



## **Resource Allocation Sub (Policy and Resources) Committee**

**Date:** THURSDAY, 18 JANUARY 2018  
**Time:** 11.00 am  
**Venue:** COMMITTEE ROOMS, 2ND FLOOR, WEST WING, GUILDHALL

**Members:** Deputy Catherine McGuinness (Chairman)  
Jeremy Mayhew (Deputy Chairman)  
Sir Mark Boleat  
Deputy Jamie Ingham Clark  
Henry Colthurst  
Simon Duckworth  
Alderman Peter Estlin  
Deputy the Revd Stephen Haines  
Christopher Hayward  
Deputy Edward Lord  
Hugh Morris  
Deputy Dr Giles Shilson  
Deputy Tom Sleigh  
Sir Michael Snyder  
Deputy John Tomlinson  
Alderman Sir David Wootton

**Enquiries:** Angela Roach  
tel. no.: 020 7332 3685  
angela.roach@cityoflondon.gov.uk

**Lunch will be served in the Guildhall Club at 1pm**

**John Barradell  
Town Clerk and Chief Executive**

## **AGENDA**

1. **APOLOGIES**

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

3. **MINUTES**

To agree the public minutes of the Sub-Committee meeting held on 14<sup>th</sup> December 2017.

**For Decision**  
(Pages 1 - 4)

4. **ADULT SOCIAL CARE BUDGET PROPOSALS**

Report of the Director of Community and Children's Services.

**NB: This report was referred to the Sub-Committee for a decision by the Grand Committee.**

**For Decision**  
(Pages 5 - 10)

5. **EDUCATION BUDGET FOR 2018/19**

Report of the Director of Community and Children's Services.

**NB: This report was referred to the Sub-Committee for a decision by the Grand Committee.**

**For Decision**  
(Pages 11 - 20)

6. **CYBER SECURITY DIRECTORATE**

Report of the Director of Economic Development.

**NB: This report will also be considered by the Grand Committee.**

**For Decision**  
(Pages 21 - 42)

7. **CORPORATE PLAN 2018-23**

Report of the Town Clerk.

**NB: This report will also be considered by the Grand Committee.**

**For Information**  
(Pages 43 - 54)

8. **RESOURCING THE IMPLEMENTATION OF BRIDGING DIVIDES**

Joint report of the Town Clerk and Chief Grants Officer.

**NB: This report will also be considered by the Grand Committee**

**For Decision**  
(Pages 55 - 58)

9. **BRIDGE HOUSE ESTATES STRATEGIC FUND REVIEW**  
Joint report of the Chamberlain and the Chief Grants Officer.
- NB: This report will also be considered by the Grand Committee**
- For Decision**  
(Pages 59 - 62)
10. **CITY BRIDGE TRUST: PROPOSED REVENUE BUDGET - 2018/19**  
Joint report of the Chamberlain and the Town Clerk.
- NB: This report will also be considered by the Grand Committee**
- For Decision**  
(Pages 63 - 68)
11. **QUESTIONS ON MATTERS RELATING TO THE WORK OF THE SUB-COMMITTEE**
12. **ANY OTHER BUSINESS THAT THE CHAIRMAN CONSIDERS URGENT**
13. **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 1 of the Schedule 12A of the Local Government Act.

## **Part 2 – Non-Public Agenda**

14. **NON-PUBLIC MINUTES**  
To agree the non-public minutes of the Sub-Committee meeting held on 14 December 2017.
- For Decision**  
(Pages 69 - 72)
15. **CITY FUND ESTATE ADDITIONAL FUNDING**  
Report of the City Surveyor.
- For Decision**  
(Pages 73 - 78)
16. **PROJECT FUNDING UPDATE**  
Report of the Chamberlain.
- NB: This report will also be considered by the Grand Committee.**
- For Decision**  
(Pages 79 - 84)

17. **CYCLICAL WORKS PROGRAMME**  
Report of the Chamberlain.

**NB: This report is also being considered by the Grand Committee.**

**For Decision**  
(Pages 85 - 96)

18. **QUESTIONS ON MATTERS RELATING TO THE WORK OF THE SUB-COMMITTEE**
19. **ANY OTHER BUSINESS THAT THE CHAIRMAN CONSIDERS URGENT AND WHICH THE SUB-COMMITTEE AGREE SHOULD BE CONSIDERED WHILST THE PUBLIC ARE EXCLUDED**

## RESOURCE ALLOCATION SUB (POLICY AND RESOURCES) COMMITTEE

Thursday, 14 December 2017

Minutes of the meeting of the Resource Allocation Sub (Policy and Resources)  
Committee held at Committee Room - 2nd Floor West Wing, Guildhall on Thursday,  
14 December 2017 at 12.00 pm

### Present

#### Members:

Deputy Catherine McGuinness (Chairman)  
Jeremy Mayhew (Deputy Chairman)  
Sir Mark Boleat  
Deputy Jamie Ingham Clark  
Deputy the Revd Stephen Haines  
Deputy Edward Lord  
Sir Michael Snyder  
Deputy John Tomlinson

#### Officers:

Peter Kane	-	Chamberlain
Caroline Al-Beyerty	-	Deputy Chamberlain
Paul Wilkinson	-	City Surveyor
Carolyn Dwyer	-	Director of the Built Environment
Bob Roberts	-	Director of Communications
Simon Murrells	-	Assistant Town Clerk
Peter Lisley	-	Assistant Town Clerk
Simon Rilot	-	City Surveyor's Office
Martin O'Regan	-	City of London Police
Angela Roach	-	Town Clerks

#### 1. APOLOGIES

Apologies were received from Henry Colthurst, Simon Duckworth, Christopher Hayward, Hugh Morris and Giles Shilson.

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

There were no declarations.

#### 3. MINUTES

The minutes of the meeting held on 19 October 2017 were approved.

## **Matters Arising – Bank Junction Improvements**

Reference was made to the impact of the restrictions at Bank Junction. Discussion ensued on the number of drivers in breach of those restrictions, whether signage could be improved and the income being raised as a consequence of breaches.

### **4. REVIEW OF FUNDING TO THE GUILDHALL SCHOOL TRUST AND THE GUILDHALL SCHOOL OF MUSIC & DRAMA FOR SCHOLARSHIPS**

The Sub-Committee considered a joint report of the Director of Community and Children's Services and the Chamberlain concerning the City Corporation's annual payment to the Guildhall School of Music and Drama which was used to fund scholarships.

RESOLVED – That:-

1. the City Corporation continues its £30,000 payment to the School to fund scholarships for the 2017/18, 2018/19 and 2019/20 financial years subject to the School reporting back annually to the Education Board on the numbers of scholarships awarded and the impact of the grant; and
2. the payment be reviewed again after the further three years' funding in the context of the City Corporation's education priorities at the time.

### **5. QUESTIONS ON MATTERS RELATING TO THE WORK OF THE SUB-COMMITTEE**

There were no questions.

### **6. ANY OTHER BUSINESS THAT THE CHAIRMAN CONSIDERS URGENT**

There were no urgent items.

### **7. EXCLUSION OF THE PUBLIC**

RESOLVED – 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 1 of the Schedule 12A of the Local Government Act.

**Item Nos.**

**Paragraph(s) in Schedule 12A**

8 - 13

3

## **Part 2 – Non-Public Agenda**

### **8. NON-PUBLIC MINUTES**

The non-public minutes of the meeting held on 19 October 2017 were approved.

**9. PROJECT FUNDING UPDATE**

The Sub-Committee considered and agreed a report of the Chamberlain concerning the provision of funding to enable three projects to proceed as follows:-

- Electronic Social Care System (top-up funding)
- Hampstead Heath – East Heath Car Park resurfacing
- Lord Mayor's State Coach refurbishment (top-up funding)

**10. GATEWAY 3 OUTLINE OPTIONS APPRAISAL - CITY OF LONDON FREEMEN'S SCHOOL - 2016 MASTERPLAN PROGRAMME & PROGRESS**

The Sub-Committee considered and agreed a joint gateway 3 report (outline options appraisal) of the Headmaster of the City of London Freeman's School and the City Surveyor concerning the progression of the School's 2016 Masterplan.

**11. GATEWAY 3/4 UPDATE DEVELOPED DESIGN - POLICE ACCOMMODATION STRATEGY P3E: LONDON WALL CAR PARK**

The Sub-Committee deferred consideration of this report pending the provision of further information.

**12. GATEWAY 3/5 - POLICE ACCOMMODATION STRATEGY: ENABLING WORKS**

The Sub-Committee considered and agreed a joint combined gateway report of the City Surveyor, the Commissioner of the City of London Police and the Chamberlain concerning enabling works required as part of the Police Accommodation Strategy.

**13. GATEWAY 6 ISSUES - POLICE ACCOMMODATION STRATEGY: DECANT - CITY OF LONDON POLICE DECANT LOGISTICS / MOVE PARTNER**

The Sub-Committee considered and agreed a report of the Commissioner of the City of London Police concerning the progress of the decanting arrangements required as part of the Police Accommodation Strategy.

**14. QUESTIONS ON MATTERS RELATING TO THE WORK OF THE SUB-COMMITTEE**

**Chairmen's Briefing on the Medium Term Financial Plan**

A Member questioned whether a further meeting would be arranged to provide Chairmen with some context on the Medium Term Financial Plan prior to its consideration in January, as suggested at the recent informal meeting of Chairmen. Following discussion, it was agreed that a short presentation on the current position should take place.

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

There were no urgent items.

**The meeting ended at time 12.35pm**

-----  
Chairman

**Contact Officer: Angela Roach  
tel. no.: 020 7332 3685  
angela.roach@cityoflondon.gov.uk**



<b>Committee(s)</b>	<b>Dated:</b>
Community and Children's Services – For decision Policy and Resources – For decision Resource Allocation Sub – For decision	<b>17 November 2017</b> <b>14 December 2017</b> <b>18 January 2018</b>
<b>Subject:</b> Adult Social Care budget proposals	<b>Public</b>
<b>Report of:</b> Andrew Carter, Director of Community and Children's Services	<b>For Decision</b>
<b>Report author:</b> Simon Cribbens, Head of Strategy and Performance	

## Summary

This paper sets out the forecast overspend in the Adult Social Care budget arising from increased costs of provision and demographic pressures driving the future growth in need for services. A provision of £400,000 in 2017/18 was made in response to these pressures in the Medium Term Financial Strategy report to the Finance Committee in February 2017. This report seeks approval for an incremental increase in the service's baseline budget totalling £400,000 over two years to address this need.

## Recommendation(s)

Members of Community and Children's Services are asked to:

- approve a permanent increase in the baseline budget of £265,000 in 2018/19
- approve a further permanent increase in the baseline budget of £135,000 in 2019/20 (to total £400,000).

Members of Policy and Resources are asked to:

- approve a permanent increase in the baseline budget of £265,000 in 2018/19, subject to the approval of Community and Children's Services
- approve a further permanent increase in the baseline budget of £135,000 in 2019/20 (to total £400,000) subject to the approval of Community and Children's Services.

## Main Report

### Background

1. The City of London Corporation has a statutory duty to provide adult social care (ASC) services to adults needing short or long term care as a result of disability, illness or the effects of age as an older person.
2. The escalating cost of care provision and the underlying growth in the size and life expectancy of the adult population have placed significant pressures on

current budgets. These pressures were reported to Community and Children's Services Grand Committee in November 2016.

3. A provision of £400,000 in 2017/18 for this budget pressure was made in the Medium Term Financial Strategy report to the Finance Committee on 21 February 2017. The release of funds was subject to a more detailed report outlining the issue to the relevant service committee and to the Policy and Resources Committee.

