

PLEASE BRING THIS AGENDA WITH YOU

1

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



COMMON COUNCIL

SIR/MADAM,

You are desired to be at a Court of Common Council, at **GUILDHALL**, on
THURSDAY next, the **7th day of March, 2019**.

JOHN BARRADELL,
Town Clerk & Chief Executive.

*Guildhall,
Wednesday 27th February 2019*

John Garbutt

Michael Mainelli

}

Aldermen on the Rota

1 **Apologies**2 **Declarations by Members under the Code of Conduct in respect of any items on the agenda**3 **Minutes**

To agree the minutes of the meeting of the Court of Common Council held on 10 January 2019.

For Decision
(Pages 1 - 20)

4 **Resolutions on Retirements, Congratulatory Resolutions, Memorials**5 **Mayoral Visits**

The Right Honourable The Lord Mayor to report on his recent overseas visits.

6 **Policy Statement**

To receive a statement from the Chairman of the Policy and Resources Committee.

7 **Docquets for the Hospital Seal**8 **The Freedom of the City**

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

For Decision
(Pages 21 - 28)

9 **Legislation**

To receive a report setting out measures introduced into Parliament which may have an effect on the services provided by the City Corporation.

For Information
(Pages 29 - 30)

10 **Appointments**

To consider the following appointments:

** denotes a Member standing for re-appointment*

- (A) Two Members on the **Licensing Committee**, for the balance of a term expiring in April 2020.

Nominations received:-

Karina Dostalova

- (B) One Member on the **Education Board**, for the balance of a term expiring in April 2021.

Nominations received:-

Benjamin Murphy

- (C) Three Members on the **Guild Church Council of St Lawrence Jewry** for one-year terms expiring in March 2020.

Nominations received:-

- * Roger Arthur Holden Chadwick, O.B.E., Deputy
- * Simon D'Olier Duckworth, O.B.E., D.L.
- * Gregory Percy Jones, Q.C., Alderman

- (D) Two Members on the **Castle Baynard Educational Foundation & Alderman Samuel Wilson Fund** for three-year terms expiring in March 2022.

Nominations received:-

- * Catherine McGuinness, Deputy
- * Jeremy Lewis Simons

- (E) One Member on the **Thames Festival Trust** for a three-year term expiring in March 2022.

Nominations received:-

- * John George Stewart Scott, J.P.

For Decision

11 The Honourable The Irish Society

- (A) To appoint three Common Councilmen to The Honourable The Irish Society, for three-year terms expiring in April 2022.

** denotes a Member standing for re-appointment*

Nominations received:-

- * Roger Arthur Holden Chadwick, O.B.E., Deputy
- * Simon D'Olier Duckworth, O.B.E., D.L.
- * James Henry George Pollard, Deputy
- Philip John Woodhouse, Deputy

- (B) To note that Alderman & Sheriff Vincent Keaveny will continue to serve as one of the appointed Aldermen on The Honourable the Irish Society, having previously been appointed for a term expiring in March 2020.
- (C) To endorse the appointment of Alderman Nicholas Lyons as one of the two Aldermen on The Honourable the Irish Society, for a three-year term expiring in March 2022, in the room of Alderman William Russell.
- (D) To note that Alderman Sir Andrew Parmley will continue to serve as Governor of The Honourable the Irish Society, having previously been appointed for a three-year term expiring March 2021.

For Decision

12 Questions

13 **Motions**

By Joyce Carruthers Nash, O.B.E., Deputy

“That Adrian Bastow be appointed to the Barbican Residential Committee for the Ward of Aldersgate, in the room of Deputy Joyce Nash?”

For Decision

14 **Awards and Prizes**15 **Finance Committee**

To consider reports of the Finance Committee, as follows:-

For Decision

- (A) **City Fund 2019/20 Budget Report and Medium Term Financial Strategy** – to approve the budget for 2019/20.

For Decision
(Pages 31 - 124)

- (B) **Revenue and Capital Budgets 2018/19 and 2019/20** – to receive the latest revenue budgets for 2018/19, approve the revenue budgets for 2019/20, and approve the capital budgets.

For Decision
(Pages 125 - 142)

16 **Policy and Resources Committee**

To receive a report advising of action taken under urgency procedures in relation to the annual levies for subscriptions in relation to the London Councils Grants Scheme.

For Information
(Pages 143 - 146)

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

To consider several applications relating to the provision of hospitality.

For Decision
(Pages 147 - 150)

18 **Port Health and Environmental Services Committee**

To consider the annual review of charges for the Heathrow Animal Reception Centre.

For Decision
(Pages 151 - 156)

19 **Community and Children's Services Committee**

To consider a new City of London Corporation housing strategy.

For Decision
(Pages 157 - 184)

20 **Establishment Committee**

To consider the draft Pay Policy Statement for 2019/20.

For Decision
(Pages 185 - 200)

21 **Freedom Applications Committee**

The Chairman of the Freedom Applications Committee to be heard.

For Information

22 **Standards Committee**

To consider reports of the Standards Committee, as follows:-

- (A) **Appointment of Co-opted Members** – to consider the appointment of a Co-opted Member of the Standards Committee.

For Decision
(Pages 201 - 204)

- (B) **Dispensations Policy and Guidance** – to receive a report setting out the revised dispensation policy, guidance and dispensation request application form

For Decision
(Pages 205 - 234)

23 **Education Board**

To consider a report seeking approval of the three strategies relating to Education, Skills and Cultural and Creative Learning.

For Decision
(Pages 235 - 328)

24 **Local Government Pensions Board**

To consider the indemnification of Members of the Local Government Pensions Board and Police Pensions Boards against personal liability.

For Decision
(Pages 329 - 332)

MOTION

25 **By the Chief Commoner**

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

For Decision

26 **Non-Public Minutes**

To agree the non-public minutes of the meeting of the Court held on 10 January 2019.

For Decision
(Pages 333 - 338)

27 **Policy and Resources Committee**

To receive reports of the Policy and Resources Committee, as follows:-

- (A) **Enabling Projects** – to consider proposals relating to a series of enabling projects associated with the relocation of the Museum of London.

For Decision
(Pages 339 - 344)

- (B) **Report of Urgent Action Taken** – to receive a report advising of action taken under urgency procedures in relation to the establishment of a Company Limited by Guarantee.

For Information
(Pages 345 - 348)

28 **Finance Committee**

To receive reports of the Finance Committee, as follows:-

- (A) **Report of Urgent Action Taken** – to receive a report advising of action taken under urgency procedures relating to the procurement of minor works contracts.

For Information
(Pages 349 - 352)

- (B) **Report of Urgent Action Taken** – to receive a report advising of action taken under urgency procedures relating to the procurement of major works contracts.

For Information
(Pages 353 - 356)

29 **Markets Committee**

To consider proposals relating to the Markets Consolidation Programme.

For Decision
(Pages 357 - 392)

30 **Property Investment Board**

To consider reports of the Property Investment Board as follows:-

- (A) **Lease Agreement** – to consider proposals relating to a Lease Agreement.

For Decision
(Pages 393 - 400)

- (B) **Report of Urgent Action Taken** – to receive a report advising of action taken under urgency procedures in relation to the refurbishment of a property.

For Information
(Pages 401 - 402)



ESTLIN, MAYOR

COURT OF COMMON COUNCIL

10th January 2019
MEMBERS PRESENT

ALDERMEN

Emma Edhem
The Rt. Hon. the Lord Mayor, Alderman Peter Estlin
John Garbutt
Sir Roger Gifford
Alison Gowman
Prem Goyal OBE JP
David Andrew Graves

Timothy Russell Hailes JP
Robert Picton Seymour Howard
Robert Charles Hughes-Penney
Gregory Jones QC
Sheriff Vincent Thomas Keaveny
Alastair John Naisbitt King
Ian David Luder JP

Professor Michael Raymond Mainelli
Sir Andrew Charles Parmley
William Anthony Bowater Russell
Sir David Hugh Wootton
Sir Alan Colin Drake Yarrow

COMMONERS

George Christopher Abrahams
Munsur Ali
Randall Keith Anderson
Thomas Alexander Anderson
Alexander Robertson Martin Barr
Douglas Barrow
Adrian Mark Bastow
Matthew Bell
John Bennett, Deputy, MBE
Peter Gordon Bennett
Nicholas Michael Bensted-Smith, JP
Sir Mark Boleat
Mark Bostock
Keith David Forbes Bottomley, Deputy
David John Bradshaw, Deputy
Tijs Broeke
Michael John Cassidy, Deputy
Roger Arthur Holden Chadwick, OBE, Deputy
John Douglas Chapman
Thomas Cowley Clementi

Henry Nicholas Almroth Colthurst
Simon D'Olier Duckworth, OBE
Peter Gerard Dunphy
Mary Durcan
Kevin Malcolm Everett
Anne Helen Fairweather
Sophie Anne Fernandes
John William Fletcher
Marianne Bernadette Fredericks
Caroline Wilma Haines
Graeme Harrower
Christopher Michael Hayward
Christopher Hill
Tom Hoffman, Deputy, MBE
Ann Holmes
Michael Hudson
Wendy Hyde, Deputy
Jamie Ingham Clark, Deputy
Clare James, Deputy
Henry Llewellyn Michael Jones, Deputy

Shravan Jashvantrai Joshi
Angus Knowles-Cutler
Tim Levene
Vivienne Littlechild JP, MBE
Oliver Arthur Wynlayne Lodge
Edward Lord, OBE, JP, Deputy
Paul Nicholas Martinelli
Andrew Paul Mayer
Jeremy Mayhew
Catherine McGuinness, Deputy
Andrew Stratton McMurtrie, JP
Wendy Mead, OBE
Robert Allan Merrett, Deputy
Brian Desmond Francis Mooney, Deputy
Hugh Fenton Morris, Deputy
Sylvia Doreen Moys, MBE
Benjamin Daniel Murphy
Joyce Carruthers Nash, OBE, Deputy
Barbara Patricia Newman, CBE
Susan Jane Pearson

John Petrie
William Pimlott
James Henry George Pollard, Deputy
Jason Paul Pritchard
Stephen Douglas Quilter, Deputy
Elizabeth Rogula, Deputy
James de Sausmarez
Ruby Sayed
John George Stewart Scott, JP, Deputy
Ian Christopher Norman Seaton
Oliver Sells QC
Jeremy Lewis Simons
Tom Sleigh, Deputy
Graeme Martyn Smith
James Michael Douglas
Thomson, Deputy
John Tomlinson, Deputy
James Richard Tumbridge
William Upton
Mark Raymond Peter Henry
Delano Wheatley
Philip Woodhouse, Deputy

1. Apologies The apologies of those Members unable to attend this meeting of the Court were noted.
2. Declarations Deputy Robert Merrett declared an interest in respect of Item 21 by virtue of the fact that his daughter was a pupil at the City of London School for Girls.

