2017
I'm not interested	42%	48%	60%	63%

I didn't know I could borrow them	21%	27%	17%	22%
I don't own a compatible e-reader	45%	35%	27%	20%
I don't like the selection available	2%	3%	2%	2%

As in 2014, there were two main themes to the comments received from customers: either they have no intention of ever using e-books/e-audiobooks or these are services they intend to use in the future. Some customers commented that they had previously tried the service but found the software difficult to use.

Following the 2014 survey, we heavily marketed the e-book and e-audiobook services and introduced an easy-to-use e-book app. In recent months, the supplier has launched an integrated, very accessible app for e-audiobooks and e-magazines, which allows for both downloading and reading.

We have produced instruction sheets for all compatible e-readers/tablets, along with credit card-sized promotional cards detailing how to get started. Additionally, we hold regular open sessions in libraries to show customers how easy it is to download materials. Library staff have also been fully trained so that they can promote these services confidently. We shall continue with our marketing campaign in particular, publicising the new app. Our two apprentices have been tasked with creating online instruction videos. It is also worth noting that our total e-book and e-audiobook loans have risen year-on-year since 2014, whereas commercial e-book sales have dropped.

14. We asked customers to give their opinion on the e-magazine download service. Some 94% of customers told us they did not borrow e-magazines. (N.B. As this is a relatively new service, it was a new question in 2017.) Respondents could select more than one reason.

	e-magazines
I'm not interested	51%
I didn't know I could borrow them	41%
I don't own a compatible e-reader	14%
I don't like the selection available	1%

We are currently revisiting the marketing plan for the e-magazine service to reach those who are unaware of the service.

15. Customers were asked how using the libraries had helped them with other aspects of their lives. They were given a number of options to consider and could choose more than one. In total, 2,204 people responded to this question.

	2014	2017
Leisure	63%	65%
Study/learning	55%	60%
Health and wellbeing	33%	34%
Skills for life	15%	16%
Your job	13%	17%
Meeting people/socialising	13%	13%
Family and relationships	12%	13%
Developing IT skills	10%	10%
Personal finance/consumer matters	8%	8%
Your retirement	8%	12%
Job seeking	7%	6%
Improving your English	6%	5%
Welfare/benefits	1%	1%

The results were not dissimilar to those collected in 2014, with minor rises in those using the library for leisure, health and wellbeing, skills for life, their job, family and relationships and their retirement and a 5% rise in those using the library for study/learning. The information collected here is particularly helpful for future strategic planning and working with partners to deliver their outcomes, for example, the City's Health and Wellbeing Board and partners in Adult Social Care who have part-funded areas of health stock.

Children's Survey results

16. Most of the survey responses came from Barbican Library (76%), with 16% from Shoe Lane Library and 8% from Artizan Street Library. Of the respondents:

- 53% were girls and 47% boys
- 43% were aged under 5 (88% of Shoe Lane respondents were aged under 5)
- 43% were aged 5–10 and 14% were aged 11–14 (the majority of customers aged 5+ were Barbican Library users)
- 100% thought the library they used was “Good” or “Very good”.

N.B. In 2014, there were too few responses from Artizan Street children to include in the data set.

17. Children were asked to say why they came to the library. They could choose to select more than one reason.

	Barbican		Shoe Lane		Artizan Street
	2014	2017	2014	2017	2017
Borrow books or other items	77%	86%	58%	63%	95%
Have fun	68%	45%	85%	79%	47%

Look around (browse)	50%	49%	27%	26%	53%
Read	62%	58%	50%	35%	42%
Attend an event	54%	55%	73%	70%	32%
Meet friends	42%	20%	54%	47%	16%
Do homework	15%	10%	10%	2%	11%
Use the computers	11%	8%	8%	2%	16%
Wait for my family/friends	6%	9%	13%	9%	11%

Answers reflected the age profile of library users, with the Shoe Lane under-fives choosing “Have fun” and “Attend an event” as their most popular reasons for coming to the library. The percentage of Barbican Library customers who selected “Have fun” has dropped significantly but further investigation shows that in 2014 more responses were received from under-fives. This is borne out by responses in paragraph 14 (below). It is encouraging to note that more children say they are coming to the library to borrow books, and children in all libraries like coming to the library.

18. Children rated library staff as being very friendly, helpful and knowledgeable in all libraries.

	Barbican		Shoe Lane		Artizan Street
	2014	2017	2014	2017	2017
Friendly	99%	98%	58%	100%	100%
Helpful	100%	100%	85%	100%	100%
Knowledgeable	N/A	98%	N/A	95%	95%

19. We asked the children to tell us why they borrow books and allowed them to select more than one answer.

	Barbican		Shoe Lane		Artizan Street
	2014	2017	2014	2017	2017
I like reading	75%	78%	59%	64%	79%
I want to get better at reading	44%	40%	24%	26%	37%
So somebody else can read them to me	54%	36%	65%	54%	63%
I am in a reading	10%	7%	N/A	N/A	11%

group					
For homework	12%	18%	13%	13%	37%
I want to find something out	33%	34%	24%	8%	32%
So I don't have to buy books	39%	31%	39%	15%	42%
I don't borrow books	2%	6%	13%	5%	0%

The answers we received from children/parents consolidate our knowledge about library use and inform stock purchasing decisions for all libraries.

20. We asked children if they thought the library had a good selection of books.

	Barbican		Shoe Lane		Artizan Street
	2014	2017	2014	2017	2017
Yes	100%	95%	100%	95%	100%

The very small numbers of comments received were mainly requests for more titles by certain authors/for specific age groups. We are checking how comprehensive our coverage is in these areas and will take remedial action as necessary.

21. We asked children if they could easily find what they wanted in the library

	Barbican		Shoe Lane		Artizan Street
	2014	2017	2014	2017	2017
Yes	94%	92%	99%	98%	100%

The small number of explanatory comments received were very diverse ranging from "I have to ask for help as I have dyslexia" to "Have sections" e.g. "How to learn words" or "Put them in my age group". Alternative arrangement suggestions are not viable and cause more confusion than the Dewey Decimal System. The key here is staff being more alert to customers' needs and being ready to assist.

22. We asked children about the condition of the library's books.

	Barbican		Shoe Lane		Artizan Street
	2014	2017	2014	2017	2017
Clean	92%	80%	100%	98%	94%
A bit scruffy	8%	20%	0%	0%	0%
Very scruffy	0%	0%	0%	0%	0%

We have noted a sizeable increase in the number of children who thought the books at Barbican Library were not in a clean condition. This is an area for concern and staff will prioritise stock maintenance work.

23. Overall, 100% of the children in all three libraries rated the books as either “Very good” or “Good”.
24. We asked children about the library computers. In all libraries, children thought the computers were good but most said they did not use them. The most common reasons given for non-use were because they had a computer at home or because they were too young. There is no specific provision for children at Artizan Street or Shoe Lane Libraries but children can use the public computers with supervision. We shall continue to offer a small facility for children at Barbican Children’s Library but these responses give us no reason to consider increasing provision.
25. We asked the children about the homework help available in the libraries. (N.B. Most Shoe Lane respondents skipped this question due to the age profile of its customers.)