## Current Position

4. Current costs in the adult social care sector are increasing. Cost inflation in the sector is a national phenomenon that has seen expenditure by local authorities in 2016/17 increase by £554m (3.3% in cash terms) in that year. This is despite a minimal change in demand for services during that year.
5. This experience is mirrored in the City of London, where the cost of ASC provision has also increased. The cost of residential and nursing care alone has increased from an average weekly level of £709 in 2012/13 to reach £918 in 2016/17.
6. A number of factors are driving this price increase:
  - Wage costs are increasing in the sector: the National Minimum Wage, London Living Wage and recent rulings on paid night shifts have driven increases.
  - Recruitment and retention pressures are driving up wage costs – a situation that has been exacerbated by a decline in the European workforce in the wake of the Brexit referendum result.
  - Supply shortage, particularly in London's residential care market, is pushing prices upwards. The City has limited purchaser power in this market given its comparatively small care contracts that rely on spot purchase rather than block contracting.
  - A new requirement for legal applications to the Court of Protection in relation to those who lack capacity has seen legal costs borne by the City's ASC service increase from nil in 2015/16, to reach £24,470 in 2017/18 to date.
  - The complexity of cases is driving additional cost. Two current cases have incurred annual expenditure by the ASC team of over £80k.
  - An increasing proportion of those who approach ASC services for assistance require a formal assessment.
7. Underlying demographic changes are also increasing demand for services. The City of London's population of those aged over 65 years has increased by 25% since 2012. Among those aged over 85 years, the increase is more marked. An older population are far more likely to experience health and mobility problems and complex health needs requiring social care intervention.

	2012	2013	2014	2015	2016	% increase from 2012
65-74	626	687	724	760	794	27%

75-84	347	348	374	390	393	13%
85+	133	167	178	179	196	47%
<b>Over 65</b>	<b>1106</b>	<b>1202</b>	<b>1276</b>	<b>1329</b>	<b>1383</b>	<b>25%</b>

8. Population projections published by the Greater London Authority indicate a continued rise in the older population in the short term.

	2016	2017	2018	2019	2020	% increase from 2016
65-74	794	829	845	853	865	9%
75-84	393	402	414	435	455	16%
85+	196	198	212	216	228	16%
<b>Over 65</b>	<b>1383</b>	<b>1429</b>	<b>1470</b>	<b>1504</b>	<b>1547</b>	<b>12%</b>

9. The impact of these factors is set out in the budget profile for ASC services set out below.

	2015/16	2016/17	2017/18	2018/19	2019/20
	£'000	£'000	£'000	£'000	£'000
<b>Adults</b>					
Budget	2359	2306	2287	2252	2240
Outturn	2219	2180	2322	2374	2439
	<b>140</b>	<b>126</b>	<b>(35)</b>	<b>(122)</b>	<b>(199)</b>
<b>Older People</b>					
Budget	1185	1308	1418	1394	1387
Outturn	1218	1332	1552	1537	1640
	<b>(33)</b>	<b>(24)</b>	<b>(134)</b>	<b>(143)</b>	<b>(253)</b>
<b>OT</b>					
Budget	252	286	288	282	280
Outturn	113	243	266	283	302
	<b>139</b>	<b>43</b>	<b>22</b>	<b>(1)</b>	<b>(22)</b>
<b>TOTAL</b>					
<b>BUDGET</b>	3796	3900	3993	3928	3907
<b>OUTTURN</b>	3550	3755	4140	4194	4381
	<b>246</b>	<b>145</b>	<b>(147)</b>	<b>(266)</b>	<b>(474)</b>

10. In 2016/17 the City Corporation spent £3.76m providing short and long term adult social care support. It is predicted that this expenditure will grow to £4.14m in 2017/18 resulting in an overspend of £147k in the current financial year. It is anticipated that this overspend can be met in 2017/18 by one-off s256 grant monies. The annual overspend is predicted to reach £474k in 2019/20. However, the Department will implement mitigating actions that seek to reduce the forecast overspend to £400k in 2019/20.
11. Profiling adult social care expenditure on trend data is unreliable, especially in the City where a budget proportionate to a small client base can be distorted by the costs of one or two additional clients. In both the current and future years,

unpredictable events such as widespread winter flu or prolonged cold weather can lead to spikes in demand for support. For the City's ASC services, such events can have very significant impact on delivery and budgets.

## **Mitigation**

12. A number of actions are being taken to improve service delivery, innovate and seek to manage demand for services. A process is underway to consolidate a number of small contracts with the intention of driving better value and cost savings when recommissioned. Investment is being made in preventative measures including greater use of assistive technology to aid self-management of care and sustain independence. Alternative models of short term residential care are being explored for their potential to deliver better outcomes for residents and cost savings.
13. The City Corporation is also working closely with the City and Hackney CCG to deliver service efficiencies and improved patient outcomes through the integration of some commissioning activity. Measures are in place to ensure the integration arrangements do not result in ASC budgets subsidising overspend in the health budget or in Hackney.
14. Efficiencies in delivery offer the potential to drive better value for money, but the pressures on the ASC budget are predominantly a factor of cost increases driven by external factors and a growing older population that requires increasing levels of support.

## **Proposals**

15. It is proposed that the Department of Community and Children's Services attempt to meet the predicted 2017/18 overspend within existing budgets. This is possible due to the availability of non-recurring grant funding which can be utilised for this purpose.
16. It is further proposed that the service's baseline budget is increased by £265,000 in 2018/19, and further increased by £135,000 in 2019/20 (to total £400,000).

## **Corporate & Strategic Implications**

17. KPP2 of the Corporate Business Plan focuses on improving the value for money of our services within the constraints of reduced resources.
18. The vision for the DCCS Business Plan is to make a positive impact on the lives of all service users by working together, and with our partners, to provide outstanding services that meet their needs. It includes strategic priorities of safeguarding and early help, health and wellbeing and efficiency and effectiveness.

## **Implications**

19. The Chamberlain has been consulted in the preparation of this report and there are no additional implications than those included in the body of the report.

### **Health Implications**

20. The resources sought will support the vital role of the City Corporation's ASC services and their contribution to the health and wellbeing of adults in our community in need of care and support.

### **Conclusion**

21. The approval of the budget proposed above will ensure that the City of London ASC services are fully resourced to meet the increased demands that it faces, and as such continue its work to support those adults in our community who are in need of care.

### **Appendices**

- None

### **Background Papers**

- 18 November 2016 – report to Community and Children's Services: *Adult Social Care Pressures – Policy Context*
- 21 February 2017 – report to Finance Committee: *City Fund: 2017/18 Budget Report and Medium Term Financial Strategy*

### **Simon Cribbens**

Head of Strategy and Performance

T: 020 7332 1210

E: [simon.cribbens@cityoflondon.gov.uk](mailto:simon.cribbens@cityoflondon.gov.uk)

This page is intentionally left blank

<b>Committee(s)</b>	<b>Dated:</b>
Policy and Resources Committee Resource Allocation Sub-Committee	14 December 2017 18 January 2018
<b>Subject:</b> Proposed Education Budget for 2018/19	<b>Public</b>
<b>Report of:</b> Director of Community and Children's Services	<b>For Decision</b>
<b>Report author:</b> Anne Bamford	

## Summary

This report asks Members to approve the proposed Education Budget for the 2018/19 Financial Year. The Education Board approved the proposed budget to be submitted to the Policy and Resources Committee at their meeting on 9 November 2017.

The draft Education Budget proposes that each City of London academy secondary school receives a grant of £250K (instead of £100k) and each primary academy a grant of £100K (instead of £50k). The increase in grant was suggested and discussed at the Resource Allocation away day, due to the evidence of success in using the existing grant allocation for targeted projects to raise progress levels well above national expectations. The impact of this grant has been termed 'The City Premium' and has helped secure the City of London Corporation as the sponsor with the greatest average progress outcomes in the country. (TES and Sutton Report on Chain effects - 2016)

## Recommendations

Members are asked to:

- Approve the proposed Education Budget for the 2018/19 Financial Year.
- Consider the longer term funding implications of any budget decisions, including further funding requirements in future years as new academies are opened.

## Main Report

### Background

1. When the Education Board was constituted by the Court of Common Council in May 2014, the Policy and Resources Committee and the Finance Committee agreed that the Education Board would be allocated £700,000 from City's Cash funds in 2014/15 and £1 million from City's Cash funds for each Financial Year thereafter.

### Current Position

2. The Education Budget for 2016/17 was increased to £1,300,000 to reflect the increase in the number of academies the City Corporation sponsors and uplifted by a further £4,000 to offset increased pension costs.
3. The increase in 2016/17 was based on the principle that grant allocations are made on the basis of a secondary academy receiving £150K and a primary £50K for raising attainment activities.

### Proposal

4. Members are asked to approve a proposed budget increase of £1,021K to £2,325K. An itemised version of the proposed budget is attached as **Appendix 1**.
5. There are three reasons for the increase in budget: To cover the additional costs of five new schools joining the City of London Academies Trust (the Trust) by April 2018; to

cover the cost of the new post of the Strategic Director for Education, Culture and Skills and to provide a budget for this post; and to increase the 'City Premium Grant' to the City Corporation's academies to improve outcomes.

### **Increasing the 'City Premium Grant' to academies**

6. The majority of the proposed increase (£930K) consists of increase in 'City Premium Grant' funding to schools on the basis of £250,000 for each full secondary school and £100,000 for each full primary school. As some of the Trust's newer schools are not currently full, they will receive a smaller grant proportionate to the number of pupils. As the schools grow, the amount they receive will increase year on year until the school is full, at which point it will receive the full amount.
7. Members are asked to consider increasing this grant as special additional project funds to enable schools to address particularly identified areas of underperformance and to improve the outcomes. The identified needs will change from year to year depending on priorities and results. For example, the extra funding for 2017/18 provides resources to address the under-performance in mathematics progress. The academies will apply for the 'City Premium Grants' and may use the extra resource to:
  - Mitigate the effects of staff turnover by over-staffing in the mathematics area to ensure continuity of provision.
  - Provide opportunities for smaller extension groups for exceptional mathematicians and support groups for the least able.
  - Establish Mathematics Hubs across schools and at different phases.
  - Provide 1-2-1 tutoring and intervention for low progress pupils.
  - Fund an extension of the Freeman's residential experience.
  - Provide greater pastoral and well-being support for vulnerable pupils by providing mental health first aid training for staff.
8. The grant will increase the impact the Education Board has on school outcomes and therefore on the disadvantaged communities we serve. According to the established procedures, schools must produce a high quality bid for the funds and are required to report via half-termly impact meetings to the Strategic Director Education and Skills and the CEO of the Trust, and annually to the Education Board each July.
9. The funding is termed the 'City Premium Grant' and is the key factor in City of London sponsored academies showing the best progress of any academies group in 2015/16. (TES and Sutton Report on Chain effects – 2016)
10. 'The City Premium Grant' allows our schools to excel beyond the national expected averages. The impact on outcomes are due to the support offered by the City of London Corporation as sponsor through governance, leadership ethos and through the extra resources provided that enable impactful raising achievement interventions. These outcomes are significant and quantified in **Appendix 2**.
11. The 'City Premium Grant' plays an important role in Objective 2 of the Corporation's Education Strategy, which aims to ensure that all schools are rated Outstanding within three years of joining the City of London family of schools. As the inspection focus is largely progress and impact led the funding will help secure this objective and ensure our schools are able to act in innovative and responsive ways to emerging challenges and areas of underperformance.

### **Other increases**



12. The increase to the budget includes the additional costs of the five new academies that will have joined the Trust by April 2018.
13. The remainder of the increase (£91K) reflects increased salary costs due to the new post of Strategic Director for Education, Culture and Skills, and increased budget to promote a range of specific cultural, educational and employability partnership projects supporting the delivery of the Education Strategy.

### **Reduction in the Grant to the central City of London Academies Trust team**

14. The Trust received a grant of £130,000 in the 2017/18 financial year from the Education Budget to cover central team costs. Due to the delay in the funding agreements for Newham Collegiate 6<sup>th</sup> Form College and Highbury Grove, and lower pupil numbers than expected at another new academy Highgate Hill, the Trust requires continued support to cover the costs of its central services.
15. The draft budget proposes a tapering down of the central services grant to the Trust to £110,000 in 2018/19, £90,000 in 2019/2020, and £50,000 in 2020/21 when the 2% recharge to the Trust schools will fully cover central cost. No further financial support is envisaged beyond 2020/21.