3. Minutes *Resolved* – That the Minutes of the last Court are correctly recorded.
4. Resolutions
Scott, J.G.S.,
J.P.; Mayhew,
J.P. *Resolved unanimously* – That the sincere congratulations of this Court be offered to
John Alfred Bennett, MBE
on his recent appointment by Her Majesty the Queen as a Member of the Most Excellent Order of the British Empire, in recognition of service to the City of London Corporation and to education.
Deputy Bennett was heard in reply.
The Chief Commoner also took the opportunity to congratulate William Upton on his forthcoming appointment as a Queen's Council.
5. Mayoral Visits The Right Honourable The Lord Mayor reported on his recent visits to Vancouver, San Francisco and Mexico City.
6. Policy Statement There was no Statement.
7. Hospital Seal There were no docquets for the seal.
8. Freedoms The Chamberlain, in pursuance of the Order of this Court, presented a list of the under-mentioned, persons who had made applications to be admitted to the Freedom of the City by Redemption:-
- | | | |
|---|---|--------------------------------|
| Calum Maccalman
<i>John Alexander Smail</i>
<i>John Donald Lunn</i> | an Architectural Company Director
<i>Citizen and Distiller</i>
<i>Citizen and Fan Maker</i> | Bearsden, Scotland |
| Timothy Guy Hartley

<i>Michael Cleobury Thatcher</i>
<i>Alistair Edward Telfer</i> | a Barrister

<i>Citizen and Glover</i>
<i>Citizen and Musician</i> | Tholthorpe, York,
Yorkshire |
| Christine Ellen Neale
<i>Graham John Peacock</i>
<i>Richard Eaglesfield Floyd</i> | a Court Dressmaker, retired
<i>Citizen and Loriner</i>
<i>Citizen and Basketmaker</i> | Hornchurch, Essex |
| Lucy Ann Baker
<i>Graham John Peacock</i>
<i>Richard Eaglesfield Floyd</i> | an Administrative Officer
<i>Citizen and Loriner</i>
<i>Citizen and Basketmaker</i> | Sidcup, Kent |
| Taylor Allene Hunt

<i>David Blake</i>
<i>Benjamin David Oliver Blake</i> | a Marketing and Public Relations
Manager
<i>Citizen and Mason</i>
<i>Citizen and Mason</i> | Bow, London |
| Halina Watson | a Teacher, retired | Kettering, |

<i>David Charles Watson</i> <i>Jonathan Grosvenor</i>	<i>Citizen and Chartered Accountant</i> <i>Citizen and Chartered Accountant</i>	Northamptonshire
Anthony Paul Disley <i>Stephen Lawrence Purdy</i> <i>Ivor Macklin</i>	an Engineer <i>Citizen and Painter Stainer</i> <i>Citizen and Painter Stainer</i>	Wickford, Essex
Abigail Jean Blessing <i>William Barrie Fraser, OBE</i> <i>Sir Andrew Charles Parmley, Ald.</i>	an Academy Vice Principal <i>Citizen and Gardener</i> <i>Citizen and Musician</i>	East Dulwich, Southwark
Stefan Urs Breu <i>Paul Barrow-Longain</i> <i>William Alfred Hackett</i>	a Real Estate Manager <i>Citizen and Scrivener</i> <i>Citizen and Firefighter</i>	Wil, Switzerland
Dr Fozia Sadiq, JP <i>Jason Pritchard, CC</i> <i>Munsur Ali, CC</i>	a Social Action Consultant <i>Citizen and Common Councilman</i> <i>Citizen and Common Councilman</i>	Croydon, Surrey
Paul Leslie Taylor <i>Peter Rupert David Wood</i> <i>Trevor George Lord</i>	a Building Wholesalers Managing Director <i>Citizen and Feltmaker</i> <i>Citizen and Feltmaker</i>	Ipswich, Suffolk
Dr Nicholas George Jeremy Gazey <i>Maurice Bernard Greenberg</i> <i>Joseph Larry Herzberg</i>	a Senior Technical Lead <i>Citizen and Blacksmith</i> <i>Citizen and Apothecary</i>	Hoddesdon, Hertfordshire
Richard Ernest Abbott <i>Ernest Charles Peter Abbott</i> <i>Alan Robert Brumwell</i>	an Insurance Broker <i>Citizen and Plumber</i> <i>Citizen and Plumber</i>	Ockendon, Essex
Christopher Andrew Hughes <i>Diana Mary Hughes</i> <i>David William Henderson-Begg</i>	a Journalist <i>Citizen and Tin Plate Worker alias Wire Worker</i> <i>Citizen and Tin Plate Worker alias Wire Worker</i>	Ashtead, Surrey
Keith Andrew Godbee <i>Peter Desmond Robinson</i> <i>Michael Ian Godbee</i>	a Chartered Accountant, retired <i>Citizen and Butcher</i> <i>Citizen and Tax Adviser</i>	Blackmore, Essex
Susan Carolyn Neville <i>Walter Balmford</i> <i>Joyce Carruthers Nash, OBE, Deputy</i>	a Practice Manager <i>Citizen and Lightmonger</i> <i>Citizen and Feltmaker</i>	Upton Park, Newham
Graham Edward Lilly <i>Frederick Joseph Trowman</i> <i>Richard Charles Clinton Fynes</i>	a Chartered Surveyor, retired <i>Citizen and Loriner</i> <i>Citizen and Framework Knitter</i>	South Croydon, Surrey
Stanley Hodges <i>Charles Edward Beck Bowman, Ald.</i> <i>Michael Brett Hockney, MBE</i>	a Company Chairman <i>Citizen and Grocer</i> <i>Citizen and Musician</i>	Standon, Hertfordshire
Steven Prior O'Connor	a Charity Chief Executive Officer	Henley-on-Thames, Oxfordshire

<i>Edward Arthur Jackson</i> <i>Matthew Henry Dymott</i>	<i>Citizen and Wheelwright</i> <i>Citizen and Wheelwright</i>	
Professor David Alan Brodie	a Professor, retired	Chalfont St Peter, Buckinghamshire
<i>Richard Anthony Stone</i> <i>Trevor James Arthur Newey</i>	<i>Citizen and Glazier</i> <i>Citizen and Glazier</i>	
Guinevere Elaine Foley, TD <i>Col. Jane Carey-Harris, TD</i> <i>Col. Jane Davis, OBE QVRM TD DL</i> <i>RGN</i>	a Registered Nurse, retired <i>Citizen and Apothecaries</i> <i>Citizen and Blacksmith</i>	Bromley, Kent
Father Paul Anthony Kyne	a Catholic Priest	Westminster, London
<i>Stephen Decatur Haines, Deputy</i> <i>Catherine Sidony McGuinness, Deputy</i>	<i>Citizen and Pewterer</i> <i>Citizen and Solicitor</i>	
Elizabeth Mary Walsh Maclean	a Marketing Company Director, retired	Sennybridge, Wales
<i>David Anthony Barrett</i> <i>Andrew Ronald Macgavin Maclean</i>	<i>Citizen and Coachmaker & Coach</i> <i>Harness Maker</i> <i>Citizen and Maker of Playing Cards</i>	
Frank William Durham	a Journalist, retired	Badgers Mount, Kent
<i>Alan Stanley Cook</i> <i>Deborah Jane Black</i>	<i>Citizen and Gunmaker</i> <i>Citizen and Educator</i>	
Michael Josephson, MBE	a Retail Wholesaler Company Director	Alderley Edge, Cheshire
<i>Richard Craig Duncalf, OBE, JP</i> <i>Professor Vikas Sayar Shah, MBE</i>	<i>Citizen and World Trader</i> <i>Citizen and Launderers</i>	
Arturo Ramirez Jr <i>Col. David Robin Axson</i> <i>Sqn. Ldr. Antony Christopher Harley</i> <i>Farnath</i>	a Warden <i>Citizen and Turner</i> <i>Citizen and Educator</i>	Datchet, Berkshire
Nikolaos Papadellis <i>Gareth Wynford Moore</i> <i>William Frederick Payne</i>	a Management Consultant <i>Citizen and Joiner</i> <i>Citizen and Joiner</i>	Putney, London
Paul Victor Dedman, MBE	an Electricity Co. Head of Transmission, retired	Beeding Steyning, West Sussex
<i>Harold Ebenezer Piggott</i> <i>Paul Stephen Hollebone</i>	<i>Citizen and Basketmaker</i> <i>Citizen and Chartered Accountant</i>	
Jane Lesley Ball <i>Alan Stanley Cook</i> <i>Deborah Jane Black</i>	a Deputy Head Teacher, retired <i>Citizen and Gunmaker</i> <i>Citizen and Educator</i>	Knockholt, Kent
Andrew John Kidd <i>Alexander John Cameron Deane</i> <i>Stephen Paul Tanner</i>	a Solicitor <i>Citizen and Currier</i> <i>Citizen and Upholder</i>	Islington, London
Sebastian Blomeier	a Solicitor	Tower Hamlets, London
<i>Mark John Herbage</i> <i>Sarah Jane Fletcher Harris</i>	<i>Citizen and Cook</i> <i>Citizen and Basketmaker</i>	
Professor James Michael Lynch, OBE	a Professor	Angmering On Sea, West Sussex

Wendy Mead, OBE, CC
Patricia Agnes Campfield, MBE

Citizen and Glover
Citizen and Wheelwright

Christopher James

a Project Manager, retired

Old Leake,
Lincolnshire

Geoffrey Douglas Ellis
Wesley Val Hollands

Citizen and Joiner
Citizen and Loriner

Sara Nicola Russell

a College Principal

Spencers Wood,
Berkshire

Peter Francis Clark
Gerald Michael Edwards

Citizen and Mason
Citizen and Fruiterer

Nicholas Charles Gunyon

a Chef and Lecturer

Upminster, Essex

Mark Anthony Grove
David Andrew Harry McGregor Smith,
CBE

Citizen and Cook
Citizen and Cook

Sharon Margaret Barry

an Educator

Eaton Socon,
Cambridgeshire

Mark Anthony Grove
David Andrew Harry McGregor Smith,
CBE

Citizen and Cook
Citizen and Cook

Kenneth Frederick David Bushnell

a Local Government Officer, retired

Waterlooville,
Hampshire

William James Murray
Terence Harragan

Citizen and Feltmaker
Citizen and Feltmaker

Philip Robert Anderson

a Regular Army Officer

West Hampstead,
London

Phillip John Davis
Daniel Mark Heath

Citizen and Hackney Carriage Driver
Citizen and Hackney Carriage Driver

Nick Mitchell

a Royal Navy Auxiliary Seaman

York, North
Yorkshire

Michael Richard Adkins
Stanley Brown, QGM, TD

Citizen and Water Conservator
Citizen and Loriner

Mark Clitherow

a Banker

Watford,
Hertfordshire

Ann-Marie Jefferys
Anne Elizabeth Holden

Citizen and Glover
Citizen and Basketmaker

Christine Bernadette Sanders

a Personal Assistant, retired

Surrey Quays,
London

Jeremy Lewis Simons, CC
Wendy Mead, OBE, CC

Citizen and Scientific Instrument Maker
Citizen and Glover

Heather Mae Rawlins

a Livery Company Steward

Walworth, London

Roger Arthur Holden Chadwick, OBE,
Deputy
Anne Helen Fairweather, CC

Citizen and Bowyer
Citizen and Common Councilman

Janice Margaret Clegg

a Livery Company Personal Assistant

Patching,
West Sussex

Alison Jane Gowman, Ald.
James Henry George Pollard, Deputy

Citizen and Glover
Citizen and Skinner

Clarisse Aude Tavin Saureux

an Architect

Hackney, London

<i>Alison Jane Gowman, Ald.</i>	<i>Citizen and Glover</i>	
<i>Mark Raymond Peter Wheatley, CC</i>	<i>Citizen and Draper</i>	
Margaret Joy Campbell	a Livery Company Clerk	Notting Hill, London
<i>John David Absalom, CC</i>	<i>Citizen and Butcher</i>	
<i>Sir Clive Martin, OBE, TD, DL</i>	<i>Citizen and Stationer & Newspaper Maker</i>	
Margaret Anne Virginia Game	an Ecologist, retired	Highgate, London
<i>Jeremy Lewis Simons, CC</i>	<i>Citizen and Scientific Instrument Maker</i>	
<i>Catherine Sidony McGuinness, Deputy</i>	<i>Citizen and Solicitor</i>	
Alexandra Frances Jackson	a Fund Manager	Fulham, London
<i>The Rt. Hon The Lord Mayor</i>		
<i>Robert Charles Hughes-Penney</i>	<i>Citizen and Haberdasher</i>	
Kate Laura Royal	an Opera Singer	Peckham, London
<i>Jeremy Lewis Simons, CC</i>	<i>Citizen and Scientific Instrument Maker</i>	
<i>Catherine Sidony McGuinness, Deputy</i>	<i>Citizen and Solicitor</i>	
Sanjiv Chadha	a Banker	St. John's Wood, London
<i>Peter Kenneth Estlin, Ald.</i>	<i>Citizen and International Banker</i>	
<i>Vincent Keaveny, Ald.</i>	<i>Citizen and Solicitor</i>	
Her Excellency Janice Charette	The High Commissioner of Canada	Westminster, London
<i>The Rt. Hon The Lord Mayor</i>		
<i>Catherine Sidony McGuinness, Deputy</i>	<i>Citizen and Solicitor</i>	
Kathleen Maria Agatiello	a Bank Branch Director	Newhall, Essex
<i>Keith David Forbes Bottomley, Deputy</i>	<i>Citizen and Wheelwright</i>	
<i>Timothy Levene, CC</i>	<i>Citizen and Carmen</i>	
Jesal Patel	a Shop Manager	Ilford, Essex
<i>Sir Michael Snyder, Kt. Deputy</i>	<i>Citizen and Needle-maker</i>	
<i>Alexander Barr, CC</i>	<i>Citizen and Ironmonger</i>	
Dame Susan Catherine Leather, DBE, DL	a Quango Chair	Exeter, Devon
<i>Thomas Dieter Dirk Hoffman, MBE</i>	<i>Citizen and Tyler & Bricklayer</i>	
<i>John Alfred Bennett, Deputy</i>	<i>Citizen and International Banker</i>	
Jodie Auckland Whittaker	an Actress	Muswell Hill, London
<i>Giles Robert Evelyn Shilson, Deputy</i>	<i>Citizen and Ironmonger</i>	
<i>Thomas Sleigh, CC</i>	<i>Citizen and Common Councilman</i>	
Shirley Prudence Ann Henderson	a Publisher, retired	Beckenham, Kent
<i>John George Stewart Scott, CC</i>	<i>Citizen and International Banker</i>	
<i>John Alfred Bennett, Deputy</i>	<i>Citizen and International Banker</i>	
Eva Elizabeth Bolander	The Lord Provost of Glasgow	Partickhill, Glasgow
<i>Jeremy Lewis Simons, CC</i>	<i>Citizen and Scientific Instrument Maker</i>	
<i>Catherine Sidony McGuinness, Deputy</i>	<i>Citizen and Solicitor</i>	
Hyung Dal Kim	a Pharmacist	Sutton, Surrey
<i>Michael Ernest Garrett, MBE</i>	<i>Citizen and Water Conservator</i>	
<i>Michael Raymond Mainelli, Ald.</i>	<i>Citizen and World Trader</i>	