	Barbican		Shoe Lane		Artizan Street
	2014	2017	2014	2017	2017
There are staff to help me	17%	50%	3%	50%	55%
There are books to help me	28%	80%	9%	50%	91%
There are computers to help me	15%	24%	0%	0%	18%
It is somewhere quiet for me to sit and work	26%	42%	12%	25%	36%

In all cases, increases were recorded and, again, we will continue to promote the libraries’ stock and services to children, families and schools.

26. We asked children about other reasons for visiting the libraries. They could select more than one reason.

	Barbican		Shoe Lane		Artizan Street
	2014	2017	2014	2017	2017
Take part in an under-fives event	76%	52%	25%	88%	53%
Holiday activity	40%	33%	25%	27%	58%
After-school activity	18%	22%	8%	10%	11%
Book or reading activity	10%	22%	8%	0%	11%
Saturday activity	4%	28%	N/A	N/A	N/A

Again, the most popular answer given was to take part in an under-fives event. The apparent drop in numbers attending under-fives events at Barbican Library is due to a greater number of older children participating in this survey and is not proven by attendance registers, which reflect record

numbers of attendees. Taking part in holiday activities and reading activities are also very popular and Saturday events and activities are popular at Barbican Library. This is an endorsement for the libraries' events programme, which will continue to develop.

27. More than 99% of children/parents agreed that the libraries were friendly and safe places. More than 95% of respondents thought they were easy to get to, bright and cheerful. More than 98% thought they were places with items and activities of interest and more than 87% thought the opening hours were good. Artizan Street's opening hours were reduced as part of our SBR savings package. We consulted with stakeholders and although the majority of people opted for the current opening hours, many young people in particular are keen to see the library closing later in the day. We are currently working to improve the opening hours in consultation with all interested parties.
28. Finally, we asked children in which ways the library helped them.

	Barbican		Shoe Lane		Artizan Street
	2014	2017	2014	2017	2017
Read better	63%	63%	28%	36%	50%
Do better at school	30%	32%	12%	14%	33%
Use computers better	8%	7%	2%	0%	17%
Make friends	41%	32%	78%	67%	33%
Join in and try new activities	55%	52%	78%	74%	50%
Learn and find things out	62%	61%	78%	62%	83%

This information enables us to better understand what our young customers need from our services.

Options

29. Overall, responses received for both surveys endorse the services offered by the lending libraries. Requests for certain types of stock are being considered within the confines of the existing stock budgets. Promotional activity, for example to advertise the digital services, is funded from existing budgets. For services to children and families, this budget includes a grant from the Family and Young People's team within the Department of Community and Children's Services to carry out a range of Children's Centre services in libraries and support early literacy.

Proposals

30. Survey data has been shared with all Barbican and Community Libraries staff. Team leaders and specialists are working on improvement measures where necessary and "You said, we did" feedback to customers is being prepared.

Corporate & Strategic Implications

31. Improvement work is relevant to the following City's key priorities (Corporate Plan 2015-2019):

- To provide modern, efficient and high-quality local services, including policing, within the Square Mile for workers, residents and visitors.
- To provide valued services, such as education, employment, culture and leisure, to London and the nation.

It is also relevant to the following Department of Community and Children's Services strategic aims:

Priority Potential:

- People of all ages can achieve their ambitions through education, training and lifelong learning.

Priority Independence, Involvement and Choice:

- People of all ages can live independently, play a role in their communities and exercise choice over their services.

Priority Community:

- People of all ages feel part of, engaged with and able to shape their community.

The "Ambition" of Barbican and Community Libraries is:

To support and promote learning, reading and literacy, facilitate participation in community and cultural life and meet the needs of all our customers – current and potential.

Implications

32. There are no financial, legal, property or HR implications of note and risk is low.

Conclusion

33. A regular survey of customer opinion is essential to the continued relevance of Barbican and Community Libraries. The next major customer survey of adult and children's library services is scheduled for 2020.

Appendices

- None

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Committee:	Dated:
Community and Children’s Services Committee	08/09/2017
Subject: Community and Children’s Services Business Plan: Quarter 1 update	Public
Report of: Director of Community and Children’s Services	For Information

Summary

This report sets out the progress made during Quarter 1 (April to June 2017) against the refreshed 2017-2022 Department of Community and Children’s Services (DCCS) Business Plan. It shows the progress made against our five departmental priority themes.

Recommendations

Members are asked to:

- Note the Quarter 1 update and progress of the DCCS business plan.

Main Report

Current Position

1. The department’s business plan progress is monitored and reported against a set of 41 key performance indicators. These are supported by a range of key activities that contribute to the achievement of the departmental outcomes.

2. In Quarter 1:
 - 17 (85%) achieved or exceeded the performance target set
 - 2 (10%) were within 10% of the target set
 - 1 (5%) failed to meet the target set by more than 10%
 - 21 are performance indicators (PIs) that will be reported in subsequent quarters.

RAG status PIs	Traffic light description	Total number of PIs
Green	PIs for which the set target was achieved or exceeded	17
Amber	PIs within the tolerance of -10% of the set target	2

Red	PIs that are below the tolerance of -10% of the set target	1
N/A	PIs where there is no update for the quarter reported – these will be reported in subsequent quarters	21

Red performance indicators

3. **Priority objective safe 1.5 – increased proportion of new rough sleepers who sleep out just once.** The Quarter 1 performance is reported as 69%, which is below the target set of 75%.
- **Reasons for performance** – During Q1, the availability of accommodation via No Second Night Out was reduced as the hubs had to close on several occasions as they were full. However, of those rough sleepers who were still on the street after 1 night, only 1 has subsequently gone on to join the Living on the Street cohort.
 - **Actions planned to address issues** – Work is underway to resource additional accommodation options as part of the new Pathways Model. An update on the progress being made will be presented to the October Committee as part of the regular Rough Sleeper Update report.

Amber performance indicators

4. **Priority objective safe 1.6 – reduced number of people deemed as ‘living on the streets’.** The Quarter 1 performance is reported as 46, which is above the target set of fewer than 43.
- **Reasons for performance** – This is an indicator where the reported figures fluctuate throughout the year. In comparison to this time last year, the figure has declined from 54 to 46.
 - **Actions planned to address issues** – A contributory factor to a positive change in the figures for Quarter 1 is the work of the Challenge Group. The delivery of an ‘accommodation pathway’ for rough sleepers is planned to be in place for March 2018. This will establish service-level agreements with neighbouring boroughs to access a range of accommodation for this client group.
5. **Priority objective safe 1.2 – number and percentage of adults referred for safeguarding whose expressed outcomes are fully or partly met.** The Quarter 1 performance is reported as 66.7% against a target of 100%.
- **Reasons for performance** – Three safeguarding concerns ended during the quarter, of which two ended after enquiry. Two were asked

about their outcomes, while one expressed their outcome, which was met.

- **Actions planned to address issues** – It is planned to implement a Making Safeguarding Personal approach through workforce and practice development and learning from case reviews and to develop an Adult Service Improvement Plan (both by March 2018).

A detailed summary of the department's business plan key performance indicators is provided in Appendix 1.