### **Other financial implications**

16. Maintaining the current grant support at an equitable level across all secondary and primary academies would imply a significant increase in funding as the schools grow in size and the Trust grows to the current 12 school limit.
17. In total, by 2025 the financial modelling would indicate a total 'City Premium Grant' of approximately £2.65M, a further increase of £930K. The financial modelling can be found in **Appendix 3**.
18. For the purpose of modelling an assumption has been made that two new schools would join the Trust in 2017/18 and that there would be the agreed 12 schools in the Trust.

### **Conclusion**

19. Members are asked to approve the proposed Education Budget for the 2018/19 Financial Year.

### **Appendices**

- Appendix 1 – Proposed 2018/19 Education Budget
- Appendix 2 – Financial Model 2016-2025 – Grant Funding of CoL Academies
- Appendix 3 – Grant Funding for Schools Narrative for Resources Allocation Away day

**Anne Bamford**  
Strategic Director, Education, Culture and Skills

T: 020 7332 3158  
E: [anne.bamford@cityoflondon.gov.uk](mailto:anne.bamford@cityoflondon.gov.uk)

**Mark Jarvis**  
Head of Finance

T: 020 7332 1221  
E: [mark.jarvis@cityoflondon.gov.uk](mailto:mark.jarvis@cityoflondon.gov.uk)

2017-2018 Budget allocation £1,300,000		Proposed budget 2018-19
<b>Local Risk</b>		
<b>Salaries (inc On costs) (£)</b>		
130000	MAT grant funding	110000
61000	Education Strategy Director	122000
99000	Director of Academy Development	100000
44000	Policy Officer	46000
21000	Policy Support Officer	36000
4000	Pension Adjustment	0
359,000		414000
<b>Learning &amp; Engagement Forum (£)</b>		
30000	School Visits Fund	30000
37780	Research by A New Direction	0
7900	Arts GCSE Ebacc Research	0
75,680		30000
<b>Partnership Activities (£)</b>		
0	Careers Fair (+5K from CLS/CLSG alternate yrs)	0
5000	Subject Event	5000
5000	Prefects Dinner	5000
6000	Schools Concert	6000
3000	City Schools Conference	3000
2500	Debating Competition	2500
500	City Track Meet (Travel costs only)	1000
0	Freemen's residential	5000
4000	Art Exhibition	4000
20000	Ind Schools Outreach Projects Music etc	10000
0	Potential Governor reception	6500
10,000	Education Strategy Partnership Activities	
	Strand 1 Cultural	30000
	Strand 2 Schools	30000
	Strand 3 Employability	30000
56,000		138000
<b>Other (£)</b>		
1500	Staff Training	1000
1000	Forum & Project board meeting costs	1000
2000	Printing Charges	2000
3000	Legal Fees	3000
1000	Governor Training	1000
2000	Memberships/Subscriptions	2000
1000	IT/Mobiles/ipads	1000
1820	Fees Contingency	2000
13,320		13000
504,000		595000
<b>Central Risk</b>		
<b>Academy Funding (£)</b>		
150000	COLAS	250000
150000	COLAI	250000
150000	COLAH	250000
50000	Redriff	100000
15000	Galleywall	40000
10000	COLPAI	20000
50000	Highgate Hill	140000
20000	Shoreditch Park	80000
80000	Highbury Grove	250000
0	NCS	150000
125000	Interventions - leadership standards new schools	200000
800000		1730000
1,304,000		2,325,000

## Grant funding for the academy schools – Draft for consideration

### Context

1. City of London Academies currently all receive a raising achievement grant that offers pupils additional support over and above the provision of Pupil Premium funding that our academies attract from the DfE in order to support the progress of the most disadvantaged students.
2. The success of our academies evidence the significant difference the Education Board grants make to pupil engagement and progress turning what would ordinarily be expected to be good pupil progress into what are considered to be outstanding outcomes across a range of key performance measures.

### The City Premium

3. The difference between the outcomes of 'national average' schools and City Academies could be considered to be a 'City Premium'. Pupil premium funding is provided to ensure that the progress of students in schools with high levels of disadvantage are at least in line with national averages. The substantial added value over and above the national average is at least in part due to the influence and support of the City of London, it's expectations, governorship and resourcing. What is more the new accountability measures such as progress 8 quantify the 'City Premium'.

### Evidence of impact

4. As can be seen in the tables below the impact of the 'City Premium' provides added value in nearly every indicator in every school. It can be said that the 'City Premium' has had a demonstrable impact on outcomes in our Academies.

City of London Academies												
Secondary Key Performance Indicators												
GCSE												
School	Progress 8		Attainment 8		% A*-C in En & Ma				Ebacc			
	16	City Pr	16	City Pr	14	15	16	City Pr	14	15	16	City Pr
Southwark	0.15	0.15	57.4	8.9	59	70	78	19	22	17	27.1	4.1
Hackney	1.02	1.02	59.0	11	82	72	82	23	65	49	44	21.0
Islington	0.81	0.81	54.4	5.9	71	50	68	9	26	26	31	8.0
National	0	0	48.5				59				23	
Other Factors												
School	Attendance		Pers Abs >90%									
	16	City Pr	16	City Pr								
Southwark	94.7	-0.1	13.1	0								
Hackney	96.1	1	8.6	5								
Islington	95.8	1	10.2	2.9								
National	94.8		13.1									

## Primary Key Performance Indicators

### KS2 - Progress

School	Reading Prog		Writing Prog		Maths Prog	
	16	City Pr	16	City Pr	16	City Pr
Redriff	2.8	2.8	5.2	5.2	0.00	0
National	0.0		0.0		0.0	

### KS2 - Expected Attainment

School	% Exp R,W+M		% Exp Writing		% Exp Reading		% Exp Maths	
	16	City Pr	16	City Pr	16	City Pr	16	City Pr
Redriff	63	10	92	18	85	19	75	5
National	53		74		66		70	

### KS2 - Greater Depth

School	% GD R,W+M		% GD Writing		%GD Reading		% GD Maths	
	16	City Pr	16	City Pr	16	City Pr	16	City Pr
Redriff	15	10	50	35	29	10	21	4
National	5		15		19		17	

### KS1 - Expected Attainment

School	% Exp R,W+M		% Exp Writing		% Exp Reading		% Exp Maths	
	16	City Pr	16	City Pr	16	City Pr	16	City Pr
Redriff	79	NA	87	22	85	11	90	14
National	NA		65		74		73	

### Other Factors

School	Attendance		Pers Abs>90%	
	16	City Pr	16	City Pr
Redriff	96.8	0.8	1.8	6.4
National	96.0		8.2%	

- In addition to the metrics we also know that all of the schools are currently judged Good or Outstanding by Ofsted. The current status of each academy is shown below.
  - Southwark Academy – Good and improving
  - Redriff Primary – Outstanding
  - Galleywall – Not yet inspected.
  - CoLA Islington – Good (outstanding leadership) and improving- Ranked 15<sup>th</sup> in the country
  - TCAH – Outstanding – Ranked 6<sup>th</sup> best in the country
- In September we are adding a number of new academies some of which will present more challenge than others. It is self-evident that the ability of these schools to achieve outstanding outcomes will be dependent on targetted resourcing as well as the strong leadership and reputation provided by the Trust. The current status of the new schools is shown below.

- Highgate Hill – Currently Good as Mount Carmel
  - Shoreditch Park – Not yet inspected
  - Newham Collegiate Sixth Form – Not yet inspected but Outstanding (ALPs top 1%)
  - Primary Islington – Not yet inspected
  - Highbury Grove – Inadequate
7. The City of London academies are also facing an uncertain future in regard to core funding.

These unavoidable cost pressures facing all schools include:

- Increased employer pension contributions
- Teacher pay progression
- Inflationary pay rises
- Energy price rises
- Apprenticeship levy

### **Fair Funding**

8. Along with these cost pressures schools must address, the well-publicised impact of the proposed fair funding formula on inner-London schools, overall school funding levels, post-16 funding pressures and the increasing difficulty to recruit and retain quality teachers in central London.
9. The academies continue to seek savings in back-office costs both at an individual level and by working collaboratively with other City academies looking at, for example:
- Facilities management
  - Payroll and HR services
  - Internal and external audit provision
  - Software and licensing costs
  - Banking
  - Procurement of energy
10. Inevitably schools will need to find efficiencies and use their core DfE funding to deliver their core curriculum and education, but other areas of pupil support and curriculum enhancement will be under pressure. For example
- Additional pastoral support which is of great importance in areas of disadvantage. This includes mental health, learning support officers and family liaison work
  - Breakfast clubs and after-school clubs
  - Revision sessions after school and in school holidays
  - Music tuition for pupil premium students
  - Careers support
  - Subsidised school trips and visits
11. Currently, the Education Board budget includes a grant allocation to each of the City academies, being £50,000 a year for each primary and £150,000 for each secondary, to enhance the education of the pupils.
12. In 2017-18 the grant allocation totals £675,000 for all the academy schools. The Trust will be growing over the next few years and may grow from 8 academies (at 1 September 2017) to 12 academies within the next three years. If the per-school grant funding allocation remains at current levels, once all twelve Trust academies are at capacity the total grant

allocation (including the two co-sponsored academies) would be £1.45m. This is analysed at Appendix 1.

13. If the academy schools could secure additional grant funding as shown in Appendix 2 it would enable them to sustain and potentially improve the impact of the 'City Premium' by retaining and extending some of the additional areas of pupil support and curriculum enhancement which have such a significant impact.
14. The cost of additional funding has been calculated on the basis of a model where school grant funding is increased to £100,000 a year for each primary and £250,000 for each secondary, the total grant allocation (once all schools are at capacity) would be £2.5m.

Modelled City Premium Grant funding to schools based on £100k to primaries and £250k to secondaries	2016/17 allocation £'000	2017/18 allocation £'000	2018/19 £'000	2019/20 £'000	2020/21 £'000	2021/22 £'000	2022/23 £'000	2023/24 £'000	2024/25 £'000
City of London Academy Southwark	150	150	250	250	250	250	250	250	250
Redriff Primary	50	50	100	100	100	100	100	100	100
Galleywall Primary	10	15	40	60	80	100	100	100	100
City of London Academy Highgate Hill*		50	140	200	250	250	250	250	250
City of London Academy Shoreditch Park**		20	80	140	200	250	250	250	250
City of London Academy Highbury Grove*		80	250	250	250	250	250	250	250
City of London Primary Academy Islington**		10	20	40	60	80	100	100	100
Newham Collegiate Sixth Form Centre City of London Academy*			150	150	150	150	150	150	150
<b>Existing Trust academies</b>	<b>210</b>	<b>375</b>	<b>1,030</b>	<b>1,190</b>	<b>1,340</b>	<b>1,430</b>	<b>1,450</b>	<b>1,450</b>	<b>1,450</b>
<b>Possible new Trust academies (contingency)</b>									
City of London Academy Downs Park (1/9/19)				40	80	140	200	250	250
New primary (1/9/19)				10	20	40	60	80	100
Joining primary (1/9/18)			50	100	100	100	100	100	100
Joining secondary (1/9/18)			140	250	250	250	250	250	250
<b>Trust academies</b>	<b>210</b>	<b>375</b>	<b>1,220</b>	<b>1,590</b>	<b>1,790</b>	<b>1,960</b>	<b>2,060</b>	<b>2,130</b>	<b>2,150</b>
City of London Academy Islington	150	150	250	250	250	250	250	250	250
The City Academy, Hackney	150	150	250	250	250	250	250	250	250
<b>Co-sponsored academies</b>	<b>300</b>	<b>300</b>	<b>500</b>	<b>500</b>	<b>500</b>	<b>500</b>	<b>500</b>	<b>500</b>	<b>500</b>
<b>TOTAL</b>	<b>510</b>	<b>675</b>	<b>1,720</b>	<b>2,090</b>	<b>2,290</b>	<b>2,460</b>	<b>2,560</b>	<b>2,630</b>	<b>2,650</b>

\*Part of the Trust from 1 September 2017

\*\*New schools opening 1 September 2017 - grant scaled up over 5 years

This page is intentionally left blank



<b>Committee(s)</b>	<b>Dated:</b>
Resource Allocation Sub-Committee Policy and Resources Committee	18 January 2018
<b>Subject:</b> Priorities Pot Funding Proposal – Cyber Directorate	<b>Public</b>
<b>Report of:</b> Director of Economic Development	<b>For Decision</b>
<b>Report author:</b> Sarah Mayes, Economic Development Office (EDO)	

## Summary

This proposal for funding from the “Priorities Investment Pot” aims to widen and deepen the cyber security offering that the Corporation currently delivers. This will be led by the creation of a new Directorate with a dedicated website and headcount, and will draw on existing activity, notably by the police and EDO, but also would leverage the activity of external organisations (e.g. National Cyber Security Centre, Global Cyber Alliance). This combination, brought together in a coherent, focussed strategy, will create a trusted internet portal – a ‘one stop shop’ for cyber security, providing access to the information, skills, products, services and advice needed to make our ecosystem more cyber secure. The model will be delivered through partnerships, combining the brand strength and reach of the City of London Corporation, with select expert and specialist organisations.