Anne-Marie Ore-Ore Imafidon <i>Thomas Sleigh, CC</i> <i>Tijs Broeke, CC</i>	a Social Enterprise Company CEO <i>Citizen and Common Councilman</i> <i>Citizen and Common Councilman</i>	Stratford, Newham
Karen Holden <i>Thomas Sleigh, CC</i> <i>Tijs Broeke, CC</i>	a Solicitor <i>Citizen and Common Councilman</i> <i>Citizen and Common Councilman</i>	Chingford, Essex
Valerie Shawcross, CBE <i>Wendy Mead, OBE, CC</i> <i>Charles Edward Lord, OBE, JP, Deputy</i>	a Local Government Politician <i>Citizen and Glover</i> <i>Citizen and Broderer</i>	Upper Norwood, London
Connie Robins <i>Sir David Wootton, Kt., Ald.</i> <i>Philip Woodhouse, Deputy</i>	a Flower Company Director <i>Citizen and Fletcher</i> <i>Citizen and Grocer</i>	Barley, Hertfordshire
Professor Lynn Dobbs <i>Sophie Anne Fernandes, CC</i> <i>Karina Dostalova, CC</i>	a University Vice-Chancellor <i>Citizen and Common Councilman</i> <i>Citizen and Marketor</i>	Putney, London
Aleya Begum <i>Henry Llewellyn Michael Jones, Deputy</i> <i>John William Fletcher, CC</i>	a Carer <i>Citizen and Common Councilman</i> <i>Citizen and Common Councilman</i>	Mansell Street, London
Claire Louise Harvey <i>The Rt. Hon The Lord Mayor</i> <i>Charles Edward Lord, OBE, JP, CC</i>	a Leadership Consultant <i>Citizen and Broderer</i>	Smeeth, Ashford, Kent
Ruzena Holub <i>Sophie Anne Fernandes, CC</i> <i>Karina Dostalova, CC</i>	an Interpreter and Teacher <i>Citizen and Common Councilman</i> <i>Citizen and Marketor</i>	Wembley, Middlesex
Greta Sandler <i>Clare Deborah James, CC</i> <i>Patricia Ann Holmes, CC</i>	a Social Work Manager, retired <i>Citizen and Common Councilman</i> <i>Citizen and Common Councilman</i>	Sydenham Hill, London
Helen Evans <i>Peter Gordon Bennett, CC</i> <i>James Michael Douglas Thomson, Deputy</i>	an Advice Services Team Manager <i>Citizen and Chartered Surveyor</i> <i>Citizen and Grocer</i>	Scaynes Hill, West Sussex

Read.

A correction was made in respect page 34 of the circulated List, where the nominator for Helen Evans was incorrectly stated as David James Thompson, Citizen and Wax Chandler. Members were advised that this should be amended to James Michael Douglas Thomson, Deputy, Citizen and Grocer.

Resolved – That this Court doth hereby assent to the admission of the said persons to the Freedom of this City by Redemption upon the terms and in the manner mentioned in the several Resolutions of this Court, and it is hereby ordered that the

Chamberlain do admit them severally to their Freedom accordingly.

9. Legislation

The Court received a report on measures introduced by Parliament which might have an effect on the services provided by the City Corporation as follows:-

Statutory Instruments

Date in Force

The Rent Officers (Housing Benefit and Universal Credit Functions) (Amendment) Order 2018 S.I. No.1332 25 January 2019

The Order makes technical changes to the calculation of the amount of local housing allowance payable to claimants. Changes include a 3% increase in the national maximum local housing allowance cap. The Order applies to the Common Council in its capacity as a local authority.

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

10.
Appointments

The Court proceeded to consider appointments to the following Committees:-

- (A) One Member on the **Establishment Committee**, for the balance of a term expiring in April 2021.

Nominations received:-

Christopher Michael Hayward

Read.

Whereupon the Lord Mayor declared Christopher Hayward to be appointed to the Establishment Committee.

- (B) Four Members on the **Barbican Residential Committee**, one for the balance of a term expiring in April 2022 and three for the balance of terms expiring in April 2019.

Nominations received:-

James Richard Tumbridge (for a term expiring in April 2019)

Mark Raymond Peter Henry Delano Wheatley (for the term expiring in April 2022)

Read.

Whereupon the Lord Mayor declared James Tumbridge and Mark Wheatley to be appointed to the Barbican Residential Committee.

- (C) One Member on the **Board of Governors of the City of London School for Girls**, for the balance of a term expiring in July 2021.

Nominations received:-

Dhruv Patel, O.B.E.

Read.

Whereupon the Lord Mayor declared Dhruv Patel to be appointed to the Board of Governors of the City of London School for Girls.

- (D) One Member on the **Standards Appeals Committee**, for the balance of a term expiring in April 2019.

Nominations received:-

Mark Bostock

Read.

Whereupon the Lord Mayor declared Mark Bostock to be appointed to the Standards Appeals Committee.

11. Questions

*Hailes, T.R.JP,
Alderman. to the
Chairman of the
Open Spaces
Committee*

Pet Cleaning Stations

Alderman Tim Hailes asked a question of the Chairman of the Open Spaces and City Gardens Committee concerning to the prospective provision of pet cleaning stations at the City of London Corporation's Open Spaces.

Responding, the Chairman advised that the Corporation's Open Spaces were already very dog friendly with a number of events and initiatives for dog owners. Following the recent introduction of the City of London Corporation (Open Spaces) Act 2018, the City Corporation could now licence commercial activity within its Open Spaces and pursue amenities such as those suggested by the Alderman. Consequently, he was pleased to agree that this suggestion, together with a number of other prospective amenities, could be considered by the Committee in the coming period.

*Pimlott, W. to the
Chair of the
Policy and
Resources
Committee*

Crescent House Renovation

William Pimlott asked a question of the Chair of the Policy and Resources Committee which sought a commitment for renovations to Crescent House to be carried out prior to certain works which were scheduled to be undertaken at Mansion House.

Responding, the Chair of the Policy and Resources Committee emphasised that ensuring the quality of living arrangements for tenants was a priority for the City Corporation.

The Chair advised that she had taken a personal interest in this matter, having previously visited the Golden Lane Estate and highlighted concerns at the lack of progress with regard to the renovations. The Chair had subsequently undertaken a site inspection in October 2018 with the Town Clerk to monitor progress. She noted, however, that responsibility for the project's delivery resided with the Community and Children's Services Committee, rather than the Policy and Resources Committee; she was, therefore, not in a position to provide the Member with the commitment sought. However, she was certain that the Chairman of the Community and Children's Services Committee would be happy to discuss the programme of works in more detail with the Honourable Member. The Chair also

observed that the works to Mansion House, which was host to thousands of visitors and workers each year, were also necessary, adding that the two works were not related or contingent upon each other.

12. Motions
Boleat, M.

Motion – “Given –

- That the terms for Britain’s departure from the European Union negotiated by the British government seem unlikely to be approved by Parliament.
- That those terms are far removed from what was proposed by the official Leave campaign during the Referendum and ministerial statements after the Referendum.
- That the Prime Minister has indicated that if the exit terms that have been negotiated are not accepted the alternatives are exit without a deal and no Brexit.
- That opinion surveys show growing support for a referendum on whether to approve the deal or remain in the European Union.
- That while the financial services industry is well placed to handle Brexit it is doing so only by moving functions from London and the rest of the country, which will mean a significant loss of jobs and tax revenue in the longer term, and substantial damage to London’s position as an international business centre.
- That the Mayor of London, the London Assembly and a number of London boroughs have indicated support for a referendum.

This Court supports the holding of a referendum on the terms of Britain’s exit from the European Union with the electorate being given a choice that includes remaining in the European Union.”

Sir Mark spoke to introduce the Motion, explaining that, following Britain’s vote to leave the European Union in June 2016, there was still no clarity as to what Britain’s relationship would be with the European Union; this would have an adverse impact on London and the rest of the country, as a significant amount of business would move away from London. He proposed that a second referendum should be called on the matter, noting that the deal as set out by the Prime Minister bore no relation to what was presented in 2016 and there was now further information provided as to what the implications would be for Britain leaving the European Union. He argued that there was a strong case for the City Corporation to take a position given that the London Assembly and a number of other London Boroughs had already expressed a view, adding that the City Corporation’s responsibilities to its electorate and the people employed in the financial services and related industries gave further strength to this argument.

The Court proceeded to debate the Motion.

Deputy McGuinness spoke to oppose the Motion, noting that the City Corporation had a responsibility to speak for the jobs and prosperity in the square mile and sector and spoke for a critical part of the UK economy; however, she was unaware of any businesses or trade associations asking the City Corporation to call for a

second referendum. Deputy McGuinness noted that the City Corporation regularly spoke on matters of national interest and political importance and its views were informed by research, consultation with the sector, regulators, and other stakeholders. She expressed concern that the City Corporation's voice as a neutral party speaking on behalf of such stakeholders would be diminished if it were to support this Motion.

With reference to the actions of London Boroughs, Deputy McGuinness noted that they were politically driven, were following party lines, and their interventions would be viewed as such. She therefore asked Members to consider, regardless of their personal views, how best the voice of the City Corporation could be deployed and asked that they kept to a pragmatic approach.

During lengthy debate on the issue, a number of Members spoke in opposition to the Motion. The following arguments were made in support of this viewpoint:

- Some Members expressed the view that the City Corporation should not be engaging in party political matters and suggested that this was a matter that should be left to Parliament. The public had voted for Brexit and the solutions should be found in Westminster, not influenced by the Court of Common Council.
- Members noted that the financial services sector had not asked the City Corporation to consider supporting a second referendum, arguing that the City Corporation should therefore remain independent. To act like other party political authorities would weaken the City Corporation's position.
- Several Members expressed the view that, given that Brexit had been one of the most divisive issues for the country in living memory, to have a second referendum would add further division and would be undemocratic in any case as it did not respect the outcome of the first plebiscite.
- Members commented that, if a second referendum were to take place, this could not be held until at least 2020 and would contribute in creating dissent and disorder. They added that, at this point, both businesses and individuals sought certainty above all about the way forward, not continuing debate.
- Suggesting that this Motion could be viewed as a form of gesture politics, it was argued that Members should instead be lobbying and consulting politicians if they wished to seek the best outcome.
- A Member queried what benefit there would be for the Court to choose sides on this matter, positing that attempting to undermine the vote would result in a loss of credibility. It was noted that people had been told the results of the Brexit vote would be final and honoured; politicians were losing the respect of the public by continuing to prevaricate.
- Instead of the referendum choices proposed in Sir Mark's Motion, it was suggested that the democratic option would be for a referendum instead offer a choice between the Prime Minister's deal or Brexit on the World Trade Organisation's terms. This would mean the promise to the public would be kept and their choice respected.
- It was observed that, as the City Corporation already had a Brexit strategy, to pass this Motion would undermine that strategy and damage the credibility of the Chair of Policy and Resources. Members commented that the Motion would not assist the Chair in undertaking her role.

- Members added that, whilst there was undoubtedly misinformation given as part of the Brexit campaign in 2016, there had been misinformation on both sides; this was part of the democratic process which also occurred during general elections. Elections should not be re-run simply because people did not care for the outcome.