Departmental strategic risk register

6. During the quarter reported, two risks were closed. DCCS PE 002: expansion of Sir John Cass's Foundation Primary School to two-form entry in September 2017. The governing body of Sir John Cass's Foundation Primary School has decided not to pursue expansion at the present time. The level of demand for places does not demonstrate the need for expansion and the school is presently financially viable as a one-form entry school.
7. DCCS PE 004 – the risk was closed as the City of London is being classed as a special case by the Department for Education. Therefore, pupil funding will not be reduced during 2018/19.
8. One item on the departmental risk register is identified as red status. This relates to lone working and the possible risks associated with staff working on their own in isolated locations or visiting service users in their homes. Actions are under way to mitigate against this becoming an issue. These actions include:
 - identifying and testing options for the tracking/reporting of staff working remotely
 - the rollout of awareness-raising and training sessions to link to the revised Lone Working Policy and new procedures for monitoring staff working away from the office.
9. A summary of the DCCS departmental risk register is provided in Appendix 2.

Complaints

10. In Quarter 1, 20 complaints were received regarding our directly delivered services, of which 11 were upheld or partially upheld. Our commissioned services received 10 complaints, all of which were upheld. They also received a number of compliments in the same period. An analysis of complaints received did not identify any underlying trends or issues.

11. Two compliments were received. One praised the service delivered by our Adult Social Care team and the other expressed gratitude for the prompt and comprehensive response to an enquiry for information on school admissions.

Financial and Risk Implications

12. There is an overspend of approximately £148,000 for Adult Social Care. This budget is very volatile and a small change in client numbers can have a major impact on the outturn. Additional funding of £400,000 for Adult Social Care has been included in the Medium Term Financial Forecast. A paper to the Policy and Resources Committee will request this amount to be drawn down in the year.
13. There is continued pressure on the unaccompanied asylum seeking children (UASC) budget. The City has a number of clients who are over 18 years old and who attract no funding from the Home Office. However, we have a duty to support them until they turn 25 if they are still in education. A paper will go to the Policy and Resources Committee on 21 September to request additional Central Risk funding.
14. A potential overspend has been flagged for Artizan Street Library due to a large increase in rates. This will be monitored and reported in subsequent quarters.
15. See Appendix 4 for budget summary information.

Appendices

- Appendix 1 – Quarter 1 key performance indicators update
- Appendix 2 – Quarter 1 risk register
- Appendix 3 – Quarter 1 budget information

Background Paper

- DCCS Business Plan 2017-2022 report to Community and Children's Services Committee – 11 May 2017

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Appendix 1 – Quarter 1 key performance indicators update

	KPI / measure	Target	Q1 KPI measures	Q1 KPI RAG status	Q1 Activities / activity update
1. Priority objective: Safe					
1.1	Reduced duration of Children in Need (CIN) and Child Protection Plans (CPP)			Green	
	Reduced duration of Children in Need (CIN) - those on a Child In Need Plan at quarter/year end	0% Below 2 years +	4 (33.3%) 1 (8.3%) 7 (58.3%) 0 0		
1.2	More than 3 months but less than or equal to 6 months			Amber	
	More than 6 months but less than 1 year	0% Below 2 years +	0 0 2 (100%) 0 0		
	1 year but less than 2 years				
	2 years				
	Reduced duration Child Protection Plans (CPP) – those on a Child Protection Plan at quarter/Year end				
	3 months or less – Number (%)				
	More than 3 months but less than or equal to 6 months – Number (%)				
	More than 6 months but less than 1 year – Number %				
	1 year but less than 2 years – Number %				
	2 years – Number &%				
	Number and percentage of adults referred for safeguarding whose expressed outcomes were asked and were fully or partly met	100%	66.7% (2 out of 3 were asked) 100% (1 out of 2 expressed an		Implement a Making Safeguarding Personal approach (through workforce and practice development, communications and learning from case reviews) Meeting to be held 25/07/17 to establish training needs and develop training plan.

Note: there is not a Q1 update for all performance indicators – those not shown in the above table will be reported in subsequent quarters

Appendix 1 – Quarter 1 key performance indicators update

	KPI / measure	Target	Q1 KPI measures	Q1 KPI RAG status	Q1 Activities / activity update
			outcome which was met)		<p>Develop an Adult Service Improvement Plan Plan to be developed for September in co-production with police and service users.</p> <p>Raise awareness and reduce the risk of financial abuse Scams awareness and abuse campaign is planned for July – conference to be arranged for November to highlight issues further.</p>
1.4	Number of children and young people (including looked after children) missing from education	<10	0	Green	<p>Recommission Youth Services and develop the role of the Youth Programme Board Specification developed with commissioning – tender process under way.</p>
Page 47	Increased proportion of new rough sleepers who sleep out just once	75%	69%	Red	<p>Develop and deliver an “accommodation pathway” for rough sleepers Pathway plan to commence in August, establishing SLAs with adjacent boroughs to access a range of accommodation.</p>
	Reduced number of people deemed as “living on the streets”	<43	46	Amber	
1.8	Increase in average SAP rating for our housing stock	69	69	Green	Improve the energy efficiency of our homes
2. Priority objective: Potential					
2.1	Proportion of City housing stock meeting “decent homes” standard	100%	100%	Green	Improve our homes
2.6	SEND dashboard indicators	Annual	Annual	Annual	<p>Development and implementation of the Special Educational Need and Disability (SEND) Strategy and action plan The strategy has been written and the plan is in progress.</p>
2.8	Number and proportion of City families taking up the two-year-old free early learning offer	72%	3 (42.9%) all eligible 3 (75%) excluding migrations	Green	<p>Barbican and Community Libraries and Early Years and Education services to offer a range of children’s centre activities for parents and carers of under-fives We will monitor the progress of these children for educational outcomes. All two-year-olds are offered a place at settings</p>

Note: there is not a Q1 update for all performance indicators – those not shown in the above table will be reported in subsequent quarters

Appendix 1 – Quarter 1 key performance indicators update

	KPI / measure	Target	Q1 KPI measures	Q1 KPI RAG status	Q1 Activities / activity update
					that are rated good or outstanding by Ofsted.
2.9	Enrolments in adult skills (accredited and non-accredited)	2,000	656 (summer term enrolments)	Green	Adult employability will be supported through our Adult Education offer of entry level, basic skills and professional accredited learning, our advice services and the resources of the Barbican and Community libraries.
3. Priority objective: Independence, Involvement and Choice					
3.2	Proportion of people using social care who receive self-directed support, and those receiving direct payments	100%	100%	Green	<p>Independent advice and advocacy services, our libraries and our social care services will inform services users, their parents, families and friends to support choice and enable self-directed care</p> <p>Work being carried out on ASC website in tandem with family information service project – to have an embryonic adults advice service by end of August 2017. To work on prevention and co-production as part of the overall transformation programme and co-production project. Engagement sessions to be held in September.</p>
3.3	Delayed transfers of care (DTOC) from hospital attributed to social care per 100,000 population	0	0	Green	<p>Co-ordination of care will minimise delays in hospital discharge</p> <p>COL is working with planned care workstream for City and Hackney to reduce DTOC figures. Liaison taking place with UCHL and Royal London to improve pathways. Improved pathways to be in place by end September.</p>
3.4	Proportion of older people (65 and over) who were still at home 91 days after discharge from hospital into reablement/rehabilitation services	85%	8/9 (89%)	Green	<p>Reablement services will support people to remain living longer in their homes</p> <p>Reablement plus and hospital home projects now in place – complete</p>