In keeping with existing and emerging priorities within the Corporation we propose that the City of London leads the way in convening and empowering internal and external partners to make this possible, using a dedicated Cyber Directorate (working title) to achieve this. The Corporation can use its unique position to support those operating within the City of London who, due to the unique threat facing financial services, may be acutely vulnerable.

The current estimate of required funding is £635,000, with an expected breakdown allocated to staffing a team, the development and maintenance of a digital platform, the provision of a cyber skills pipeline and events and marketing requirements. This proposal is scalable and can be tailored to the level at which the Corporation wants to implement the Cyber Security Strategy.

## Recommendation(s)

That **the Resource Allocation sub-committee** endorses the £635,000 funding required to set up the Cyber Directorate pending agreement from the Policy and Resources Committee.

That the **Policy and Resources committee** agrees the principal of the setup of the Cyber Directorate.

## **Main Report**

### **Background**

1. Following cyber-attacks such as Wannacry and the compromise of Deloitte data, the City must act to defend against the growing threat and keep up with the growth of innovation in this market. The City of London is looking to develop a cross-Corporation cyber strategy to reflect the current environment within The City. The Policy Chairman also visited Tel Aviv to inform the cyber security strategy.

### **Options**

2. Funding is being requested to support the initial set up of the Cyber Directorate (timeline approx. 6 months) and its activity in 6 months following this. At this point there would be a comprehensive review of progress. The Economic Development Office (EDO) will facilitate the initial setup of the team behind the Directorate, working closely with the City of London Police, and other relevant departments. The Cyber Directorate will ultimately have its own team and governance structure, EDO will continue to feed in and be engaged where appropriate and where interests overlap.
3. The proposal is based on initial forecasts and is scalable from a de minimis version through to the recommended version presented here, based on expected workload for the Directorate, this may differ in subsequent years depending on business requirements. The funding levels in this proposal are for the fullest version to be presented when procurement and recruitment activities take place and more detail can be provided. The current estimate of required funding is £635,000, with an expected breakdown allocated to staffing a team of approximately 8, the development and maintenance of a digital platform, the provision of a cyber skills pipeline and events and marketing requirements. To note, presently all cyber activity within EDO is carried out by a secondee from HMG Fast Stream program at no cost.
4. The Cyber Directorate intends to provide a single point of contact for cyber security in London through the online platform. The Directorate will initially focus on our immediate stakeholders (e.g. financial and professional services), with a view to support these groups, and the possibility to widen the focus in the future. This platform intends to enable the Corporation to achieve outputs within the Corporate plan. It will aim to allow the CoLC to grow London's market share in cyber security, its innovation ecosystem, improve access to skills and human capital and enable the City of London to project its brand of being cyber secure. Through strategic partnerships the City of London will enable the London cyber ecosystem to grow.
5. If the Corporation does not develop its cyber security offering the Corporation will risk allowing the City of London to be more vulnerable to cyber-attacks than it would have been otherwise, as well as falling behind other jurisdictions in growing a cyber ecosystem as part of our financial services offer. CoLC has a unique role in being able to complete activity and convene organisations that can have a positive and measurable impact on the London Cyber ecosystem.

## Proposals

6. By formally partnering with organisations that are delivering in this space, we intend to utilise the trusted brand of the CoLC to create a city-wide service, that will deliver on our Cyber Security Strategy (please see appendix 1.) and the Government's National Cyber Security Strategy. The service will take the form of a new Directorate, that will act as a portal to trusted cyber advice and expertise, a platform for partners to connect to more users and a means to create and propagate a cyber security brand for London.
7. Outputs of the partnerships will take the form of signposting, through the online platform, to existing initiatives, products and services being provided by these partners, for example, signposting to National Cyber Security Centre guidance. The Directorate will also look to develop new initiatives created in collaboration that are tailored to the needs of the City of London. The Directorate will look to build on existing relationships such as the London Digital Security Centre (setup in Partnership with the CoLPolice) and strengthen the reach of these organisations.

### Funding Case For:

8. *Staff Resource* – Funding will be used to put together a dedicated team behind the Directorate with its own governance structure, to achieve goals within the Corporations' Cyber Security Strategy (please see outline of roles in slide 14 in appendix 1). Funding will be used to staff the Directorate to facilitate the middle stage development and setup of our offering including partnership management, business liaison and digital, communications and marketing capabilities. Funding will also be used to maintain and promote activity with internal and external partners.
9. *Digital Platform* – There is not currently an online platform available across user groups that provides access to the range of advice, services and tools to serve the City's needs. The CoLC has identified its potential role in providing this platform. The online digital platform will allow external users to access the activities being coordinated and carried out by the Cyber Directorate. A dedicated online platform would demonstrate CoLC's long-term prioritisation of cyber security and will offer a valuable and flexible tool for communication with our users and partners. The platform will outline and provide access to all cyber security activity being carried out by the Corporation. It will also showcase activities the CoLC is undertaking with external partners and signposting to these partners' offerings and websites. Funding will be needed to develop and launch the online platform as well as its maintenance and updates that will be required.
10. *Strengthened Skills Pipeline* – The development of cyber skills has been identified as a key strand of the cyber security strategy, to support the innovative ecosystem in London and the pipeline of human capital that is required to feed the growing cyber security market. The Directorate will aim to develop and support activities that support this skill pipeline, such as: funding for the development of the long-term skills pipeline by for example, working to develop existing Cadets programmes in the City of London Police to include "Cyber Cadets"; promoting access to skills in the medium term by sponsoring cyber specific apprenticeship schemes that take place on rotation between the CoLC,

the CoLPolice, and partners of the cyber directorate; aiming to provide skilled human capital in the short term by developing programmes that train individuals in specific cyber skills required by industry; working with Academic Centres of Excellence to develop Continued Professional Development courses.

11. *Events and Marketing* – Funding for events and marketing of the cyber directorate will be required. As well as events that are part of the activities of the cyber directorate (e.g. networking opportunities for cyber security SME's).

### **Corporate & Strategic Implications**

12. To address the emerging threats facing the City of London in cyber security, this proposal delivers against the Corporate Plan by directly contributing to corporate outcomes which include “growing the economy” and “enhancing the city as a global hub for innovation”. We will work towards these outcomes by supporting the cyber security ecosystem in London, but also ensuring that businesses and individuals are safer online. We will also work with external partners to enable London's businesses to access cyber skills so the City has the human capital it needs to thrive. In short, this proposal will create a cross-London offering on Cyber Security that aligns to corporate goals.

### **Implications**

13. Financial implications are associated with the allocation of funding from the Priorities Pot, risks will be mitigated by setting up measures to assess the success of the Directorate. These will be based on the level of engagement with activities that are carried out or promoted by the Directorate. The Directorate will be assessed by a specially set up Governance Board that will meet bi-monthly. The Board will consist of Partners associated with the Directorate, the Senior Responsible Officer at CoLC and the Director of the Cyber Directorate.

### **Conclusion**

14. The Corporation needs to align its offering in cyber security with the scale of the current risk. This proposal will enable those within the Square Mile, wider London, and the UK, to access cyber advice, products, services and skills quickly, efficiently and at low cost to make London synonymous with being more cyber secure. The Corporation can convene and empower internal and external partners to make this possible, by creating a dedicated Cyber Directorate to achieve this.

### **Appendices**

- Appendix 1 – Cyber Security for the Corporation V.11.2

### **Sarah Mayes**

Policy Advisor (Cyber), Economic Development Office

T: 020 7332 1565

E: sarah.mayes@cityoflondon.gov.uk



# **Creating a Cyber Security Directorate: A new approach for the Corporation of London**

January 2018



# Executive Summary

- ▶ Cyber Security is part of the **requirements that all business** must now make provision for – **a new normal for compliance**.
- ▶ The **cyber crime threat is ever-developing** and the cyber security market place is crowded. This is a new challenge for business and many need assistance.
- ▶ The Corporation already provides many services that can help businesses meet this challenge but it is fragmented and not visible – we should create a **Cyber Directorate**, leveraging **existing skills and activity** as well as partnering with other London peer group organisations to create a **‘single customer view’** on cyber security

## The Corporation's Key Objective:

To enable the Square Mile, wider London, and the UK, to access cyber advice, products, services and skills quickly, efficiently and at low cost to make London synonymous with being cyber secure



# Now is the time to build a Directorate that works towards our objectives as one City of London

---

## ► Key Asks:

- Agree the **strategic objective** on cyber security
- The **high level aims of the Directorate** as the right means to deliver
- The **make-up and remit** of the Directorate
- First **90 days plan**



# The Cyber threat is the biggest challenge facing business today



- ▶ This is a relatively **new problem**
  - ▶ New **regulation** is trying to keep up with cyber security compliance.
  - ▶ Businesses must be active in **identifying new and evolving threats**.



- ▶ The **threat can cross borders**. Cyber criminals can operate from anywhere.
- ▶ **Governments and international organisations** are providing services and guidance on cyber – London must show leadership



- ▶ Business is **cautious about sharing data** that may work towards solving cyber security issues.



- ▶ The market place is **difficult for customers to navigate** with providers and services of **varying levels of quality**
- ▶ There is a need to create an **ecosystem** that enables a **functioning, innovative and commercial** cyber security marketplace



- ▶ There is a **disparity in the cyber security capabilities** of large organisations compared to SME's and non-financial services businesses
  - ▶ Resources
  - ▶ Skills



- ▶ There is a **skills and knowledge gap** in providing cyber security services

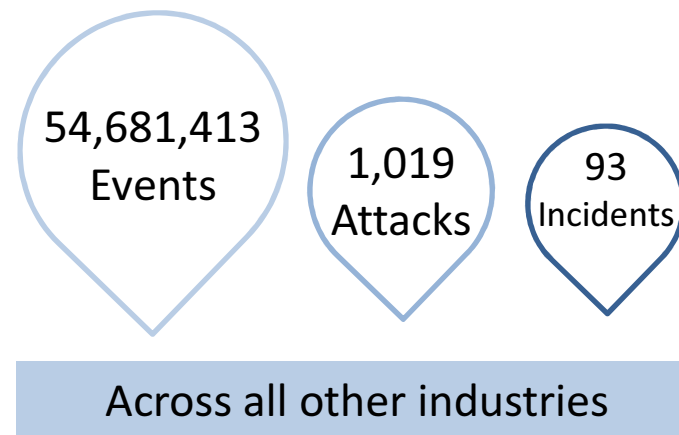
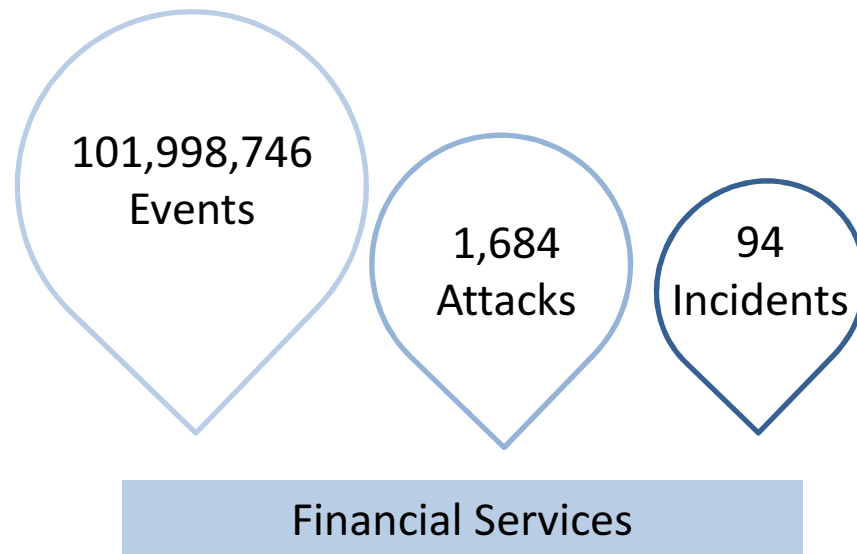




## Financial services as the cyber criminals' most wanted

In 2016 the financial sector was attacked 65% more frequently than any other sector.