A number of Members took the opportunity to speak in favour of the City Corporation supporting a second referendum. The following arguments were advanced in support of this viewpoint:

- A Member spoke on behalf of those employees who were foreign nationals and who worked within the City's financial and professional services companies. They made an enormous contribution to the London economy and the City's global status, yet were denied a vote on an issue which directly affected them. A second referendum would help those individuals and this was an issue on which the City should take a stand on behalf of its constituents.
- Several Members, noting the public was now better informed and aware of the terms of the deal Britain would be signing up to, argued that the deal currently on the table represented a different proposition to what had originally been proposed and to push this through without consulting the public would be undemocratic.
- It was suggested that, whilst a new referendum would be divisive, the alternative would also be divisive, with it noted that there had already been demonstrations and more were likely if Parliament were to push this deal through. Britain's trading partners were observing the chaos and the only way to resolve this situation would be to give the people their democratic right to vote, with remaining in the EU as an option.
- Several Members spoke on behalf of the City residents and businesses they represented, commenting that residents had expressed the view to them that the public was now in a better position to make an informed choice. The message from businesses was equally clear, urging that all efforts be made to prevent a no deal Brexit.
- A Member, responding to the view that this was a matter for Parliament, countered that Parliament was deadlocked and Britain divided. Businesses and residents supported a second referendum and this path would resolve the impasse.
- A Member raised the issue of staff retention as a result of the Brexit vote and the damage this would cause to the London and UK economy, adding that some of the big businesses headquartered in London were triggering plans to relocate to other European locations.
- A Member, referring to the assertion that the financial and professional services sector had not asked the City Corporation to vote on this matter, suggested that the people who worked for those firms had in fact sought out Members to ask that they back a second referendum. Members of the Court were far more connected to the workers in the Square Mile than in the past and it was their interests that the Court should represent and support. This was an issue which had and would continue to affect the people and firms within the City more than any other and the Court should take a view on this.

*Littlechild,
V., M.B.E., J.P.*

Motion – That, in accordance with Standing Order No. 2(2), Standing Order No. 12(6) be suspended to allow for continued debate on this Motion.

The Lord Mayor declared the Motion to be carried.

Once again, a number of Members spoke in opposition to the Motion that the City Corporation support a second referendum, and the following arguments were made in support of this viewpoint:

- Some Members continued to argue this was not a matter for the Court to decide. If a second referendum did not take place until 2020, this would lead to greater uncertainty and would be damaging. The matter should be resolved and not prolonged.
- This Motion could only be seen as a pro-remain move and the City Corporation should not take a position on this, it would blunt the organisation's credibility, its relationships with businesses and its ability to represent the City. A second referendum could not undo the events of the past two years and from what has transpired, the UK could not remain with the EU.
- A Member noted that the opening remarks regarding this Motion had referenced the March Court meeting of 2016. The Member reminded the Court, that this debate had taken place in two parts; with the first debate being a 60/40 decision as to whether the Court should adopt an opinion and the final strength of this decision could be debated. The Member commented that at that meeting the mover of this Motion had been the Chair of the Policy and Resources Committee and they had the Committee's support. However, the current Chair did not support the Motion and Members should think of her position. The Member advised caution and suggested the Motion be withdrawn.

Members also took the opportunity to speak in support of the City Corporation supporting the referendum, and following points were expressed:

- A Member commented that Brexit was a fundamental part of trade and it was therefore appropriate for the City to take a view as to what would provide businesses with the greatest level of certainty. The public was better informed about the European Union than in 2016 and it would therefore be appropriate to once again take the view of the country.
- A Member expressed the view that the country was on the cusp of final decisions Members should on behalf of residents and city workers, support a second referendum as that would be the only chance to remain with the European Union. The Member explained that this was not a matter of normal negotiation where Members would always back the Chair of Policy and Resources.

*Lord, C.E.,
O.B.E., J.P., Deputy;
Thomson,
J.M.D. Deputy.*

Motion – That, in accordance with Standing Order 11(9), the Question be now put.

Upon the Question being put, the Lord Mayor declared the Motion to be carried.

The Town Clerk invited Sir Mark to close the debate.

Sir Mark addressed the points raised and noted that, whilst some had argued this was not a matter for the City Corporation to debate, a large number of Members had spoken which demonstrated the strength of feeling on this matter. Sir Mark clarified that the Motion was simply for a referendum which included as one of its options remaining in the European Union and did not seek to exclude any other option. Responding to the views expressed, Sir Mark commented that this was not party political, the Labour and Conservative parties were both opposed to a referendum and this was a matter outside of the normal electoral process where the winners had simply walked away.

Sir Mark concluded noting that another referendum would be divisive but Brexit itself had been too and the public should be given a chance to vote on a deal which would affect their future.

Upon the Motion being put, the Lord Mayor declared it to be lost. A division being demanded and granted, there appeared:-

For the Affirmative 33

ALDERMEN

Garbutt, J.
Gifford, Sir Roger

Graves, D. A.
Jones, G. P., Q.C.,

COMMONERS

Ali, M.
Anderson, R.K.
Anderson, T.A.
Bastow, A.M.
Bensted-Smith, N.M., J.P.
Boleat, Sir Mark
Bostock, M.
Brooke, T.

Everett, K.M.
Fairweather, A.H.
Fredericks, M.B.
Hill, C.
Holmes, A.
Knowles-Cutler, A.
Levene, T.
Littlechild, V., J.P.

Lloyd Owen, N.
Pimlott, W.
Pritchard, J.P.
de Sausmarez, H.J.
Sayed, R.
Scott, J.G.S., J.P.,

Bennett, J.A., Deputy
Cassidy, M.J., C.B.E., Deputy

Lord, C.E., O.B.E., J.P., Deputy
Sleigh, T., Deputy

Tomlinson, J., B.A., Deputy

Tellers for the affirmative – (Affirmative) Wendy Hyde and William Upton (Negative).

For the Negative 60

ALDERMEN

Edhem, E.
Gowman, A.J.
Goyal, P.B., O.B.E., J.P.
Hailes, T.R., Sheriff
Howard, R.P.S.

Hughes-Penney, R.
Keaveny, V.T.
King, A.J.N., M.Sc.
Luder, I.D.
Mainelli, M.R.

Parmley, Sir Alan
Russell, W.A.B.
Wootton, Sir David
Yarrow, Sir Alan

COMMONERS

Barr, A.R.M.
Barrow, D.
Bennett, P.G.
Chapman, J.D.
Duckworth, S.D'O., O.B.E., D.L.
Dunphy, P.G.
Durcan, J.M.
Fernandes, S.A.
Haines, C.W.
Harrower, G.G.

Hayward, C.M.
Hudson, M.
Joshi, S.J.
Mayer, A.P.
Mayhew, J.P.,
McMurtrie, A.S., J.P.
Mead, Mrs. W., O.B.E.
Moys, Mrs. S.D.
Murphy, B.D.

Newman, B.P., C.B.E.
Pearson, S.J.
Petrie, J.
Seaton, I.C.N.
Sells, O., Q.C.
Simons, J.L.
Smith, G.M.
Tumbridge, J.R.
Wheatley, M.R.

Bottomley, K.D.F., Deputy
Bradshaw, D.J., Deputy
Chadwick, R.A.H., O.B.E., Deputy
Hoffman, T., Deputy
Ingham Clark, J., Deputy
James, C. M.A., Deputy

Jones, H.L.M., Deputy
McGuinness, C., Deputy
Merrett, R.A., Deputy
Mooney, B.D.F., Deputy
Morris, H. F., Deputy

Nash, Mrs. J.C., O.B.E., Deputy
Pollard, J.H.G., Deputy
Rogula, E., Deputy
Thomson, J.M.D., Deputy
Woodhouse, P., Deputy

Tellers for the negative – John Fletcher (Negative) and Henry Colthurst (Affirmative).

Upon the result of the division being announced, the Lord Mayor declared the Motion to be lost.

Munsur, M.

Motion – “That this Honourable Court expresses its regret as the minority Rohingya population suffering persecution still await justice, especially as the international world continues to call for justice and most recently the call to bring the generals of the Myanmar army to justice for genocide.

This Court therefore resolves that:

1. The Freedom Applications Committee commences, forthwith, the process to revoke the Honorary Freedom granted to Aung San Suu Kyi in May of 2017.
2. The Freedom Applications Committee provides an update to the Court at the March meeting.”

Mr Ali introduced the Motion, thanking the Chairman of the Freedoms Applications Committee for his assistance in this matter and advising the Court that the Motion before Members was to action a process to revoke the Honorary Freedom awarded to Aung San Suu Kyi. He argued that Aung San Suu Kyi had failed to protect the Rohingya or speak out for them and had denied the genocide which took place. As the head of the country, she had failed to protect her own people and, therefore, no longer merited the Honorary Freedom.

Alderman Sir David Wootton spoke to help clarify the process which would commence, should the Court support the Motion. He reminded Members of the protocol which the Court had approved in September 2018 , explaining that this Motion would start the process towards revocation; the Freedoms Application Committee would move to inform the Honorary Freeman of the proposal to remove the Freedom, together with the reasons for the proposal, and invite their comments on it. The remainder of the defined process would then ensue.

Alderman Sir David Wootton proceeded to set out the reasons both for and against revocation as he saw them and advised that he would not express a view on either side of the arguments. He asked if Members could, during discussion, cite the reasons behind their views, which would be communicated to the Honorary Freeman if a decision was made for revocation.

Discussion amongst Members ensued, with several Members speaking to express their sympathy and condemning the horrific violence inflicted by the military.

During discussion, a number of Members spoke in opposition to the Motion, with the following arguments advanced in support of this viewpoint:

- It was suggested that any decision should be taken with reference to the totality of the individual’s contributions, observing that consideration should be given to the twenty-five years of hard work and the courage the Honorary Freeman had displayed during that time, rather than simply making a decision in the context of the last twenty-five months.
- It was argued that the City Corporation should not engage in gesture politics and concerns were raised that, if the Motion were to be approved, the focus would be on Aung San Suu Kyi instead of those who had ordered the acts to

take place; the City Corporation and others should instead be seeking to bring those individuals to account.

- It was argued that the award had been made with the tacit approval of the Foreign & Commonwealth Office and that the Government had not expressed a wish to revoke the Freedom.
- A Member cautioned that the City Corporation should not be revisiting previous awards to try and rewrite history but should stand by the judgement made at the time of the award.
- It was cautioned that the constraints under which Aung San Suu Kyi might be operating at present were not known; it would therefore be unwise to act precipitately and rescind the Freedom under such circumstances.
- A Member commented that the Freedom had been offered to Aung San Suu Kyi years before she was able to receive it and there was much unknown about the situation in Burma which may reveal itself over time. It was added that there were different arguments being presented via the media around the world and these were matters beyond the scope of the Court.

Several Members also spoke to support the proposed Motion with the following viewpoints articulated:

- Rebutting the suggestion that the revocation would be seeking to rewrite history, a Member observed the atrocities were not historic and were, in fact, taking place now. He referenced a recent United Nations fact-finding mission, noting that it had been determined that Aung San Suu Kyi and her government had contributed to the atrocities, with the Honorary Freeman having not used her political position to condemn the acts.
- A Member spoke to dispute the argument that this was gesture politics, noting that to dismiss it as such would be to dismiss the Honorary Freedom itself. It was added that this was an issue of conscience and the question of whether the Honorary Freedom should have been awarded was of importance. Recognised international bodies had named Aung San Suu Kyi as being partially responsible for the atrocities, the Freedom had been given in some Members' opinions in error and should be revoked.
- A Member commented that the City Corporation should stand against genocide and this went to the heart of the relevance of the City Corporation.
- A Member observed that the Court had already determined to delay in making a decision once, only to see further atrocities take place. The City Corporation had a moral duty to take responsibility for its actions and should cease to prevaricate on this matter.

Lord, C.E., O.B.E.,
J.P., Deputy;
Brooke, T.

Motion – That, in accordance with Standing Order 11(9), the Question be now put.

Upon the Question being put, the Lord Mayor declared the Motion to be carried.

The Town Clerk invited Mr Ali to close the debate.

Mr Ali thanked the Chairman of the Freedoms Application and Members for the discussion.

Upon the Motion being put, the Lord Mayor declared it to be carried.

Resolved – That this Honourable Court expresses its regret as the minority Rohingya population suffering persecution still await justice, especially as the international world continues to call for justice and most recently the call to bring the generals of the Myanmar army to justice for genocide.