Note: there is not a Q1 update for all performance indicators – those not shown in the above table will be reported in subsequent quarters

Appendix 1 – Quarter 1 key performance indicators update

	KPI / measure	Target	Q1 KPI measures	Q1 KPI RAG status	Q1 Activities / activity update
					Aids and adaptations and domiciliary care provision will support people to remain living longer in their homes Assistive technology project has commenced, will end by September to report on what assistive technology can help with this target. Reablement team working to reduce support packages by end of reablement. Plan to be drawn up to evidence this during August.
P39	3.6 Proportion of Adult Social Care users living at home	70%	76%	Green	Tenancy sustainment and Adult Social Care services will help adults with additional needs maintain their tenancies Develop a plan to address: people maintaining or gaining employment, support for carers, assistive technology, reducing social isolation and improved safeguarding. Plan to be in place by end September 2017.
P39	Priority objective: Health and Wellbeing				
P49	4.1 Percentage of people engaging in City smoking cessation programmes who quit smoking	42%	42%	Green	Public Health, including Business Healthy, will promote healthy behaviours We continue to work closely with Square Mile Health to increase the quit rate among those using the service. This includes an extensive piece of work with pharmacies to enhance numbers here.
	4.2 Proportion of residents aged 40–74 offered and taking up an NHS health check	Working with provider to set target	52.0%	tbc	
	4.4 Proportion of City housing stock meeting “decent homes” standard	100%	100%	Green	Housing services will support wellbeing by ensuring our existing homes are easier to heat
	4.5 Usage of the Golden Lane Sport and Fitness Centre	79,333	22,099	Green	Housing, Youth Services and commissioned leisure services will support and promote the uptake of physical activity among children and adults Fusion is on track to achieve its target for the year.
	4.7 Number of new social homes: Planning consents Start on sites	116 34	34 0	Green	

Note: there is not a Q1 update for all performance indicators – those not shown in the above table will be reported in subsequent quarters

Appendix 1 – Quarter 1 key performance indicators update

	KPI / measure	Target	Q1 KPI measures	Q1 KPI RAG status	Q1 Activities / activity update
	Completions	0	0		
4.8	Percentage of participants involved in community activities and volunteering reporting an improved quality of life	60%	80%	Green	Community engagement, volunteering and targeted provision will promote social inclusion and increase social connections.
5. Priority objective: Community					
5.5	Proportion of residents involved in community activities who are new to volunteering	30%	40%	Green	Our community engagement will promote and reward volunteering.
5.6	Customer satisfaction with the library service			Green	We will enhance our libraries to provide for community programmes and activities with partners.
	Adults Survey	97%	98%		
	Children's Survey	100%	100%		

Note: there is not a Q1 update for all performance indicators – those not shown in the above table will be reported in subsequent quarters

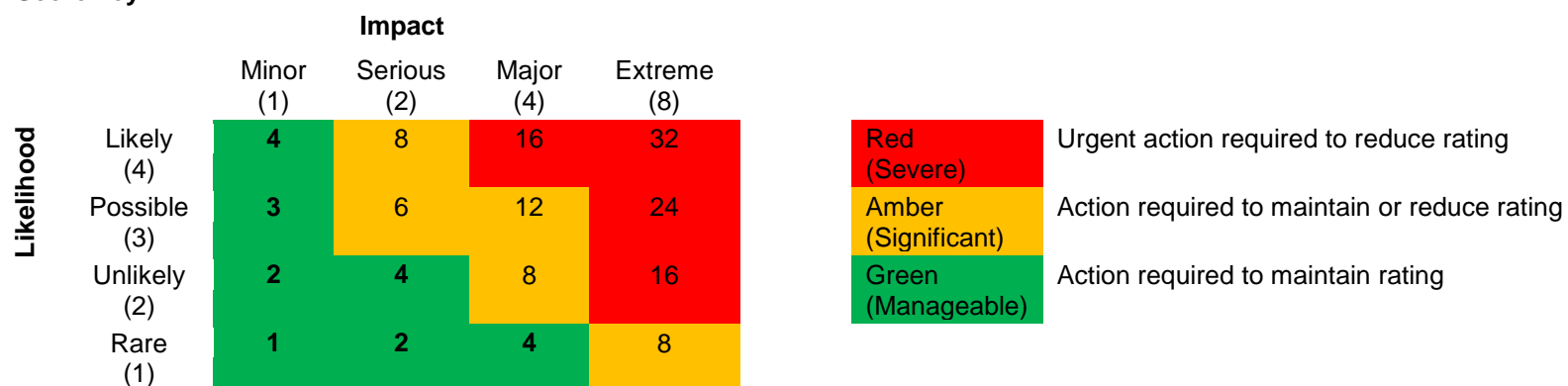
Appendix 2 – Quarter 1 risk register

Risk Code	Title	Current Risk Rating	Risk Score	Actions Assessment	Target Date	Risk Trend
DCCS HS 003	Lone Working	R	16		30/09/17	
DCCS ED 001	Failure to deliver City of London Academy expansion programme	A	12		01/09/19	
DCCS HS 002	Failure to carry out and review effective fire risk assessments for residential and commercial accommodation	A	12		31/10/17	
DCCS HS 004	Housing Finance Changes	A	12		31/12/17	
CR13	Safeguarding	A	8		31/03/18	
DCCS 001	Departmental Emergency Response	A	8		31/03/18	
DCCS CL 001	Loss of IT systems at public-facing sites	A	8		31/03/18	
DCCS CP 002	City of London Community Education Centre site redevelopment	A	8		31/01/18	
DCCS ED 002	Failure of the City of London Academies to meet the high performance and financial expectations of the City of London	A	6		01/09/19	
DCCS HS 001	Health and Safety Procedures	G	4		31/03/18	
DCCS PE 003	Early Help – Referrals	G	4		31/03/18	

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Risks **DCCS PE 002** Expansion of Sir John Cass's Foundation Primary School to two-form entry in September 2017 and **DCCS PE 4** – Pupil Funding have now been closed.