2016 saw an average 29% increase in attacks on financial services organisations—up from 1,310 attacks in 2015 to 1,684 in 2016.





# We must act by leveraging existing Corporation strengths in cyber security...

## Key Players

- ▶ City of London Police
- ▶ Economic Development Office (EDO)
- ▶ In-house ICT and information management
- ▶ Mansion House



- ▶ **National leader on fraud and economic crime**
- ▶ Sharing data with national authorities
- ▶ Active participants in industry initiatives like CDA and GCA



## Connection and Outreach

- ▶ The Corporations as a communications platform
- ▶ Trusted and strong **brand identity**
- ▶ Connecting business to cyber innovation through our **contacts and events**
- ▶ Ability to **share best practice** on a global stage



## EDO: delivering Skills, Innovation & Enterprise

- ▶ **Digital skills** development
- ▶ Connecting sell-side innovators with buy-side incumbents
- ▶ Inward **investor engagement** and access to finance
- ▶ Account management – Ensuring UK SME's have **access to export markets**



... combined with wider London's capabilities

### Key Players

- ▶ Greater London Authority (GLA)
- ▶ National Cyber Security Centre (NCSC)
- ▶ A financial services industry co-located with a technology cluster
- ▶ Academic Centres of Excellence
- ▶ Bank of England



### Regulation & the Courts

- ▶ **Courts**, regulation and policy
- ▶ Stable and up to date legal system
- ▶ Strong insurance sector – growing **cyber insurance** market
- ▶ UK's commitment to adhere to the **General Data Protection Regulation (GDPR)**



### Government and Institutional Outreach

- ▶ **National Cyber Security Centre (NCSC)** provide leading guidance
- ▶ Greater London Authority – **London Digital Security Centre**
- ▶ Growing appetite and regulation for business to **share cyber information**



### Skills, Innovation & Enterprise

- ▶ Competitive **existing skills base**
- ▶ Large corporations working on **cyber solutions** e.g. Barclays cyber school
- ▶ Existing environment of **support for SME's and startups**
- ▶ **Academic IP**
- ▶ Forthcoming London Innovation Centre



# What the Cyber Directorate could look like:

Corporation activity



Existing London/UK players



EDO

IT, Security & Resilience

Cyber Directorate

Accessed via a trusted online portal



Academia



London Cyber Innovation Centre



The Directorate will provide:



Advice and Guidance



Products and Services



Trade & Investment

London Boroughs

Platform for advice provision to their users

Public & Third Sector

Dissemination of Government, COLP and other external advice from partners

SMEs

Support cyber SMEs to scale up

Financial & Professional Services

Sharing of threat intelligence

Access to tailored products and service solutions

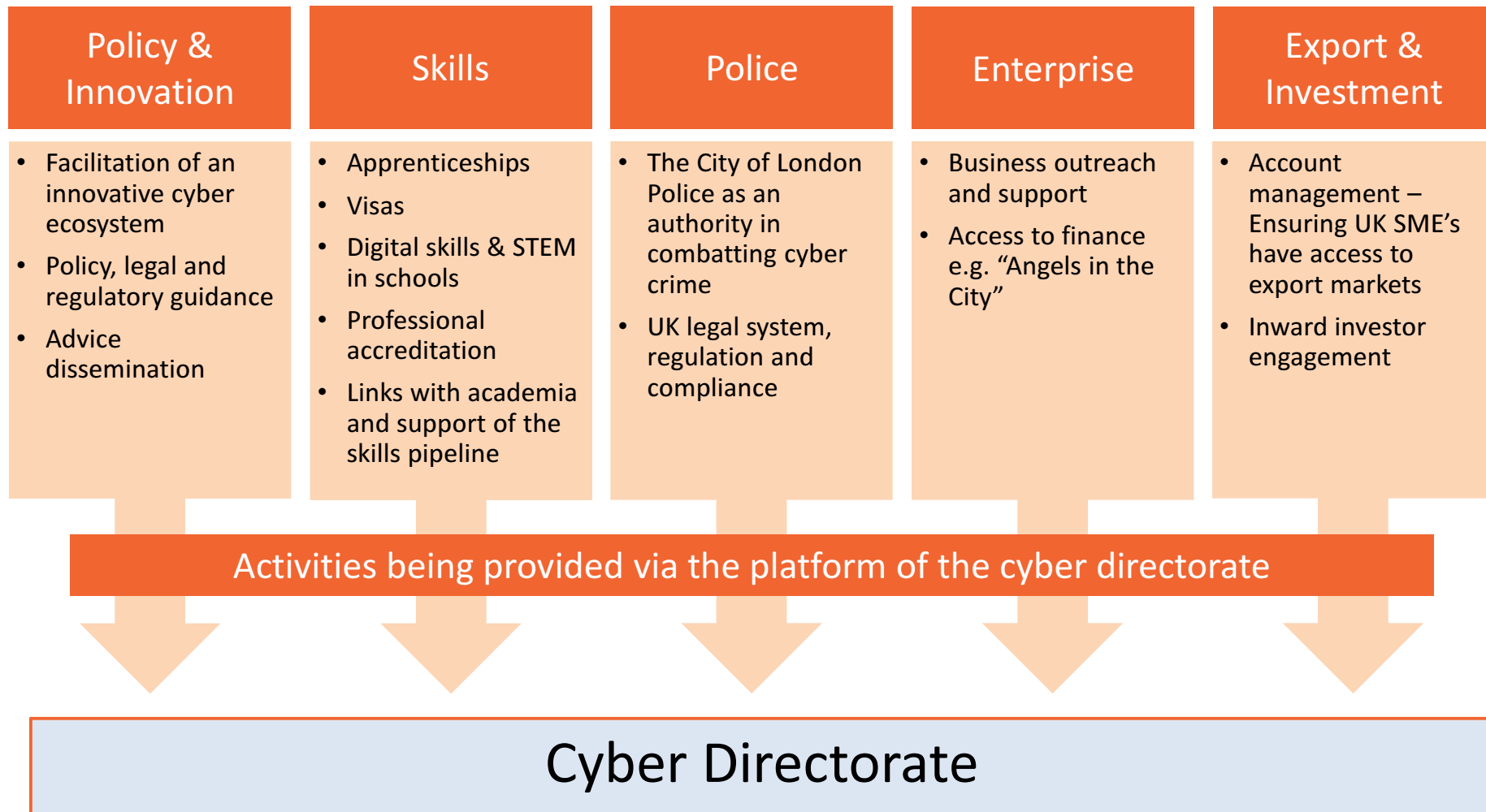
Innovation and export opportunities

Develop innovative London ecosystem

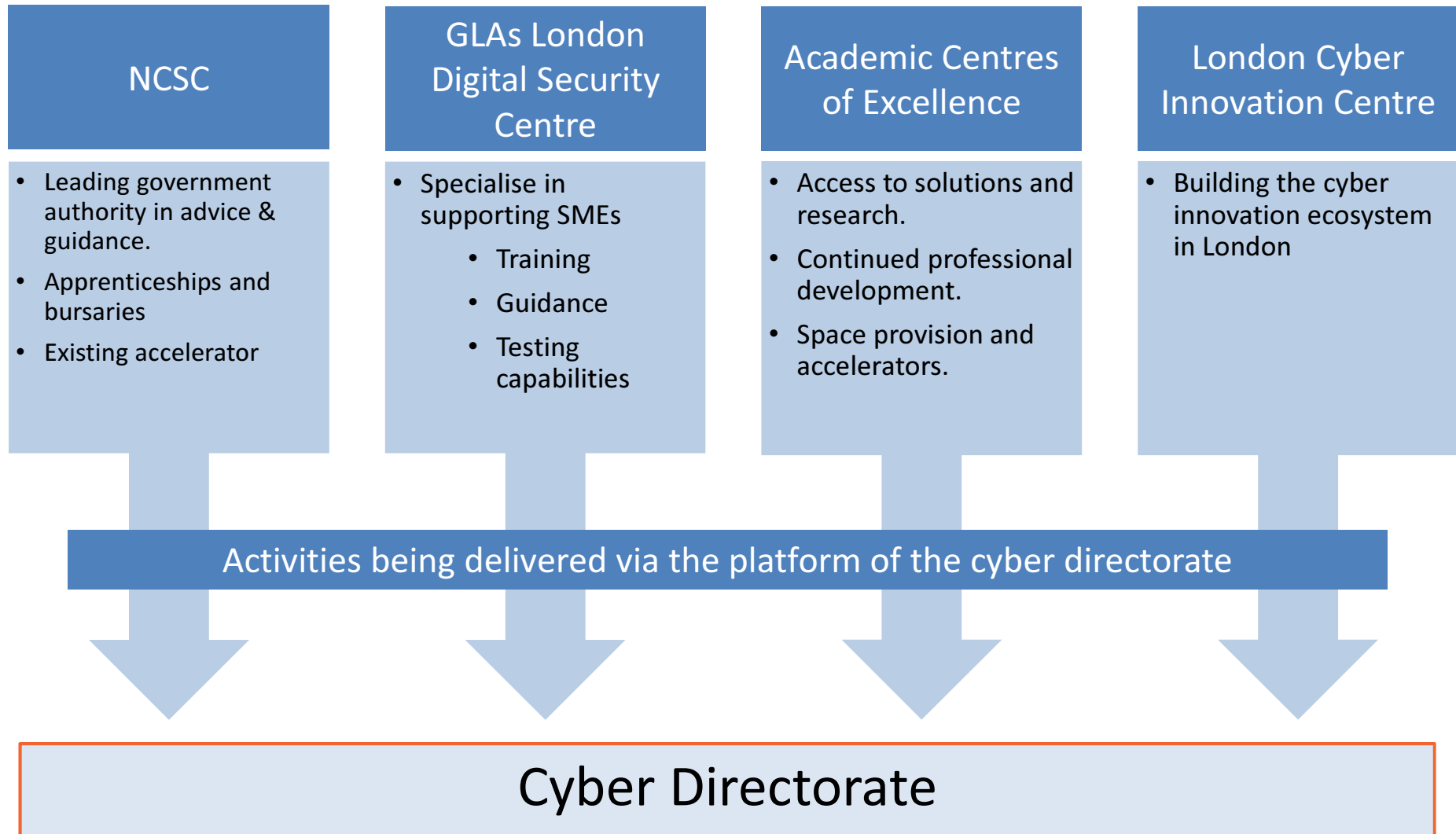
Providing access to services from Police and other approved providers



## Existing COL activity and engagement will supply the Directorate



## The Directorate will package & signpost existing work being carried out by partners



## Cyber Directorate leveraging a broad network to provide services to business

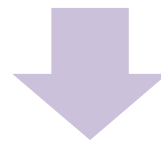
### Businesses accessing the Cyber Directorate



#### Skills

##### **Apprenticeship Schemes for non NEC levy payers**

- COLP cadets generating cyber participants
- Placements provided within external organisations e.g. GCA
- Corporation connections to industry providing placements



#### Product

##### **Penetration Testing**

- Service provided by the COLP
- Trusted and clear advice to SME's and those with less resource to dedicate to cyber security



#### Growth

##### **Account Management**

- Service provided by the COLP
- Trusted and clear advice to SME's and those with less resource to dedicate to cyber security



## Tel Aviv: Effective cyber ecosystem case study

- Key findings from the visit on why Tel Aviv is a leading centre for cyber security:

### People

- Compulsory **military service** is an **important part** of developing the “human capital” in Tel Aviv and powers the tech community.

### Industry

- International organisations set-up **accelerators and innovation labs in Tel Aviv to access this talent pool**, finding solutions to their problems by working with and supporting start-ups and innovators.