This Court therefore further resolves that:

1. The Freedom Applications Committee shall commence forthwith the process to revoke the Honorary Freedom granted to Aung San Suu Kyi in May of 2017.
2. The Freedom Applications Committee shall provide an update to the Court at the March 2019 meeting.

13. Awards &
Prizes

There were none.

14.

POLICY AND RESOURCES COMMITTEE AND ESTABLISHMENT COMMITTEE

(Catherine McGuinness, Deputy)

(Charles Edward Lord, OBE, JP, Deputy)

3 December 2018

Review of the City of London Police Authority – Resourcing & Governance Arrangements

The Court considered a joint report of the Policy and Resources Committee and Establishment Committee which **recommended** a base budget uplift to the Police Authority of up to £250,000 within City Fund; and the approval of the creation of a Grade I post within the Chamberlain's Department. This funding and post would strengthen the capacity and capability of the Police Authority function.

Responding to a question from Mr McMurtrie regarding the annual cost of running the City of London Police force and the proportion of overall expenditure spent on the Police service, the Chair of Policy and Resources provided the Honourable Member with the gross costs and net costs for 2017/2018 and 2018/2019 against the originally budgeted figures but explained that the figures varied from year to year. The Chair explained that in future years, the Police Authority was forecasting deficits and work was underway to identify how best to close that gap. The Chair provided further figures to the Honourable Member explaining that Police expenditure was 28.7% of City Fund expenditure and 17.6% of all City Corporation expenditure.

Mr McMurtrie, thanking the Chair for her comments, asked a further question as to the reasons behind why the forecast expenditure was significantly more than budgeted. The Chair of the Establishment Committee in response explained that it was important to ensure the Police Authority had the relevant resources in place and resources would be added to the Town Clerk's Department and Chamberlain's Department to assist the Police Authority.

Resolved – That the Court:

- endorse a base budget uplift to the Police Authority within City Fund of up to £250,000 with effect from 2019/20 to be considered as part of the annual budget setting and medium-term financial planning process; and
- approve the creation of a Grade I post in the Chamberlain's Department.

15. **FINANCE COMMITTEE**

(Jeremy Paul Mayhew)

16 November 2018

Report of Urgent Taken: Waste Collection, Street Cleansing and Ancillary Services – Contract Award Report

The Court received a report advising of action taken under urgency procedures regarding the award of a contract for the provision of waste collection, street cleansing, and ancillary services.

Resolved – That the action taken under urgency procedures be noted.

16.
Scott, J.G.S.,
J.P.; Mayhew,
J.P.

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

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

Resolved – That the non-public minutes of the last Court are correctly recorded.

18. **Policy and Resources Committee**

The Court considered a report which provided an update and sought approval with regards to funding for the Centre for Music.

19. **Policy and Resources Committee and Finance Committee**

The Court received a report of urgent action taken with regards to the Markets Consolidation Programme.

19b. **Finance Committee**

The Court considered a late report of the Finance Committee with regards to an amendment to the Treasury Management Strategy.

20. **Establishment Committee**

The Court considered a report of the Establishment Committee with regards to the creation of a post.

21. **Board of Governors of the City of London School for Girls**

The Court considered a report of the Board of Governors of the City of London School for Girls which sought approval to progress a project.

22. **Property Investment Board**

The Court considered a report of the Property Investment Board which sought approval of a new ground lease.

The meeting commenced at 1.00 pm and ended at 3.40 pm

BARRADELL.



List of Applications for the Freedom

To be presented on Thursday, 7th March, 2019

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

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

Marlyn De La Cruz Macabontoc

*Michael David Hoddy
Robert Laurens*

a Nanny
*Citizen and Information Technologist
Citizen and Information Technologist*

Morden, Surrey

Julia Georgina Lucia Hamilton

*Christopher Punter
Steven Jones*

an Artist
*Citizen and Information Technologist
Citizen and Information Technologist*

Hackney

Ailbhe Baranie Edgar

*Graham Williams
Martin John Davies*

a Solicitor, retired
*Citizen and Painter Stainer
Citizen and Scrivener*

Islington

Stephen David Clark

*Anjola Adeniyi
Sarah Jane Fletcher Harris*

a Construction Site Manager
*Citizen and Information Technologist
Citizen and Basketmaker*

Surbiton, Surrey

Haig Walter Wing

*Paul Frank Basson
Peter Richard Cowland*

a Transport Manager, retired
*Citizen and Firefighter
Citizen and Firefighter*

Biggleswade,
Bedfordshire

Kim Jeanette Donald

*Wendy Mead, OBE, CC
Marianne Bernadette Fredericks, CC*

a Catering Manager
*Citizen and Glover
Citizen and Baker*

Tower Hamlets

Avrom Boris Lasarow

*Lars Bendik Andersen
Lee John Robertson*

a Chief Executive Officer
*Citizen and World Trader
Citizen and Marketor*

Ashford, Kent

Peter Frederick Latchford

*Peter Hubert William Ruddy
Melvyn Stuart Davis*

an Import/export Clerk, retired
*Citizen and Bowyer
Citizen and Bowyer*

Stanford-le-Hope, Essex

Lucy Mari Hughes

*Diana Mary Hughes

David William Henderson-Begg*

a Speech and Language Therapist
*Citizen and Tin Plate Worker Alias Wire
Worker
Citizen and Tin Plate Worker Alias Wire
Worker*

Ashted, Surrey

James Nicholas Weal <i>Brian Derek Francois</i> <i>Mark Gino Francois</i>	a Land Acquisition and Developer <i>Citizen and Environmental Cleaner</i> <i>Citizen and Wheelwright</i>	Wimbledon
John Aidan Lawson <i>William Barrie Fraser, OBE</i> <i>Richard David Regan, OBE, Deputy</i>	a Royal Air Force Navigator <i>Citizen and Gardener</i> <i>Citizen and Cutler</i>	Ruskington, Lincolnshire
Joshua Patrick Joseph Delve <i>Roger Arthur Holden Chadwick, OBE, Deputy</i> <i>Philip Woodhouse, Deputy</i>	a Student <i>Citizen and Bowyer</i> <i>Citizen and Grocer</i>	Cobham, Surrey
Peter Arthur Brice <i>Peter Leonard Spalding</i> <i>Michael John Willett</i>	a Local Government Officer, retired <i>Citizen and Loriner</i> <i>Citizen and Air Pilot</i>	Bicester, Oxfordshire
Ada Christine Margaret Eberhardie, TD <i>Colonel Jane Carey-Harris, TD</i> <i>Colonel Jane Davis, OBE QVRM TD DL RGN</i>	a University Teacher, retired <i>Citizen and Apothecaries</i> <i>Citizen and Blacksmith</i>	Sutton, Surrey
Robert Brian Galland <i>John George Stewart Scott, CC</i> <i>Margaret Claire Scott</i>	a Surgeon, retired <i>Citizen and International Banker</i> <i>Citizen & Stationer & Newspapermaker</i>	Berkshire
Dr Francis Anthony Copplestone <i>Robert Picton Seymour Howard, Ald.</i> <i>Susan Carol Langley, OBE, Ald.</i>	an Investment Manager <i>Citizen and Gardener</i> <i>Citizen and Insurer</i>	Hadley Wood, Hertfordshire
Godfrey Devlin <i>James Robert Lewis Nuttall</i> <i>Kenneth Frederick Blundell</i>	a Consultant <i>Citizen and Gold & Silver Wyre Drawer</i> <i>Citizen and Gold & Silver Wyre Drawer</i>	Watford, Hertfordshire
Alison Mary Devlin <i>James Robert Lewis Nuttall</i> <i>Kenneth Frederick Blundell</i>	a Chartered Accountant <i>Citizen and Gold & Silver Wyre Drawer</i> <i>Citizen and Gold & Silver Wyre Drawer</i>	Watford, Hertfordshire
Timothy Michael John Lacey <i>Peter Lionel Raleigh Hewitt</i> <i>Fidelma Mary Hewitt</i>	a Telecommunications Company Director <i>Citizen and Woolman</i> <i>Citizen and Pewterer</i>	Bedford Park, Chiswick
Steven Charles Cousins <i>Peter Richard Cowland</i> <i>Ronald Peter Murray</i>	a Fire Officer <i>Citizen and Firefighter</i> <i>Citizen and Firefighter</i>	Morden, Surrey
John Charles William Hickman <i>Harold Ebenezer Piggott</i> <i>Paul Stephen Hollebhone</i>	a Dairy Company Director, retired <i>Citizen and Basketmaker</i> <i>Citizen and Chartered Accountant</i>	Selsey, West Sussex
Christopher Miles Bertram King <i>John George Stewart Scott, CC</i> <i>Margaret Claire Scott</i>	a Recruitment Company Director, retired <i>Citizen and International Banker</i> <i>Citizen & Stationer & Newspapermaker</i>	Finchley
Simon Laurence Livesey <i>Dr John Alexander McCaul</i> <i>John Charles Wheen</i>	a Solicitor <i>Citizen and Apothecary</i> <i>Citizen and Marketor</i>	Dulwich

Maureen Saminaden <i>Lesley Jan Day</i> <i>David John Cole-Adams</i>	a Local Government Officer, retired <i>Citizen and Tyler & Bricklayer</i> <i>Citizen and Chartered Architect</i>	Watford, Hertfordshire
Lee Taylor <i>Michael Richard Adkins</i> <i>Stanley Brown, QGM, TD</i>	a Police Officer, retired <i>Citizen and Water Conservator</i> <i>Citizen and Loriner</i>	Benfleet, Essex
Carol Gay Thierry <i>Christopher Michael Thierry</i> <i>Andrew Gerard Dawson</i>	a Property Development Company Director <i>Citizen and Woolman</i> <i>Citizen and Woolmen</i>	Long Ditton, Surrey
Richard Nicholas Zsigmond <i>Frederick Joseph Trowman</i> <i>Anthony Sharp</i>	a Retail Shop Owner <i>Citizen and Loriner</i> <i>Citizen and Loriner</i>	Chelsea
Jane Jones <i>Gordon Lenham Warren</i> <i>William Fitzgerald-O'Connor</i>	a Royal Naval Reserve Officer <i>Citizen and Gold & Silver Wyre Drawer</i> <i>Citizen and Gold & Silver Wyre Drawer</i>	Rochester, Kent
David Charles Balden <i>Roger Keith Mallindine</i> <i>Paul Julian Varney</i>	a Club Secretary <i>Citizen and Distiller</i> <i>Citizen and Distiller</i>	Royston, Hertfordshire
Justin Ashley Roberts <i>Robert-Jan Temmink</i> <i>Christopher Oliver James Temmink</i>	a General Manager <i>Citizen and Merchant Taylor</i> <i>Citizen and Merchant Taylor</i>	Corsham, Wiltshire
Hugh Peter Gwilliams <i>Adarsh Kumar Sharma</i> <i>Michael Peter Cawston</i>	a Consultant, retired <i>Citizen and Chartered Accountant</i> <i>Citizen and Tyler & Bricklayer</i>	Weston Turville, Buckinghamshire
Robert James Thomas <i>Michael Alan Rutherford</i> <i>Drewe William Lacey</i>	an Accountant <i>Citizen and Management Consultant</i> <i>Citizen and Management Consultant</i>	Canterbury, Kent
Geoffrey Allen White <i>Anthony John Skinner</i> <i>Ronald Peter Murray</i>	a Training Company Director <i>Citizen and Firefighter</i> <i>Citizen and Firefighter</i>	Roxton, Bedfordshire
Neil Twentyman Graham <i>Paul Douglas Simmons</i> <i>Max James Gladwyn</i>	a Chartered Accountant, retired <i>Citizen and Apothecary</i> <i>Citizen and Barber</i>	Wimbledon
John Brackley <i>Graham Leslie Flight</i> <i>Lt. Col. John Craven Chambers</i>	a Grand Secretary, retired <i>Citizen and Loriner</i> <i>Citizen and Wax Chandler</i>	Highcliffe, Dorset
David Robert Clancey <i>Richard John Bradburn</i> <i>Derek Martin Morley</i>	a Metal Recycler <i>Citizen and Musician</i> <i>Citizen and Furniture Maker</i>	Hewarth, Yorkshire
Daniel Benjamin Cohen <i>Lord Robert George Alexander Lingfield, Kt., DL.</i> <i>Nigel Anthony Chimmo Branson, JP</i>	a Parliamentary Adviser <i>Citizen and Goldsmith</i> <i>Citizen and Haberdasher</i>	Hadley Highstone, Hertfordshire