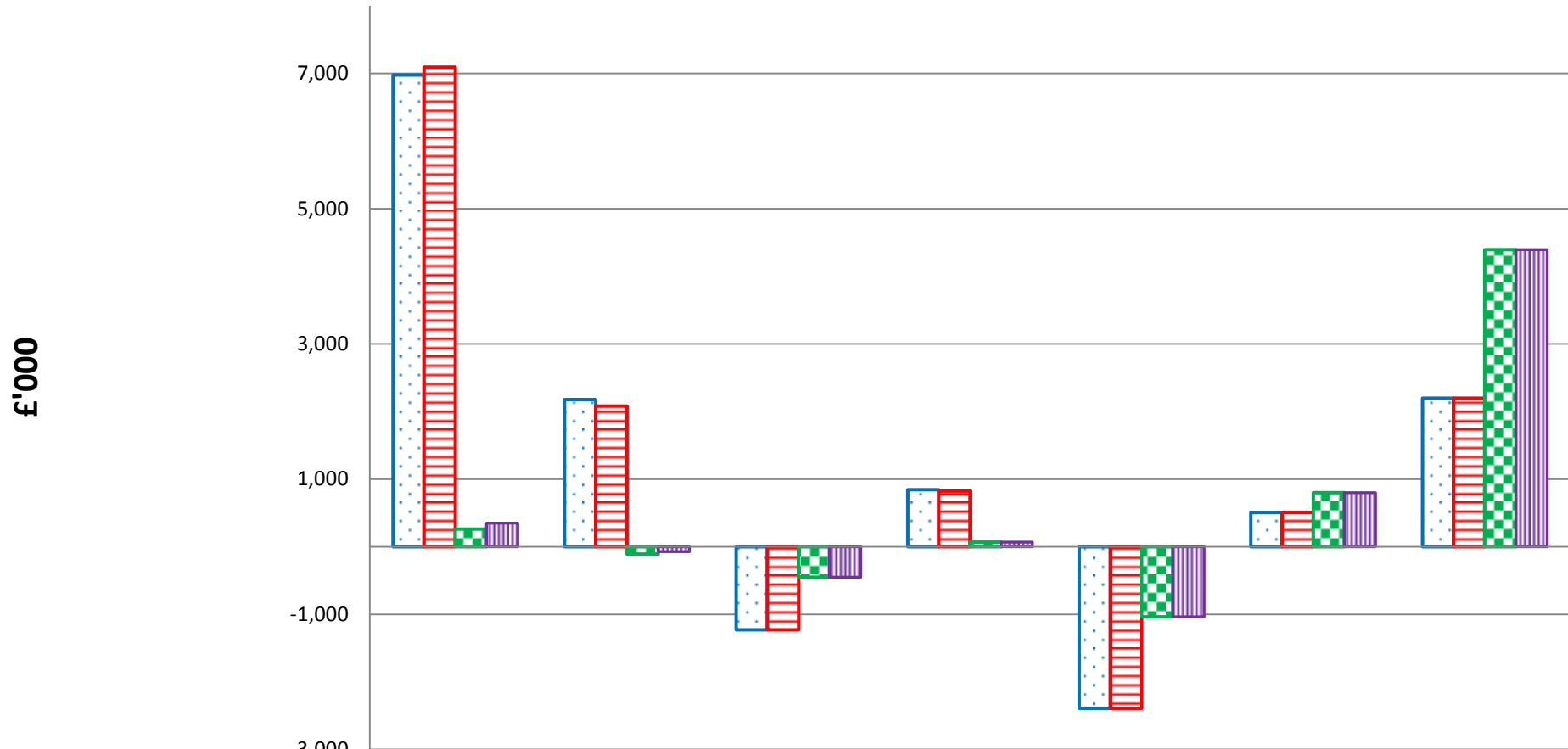
Actions Assessment – Actions to mitigate the risk are in place, and are being delivered to anticipated timescales. Risk Trend unchanged since last report
Risk Score key:



Appendix 3 – Quarter 1 budget monitoring

DCCS local and central risk summary:	Local risk 2017/18 budget £'000	Local risk projected actual to year end £'000	Central risk – 2017/18 budget £'000	Central risk projected actual to year end £'000
People	6,974	7,093	262	350
Commissioning & Partnership	2,174	2,080	-111	-71
Housing Revenue Account (HRA)	-1,230	-1,230	-450	-450
Housing (non-HRA)	843	824	67	67
Barbican Residential	-2,390	-2,390	-1,035	-1,035
Education	504	504	800	800
Community Libraries	2,196	2,196	4,392	4,392

DCCS local and central risk budget summary £'000



	People	Commissioning & Partnership	Housing Revenue Account (HRA)	Housing (non HRA)	Barbican Residential	Education	Community Libraries
Local Risk - 2017/18 budget	6,974	2,174	-1,230	843	-2,390	504	2,196
Local risk - projected to year end	7,093	2,080	-1,230	824	-2,390	504	2,196
Central risk - 2017/18 budget	262	-111	-450	67	-1,035	800	4,392
Central risk - projected to year end	350	-71	-450	67	-1,035	800	4,392

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Agenda Item 8

Committee	Dated:
Community and Children's Services Committee Finance Committee	08/09/2017 12/09/2017
Subject: Financial Support with Major Works for Leaseholders	Public
Report of: Director of Community and Children's Services	For Decision
Report author: Bayo Igoh – Head of Estates Mark Jarvis – Head of Finance Karen McHugh – Principal Legal Assistant Nazia Noman – Home Ownership Manager	

Summary

The current Five Year Programme of Major Works to City of London estates is much needed, but will result in large service charge bills for a number of our leaseholders. The highest estimated costs will be for leaseholders in Great Arthur House, on the Golden Lane Estate, where the current project to replace the cladding and windows means that leaseholders will face particularly large bills. The City recognises that it can be difficult for some leaseholders to meet the costs of major works and it is appropriate to review the current range of measures offered.

The City already has provision in place to offer financial support to leaseholders in respect of major repairs bills, including payment by instalments, referrals for financial assistance to government departments and leaseholder loans. Under the terms of their lease, lessees can repay major works bills in instalments, effectively mortgaging their property to the City. In July 2010, the City approved a scheme providing a maximum discretionary loan of £41,000, with an interest-free period of up to three years. In addition, in cases of severe financial hardship, the City will consider buying back the tenant's property.

At the same time, the City has certain duties to keep a housing revenue account (HRA) and a duty to formulate proposals to secure that the account for each year does not show a debit balance. Where the City's duty is not compromised by the discretionary loan proposal, the City must still consider its fiduciary position in relation to its council tax payers, tenants and others who benefit from the application of the HRA funds as well as its power to provide discretionary loans to leaseholders, and must reasonably balance the interests of each.

Recommendation

Members are asked to:

- Consider the paper and to decide which of the options set out in paragraphs 21-24 they wish to be implemented.

Main Report

Background

1. Tenants who exercise their Right to Buy (RTB) do so under a leasehold agreement (or 'lease') with the City. The lease sets out, among other things, the costs which can be recovered from the leaseholder in respect of service charges, repairs, major works and improvements. The terms of the lease stipulate that leaseholders are responsible for the cost of works to their home that are the City's responsibility to carry out (e.g. replacement windows), and also for a defined proportion of the costs of works to communal areas of their block or the estate.
2. The City has a legal duty to recover these costs. It also has a duty under the Local Government and Housing Act 1989 (Part VI Housing Finance) (the 1989 Act) to keep a housing revenue account (HRA) and a duty to formulate proposals to secure that the account for each year does not show a debit balance (section 76 of the 1989 Act). The HRA 30 Year Business Plan, which every local authority housing provider is required to produce, is based on the assumption that leaseholders are charged for their proportion of the costs of works. The HRA includes rents and charges in respect of property, subsidy and other contributions and is debited by capital, repairs maintenance and management expenditures and other sums payable by an authority. Failure to collect service charge costs could severely compromise the HRA and its ability to fund the Five Year Major Works Programme and other necessary expenditures from this source. The City is in a fiduciary position in relation to its council tax payers, other tenants (including social tenants) and others who benefit from the application of the HRA funds. Failure to collect service charge costs from private homeowners could mean that, effectively, social tenants and others would be subsidising private homeowners. The City must also have due regard to the hardship to some leaseholders of being faced with high service charge demands.
3. In 1992, legislation was introduced to provide schemes to assist leaseholders of flats with the costs of major works. Under the Act and the Housing (Service Charge Loans) Regulations 1992 (the Regulations), local authorities were required to offer a mandatory loan scheme for RTB purchasers and their successors, effectively to run for a period of ten years from the date of the grant of their lease. The loan could offer assistance above an initial service charge cost of £1,500 in respect of major works, up to a limit of £20,000 (less any amounts already obtained under the right to a loan).
4. In 2008, in recognition of the fact that leaseholders were facing higher bills, the government issued a number of amendments to the Act and Regulations. (under the provisions of Loans for Acquisition or Improvement of Housing under Part XIV of Housing Act 1985 (the Act), sections 450A and 450B), amending the mandatory loan scheme and adding a discretionary power to provide loans to the existing mandatory scheme.