### Academia

- **Links between academia, government and industry** are a key part of the building and sharing of information and innovation.

### Culture

- There is an energy in Tel Aviv that is unique in their **approach to entrepreneurship**. They are risk takers but they sit within a supportive community that is not afraid of failure.

**Tel Aviv** has the right ecosystem but does not have developed internal markets to sell its cyber security solutions to. Therefore it **will always look to export** these solutions



**London** can generate cyber security solutions but also has the **right markets and industry** to sell them to





# Cyber Directorate: First 90 Days

	Month 1	Month 2	Month 3
CoLC Alignment	<ul style="list-style-type: none"> <li>Steering group to set skills/staffing requirements and budget</li> <li><b>Paper to Policy &amp; Resources committee</b></li> </ul>	<ul style="list-style-type: none"> <li>Recruit team</li> <li><b>Key MOUs with Corporation departments</b></li> <li><b>Business Plan</b></li> </ul>	
PARTNER Engagement	<ul style="list-style-type: none"> <li>Identify external partners and right contact</li> </ul>	<ul style="list-style-type: none"> <li>Corporate Affairs /Directorate team to engage and align partners to CoLC objectives</li> </ul>	<ul style="list-style-type: none"> <li>Formalisation and launch</li> </ul>
END USER Engagement	<ul style="list-style-type: none"> <li>Develop brand</li> <li>Partner with account managers to develop <b>business engagement plan</b></li> </ul>	<ul style="list-style-type: none"> <li><b>Develop website</b></li> <li><b>Comms/PR plan</b></li> <li>Feedback sessions with end-users</li> </ul>	<ul style="list-style-type: none"> <li>Finalisation and launch</li> <li>Work incorporated into Corporations' programme</li> </ul>

**Key: Products to be designed and delivered are in bold**



## The team & skills that may be required



Digital, comms  
& marketing

Partnership  
Management

Business  
Liaison

Policy  
Advisor

Skills  
Coordinator

External  
Secondees

- Maintenance of **digital platform**
- Ensure portal aligns with **desired outputs** of the Directorate and partners

- **Partner relationship management**
- Working group secretariat

- Maintain **user focus** through business and user engagement
- **PR and awareness**

- Align with developing **national and international policy**
- **Government engagement**

- Align skills provision with **partner activities**
- Develop cyber skills with **wider EDO skills team**

- Secondees **from COLP and business** providing specialist knowledge
- Participant based on **input required**



Team  
Coordinator



To coordinate initial activity the next step is to set up an internal steering group to agree terms of reference, sign off strategy and draw up committee papers

---

### Corporation Steering Group Members

- ▶ CPR
- ▶ EDO representative
- ▶ City of London Police
- ▶ ICT team
- ▶ Mansion House
- ▶ Town Clerks Office

### Future London wide engagement

- ▶ Representatives from the CoLC working group
- ▶ NCSC
- ▶ GLA
- ▶ Winner of the Innovation Centre competition
- ▶ Academic Centres of Excellence



# Now is the time to build a Directorate that works towards our objectives as one City of London

---

## ► Next Steps

- **Endorse the concept of the cyber directorate and its basic remit**
- Form the steering group and immediately progress first meeting
- Draft terms of reference and necessary committee papers



# Annex 1: Tel Aviv Visit. Key themes and resulting tangible actions from the visit to Tel Aviv support the scope and overall aims of the Directorate

---

## ► Skills

- Pilot **apprenticeship programme**, placing a UK apprentice in an Israeli cyber firm.
- **“City Cyber Cadets”** - Recruitment of those with a strong existing technical foundation.
- Align **digital skills** activities within the Corporation with the development of **cyber security skills**.

## ► London cyber innovation ecosystem

- **Forum** between universities in the Square Mile and wider London, government and business to **discuss collaboration on cyber security**.
- Meet with universities to **partner in research and encourage the support of start-ups** that have their roots in academia.
- Encourage firms to **link to the “applied innovation” that takes place in Tel Aviv** through innovation labs and improving access to the talent and skills pool that is available.
- Work with the **London cyber innovation centre** when established and encourage close links with Tel Aviv and Israel.

## ► Trade and Investment

- Promote London as a **springboard to global markets for Israeli firms**, aim to support access to finance for those looking to scale up in London.
- Use the **Lord Mayors visit** to promote London as an investment destination for Israeli cyber firms.
- Explore the **Israeli community in London** and how to develop a campaign to position London as the preferred destination for tech companies.
- Understand the **current immigration journey** and if this can be improved for those seeking to arrive in London to work within the cyber/tech sector.

This page is intentionally left blank

Meeting	Date
Resource Allocation Sub Committee (for information) Policy & Resources Committee (for decision) (Court of Common Council)	18 January 2018 18 January 2018 (8 March 2018)
Subject	Public
Corporate Plan 2018-23	
Report of	For Information
The Town Clerk and Chief Executive	
Report Author	For Information
Kate Smith, Head of Corporate Strategy and Performance	

## Summary

This paper presents the refreshed Corporate Plan, 2018-23, following extensive Member and officer consultation, and seeks approval for this version to be submitted to the Court of Common Council for formal endorsement in March 2018.

## Recommendations

That Policy and Resources Committee:

- Approves the refreshed Corporate Plan, 2018-23, shown at **Appendix 1** for presentation to the Court of Common Council for formal endorsement in March 2018;
- Notes that Committees will see further alignment of departmental Business Plans for 2018-19 with the Corporate Plan, 2018-23, through use of the revised two-page, high-level summary Business Plan template shown at **Appendix 2**.
- Notes that from March 2019, and annually thereafter, the Corporate Plan annual review, priorities for the coming year and Budget will be presented in the same document.

## Main Report

### Background

1. The Corporate Plan has been refreshed so that it can be used as a strategic framework to guide our thinking and decision-making over the next five years and help ensure that everything we do takes us closer to achieving our corporate aims.
2. The refresh has been led by the Head of Corporate Strategy and Performance on behalf of the Town Clerk and Chief Executive since September 2016. All Members and officers have had the chance to contribute as the plan has unfolded.

## The refresh process

3. The initial two-page draft was compiled in collaboration with Chief Officers and a small number of senior officers in strategic, policy and business planning roles from across the organisation and set in the context of our ambitions for the next fifteen years, before being extrapolated back to refer specially to 2018-23 and then mapped to business plan activities.
4. All Members were then provided with multiple opportunities to comment on the two-page draft both formally and informally. All Service Committees and Boards of Governors were asked for initial feedback during May, June and July 2017. For all departments except the City of London Police, Guildhall School of Music and Drama (GSMD) and the independent schools, which are currently outside of the corporate business planning framework, this was alongside new two-page, high-level summary departmental Business Plans. This was to highlight the need and opportunity for better alignment between the two and through to service, team and individual performance plans, referred to as the 'golden thread'. Informal opportunities consisted of a series of briefings, for Chairmen and Deputy Chairmen and as part of the all Member Induction and Refresh Programme that followed the Court of Common Council elections in March 2017.
5. This first round of consultation resulted in amendments and the expansion of the draft Plan to five-pages to include the high-level activities that would provide the golden thread to business planning activities. In July 2017, all Members were invited to comment on the new five-page draft before Summit Group, later in the same month, gave approval to 'freeze' this draft for wider consultation. The 'frozen' draft was shared with Members pre-recess via the Member Briefing.
6. Officer consultation ran from 6<sup>th</sup> September 2017 until 8<sup>th</sup> November 2017 and consisted of:
  - Two Senior Leaders' Forums;
  - 21 staff feedback sessions, the majority of which were held at non-Guildhall locations;
  - Two meetings with the informal Corporate Strategy Network;
  - An anonymous online survey; and
  - A dedicated email inbox.
7. Feedback received was shared verbally at an informal Members' breakfast briefing early in November 2017. Informal feedback on the draft Plan was also sought from a small number of stakeholders and partners, at the recommendation of Members, and a small number of existing team and cross-departmental meetings, upon request.
8. The six-page version presented herein has been amended accordingly and with a small number of comments made by the Summit and Chief Officers Groups.



## Next steps for the Corporate Plan

9. An update was provided in December's Members' Briefing and Members were asked to notify officers if they would like a further briefing on the purpose, content or use of the Corporate Plan. At the time of drafting this paper, no requests had been made. However, as these offers are sometimes missed it is proposed that an item on the Corporate Plan be included in the Chairman of Policy and Resources' Breakfast Briefing on 7<sup>th</sup> February 2018, so that any queries raised can be addressed before Court is asked to approve the Plan for design and publication.
10. As stated in the draft Plan, during 2018-19, it will be used to develop our strategic priorities, to decide how best to go about delivering them, to focus our efforts towards pursuing them and to find out what effect we are having as a result. Over the five-year term of the plan we will use it to identify where we need to innovate, with whom we can collaborate and how we can align and drive all our activities to achieve the greatest possible impact on the things we feel are important. This does not mean we will scrap existing strategies, but rather, as they come up for renewal we will be better able to check that they fit with the Corporate Plan and then judge them explicitly against it.
11. This will require streamlining of officer governance processes, a different organisational skills profile, behaviour change and the conscious effort of officers at all levels. To support this change, officers are working together to deliver a co-ordinated set of guidance, tools, policies and processes (including project and programme management and medium-term planning) and an engagement programme to help officers and teams across the organisation rise to the challenge. Part of the objective will be to break down silos and instead take a whole organisation approach. Additionally, by setting out what we aim to achieve and how, it is hoped that we will be better able to work with external partners who have complementary agendas and abilities. Partner feedback received to date has been very positive in this regard.

## Implications for Departmental Business Planning and Budget-Setting

12. In November 2017, Policy and Resources Committee endorsed Members' requests for better alignment between Business Planning and the Corporate Plan and for these to be brought in line with budget-setting as soon as possible. As a starting point the Committee asked that all Business Plans currently being drafted for approval demonstrate how they align to the Corporate Plan. Finalised two-page, high-level summary departmental Business Plans presented to Committees for approval during February and March 2018 will refer explicitly to the version of the Corporate Plan shown at **Appendix 1** by use of the amended template shown at **Appendix 2**.
13. In March 2018 the Corporate Plan will be presented to the Court of Common Council alongside the Budget report, bringing consideration of our corporate aims and corporate resources into the same discussion. From March 2019, and annually thereafter, it is recommended that the Corporate Plan annual review, corporate priorities for the coming year and Budget be presented in the same document so that Members can be assured of their full alignment.

## **Appendices**

1. The Corporate Plan, 2018-23 (for approval)
2. The revised two-page, high-level summary Business Plan template

# Our (draft) Corporate Plan for 2018 – 23

## Our vision

The City of London Corporation is the governing body of the Square Mile dedicated to a vibrant and thriving City, supporting a diverse and sustainable London within a globally-successful UK.

## We aim to...



*By strengthening the connections, capacity and character of the City, London and the UK for the benefit of **people who live, learn, work and visit here.***

Everything we do contributes towards the achievement of twelve outcomes:

### Contribute to a flourishing society

1. People are safe and feel safe.
2. People enjoy good health and wellbeing.
3. People have equal opportunities to enrich their lives and those of others and reach their full potential.
4. Communities are cohesive and have suitable housing and facilities.

### Support a thriving economy

5. Businesses are trusted and socially and environmentally responsible.
6. We have the world's best regulatory framework and access to global markets.
7. We are a global hub for innovation and enterprise.
8. We attract and nurture relevant skills and talent.

### Shape outstanding environments

9. Our spaces are secure, resilient and well-maintained.
10. Our physical spaces have clean air, land and water and support a thriving and sustainable natural environment.
11. Our spaces are digitally and physically well-connected and responsive.
12. Our spaces inspire excellence, enterprise, creativity and collaboration.

## Who we are

The Square Mile is the historic centre of London and is home to the 'City' – the financial and commercial heart of the UK. Our reach extends far beyond the Square Mile's boundaries and across private, public and voluntary sector responsibilities. This, along with our independent and non-party political voice and convening power, enables us to promote the interests of people and organisations across London and the UK and play a valued role on the world-stage.

## Our responsibilities

Beyond our statutory duties for the City, London and the UK, we are also responsible for a wide portfolio of work and institutions both inside and outside the Square Mile.