Nicholas William Ayrton Bannister <i>Malcolm Alastair Campbell</i> <i>Richard Barton Angus</i>	a Hotel Company Director <i>Citizen and Woolman</i> <i>Citizen and Woolman</i>	Skipton, North Yorkshire
Stephen John Nolan <i>Malcolm Alastair Campbell</i> <i>Richard Barton Angus</i>	a Locksmith <i>Citizen and Woolman</i> <i>Citizen and Woolman</i>	Watford, Hertfordshire
Simon Philip Gould <i>Antony David George Harvey</i> <i>Hugh Edwin Henry Hobson</i>	a Graphic Designer <i>Citizen and Educator</i> <i>Citizen and Gold & Silver Wyre Drawer</i>	Thamesmead, Bexley
Brian Michael Stratton <i>Sir Andrew Charles Parmley, Ald.</i> <i>Jonathan Patterson Shiels</i>	an Author <i>Citizen and Musician</i> <i>Citizen and Joiner</i>	Worcester Park, Surrey
Stewart James Cranage <i>Adarsh Kumar Sharma</i> <i>Michael Peter Cawston</i>	a Sales Director, retired <i>Citizen and Chartered Accountant</i> <i>Citizen and Tyler & Bricklayer</i>	Upholland, West Lancashire
Dr Penelope Jane Bevan <i>Randall Keith Anderson, CC</i> <i>Joyce Carruthers Nash, OBE, Deputy</i>	a Doctor of Medicine <i>Citizen and Common Councilman</i> <i>Citizen and Feltmaker</i>	Muswell Hill
David Robert Setters <i>Daniel Houghton Hodson</i> <i>Thomas Hempenstall</i>	a Company Director <i>Citizen and Mercer</i> <i>Citizen and Stationer & Newspaper Maker</i>	South Nutfield, Redhill, Surrey
Patrick Tsu An Wong <i>Judith Lindsay Pleasance, CC</i> <i>Andrew John Reynolds</i>	a Real Estate Chief Executive Officer <i>Citizen and Clockmaker</i> <i>Citizen and Chartered Architect</i>	Mid Levels, Hong Kong
Alvaro Garcia Zaragoza <i>Michael William Daniel</i> <i>Robert James Ingham Clark, Deputy</i>	a Project Manager <i>Citizen and Clockmaker</i> <i>Citizen and Clothworker</i>	Westminster
Gregory Davies <i>Jonathan Martin Avern</i> <i>David Andrew Harry McGregor Smith, CBE</i>	a Health and Safety Company Director <i>Citizen and Fletcher</i> <i>Citizen and Cook</i>	Fetcham, Surrey
Jayne-Anne Gadhia, CBE <i>The Rt. Hon The Lord Mayor</i> <i>William Anthony Bowater Russell, Ald.</i>	a Financial Adviser <i>Citizen and International Banker</i> <i>Citizen and Haberdasher</i>	Marsham Street
Justine Siobhan Voisin <i>The Rt. Hon The Lord Mayor</i> <i>Lindy Estlin</i>	a Lawyer, retired <i>Citizen and International Banker</i> <i>Citizen and Glover</i>	Godalming, Surrey
Michael John Lyas <i>Eric Davies</i> <i>Peter William Silver</i>	a Composer, retired <i>Citizen and Stationer and Newspaper Maker</i> <i>Citizen and Stationer & Newspaper Maker</i>	Chiselhurst, Kent
Brian Patrick Nyland <i>Ian John Hodgson</i> <i>Michael Stephen Saunders</i>	a Scaffold Company Director, retired <i>Citizen and Joiner & Ceiler</i> <i>Citizen and Joiner & Ceiler</i>	East Tilbury, Essex
James Mark Gibson <i>Nicholas John Anstee, Ald.</i> <i>Ian David Luder, Ald.</i>	a Technology Support Officer <i>Citizen and Butcher</i> <i>Citizen and Cooper</i>	Purfleet, Essex
Christopher Michael Hyatt <i>Nicholas John Anstee, Ald.</i> <i>John Chapman</i>	an Information Technology Consultant <i>Citizen and Butcher</i> <i>Citizen and Common Councilman</i>	Cricklewood, Brent

Josephine Clare Brand <i>Allan Digby Flower</i> <i>Anthony Joyce</i>	a Chartered Surveyor <i>Citizen and Chartered Surveyor</i> <i>Citizen and Chartered Surveyor</i>	Wimbledon
Richard Paul Powis <i>Graham John Peacock</i> <i>Richard Eaglesfield Floyd</i>	a Groundsman <i>Citizen and Loriner</i> <i>Citizen and Basketmaker</i>	South Benfleet, Essex
Sarah Greenwood <i>Robert Allan Merrett, Deputy</i> <i>Graeme George Harrower, CC</i>	a Montessori School Principal <i>Citizen and International Banker</i> <i>Citizen and Scrivener</i>	Wapping
Corinne Lee <i>Alastair John Naisbitt King, Ald.</i> <i>Brian David Francis Mooney, Deputy</i>	an Asset Management Company Director <i>Citizen and Blacksmith</i> <i>Citizen and Common Councilman</i>	Leigh-on-Sea, Essex
Richard Simon Martin-Redman <i>William Peter Arthur Hedley Chappel</i> <i>Clive Burr</i>	a Financial Advisor <i>Citizen and Pewterer</i> <i>Citizen and Goldsmith</i>	Barnes
Ena Harrop <i>Clare Deborah James, Deputy</i> <i>Patricia Ann Holmes , CC</i>	a Headmistress <i>Citizen and Fletcher</i> <i>Citizen and Cordwainer</i>	Guildford, Surrey
Jeanette Elizabeth Holland <i>Clare Deborah James, Deputy</i> <i>Vincent Keaveny, Ald. & Sheriff</i>	a Solicitor <i>Citizen and Fletcher</i> <i>Citizen and Solicitor</i>	Westminster
Robin Boles, LVO <i>Robert James Ingham Clark, Deputy</i> <i>John Petrie, CC</i>	a Charity Chief Executive Officer <i>Citizen and Clothworker</i> <i>Citizen and Draper</i>	Dalry, Ayrshire, Scotland
Lynette Frances Williams <i>John Alfred Bennett, Deputy</i> <i>John George Stewart Scott, CC</i>	The Principal of the GSMD <i>Citizen and International Banker</i> <i>Citizen and International Banker</i>	Stoke Newington
Annabel Francesca Louise Estlin <i>The Rt. Hon The Lord Mayor</i> <i>Lindy Estlin</i>	a Student <i>Citizen and International Banker</i> <i>Citizen and Glover</i>	Tunbridge Wells, Kent
Dr Victoria Elizabeth Joanne Estlin <i>The Rt. Hon The Lord Mayor</i> <i>Lindy Estlin</i>	a Doctor <i>Citizen and International Banker</i> <i>Citizen and Glover</i>	Tunbridge Wells, Kent
Rita Yvonne Upchurch Roberts, MBE <i>William Joseph Browning</i> <i>Michael Peter Cawston</i>	a Teacher <i>Citizen and Glass Seller</i> <i>Citizen and Tyler and Bricklayer</i>	South Croydon
Charles Edward Jenkins, Junior <i>Judge Patrick Francis Clyne</i> <i>Peadar O'Mordha</i>	a Strategy Manager <i>Citizen and Loriner</i> <i>Citizen and Apothecary</i>	Portland, Oregon
John Oakley <i>Philip Roy Grant</i> <i>Colin Michael Tiffin</i>	a Beadle/toastmaster <i>Citizen and Needlemaker</i> <i>Citizen and Needlemaker</i>	Barming, Maidstone, Kent
Richard Antony Fullbrook <i>Douglas Gordon Fleming Barrow, CC</i> <i>Keith David Forbes Bottomley , Deputy</i>	a Police Officer <i>Citizen and Shipwright</i> <i>Citizen and Wheelwright</i>	Canterbury, Kent
Rosamund Julie-Anne Smith <i>Sylvia Doreen Moys, CC</i>	a Personal Assistant <i>Citizen and Chartered Secretary and</i>	Holloway

<i>Hugh Fenton Morris, Deputy</i>	<i>Administrator</i> <i>Citizen and Maker of Playing Card</i>	
Mrs Anzo Gloreen Francis <i>John George Stewart Scott, CC</i> <i>Margaret Claire Scott</i>	a Chartered Accountant <i>Citizen and International Banker</i> <i>Citizen & Stationer & Newspapermaker</i>	Upper Tooting
Eleanor Grace Marina McDonald <i>Andrew Campbell McMillan</i> <i>Andrew Graham Trapnell</i>	a Student <i>Citizen and Fletcher</i> <i>Citizen and Fletcher</i>	Guildford, Surrey
Athena Rose Elspeth McDonald <i>Andrew Campbell McMillan</i> <i>Andrew Graham Trapnell</i>	a Student <i>Citizen and Fletcher</i> <i>Citizen and Fletcher</i>	Guildford, Surrey
Melanie Wadsworth <i>Alastair John Naisbitt King, Ald.</i> <i>Brian David Francis Mooney, Deputy</i>	a Solicitor <i>Citizen and Blacksmith</i> <i>Citizen and Common Councilman</i>	Lambeth
Sally Jane Balcombe <i>Thomas Dieter Dirk Hoffman, Deputy</i> <i>John Alfred Bennett, Deputy</i>	a Tourism Company Chief Executive Officer <i>Citizen and Tyler and Bricklayer</i> <i>Citizen and International Banker</i>	Wandsworth
Beth Clare Charley <i>Charles Edward Lord, OBE, JP, Deputy</i> <i>Wendy Mead, OBE, CC</i>	an Autism Speaker & Campaigner <i>Citizen and Broderer</i> <i>Citizen and Glover</i>	Cheshunt, Hertfordshire
Deborah Lynn Sherry <i>Tijs Broeke, CC</i> <i>Thomas Sleigh, Deputy</i>	a Chief Commercial Officer <i>Citizen & Common Councilman</i> <i>Citizen and Common Councilman</i>	Woldingham, Surrey
Joseph John Ellis <i>Iain Reid</i> <i>Richard Leslie Springford</i>	a Thames Marine Services Company Director <i>Citizen and Educator</i> <i>Citizen and Carman</i>	Sevenoaks, Kent
Barbara Elizabeth Jones <i>Sylvia Doreen Moys, CC</i> <i>Hugh Fenton Morris, Deputy</i>	a Historian & Archivist <i>Citizen and Chartered Secretary and Administrator</i> <i>Citizen and Maker of Playing Cards</i>	Colne Engaine, Nr. Colchester
The Rt. Hon. Brenda Marjorie Hale, Baroness Hale of Richmond, DBE, PC <i>The Rt. Hon The Lord Mayor</i> <i>Catherine Sidony McGuinness, Deputy</i>	The President of the Supreme Court <i>Citizen and Solicitor</i>	Westminster
Jacqueline Sandra Glynn <i>Sylvia Doreen Moys, CC</i> <i>Hugh Fenton Morris, Deputy</i>	a Senior Project Manager <i>Citizen and Chartered Secretary and Administrator</i> <i>Citizen and Maker of Playing Cards</i>	Hythe, Kent
Angela Darlington <i>Tijs Broeke, CC</i> <i>Thomas Sleigh, Deputy</i>	a Chief Risk Officer <i>Citizen & Common Councilman</i> <i>Citizen and Common Councilman</i>	Bow
Christian Edward Johnston Horner <i>Andrien Meyers, CC</i> <i>Timothy Russell Hailes, Ald, JP.</i>	a Motor Racing Team Principal <i>Citizen & Common Councilman</i> <i>Citizen and International Banker</i>	Highgate
Lisa Debra Ronson <i>Alastair John Naisbitt King, Deputy</i> <i>Brian David Francis Mooney, Deputy</i>	a Property Developer <i>Citizen and Blacksmith</i> <i>Citizen and Common Councilman</i>	Hampstead
Rosamund Anne Sweet, MBE <i>Sylvia Doreen Moys, CC</i>	a Police Community Support Officer <i>Citizen and Chartered Secretary and</i>	Bexleyheath, Kent