5. The mandatory loan is for 10 years for amounts more than £5000 (the repayable terms are shorter for loans below that sum) and the repayment period is also determined by adding up the amounts of any mandatory and discretionary loan amounts. The interest payable is subject to the statutory provisions relating to local authority mortgage interest rates. An administrative fee of up to £100 can be charged, plus legal cost for valuation, conveyancing, and Land Registry Fees.
6. A local authority is also permitted to offer discretionary loans. These may be offered either where a leaseholder is not entitled to a mandatory loan, or where the cost of the major works exceeds the mandatory loan limit of £20,000. The discretionary loan may be on terms that no interest is paid or interest is paid on only part of the loan (Regulation 6). Either loan must be secured by way of mortgage on the relevant flat (whether or not the flat is adequate security for the loan) (Regulation 7). The lender/local authority may charge administrative expenses and legal fees as it sees fit and may choose to add this amount to the loan. No repayment period is specified (unlike for mandatory loans). The discretionary powers may be used to offer loans on favourable or interest-free terms to leaseholders who meet certain criteria, such as being owner-occupiers.
7. The Housing (Purchase of Equitable Interests) (England) Regulations 2009 enable a local authority landlord, with the agreement of the tenant, to purchase an equitable interest in a flat for the purpose of assisting the tenant to meet some or all of the service charge payments. The cost of the equitable interest purchased ("the purchase price") is met by the landlord reducing or cancelling the service charge payable as corresponds to the amount concerned (regulation 4 of those regulations). The housing authority is entitled to a specific share of the value of the flat when it is sold. Rent is chargeable on the share of the property reverting to the local authority.

Current Position

8. Failure to pay charges for major works is a breach of the lease, and could lead to legal proceedings and, in extreme cases, forfeiture. The City recognises that large bills for major works can cause financial hardship for some leaseholders and, therefore, already offers a range of support measures.
9. Under the terms of a City of London lease, leaseholders have the option to pay for major works over a ten year period, with interest. This allows them to spread the whole cost of large service charge bills. (Major works are defined as refurbishment, renewal or repair works that cost more than 2.5% of the valuation for the property when it was purchased.) This means that every City leaseholder has the ability to borrow the full cost of any major works from the HRA, for a ten year term, with interest.
10. Interest-payable loans are offered under the mandatory scheme to RTB purchasers and their successors for a period of 10 years from the purchase of the lease. The interest is regulated by the Housing Act 1985 and set at the standard national rate (currently 3.13%).

11. In July 2010, following the revised legislation, the Community and Children’s Services Committee and the Finance Committee reviewed the discretionary loans offered to the City’s leaseholders, and agreed new terms. Discretionary loans of up to £41,000 are currently offered with an interest-free period of up to three years.

12. Current payment options for discretionary loans are as follows:

Table 1 – Current payment options		
Loan amount	Interest-free period	Repayment period
£930.00.00 – £1,599.99	1 year	3 years
£1,500.00 – £4,999.99	1 year	5 years
£5,000.00 – £9,999.99	2 years	5 years
£10,000.00 – £41,000.00 (maximum)	3 years	10 years

13. The discretionary loans are only offered to resident lessees who occupy their property as their principal home. To qualify, the leaseholder must have a good credit history. The loans are secured by a mortgage on the property, and there are fees and an administration charge. Because the agreement of any existing mortgagee of the property is required, discretionary loans can take some time to arrange.

14. Following the interest-free period, the interest rate is variable and follows the standard national local authority mortgage rate (currently 3.13%).

15. Two other options were also agreed by Members in 2010. These were equity loans and a buy-back scheme. However, these are only offered as a last-resort measure in cases of extreme hardship, where it can be demonstrated that the leaseholder does not have the means to pay for major works and is at risk of homelessness without such support. These options are also only available to resident lessees. Agreement is subject to an assessment carried out in conjunction with the Town Clerk and Chamberlain, which includes means testing.

16. For buy-back, the purchase price is the lower of the current market price or the original RTB price (net of discount). Under this scheme, the full ownership of the property is returned to the City and the former leaseholder remains as a tenant. This option is only offered to the original RTB purchaser. There has been only one buy-back in the past five years.

Proposed Options

17. The Five Year Programme of Major Works will involve significant costs for some leaseholders, in particular those who own properties in Great Arthur House. It is, therefore, appropriate to review the current discretionary offer to flat owners and consider whether any changes should be made.

18. However, any decision made by your Committee in respect of discretionary measures must have regard to the City's legal duty to ensure that the HRA account for each year does not show a debit balance, and the duty to recover costs from leaseholders, while minimising costs on actionable debt recovery and offering leaseholders in financial hardship a reasonable opportunity to fulfil their obligations under the terms of their lease.
19. The HRA had total balances of £14.6m at 31 March 2017; however, this balance is expected to fall over the next few years in order to fund the Five Year Major Works programme. The HRA presently has no borrowing, but has the capacity to borrow up to a total ceiling of £25m.
20. Funding the major works programme is expected to mean that the HRA will need to return to borrowing up to £11m by the end of 2019/20. Any additional cost to the HRA of funding interest-free loan periods to owner-occupier leaseholders will increase the level of borrowing required. This in turn will mean the headroom to the ceiling of £25m for borrowing to support the aim of 700 new homes will be reduced. This will have an impact on the City's ability to deliver some of these homes.
21. Taking this into account, there are three options for Members to consider:
- a. Revert to an offer which comprises only the mandatory scheme and which is set out in the standard lease, with no discretionary measures offered.
 - b. Maintain the current discretionary offer of a maximum loan of £41,000, with an interest period of three years, with no new additional measures.
 - c. Increase the maximum threshold for the discretionary scheme to £72,500 (the current estimated cost of the Great Arthur House cladding works) with an interest-free period of three years.
22. Option a: No discretionary loans to owner-occupier leaseholders. This option would mean the withdrawal of the current £41,000 capped discretionary loan offer to leaseholders. Leaseholders could still apply for loans under the terms of their leases, but there would be no interest-free period. This option would mean that no costs in relation to interest foregone would be charged to the HRA, but it would also mean no additional financial support would be available to owner-occupier leaseholders and the risk that immediate demands for payment of large service charges could not be met. Although this is the most favourable scheme for the HRA, officers cannot advise this course of action as it gives only minimal support to leaseholders.
23. Option b: Continue to offer discretionary loans to owner-occupier leaseholders at a maximum level of £41,000 with up to three years of interest-free borrowing, as set out in Table 1 in paragraph 12 above, and the charging of professional and administrative fees. We would propose that these fees be capped at a maximum of £500. It is recommended that the current scheme be amended so that leaseholders are expected to pay the first £5,000 of any service charge demand, with the discretionary loan offer covering any additional amount. The total cost to the HRA in terms of interest foregone

based on a 100% take-up at the maximum borrowing limit by all eligible leaseholders on all City estates would be £530,000. A 75% take-up would charge £398,000 to the HRA. While this option does have an impact on the HRA, in officers' view the impact is not unreasonable. It does not, however, recognise the new demands on leaseholders of the Five Year Major Works Programme and may be insufficient to meet some leaseholder needs.