**[Insert infographic(s) to be approved, which show our responsibilities within and beyond the Square Mile and how the City contributes to the UK's public purse]**

## The coming five years

2018-23 is likely to be another period of significant change on a global, national and regional level, bringing with it significant threats as well as opportunities.

Preventing climate change, terrorism and cyber-crime, and countering their effects, will remain high priorities. So too will retaining the UK's competitiveness, in the context of Brexit, increases in the cost of living and reductions in public sector spending.

Disruptive changes, such as the digitisation of our work and personal lives, are likely to bring both threats and opportunities to our residents, workers, visitors, partners and our own organisation.

And, of course, things will happen that we're not expecting but that we will want to respond to positively and constructively.

## Our commitments

To do so, we will need to be relevant, responsible, reliable and radical as an organisation. We will need to think and act strategically and at pace. And we will need to ensure that everyone can share in the benefits we aim to create.

As individuals we will need to be open: to unlocking the full potential of our many assets – our people, heritage, green and urban spaces, funds, data and technology; to trying new things and learning as we go; and to working with our stakeholders and partners who share our aims.

## How we'll use this plan

This plan is designed to be used as a strategic framework to guide our thinking and decision-making and help ensure that everything we do takes us closer to achieving our vision.

It sets out our vision, the aims and outcomes that drive us, our responsibilities, challenges and commitments and the high-level actions we'll take to help our elected Members and staff see where to focus their efforts to achieve sustainable systemic change.

In year one we will use it to develop our strategic priorities, to decide how best to go about delivering them, to allocate resources towards pursuing them and to find out what effect we are having as a result.

Over the five-year term of the plan we will use it to identify where we need to innovate, with whom we can collaborate and how we can align and drive all our activities to achieve the greatest possible impact on the things we feel are important.

# To contribute to a flourishing society

We will...

## 1. People are safe and feel safe

- Prepare our response to natural and man-made threats.
- Tackle terrorism, violent and acquisitive crime, fraud, cyber-crime and anti-social behaviour and facilitate justice.
- Protect consumers and users of buildings, roads and open spaces.
- Safeguard children, young people and adults at risk.
- Educate and reassure people about safety.

## 2. People enjoy good health and wellbeing

- Promote equality in health through outreach to our working, learning and residential communities and better service design and delivery.
- Raise awareness of factors affecting mental and physical health.
- Provide advice and signposting to activities and services.
- Provide inclusive access to facilities for physical activity and recreation.

## 3. People have equal opportunities to enrich their lives and those of others and reach their full potential

- Promote and champion inclusion, diversity and social mobility.
- Provide access to world-class education, heritage, culture and creative learning opportunities to people of all ages, abilities and backgrounds.
- Promote effective transitions and progression through education and fulfilling employment.
- Persuade more employers to open up opportunities to a more diverse talent pool.
- Advocate the removal of institutional barriers and structural inequalities.
- Bring individuals and organisations together to create social value through the giving and receiving of time, skills, knowledge, advice and money.
- Cultivate excellence in academic and sporting achievement and creative and performing arts.

## 4. Communities are cohesive and have suitable housing and facilities

- Facilitate opportunities for communities and sectors to come together and share their experiences, learning and perspectives.
- Reach out to children, young people and adults at risk to provide and facilitate activities that support social wellbeing and cohesion.
- Provide access to suitable workspaces, housing and community facilities.
- Deliver more homes and better meet social housing needs.

## To support a thriving economy

We will...

### 5. Businesses are trusted and socially and environmentally responsible

- Protect, enhance and promote the ease, reliability and cost-effectiveness of doing business here.
- Trial, share and advocate new ways of delivering inclusive and sustainable growth.
- Engage directly with organisations to encourage, influence, advise, support, celebrate and replicate responsible practices.
- Promote green finance and responsible investment initiatives.
- Advocate and facilitate greater levels of giving of time, skills, knowledge, advice and money.

### 6. We have the world's best regulatory framework and access to global markets

- Influence UK and global policy and regulation and international agreements to protect and grow the UK economy.
- Promote and enhance the UK's reputation as a world-leading global centre for commerce, culture, creativity and education.
- Promote regulatory confidence founded on the rule of law.
- Lead nationally and advise internationally on the fight against economic and cyber-crime.
- Attract and retain investment and promote exports of goods and services across multiple global markets.

### 7. We are a global hub for innovation and enterprise

- Champion business growth, diversity and sustainability in new and emerging, small and medium-sized, and large and established enterprises.
- Support organisations in pioneering, preparing for and responding to changes in markets, products and ways of working.
- Strengthen local, regional, national and international relationships to help identify and secure new opportunities for business, collaboration and innovation.
- Promote London and the UK as open to business and enterprise.

### 8. We attract and nurture relevant skills and talent

- Identify future skills needs, shortages and saturations and nurture a relevant and sustainable skills pipeline.
- Create opportunities and promote investment in talent.
- Promote the Square Mile, London and the UK as attractive and accessible places to work and our industries as exciting and accessible career choices.
- Protect and enhance access to global talent.

## To shape outstanding environments

We will...

### **9. Our spaces are secure, resilient and well-maintained**

- Build resilience to natural and man-made threats by strengthening, protecting and adapting our infrastructure and our built and natural environments, directly and by influencing others.
- Maintain our buildings, roads and open spaces to high standards.
- Provide and maintain a secure public digital environment.

### **10. Our physical spaces have clean air, land and water and support a thriving and sustainable natural environment.**

- Improve air quality.
- Provide a clean urban environment.
- Provide thriving and biodiverse green spaces and urban habitats and champion urban greening.
- Protect and conserve historic green and open spaces for current and future generations.
- Provide environmental stewardship and advocacy, in terms of use of resources, emissions, conservation, greening, biodiversity and enabling access to nature.
- Influence UK and global policy and regulation and international agreements to protect the environment.

### **11. Our spaces are digitally and physically well-connected and responsive**

- Champion and facilitate a world-leading digital experience, both within buildings and outdoors.
- Develop and trial smart innovations.
- Advocate ease of access via air, rail, road and river.
- Improve the experience of arriving in and moving through our spaces.
- Promote the animation of buildings, streetscapes and public spaces.
- Adapt our spaces to meet changing needs.

### **12. Our spaces inspire excellence, enterprise, creativity and collaboration**

- Create and transform buildings, streets and spaces for people to admire and enjoy.
- Curate a vibrant, attractive and complementary blend of uses of space, designing out crime and anti-social behaviour.
- Protect, curate and promote world-class heritage assets, cultural experiences and events for enrichment, inspiration and learning that is accessible to all.
- Champion a distinctive and high-quality hotel, shopping, food and drink offer and provide excellent spaces for markets to thrive.



**We** [insert mission] *Concise; expressing the department's purpose; reflect rather than repeat standard text from the Corporate Plan Mission*

*Ensure differentiation in the way that outcomes, functions and objectives/deliverables are expressed.*

**The corporate outcomes we aim to impact on are:**

- *Where these are too broad, also state your department's specific area of impact.*

**What we do is:**

[describe the top-level things you do]

- *Refer to relevant themes listed under outcomes in the Corporate Plan. Where these are too broad, state your department's specific role, aligned to the outcomes you've stated.*

**Our budget is:**

[top-level breakdown by function]

**Our top line objectives are:**

- *Include all of the four sub headings*
- *Check for alignment with the stated mission, outcomes and top-level actions.*
- *Include everything we do at service and programme level, i.e. 'business as usual' and improvement work*

**To** [insert list of service deliverables]

- *Link service deliverables for the year to measures (e.g. by numbering or cross-referencing)*

**To** [insert list of department's deliverables within corporate programmes and projects]

- *What is being contributed by the department within corporate programmes and projects*
- *Corporate programmes and projects would include, but not be limited to:*
  - *Accommodation and Ways of Working*
  - *Apprenticeships*
  - *Asset Management*
  - *CRM*
  - *Facilities Management*
  - *Income Generation (Service Based Review cross-cutting review)*
  - *One Safe City*
  - *Operational Property Review*
- *These will generally be discrete pieces of work with set start and finish/completion dates*

**What we'll measure:**

*(What will success look like?)*

[KPI targets – aligned to top line objectives]

- *Need to be SMART*
- *Need to evidence impact on the corporate outcomes rather than the completion of work.*
- *Where relevant include Value for Money measures; benchmarking; external assessments or comparators*
- *Include reference to supporting information (e.g. targets) within detailed plans*

**To** [insert list of department's deliverables within departmental / service programmes and projects]

- *What is being delivered by the department from their departmental programmes and projects*
- *Corporate Departments need also to include what they deliver as general support for projects led elsewhere*

**How we plan to develop our capabilities this year** [list deliverables]

- *Include development related to inputs – e.g. staffing, IT, other resources*

**What we'll  
measure:**

**What we're planning to do in the future:**

[list horizon scan, analysis, how we'll work differently, collaborations, innovation]

- *Should be mainly new areas – as benefits a 'horizon scan' – what's coming up, not so much continuation.*
- *To cover what is known about emerging risks, issues, opportunities, legislation, IT property, procurement/contract issues, etc.*

**General:**      *Avoid using jargon, or terms that may have a specific "local" meaning or interpretation.*  
                      *Avoid excessive use of abbreviations*  
                      *If in doubt, ask*

<b>Committee(s)</b> Resource Allocation Sub Committee Policy & Resources	<b>Dated:</b> 18/01/2018 18/01/2018
<b>Subject:</b> Resourcing the Implementation of Bridging Divides	<b>Public</b>
<b>Report of:</b> Town Clerk and Chief Grants Officer	<b>For Decision</b>
<b>Report author:</b> David Farnsworth, City Bridge Trust	

## Summary

The paper is intended to inform a discussion among Members about the implementation of 'Bridging Divides', the City Bridge Trust's (CBT) charitable funding strategy approved by the Court of Common Council in July 2017. The purpose is for Members to endorse how the implementation of this funding strategy allows City Bridge Trust to:

- a) ensure the maximum impact in tackling inequality in London, achieving greater impact for individuals and communities;
- b) become an exemplar in charity governance and leadership in London and across the UK; and
- c) be a catalyst for a bold step-change in how the City Corporation both describes and directs its charitable activity and funding:

The driver for the need to implement 'Bridging Divides' in this way is evidenced in the most recent London Poverty Profile [research](#), which shows that London suffers from persistent 'deep poverty' issues. This is further buttressed by an external context which includes continuing fiscal constraint on statutory services, increased demand on front line charities, enhanced scrutiny of the governance of charities, and unprecedented environmental and digital disruption. Meanwhile, the internal context is propitious: collaborative cross-sectorial leadership; greater alignment of the Corporation and its related charities' strategic thinking; greater awareness of the potential of harnessing all our combined assets (including money, cross sectorial networks, expertise and soft power).

The ambition is to further strengthen CBT as a centre of excellence on charities/charitable funding both to deliver its new strategy, 'Bridging Divides', and to work more strategically across the City Corporation's charities portfolio. In so doing, the intention is to maximise the impact of CBT and the City Corporation's assets, as well as the effective deployment of resources with more emphasis on measuring impact, learning and better communication, whilst achieving better quality and economies of scale.

Bridge House Estates (BHE) is widely recognised as the UK's fifth largest charitable foundation. The implementation of 'Bridging Divides' provides both CBT and the City Corporation with an excellent opportunity to catalyse more creative cross-sectorial delivery to ensure that individuals and communities affected by inequality are given the scope to thrive.

## Recommendations

Members are recommended to:-

- a) Agree the strategic framework for the implementation of 'Bridging Divides' set out in this report;
- b) Note that further reports relating to this framework will be brought back to relevant Committees for decision in due course.