<i>Hugh Fenton Morris, Deputy</i>	<i>Administrator</i> <i>Citizen and Maker of Playing Card</i>	
Alice Geevarghese Vaidyan <i>The Rt. Hon The Lord Mayor</i> <i>Catherine Sidony McGuinness, Deputy</i>	an Insurance Company Chairman <i>Citizen and Solicitor</i>	Malabar Hill, Mumbai
Air Chief Marshal Sir Stuart William Peach, GBE KCB DL <i>Catherine Sidony McGuinness, Deputy</i> <i>Simon D`olier Duckworth, OBE, DL, CC</i>	The Nato Military Committee Chairman <i>Citizen and Solicitor</i> <i>Citizen and Skinner</i>	Grantham, Lincolnshire
Eugenie Winnifred McKenzie <i>Sylvia Doreen Moys, CC</i> <i>Hugh Fenton Morris, Deputy</i>	a Legal Secretary <i>Citizen and Chartered Secretary and Administrator</i> <i>Citizen and Maker of Playing Card</i>	Tottenham
The Rt. Hon. Sajid Javid, MP <i>Jeremy Paul Mayhew, CC</i> <i>Catherine Sidony McGuinness, Deputy</i>	a Member of Parliament <i>Citizen and Loriner</i> <i>Citizen and Solicitor</i>	Westminster
Katherine Mary Braddick <i>The Rt. Hon The Lord Mayor</i> <i>Catherine Sidony McGuinness, Deputy</i>	a Public Servant <i>Citizen and Solicitor</i>	Chiswick
Carolyn Julie Fairbairn <i>The Rt. Hon The Lord Mayor</i> <i>Catherine Sidony McGuinness, Deputy</i>	The Director-General of the Cbi <i>Citizen and Solicitor</i>	Winchester, Hampshire
Susan Pollack, MBE <i>John George Stewart Scott, CC</i> <i>Catherine Sidony McGuinness, Deputy</i>	an Export Agent, retired <i>Citizen and International Banker</i> <i>Citizen and Solicitor</i>	Barnet
Rt. Revd. & Rt. Hon. Dame Sarah Elisabeth Mullally, DBE <i>The Rt. Hon The Lord Mayor</i> <i>Catherine Sidony McGuinness, Deputy</i>	The Bishop of London <i>Citizen and Solicitor</i>	St. Pauls
Antonia Romeo <i>The Rt. Hon The Lord Mayor</i> <i>Catherine Sidony McGuinness, Deputy</i>	a Civil Servant <i>Citizen and Solicitor</i>	Westminster
Kathryn Lynda Crockford <i>Sylvia Doreen Moys, CC</i> <i>Dhruv Patel, CC</i>	an Adult Education Tutor <i>Citizen and Chartered Secretary and Administrator</i> <i>Citizen and Clothworker</i>	Southwark
Revd Laura Jorgensen <i>Sylvia Doreen Moys, CC</i> <i>Hugh Fenton Morris, Deputy</i>	Rector of St Botolph without Aldgate <i>Citizen and Chartered Secretary and Administrator</i> <i>Citizen and Maker of Playing Card</i>	Tower Hamlets

This page is intentionally left blank

Report – City Remembrancer

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

To be presented on 7th March 2019

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

Statutory Instruments

Date in Force

The Waste (Miscellaneous Amendments) (EU Exit) (No. 2) Regulations 2019 S.I. No. 188 **29 March 2019**

The Regulations make technical changes to update English law as a consequence of the UK's withdrawal from the EU. No environmental standards will be removed or altered by the Regulations, which apply to the Common Council in its capacities as a local authority and waste collection authority.

Draft Statutory Instruments

The Financial Services (Miscellaneous) (Amendment) (EU Exit) Regulations 2019

The Regulations make technical changes to primary and secondary legislation, including the Financial Services and Markets Act 2000 to update English law as a consequence of the UK's withdrawal from the EU.

A considerable number of draft statutory instruments have been laid in Parliament which relate to the UK's withdrawal from the European Union. These SIs make technical changes to the update English law as a consequence of the UK's withdrawal from the EU. Subject matters include financial services, data-protection, agriculture, chemicals, food, drink, and veterinary medicine.

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

This page is intentionally left blank

Report – Finance Committee

City Fund 2019/20 Budget Report and Medium Term Financial Strategy

To be presented on Thursday, 7th March 2019

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

SUMMARY

This report presents the overall financial position of the City Fund (i.e. the City Corporation's finances relating to Local Government, Police and Port Health services).

The medium-term financial challenge facing the Corporation's City Fund reflects, uniquely:

- a) external factors, such as potential major changes to business rate income and government support, which could lead to a significant drop in income.
- b) the increased funding requirement flowing from the adoption of a major projects programme, in addition to pressures across a range of existing revenue and capital budgets.

The scale of these changes will become clearer during the next year, following the Spending Review and reviews of business rates and council tax; these will have an impact from 2020/21 onwards.

The report outlines why the City of London Corporation will, over the next year, need to undertake a fundamental review of its priorities and expenditure, to ensure that its budgets are fully aligned with and support the Corporate Plan objectives, as well as to ensure that our finances are put on to a sustainable footing over the medium-term.

Proposals on the fundamental review will, in due course, be considered by the Policy and Resources Committee. In the meantime, this report recommends a number of measures to stabilise the position in 2019/20 and to support the steps that will need to be taken over the medium-term, through a combination of continuing the efficiency drive across the Corporation and Police, income generation measures (including tax/Premium increases), and containing the cost of major projects and other programmes. Members will also wish to note the implications of funding the increased revenue pressures for future years and signal an expectation that additional pressures that might arise during 2019/20 will be absorbed within local risk budgets.

This report also includes proposals on increases in Council Tax by 2.99%, Social Care Precept by 2% and Business Rate Premium by 0.1p in the £.

There is a further report on the financial position of all the City Corporation's Funds.

RECOMMENDATIONS

Your Finance Committee, following detailed consideration of this City Fund report, **recommends** that the Court of Common Council:

- Approves the establishment of a fundamental review of priorities to align resources to the Corporate Plan and deliver a sustainable medium-term financial plan;
- Approves the mitigation actions with respect to the Police budget set out in the report (paragraphs 17 – 23);
- Approves the overall financial framework and the revised Medium-Term Financial Strategy (paragraph 23);
- Approves the Treasury Management Strategy Statement and Investment Strategy Statement for 2019/20 (it will come into effect once it has been agreed);
- Approves the operational boundary and authorised limit for external borrowing as stated in the Treasury Management Strategy Statement and Investment Strategy for 2019/20;
- Approves the City Fund Net Budget Requirement of £137.2m (paragraph 26);
- Approves the increases to the overall City Fund budget requirement for 2019/20 as detailed in appendix B, noting that specific base budget uplifts will be subject to approval through the fundamental review process;
- Notes that the forecast includes items already agreed by the Policy and Resources Committee, detailed in appendix B;
- Notes that the revenue estimates assume that a Business Rates reset will remove the City's recent business rates growth receipts in 2020/21 (forecast at £37m in 2019/20) and further reforms of Business Rates could worsen the impact from 2020/21; and
- Notes that the Local Council Tax Reduction Scheme will remain the same as set by the Court of Common Council on 12 January 2017 (paragraph 42).

Key decisions:

In respect of the following key decisions in setting the levels of Council Tax and Non-Domestic rates, the Court is **recommended** to:

Council Tax

- Approve an increase of 2.99% in the City of London Corporation element of the Council Tax Demand (paragraph 37);
- Approve the City of London Corporation charging an Adult Social Care Precept of 2.00% (paragraph 37);
- Agree the amounts of Council Tax for the three areas of the City (the City, the Middle Temple and the Inner Temple) to which are added the precept of the Greater London Authority (GLA) (appendix A);

- Agree that the relevant (net of local precepts and levies) basic amount of Council Tax for 2019/20 will not be excessive in relation to the requirements for referendum; and
- Approve that the cost of highways, street cleansing, waste collection and disposal, drains and sewers, and road safety functions for 2019/20 be treated as special expenses to be borne by the City's residents outside the Temples (appendix A).

Business Rates

- Set a Non-Domestic Rate multiplier of 51.0p and a Small Business Non-Domestic Rate Multiplier Rate of 49.7p for 2019/20, inclusive of a Business Rates Premium increase of 0.1p to 0.6p in the £ (paragraph 30);
- Note that, in addition, the GLA is levying a Business Rate Supplement in 2019/20 of 2.0p in the £ on properties with a rateable value of £70,000 and above (paragraph 34); and
- Delegate to the Chamberlain the award of discretionary rate reliefs under Section 47 of the Local Government Finance Act 1988 (paragraph 32).

Capital Expenditure

- Note the proposed financing methodology of the capital programme in 2019/20 (paragraph 44);
- Approve the Capital Strategy (Appendix G);
- Approve the Capital Budgets for City Fund (from page 105 of the Summary Budget Book);
- Approve the Prudential Code indicators (appendix D);
- Approve the following resolutions for the purpose of the Local Government Act 2003 (paragraph 41 and Appendix E):
 - the external borrowing limit (which is the maximum the City Fund may have outstanding by way of external borrowing) is £241m;
 - the prudent amount of Minimum Revenue Provision (MRP) for 2019/20 is £1.152m (appendix E).

Treasury Management Strategy Statement and Investment Strategy Statement 2019/20

- Agree the change to allow external borrowing to be undertaken within City Fund within the parameters of the Prudential Code (paragraph 48).

Chamberlain's Assessment

- Take account of the Chamberlain's assessment of the robustness of estimates and the adequacy of reserves and contingencies (paragraphs 51-55 and Appendix C).

Resolution by the Court of Common Council

- Agree the resolution for approval, set out in Appendix J.

MAIN REPORT

Background

1. This report sets out the revenue and capital budgets for City Fund for the Court of Common Council to approve, following detailed consideration by your Finance Committee. In setting the budget for 2019/20 and the Medium-Term Financial Strategy (MTFS) for future years, consideration has been given to the high degree of uncertainty and, therefore, risk in determining Local Government funding levels.
2. The City Corporation has benefited from a period of relative prosperity in recent years, with growth in both its income streams and asset holdings. Going forward, however, there are significant risks and a great deal of uncertainty.
3. The Government recently confirmed the Local Government Finance Settlement for 2019/20 and the Policing Minister published the revenue allocations for Police forces for 2019/20.
4. The medium-term financial challenge facing the City Corporation reflects significant risks and a great deal of uncertainty. Following the Spending Review 2019, the scale of these risks will become more certain.
5. Revenue streams are likely to be under considerable pressure as the Government intends to change current funding mechanisms to reflect an increased emphasis on need and to reset the current business rates retention system:
 - a. **Spending Review** (potentially reporting November 2019) – there is unlikely to be significant additional government funding for local government or police, with the most likely outcome being a further squeeze.
 - b. The **Fair Funding Review** of local government funding is likely to shift resources away from London and an increased focus on need could affect the City Corporation's funding.
 - c. **Police Funding Formula review** – this has been delayed, but might well re-emerge after the Spending Review and carries significant risks.
 - d. **Business Rates** – danger of a double hit both from a reset which will remove the City's recent growth receipts (forecast at £37m in 2019/20) in 2020/21 and from further reforms of Business Rates, which could again have an impact from 2020/21. Consultation will continue in the summer, but we have put in place plans on the assumption that these changes will be carried forward.
6. In parallel with the external revenue threats, the City Fund budget will start to come under increasing pressure from the revenue costs of borrowing to fund the major projects including, the Museum of London and Combined Courts projects. In addition, the Police budget forecast shows a rising deficit.
7. A fundamental review of the City Corporation's priorities and expenditure during 2019/20, will ensure that:

- budgets are fully aligned with and support our Corporate Plan objectives; and
- our finances are on a sustainable footing over the medium-term.

Proposals on the fundamental review will be brought to the Policy and Resources Committee for consideration.

Current Position

- The latest forecast position for City Fund is shown below in Table 1. The City Fund (non-Police) is forecast to be in surplus by £19.8m in 2019/20 (allowing for £8m p.a. revenue requests as shown in appendix B). However, it can only be balanced over the next four years with the use of general fund reserves. Additionally, the Police budget is forecast to be in substantial deficit, pre-mitigation, across the planning horizon, which taken together, exhaust all City Fund General Fund Reserves by 2022/23. Overall, the City Fund faces substantial growing deficits over the planning period and the 10 year horizon.