Option c: Offer discretionary loans to owner-occupier leaseholders at an increased maximum amount of £72,500 with up to three years of interest-free borrowing and charge legal and administrative fees. We would propose that these fees be capped at a maximum of £500. The interest-free periods would be as set out in Table 1, with the maximum amount increased to £72,500 from the existing £41,000. Leaseholders would be expected to pay the first £5,000 of any service charge demand with the loan offer covering any additional amount. The total cost to the HRA in terms of interest foregone based on a 100% take-up at the maximum borrowing limit by all eligible leaseholders on all City estates would be £612,000. A 75% take-up would charge £459,000 to the HRA. While this option does have an increased impact on the HRA, in officers' view the increase is marginal and it does recognise the new demands on leaseholders of the Five Year Major Works Programme. This is the option that officers advise, as it balances the needs of the HRA, and reflects a sensible balance between the City's competing duties and powers.

24. It is important to note that the discretionary loans set out in options b and c are supplementary to the entitlement to loans under the mandatory scheme and the contractual entitlement in the lease. Each eligible leaseholder would still be entitled to a loan with interest on any major works service charge costs, in addition to a loan under the discretionary scheme. As an example, if the full cost of major works to a leaseholder was £80,000 and a discretionary loan was offered up to £41,000, the leaseholder would still be contractually entitled to a loan for the remaining £39,000, but there would be no interest free period on this element. Similarly, if the threshold were to be raised to £72,500 and a discretionary loan was offered for that amount the leaseholder would still be contractually entitled to a loan for the remaining £7,500 but there would be no interest free period on this element.
25. Officers cannot recommend a higher level of support for leaseholders, as the cost to the HRA, the impact on the major works programme and the disbenefit to tenants would be too great.
26. The extension of equity loans or equity purchases from the current position to all leaseholders is not recommended, as there are already products on the financial market available to meet any demand for these. The cost to the HRA of making such loans could also be prohibitive and could jeopardise the programme of planned works and developments.
27. The extension of the buy-back scheme is also not recommended. Such a scheme would be complex and require additional staffing resources. With property prices unlikely to drop significantly, it is not expected that buy-back will be popular for homeowners on either a full- or shared-ownership basis.

However, it is recommended that the current buy-back scheme is retained as an option for leaseholders in severe financial difficulty.

Corporate & Strategic Implications

28. This proposal links to the department's strategic aim to enhance and promote a better quality of life for residents.

Financial Risk Implications

29. The City is responsible for the management of the HRA and should recover all sums of money owed by leaseholders. There could be a significant adverse effect on the ability of the HRA to adhere to the timing of its major works programme and meet its other objectives if increasing numbers of flat owners take up the offer of interest-free loan periods. The cost to the HRA of discretionary interest-free loan periods is set out in the body of the report, but in the worst-case scenario of a 100% take-up of loans by all leaseholders up to a maximum value of £72,500, the total cost would be £0.612m.
30. It is not expected that all eligible leaseholders would wish to take up a discretionary loan for the full amount owing; some may seek a partial loan and/or also look to extend their existing mortgage. The cost to the HRA of a 75% take-up would be £0.459m and a 50% take-up would be £0.306m.
31. A leaseholder who takes out a loan to pay for service charges for repairs and improvements to their property who is in receipt of Income Support, income-based Jobseeker's Allowance or Pension Credit can in certain circumstances obtain government assistance with their loan payments.
32. Please see attached Appendix 1 for a more detailed estimate of interest-free discretionary loan costs.

Legal Implications

33. Leading Counsel's advice has been sought in relation to the potential impacts on the HRA of the current discretionary scheme and the option to increase the available loan limit. Leading Counsel has advised that so long as all material considerations are taken into account, it is open to the City to provide discretionary loans under the terms considered in this report.
34. Under section 20 of the Landlord and Tenant Act 1985 as amended by the Commonhold and Leasehold Reform Act 2002, leaseholders must be consulted before the landlord carries out works above a certain value. The prescribed consultation process includes a requirement to serve notices before the start of the works setting out a description of the works, the reasons why they are necessary and the estimated total expenditure likely to be incurred.

35. There are lengthy and complex statutory procedures for dealing with the recovery of service and maintenance charges from residential leaseholders. The City will comply with these processes to ensure that the charges are both fair and lawful.
36. The City has power to provide discretionary loans to leaseholders and should have regard to any potential that demands for immediate payment of large service charges might lead to: a failure to recover the same, potential legal proceedings and legal costs, and ultimately to the risk of leases being lost through breaches of covenant.
37. The City also owes a fiduciary duty in managing the HRA to secure that it does not show a debit balance in any one year and for this reason it is necessary to endeavour to recover all sums of money owed.
38. It is also open to the City to consider whether any works should be postponed in order to keep the HRA in balance if there is a risk of deficit in any year due to the application of the proposal.

Equalities Implications

39. An Equalities Analysis (EA) was carried out at the commencement of the Housing Service Review – Leaseholders and Freeholders (Report HMASC 4 July 2016). In summary, the EA found that reviewing the financial support offered to leaseholders would not negatively affect any of the protected characteristic groups. To continue to meet our public sector Equality Duty, individual needs should be considered where appropriate when making decisions.

Conclusion

40. The government is keen for social landlords to offer help to their leaseholders who are facing significant major works bills and secondary legislation is in place to facilitate such measures.
41. The City of London Corporation is keen to offer support to our residents who may be facing difficulties paying these bills. Offering interest-free periods, higher loan limits and flexible repayment terms for service charge loans may help leaseholders meet the costs of their service charges.
42. There will be a cost to the HRA in terms of loss of interest. However, any increase in leaseholders seeking these loans will be managed under a structured payment plan and the scheme would be likely overall to reduce the risk of recourse to legal proceedings (and potential loss of leases) for non-payment of major works bills.
43. Where leaseholders are suffering particularly severe hardship, an equity loan, equity purchase or buy-back could also offer an alternative and may be offered in exceptional cases.

44. Members are asked to consider the options and to recommend either retaining the existing interest-free loan provisions or making changes to the existing scheme.