## Main Report

### Background

1. The Bridging Divides Strategy was built on extensive consultation and a careful analysis of research including the latest data of London's Poverty Profile (from 2016 and 2017 - [www.trustforlondon.org.uk/publications/londons-poverty-profile-2017/](http://www.trustforlondon.org.uk/publications/londons-poverty-profile-2017/)) which shows a mixed picture in London. In some ways, London is better off than it was before the financial crisis. Employment rates are at their peak at over 73% of the working age population. This also translates to a record low in the number of workless households in London. However, while the overall poverty rate has fallen slightly in recent years, it remains higher than the rest of the country, and the proportion living in 'deep poverty' has increased. Wealth inequality, which is higher than income inequality, is a significant issue in London. 21% of working Londoners earn below the London living wage and the majority of people living in poverty are living in a working family (58%): 'There are people in poverty in every London borough. Every borough has areas where the poverty rate is above the rest of England average'<sup>1</sup>.

### Funding Ecology

2. Against this evidence of need, the funding ecology of London has changed. The reduced funding offer from central to local government has led to a consequential reduction in funding to charities and statutory service provision. For many charities there has been increased demand on their frontline charities at a time of reduced resources. At the same time, the recent [report](#) by the Association of Charitable Foundations. reports that the annual level of Trust/Foundation grant-making now totals £6.5billion which is equal to 43% of total government spending on the voluntary sector, including contracts, which totals £15 billion. Further, grant making by the top 300 foundations increased by 12% in the last year and, if the Wellcome Trust is excluded, 14.5%.
3. Philanthropy and grant-making is therefore taking on an increased importance. The level of charitable funding and charitable assets are becoming more visible. Indeed, during this period BHE is now ranked as the fifth largest charitable foundation in asset terms and this has been reported in the trade press. For the same period, the level of BHE giving has fallen from 16<sup>th</sup> to 24<sup>th</sup>. Whilst there will

---

<sup>1</sup> [www.trustforlondon.org.uk/publications/londons-poverty-profile-2017/](http://www.trustforlondon.org.uk/publications/londons-poverty-profile-2017/)

always be a lower funding ranking than asset base given the prime objects of the charity being the maintenance and repair of the bridges, the decline in positioning is of note. This will require further analysis given the level of scrutiny to which BHE is subject and the potential questions about the apparent decline in income distribution relative to capital appreciation.

## **Good Governance**

4. During this same period, the research and consultation underpinning Bridging Divides spotlighted that civil society has been under intense scrutiny as to its role and effectiveness in creating a fair and good society. Particular focus has been on governance. This is relevant to all of the charities of which the Corporation is trustee, especially BHE where there is a danger that there is insufficient integration between its strategy, management oversight and governance. Demonstrating alignment with 'best practice' models is essential.
5. Improving governance was a significant driver behind the Grants Review: this led to the establishment of the pilot Central Grants Unit, housed within CBT to improve the quality of governance and consistency and quality of customer experience. Recently externally reviewed, this pilot has proved successful. The pilot is a precursor of what is possible across the Corporation and its related charities: using CBT's core charity/charitable funding expertise to complement colleagues' sector/policy-specific expertise to achieve better governance and potentially deeper impact.
6. The Corporation must lead the field in modelling good charitable governance: beyond compliance to demonstrating the leadership that encourages others to model good practice. For example, CBT, by dint of compliance with the Corporation's pre-disposition to conducting its business in public meetings, has been celebrated as one of only two charitable funders in the UK that has transparent, public, charitable funding decision meetings. This has been reported very positively in the trade press.
7. CBT assesses the governance of hundreds of charities every year and can support colleagues across the Corporation and its related charities to ensure that such good practice can be achieved and modelled across the board.

## **Internal Context:**

8. There is a timely and potentially exciting moment to seize now: the collaborative leadership of the Corporation and CBT bearing fruit; the happy alignment of strategic planning cycles across CBT, the Corporation (including the Corporate Strategy, the Central Grants Programme, the Economic Development Office, the Philanthropy and Responsible Business strategies), and the Lord Mayor's Appeal. Practically, this is supported by the completion of a pan-corporation charities database developed by the City Solicitors & Comptroller's and now housed within CBT.

## **The Ambition:**

9. The ambition is to:

- a) Make the most impact in tackling inequality in London and improving the lives of individuals and communities;
- b) Become an exemplar in charity governance, leadership and management

Through:

- c) Working more strategically across the Corporation's charities portfolio, drawing on CBT's core business and charity skills set (improving quality, efficiency and economies of scale);
- d) Making the most of all the assets available to CBT and the Corporation to achieve impact; and
- e) Resourcing the effective deployment of these assets with more emphasis on strategic capacity, measuring impact, learning and better communication - to support and continually improve our delivery, encourage others and achieve reputational advantage.

## **Next Steps:**

10. Subject to Committee approval, to further develop the implementation plans for Bridging Divides. In particular, this will be informed by the on-going work to answer the Town Clerk's pertinent question - 'how can the Corporation of London be the best possible trustee to support delivery of the strategy Bridging Divides'. This work is being delivered through a task and finish group, anchored in the Charity Commission's guidance on good governance, with a view to making recommendations to Members (in their capacity as representing the Corporation as the corporate trustee of BHE). A priority area for this task and finish group is to consider BHE's underlying asset position in relation to income, its investment strategy, and the reserve position of the charity.

## **Conclusion:**

11. The evidence of need and external context demonstrates an increase in the relative importance of charitable funding and activity. Bridging Divides and the alignment with the Corporate and other strategic reviews means it can be the catalyst to further enable CBT as a centre of excellence on charities/charitable funding and to use CBT as a resource to augment all of the Corporation's charities portfolio. This should lead to better strategic alignment, improvements in the quality of the charities governance and management, and so deeper impact for individuals and communities.

## **Contact Officer:**

David Farnsworth (Chief Grants Officer),  
City Bridge Trust

[David.Farnsworth@cityoflondon.gov.uk](mailto:David.Farnsworth@cityoflondon.gov.uk)

<b>Committee(s):</b>	<b>Date(s):</b>
Resource Allocation Sub-Committee	18/01/2018
Policy and Resources	18/01/2018
Finance Committee	23/01/2018
<b>Subject:</b>	<b>Public</b>
Bridge House Estates Strategic Review Fund	
<b>Report of:</b>	<b>For Decision</b>
The Chief Grants Officer and Chamberlain	
<p style="text-align: center;"><b>Summary</b></p> <p>This paper proposes the establishment of a Bridge House Estates (BHE) Strategic Review Fund totalling up to £1m, to support wider impacts of the implementation of Bridging Divides. The purpose of the fund is to facilitate a detailed operational review of BHE to consider its underlying asset position in relation to income, its investment strategy, and reserve position of the charity. This paper further sets out the planned governance arrangements for the use of the proposed fund.</p> <p><b>Recommendation</b></p> <p>Members are recommended to:</p> <ul style="list-style-type: none"> <li>• Agree the creation of the BHE Strategic Review Fund, totalling up to £1m;</li> <li>• Agree the governance arrangements for the approval of bids against the above Fund, whereby delegation is given to the Town Clerk in consultation with the Committee Chairman of Policy &amp; Resources, Finance and City Bridge Trust, in consultation with the Chief Grants Officer and Deputy Chamberlain.</li> </ul>	

## Main Report

### Background

1. BHE is currently the 7<sup>th</sup> largest charity in the UK by way of the value of its assets. The total assets of BHE have grown significantly over recent years, due to an increase in market valuations but also through surplus income being retained within reserves. Whilst the prime objective of BHE is to maintain the 5 bridges crossing the River Thames into the City of London, the Cy Pres agreement of 1995 permits surplus income to be used for grant-making, via the City Bridge Trust. The expectation of our regulatory body – the Charity Commission – is that surpluses would be applied against charitable purposes within a reasonable time-period, not being accumulated as we are currently doing.
2. Against the increased recognition within the sector felt by BHE, and in light of the wider impact of 'Bridging Divides' work is being undertaken to answer the

Town Clerk's question: "how can the Corporation be the best possible trustee to support delivery of 'Bridging Divides'?" This work is being delivered through a task and finish group, overseen by Summit Group, anchored in the Charity Commission's guidance on good governance, with a view to making recommendations to Members (in their capacity as representing the Corporation as the corporate trustee of BHE). A priority area for this work is to consider BHE's underlying asset position in relation to income, its investment strategy, and the reserve position of the charity.

### **BHE Strategic Review Fund**

3. Undertaking a detailed review such as this, involving a charity with a value of £1.34bn as at 31/03/2017, will incur costs. BHE is an historic charity, with its governing documents including various instruments dating back to 1282. Delivering change against such a complex background will require close attention to detail across a number of departments within the Corporation. As this has been identified as a priority for the Corporation to progress, external advice and additional resource will be a necessary requirement.
4. Provision has been included in the medium term financial forecast for the BHE Strategic Review Fund at an initial level of £1m, to be funded from BHE. To enable the various work streams required within this change project to commence immediately, drawdown against this fund will start from January 2018. Expectation is that most of this fund will be utilised in 2018/19.
5. The purpose of the BHE Strategic Review Fund is to provide funding for:
  - a. Additional resources across various departments to enable:
    - i. a detailed review of the legal and governance activities within BHE, requiring additional legal support within City Solicitors & Comptrollers and Remembrancers;
    - ii. external expertise for financial modelling to confirm the appropriate level of reserves and assets required on an ongoing basis to enable the prime charitable purpose to be undertaken alongside a potential increase in charitable grant-making;
    - iii. additional communications support to appropriately provide the level of external engagement that the expected changes will require;
    - iv. other activities to be identified by the Task & Finish Group in consultation with the Town Clerk and Chief Grants Officer.
  - b. Potential disposal of BHE assets to release funds for further grant-making activity:
    - i. dependent upon recommendations to be made concerning the potential disposal of BHE assets, funding will be required to cover costs incurred in relation to either equities or property disposals.
6. The fund will not be used as a means of achieving departmental local risk budget savings, with bids to this fund required to demonstrate a clear link to the BHE review currently being undertaken.



### **Approval of Bids from BHE Strategic Review Fund**

7. Approval to bids from this Fund will be by means of a short business case. Approval of these will be delegated to the Town Clerk, in consultation with the Committee Chairman of Policy & Resources, Finance and City Bridge Trust, in consultation with the Chief Grants Officer and Deputy Chamberlain.
8. The business case will set out:
  - Purpose for which funding will be used, demonstrating clear link to the BHE review;
  - Cost and timing, with reasonable evidence to support expenditure.

A short template will be used to standardise the business case information for the bid.

9. When bids are put forward for consideration of approval, an analysis will be provided of bids already committed and other potential bids from the BHE Strategic Review Fund which are known to be in development.

### **BHE Strategic Review Fund Utilisation Monitoring**

10. The Chamberlain's and Town Clerk's Departments will monitor the utilisation of agreed bids to the BHE Strategic Review Fund with regular reports provided to relevant Committees.

Town Clerks Department:

David Farnsworth (Chief Grants Officer), [david.farnsworth@cityoflondon.go.uk](mailto:david.farnsworth@cityoflondon.go.uk)

#### **Karen Atkinson**

Head of Charity and Social Investment Finance

T: 0207 332 1395

E: [karen.atkinson@cityoflondon.gov.uk](mailto:karen.atkinson@cityoflondon.gov.uk)

This page is intentionally left blank

By virtue of paragraph(s) 1, 3 of Part 1 of Schedule 12A  
of the Local Government Act 1972.

Document is Restricted

This page is intentionally left blank

By virtue of paragraph(s) 3 of Part 1 of Schedule 12A  
of the Local Government Act 1972.

Document is Restricted

This page is intentionally left blank

By virtue of paragraph(s) 3 of Part 1 of Schedule 12A  
of the Local Government Act 1972.

Document is Restricted

This page is intentionally left blank



By virtue of paragraph(s) 3 of Part 1 of Schedule 12A  
of the Local Government Act 1972.

Document is Restricted

This page is intentionally left blank

By virtue of paragraph(s) 3 of Part 1 of Schedule 12A  
of the Local Government Act 1972.

Document is Restricted

This page is intentionally left blank

By virtue of paragraph(s) 3 of Part 1 of Schedule 12A  
of the Local Government Act 1972.

Document is Restricted

This page is intentionally left blank

By virtue of paragraph(s) 3 of Part 1 of Schedule 12A  
of the Local Government Act 1972.

Document is Restricted

This page is intentionally left blank



By virtue of paragraph(s) 3 of Part 1 of Schedule 12A  
of the Local Government Act 1972.

Document is Restricted

This page is intentionally left blank