Appendices

Appendix 1 – estimated costs for interest-free loans

Background Papers

Payment Options for Long Leaseholders – Paper to Community and Children’s Services Committee, 9 July 2010

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Assumptions Interest foregone 3.00%
Full amounts funded

Estate	Leaseholder No's	Max Bill	Int free period	Repayment period	FOR A SINGLE LEASEHOLDER					TOTAL INTEREST	TAKE-UP %		
					Y 1 Int	Yr 2 Bal	Y 2 Int	Yr 2 Bal	Y 3 Int		100%	75%	50%
Avondale	108	13,011	3 years	10 years	390	11,710	351	9,368	281	1,023	110,448	82,836	55,224
Golden Lane	221	17,211	3 years	10 years	516	15,490	465	12,392	372	1,353	298,965	224,224	149,483
Gt Arthur	48	72,500	3 years	10 years	2,175	65,250	1958	52,200	1,566	5,699	273,528	205,146	136,764
Holloway	88	11,874	3 years	10 years	356	10,687	321	8,549	256	933	82,130	61,598	41,065
Isleden	5	2,308	1 year	5 years	69	1,846	0	1,108	0	69	346	260	173
Middlesex	67	26,315	3 years	10 years	789	23,684	711	18,947	568	2,068	138,580	103,935	69,290
Southwark	134	23,610	3 years	10 years	708	21,249	637	16,999	510	1,856	248,670	186,502	124,335
Sydenham	53	19,006	3 years	10 years	570	17,105	513	13,684	411	1,494	79,175	59,381	39,588
William Blake	56	12,000	3 years	10 years	360	10,800	324	8,640	259	943	52,819	39,614	26,410
Windsor House	32	13,928	3 years	10 years	418	12,535	376	10,028	301	1,095	35,032	26,274	17,516
York Way	67	8,809	2 years	5 years	264	7,047	211	4,228	0	476	31,871	23,903	15,935
Dron House	35	6,987	2 years	5 years	210	5,590	168	3,354	0	377	13,205	9,904	6,603
Total	914				6,827	6,034	4,524			17,385	1,364,770	1,023,577	682,385

Assumptions Interest foregone 3.00%
Funded up to existing £41,000

Estate	Leaseholder No's	Max Bill	Int free period	Repayment period	FOR A SINGLE LEASEHOLDER					TOTAL INTEREST	TAKE-UP %		
					Y 1 Int	Yr 2 Bal	Y 2 Int	Yr 2 Bal	Y 3 Int		100%	75%	50%
Avondale	108	13,011	3 years	10 years	390	11,710	351	9,368	281	1,023	110,448	82,836	55,224
Golden Lane	221	17,211	3 years	10 years	516	15,490	465	12,392	372	1,353	298,965	224,224	149,483
Gt Arthur	48	41,000	3 years	10 years	1,230	36,900	1107	29,520	886	3,223	154,685	116,014	77,342
Holloway	88	11,874	3 years	10 years	356	10,687	321	8,549	256	933	82,130	61,598	41,065
Isleden	5	2,308	1 year	5 years	69	1,846	0	1,108	0	69	346	260	173
Middlesex	67	26,315	3 years	10 years	789	23,684	711	18,947	568	2,068	138,580	103,935	69,290
Southwark	134	23,610	3 years	10 years	708	21,249	637	16,999	510	1,856	248,670	186,502	124,335
Sydenham	53	19,006	3 years	10 years	570	17,105	513	13,684	411	1,494	79,175	59,381	39,588
William Blake	56	12,000	3 years	10 years	360	10,800	324	8,640	259	943	52,819	39,614	26,410
Windsor House	32	13,928	3 years	10 years	418	12,535	376	10,028	301	1,095	35,032	26,274	17,516
York Way	67	8,809	2 years	5 years	264	7,047	211	4,228	0	476	31,871	23,903	15,935
Dron House	35	6,987	2 years	5 years	210	5,590	168	3,354	0	377	13,205	9,904	6,603
Total	914				5,882	5,184	3,844			14,909	1,245,927	934,445	622,963

Assumptions Interest foregone 3.00%
Full amounts funded

Estate	Owner Occupiers	Max Bill	Int free period	Repayment period	ESTIMATE FOR A SINGLE LEASEHOLDER					TOTAL INTEREST	TAKE-UP %		
					Y 1 Int	Yr 2 Bal	Y 2 Int	Yr 2 Bal	Y 3 Int		100%	75%	50%
Avondale	65	13,011	3 years	10 years	390	11,710	351	9,368	281	1,023	66,473	49,855	33,237
Golden Lane	154	17,211	3 years	10 years	516	15,490	465	12,392	372	1,353	208,329	156,247	104,164
Gt Arthur	32	72,500	3 years	10 years	2,175	65,250	1958	52,200	1,566	5,699	182,352	136,764	91,176
Holloway	47	11,874	3 years	10 years	356	10,687	321	8,549	256	933	43,865	32,899	21,932
Isleden	4	2,308	1 year	5 years	69	1,846	0	1,108	0	69	277	208	138
Middlesex	35	26,315	3 years	10 years	789	23,684	711	18,947	568	2,068	72,393	54,294	36,196
Southwark	68	23,610	3 years	10 years	708	21,249	637	16,999	510	1,856	126,191	94,643	63,095
Sydenham	41	19,006	3 years	10 years	570	17,105	513	13,684	411	1,494	61,249	45,937	30,624
William Blake	32	12,000	3 years	10 years	360	10,800	324	8,640	259	943	30,182	22,637	15,091
Windsor House	15	13,928	3 years	10 years	418	12,535	376	10,028	301	1,095	16,421	12,316	8,211
York Way	41	8,809	2 years	5 years	264	7,047	211	4,228	0	476	19,503	14,627	9,752
Dron House	17	6,987	2 years	5 years	210	5,590	168	3,354	0	377	6,414	4,811	3,207
Total	551				6,827		6,034		4,524	17,385	833,649	625,236	416,824

Assumptions Interest foregone 3.00%
Funded up to existing £41,000

Estate	Owner Occupiers	Max Bill	Int free period	Repayment period	ESTIMATE FOR A SINGLE LEASEHOLDER					TOTAL INTEREST	TAKE-UP %		
					Y 1 Int	Yr 2 Bal	Y 2 Int	Yr 2 Bal	Y 3 Int		100%	75%	50%
Avondale	65	13,011	3 years	10 years	390	11,710	351	9,368	281	1,023	66,473	49,855	33,237
Golden Lane	154	17,211	3 years	10 years	516	15,490	465	12,392	372	1,353	208,329	156,247	104,164
Gt Arthur	32	41,000	3 years	10 years	1,230	36,900	1107	29,520	886	3,223	103,123	77,342	51,562
Holloway	47	11,874	3 years	10 years	356	10,687	321	8,549	256	933	43,865	32,899	21,932
Isleden	4	2,308	1 year	5 years	69	1,846	0	1,108	0	69	277	208	138
Middlesex	35	26,315	3 years	10 years	789	23,684	711	18,947	568	2,068	72,393	54,294	36,196
Southwark	68	23,610	3 years	10 years	708	21,249	637	16,999	510	1,856	126,191	94,643	63,095
Sydenham	41	19,006	3 years	10 years	570	17,105	513	13,684	411	1,494	61,249	45,937	30,624
William Blake	32	12,000	3 years	10 years	360	10,800	324	8,640	259	943	30,182	22,637	15,091
Windsor House	15	13,928	3 years	10 years	418	12,535	376	10,028	301	1,095	16,421	12,316	8,211
York Way	41	8,809	2 years	5 years	264	7,047	211	4,228	0	476	19,503	14,627	9,752
Dron House	17	6,987	2 years	5 years	210	5,590	168	3,354	0	377	6,414	4,811	3,207
Total	551				5,882		5,184		3,844	14,909	754,420	565,815	377,210

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