Table 1: City Fund medium-term forecast

Surplus/ (Deficit)	2018/19	2019/20	2020/21	2021/22	2022/23
City Fund (non-Police) After major projects	19.3	27.8	(3.9)	(2.8)	(4.6)
City Fund uplift revenue requests		(8.0)	(7.6)	(7.6)	(7.6)
Police Deficit – pre mitigation	(5.4)	(8.7)	(11.9)	(13.3)	(14.3)
City Fund combined-pre mitigation	13.9	11.1	(23.4)	(23.7)	(26.5)

- The 10 year City Fund forecast becomes even more challenging, as the annual revenue costs of borrowing to finance the major projects (Museum of London and combined courts) rise to around £21m, resulting in substantial deficits across the planning horizon and gearing of 44% long term debt to asset ratio on the balance sheet. The revenue impact of funding £170m of second tier projects would be an additional £6m, giving a total revenue pressure of £27m p.a.
- Major Projects funding: Table 2 below sets out the current phasing of the projects. The net financing costs for the planning period 2019/20 to 2022/23 have been included in the City Fund forecast.

Table 2: City Fund major project net costs

£m	2018/19	2019/20	2020/21	2021/22	2022/23
Combined Courts Centre	(30.54)	(9.34)	(8.63)	(60.59)	(94.25)
Museum of London	(11.06)	(49.85)	(46.99)	(132.57)	(81.57)
Total:	(41.60)	(59.19)	(55.62)	(193.16)	(175.82)

- To fund the major projects will involve external borrowing. On City Fund, this will be through the Public Works Loans Board (PWLB) and will be incurred as and when the funding is required (borrowing in advance of need is contrary to CIPFA Code regulations).

12. Additional funding requests: There have been a large number of requests for 2019/20, attached at Appendix B, totalling £8.0m for City Fund. Although the £8.0m could be accommodated in 2019/20 because of the growth in retained business rates, the ongoing nature of the requests cannot be contained in the medium to longer term. The largest item is £3.2m for the waste collection and street cleansing contract which is £2m higher than expected.
13. Council Tax: The City Corporation's Council Tax has not been increased since 2009/10, as resource pressures have been contained at a time of rising business rate revenues.
14. The Council Tax for the current year, 2018/19, is £857.31, expressed at band D and excluding the GLA precept of £76.10 (total: £933.41). The council tax referendum threshold will effectively be 5%, including a 2% adult social care precept. Table 3 below shows the cumulative impact of an illustrative 5% increase in 2019/20, followed by a 3% increase each year over the MTFP (assuming that the tax base remains static and adjusted for the precepts for the Inner and Middle Temples):

Table 3: Council Tax illustrative forecast

	2018/19	2019/20†	2020/21	2021/22	2022/23
Band D Council Tax (£)	857.31	894.28	917.35	941.02	965.30
In-year Income (£'000)	6,050	6,311	6,474	6,641	6,812
Cumulative Income (£'000)	-	261	424	591	762

† Assumes 3% Council Tax increase + 2% Adult Social Care precept

15. In considering the position for 2019/20, it remains the case that the immediate budget position would not, in itself, necessitate an increase (although the increase in the cost of the waste and street cleansing contract could be pointed to as a service pressure point). An increase of 2.99%, the maximum increase allowed on the main Council Tax, without a referendum, would only generate around £150,000. For comparative purposes, Westminster band D excluding GLA precept is currently £416.27 (including GLA precept: £710.50); Wandsworth, £428.42 (including GLA precept: £722.65); and Hammersmith and Fulham £727.81 (including GLA precept: £1,022.04).
16. In addition, there is scope to apply a further 2% adult social care precept, to help in meeting additional social care costs for adults and the elderly. This would raise approximately £110k and could be used to fund the growing costs on mental health (as shown by the specific funding requests in appendix B).
17. Police: The Police budget deficit – which is forecast to grow to £14.3m by 2022/23, a cumulative deficit of £53.5m by March 2023 – poses a significant threat to the financial stability of the City Fund.
18. The Home Office has announced the police funding settlement for 2019/20. The outcome for City of London Police (CoLP) was better than had been previously assumed when the Police Force MTFP was updated in December, with:
- the core (Home Office and ex-Department for Communities & Local Government) grant increasing by £1m, to £52.3m.

- b. National & International Capital City Grant increasing from £4.5m to £4.8m.
 - c. Precept Grant increasing to £2.7m.
 - d. Additional pensions grant of £0.8m, which is aimed to fully offset the increase in pension deficit contributions in 2019/20.
19. The CoLP budget forecast shows a worsening deficit position over the medium-term. A number of mitigating actions have been agreed with the Commissioner:
- a. CoLP will continue to implement agreed measures, to the value of £3.1m, to reduce the in-year 2018/19 budget overspend of £5.4m to £2.3m (which includes the full draw down of the Police general reserve). Following the application of the additional Business Rate Premium revenues, the budget overspend would then reduce to £0.4m.
 - b. In response to the forecast deficit of £8.7m in 2019/20, savings of £4.6m should be built into the budget and implemented leaving a remaining deficit of £4.1m.
 - c. Further work is required to:
 - i. bring the medium-term position into balance, in light of changes in government funding following the Spending Review;
 - ii. review additional pressures including scope for re-prioritisation, increased utilisation of existing resources, benchmarked against other Police forces, through the Transform programme;
 - iii. prioritise within the capital programme; and
 - iv. establish whether additional resources might be required to fund new demands identified by the Strategic Threat and Risk Assessment process, noting that a funding request to Resource Allocation Sub-Committee will be made before the end of 2018/19.
20. To bring the 2019/20 budget into balance and meet the £4.1m deficit Members have agreed to allocate additional revenue raised from the current Business Rates Premium following the revaluation amounting to £2.2m.
21. It is recommended that the Business Rates Premium is increased by 0.1p in the £ to 0.6p in the £. This increase is forecast to raise £2m which can be applied to bringing the budget back into balance and to the increased demands CoLP are facing in maintaining the security of the City.
22. In addition to the revenue cost pressures described above the Force has a number of capital programmes in the pipeline which are currently unfunded. The estimated shortfall is in excess of £41m over the planning period.

Key assumptions used in the forecast

23. The following paragraphs detail the key assumptions that have been used in the construction of the 2019/20 budget and Medium-Term Financial Strategy:

Income

- a. The City Fund has two key income streams, rental and investment income.
 - i. Property rental income is forecast on the expected rental income for each property, allowing for anticipated vacancy levels, expiry of leases and lease renewals. Rental income is forecast to grow over the period. The City's income is protected to some extent in the short term, as our leases are long term with medium term specified break clauses. The City Surveyor has identified no current fall in demand for office accommodation and the Central London market has, up to now, remained buoyant. Forecast rental income is regularly reviewed and any potential reduction will be factored into updates to the medium-term financial plan.
 - ii. Non-property investments have performed strongly, benefiting from the mixed portfolio of investments held to manage investments over the investment cycle. While there is growth in the asset base, this is sustainable. However, the market view is that the equity bull market will not continue and that an adjustment is likely which may see a dip in returns. The City as a long-term investor aims to ride out such storms.
- b. The Bank of England base rate is currently 0.75%. The Corporate Treasurer advisor estimates two further rate increases of 0.25% each are possible during the planning period. A 0.25% increase in interest rates equates to additional income of £1.5m on City Fund balances.

Expenditure

- c. An allowance for pay and price inflation is included at 2% for 2019/20.
- d. A 2% efficiency saving from 2019/20 is included in line with the published 'efficiency plan'.
- e. Removal of the "Priorities Investment Pot", established last year from the efficiencies generated, to support the bottom line.

Grant settlement – City Fund

- f. The Local Government Settlement for 2019/20 was largely as expected. 2019/20 will be the final year of the multi-year agreement where Government agreed to a four-year funding deal in return for publishing a corresponding efficiency plan. There remains a great deal of uncertainty regarding Local Government funding after March 2020.

Business Rates Retention

- g. The London 75% business rates retention pilot has been confirmed alongside 15 new 75% business rates retention pilots for 2019-20, and the 5 existing pilots will continue in devolution deal areas. The City Corporation will continue to act as lead authority for the London business rates retention pilot, which includes all London boroughs and the Greater London Authority.
- h. The estimated benefit in 2019/20 for the City Corporation of the business rates retention pilot is £8.4m, albeit based on 75% rates retention rather than 100% in 2018/19 where the estimated benefit is £11.6m.
- i. The Business Rates Retention scheme is expected to be reset from 2020/21. The Ministry of Housing, Communities and Local Government (MHCLG) is expected to launch its final consultation during summer 2019 and announce the revised scheme during autumn 2019. The expected impact on City Fund is the loss of growth in business rates (forecast at £37m in 2019/20) with no transition in a 'hard reset' scenario. Current intelligence suggests that future growth from 2020/21 onwards will be capped and subject to 'soft resets' in future (with less of a 'cliff edge' on removal of growth).
- j. MHCLG is also consulting on its Fair Funding Review. This review will adjust the baseline funding allocations for all tiers of Local Government across the country. The revised funding formulae will redistribute the business rates income retained within the Local Government sector. It is expected that social care and areas outside London are likely to benefit from the review.

City Offset

- k. In addition to baseline funding provided through the Business Rates Retention scheme, the City Fund uniquely receives an Offset from the Business Rates collected in the Square Mile. The amount of Offset is determined annually by MHCLG and for 2019/20 will be £11.9m. Small inflationary increases have been assumed for subsequent years of the planning period.

Grant funding – City Police

- l. The core and specific grants are marginally better than expected. These are detailed above in paragraph 17.

Action Fraud Service – City Police

- m. The City Fund is providing cash flow assistance in relation to the Action Fraud service provided by the City of London Police (CoLP). This service was transferred from the Home Office National Fraud Authority to CoLP with effect from 1 April 2014. Phase 1 of the new service provided by IBM went live in December 2018. Phase 2 of the service is expected to launch during 2019. Final costs of delivering the new service are subject to ongoing negotiation. The repayment of the cash flow assistance is profiled beyond the medium-term planning period.

City Support – City Police

- n. The City Fund is directly funding some additional costs for IT, pensions and the CoLP capital programme (total capital support of £17m has been agreed and further requests are considered on the report on your agenda on capital financing). A key driver of the CoLP capital programme are schemes that are required by the Home Office as part of national programmes, e.g. the Emergency Security Network (ESN).

Revenue Spending Proposals 2019/20

24. The overall budget requirements have been prepared in accordance with the strategy and the requirements for 2018/19 and 2019/20 are summarised by Committee in the table below. Explanations for significant variations were contained in the budget reports submitted to service committees.

Table 4: City Fund Summary Budget

City Fund Summary by Committee	2018/19 Original £m	2018/19 Latest £m	2019/20 Original £m
<i>Net (Expenditure) / Income</i>			
Barbican Centre	(27.1)	(29.2)	(26.5)
Barbican Residential	(2.6)	(3.1)	(2.9)
Community and Children's Services	(13.3)	(13.9)	(13.4)
Culture Heritage and Libraries	(20.4)	(20.7)	(20.6)
Finance	(13.2)	3.9	(6.7)
Licensing	(0.1)	(0.1)	(0.1)
Markets	1.2	0.8	1.0
Open Spaces	(1.7)	(1.8)	(1.7)
Police	(65.7)	(65.7)	(72.7)
Planning and Transportation	(16.0)	(14.9)	(14.9)
Policy and Resources	(4.1)	(6.3)	(6.0)
Port Health and Environmental Services	(14.5)	(14.9)	(14.4)
Property Investment Board	40.2	41.6	41.7
City Fund Requirement	(137.3)	(124.3)	(137.2)

Figures in brackets denote expenditure, increases in expenditure, or shortfalls in income.

25. The following table further analyses the budget to indicate:

- the contributions from the City's own assets towards the City Fund requirement (interest on balances [line 6] and investment property rent income [line 7])
- the funding received from Government grants and from taxes [lines 9 to 13]; and
- the estimated surpluses to be transferred to reserves, or deficits to be funded from reserves [line 14].

Table 5: City Fund net budget requirement and financing

		2018/19 Original £m	2018/19 Latest £m	2019/20 Original £m
1	Net expenditure on services	(174.3)	(165.3)	(173.7)
2	Capital Expenditure funded from Revenue Reserves	(0.5)	(0.0)	0.0
3	Cultural Mile funded from Revenue Reserves	(4.5)	(3.1)	0.0
4	Cyclical Works Programme expenditure financed from revenue	(10.3)	(12.5)	(20.1)
5	Requirement before investment income from the City's Assets	(189.6)	(180.9)	(193.8)
6	Interest on balances	5.5	7.2	7.9
7	Estate rent income	46.8	49.4	48.7
8	City Fund Requirement	(137.3)	(124.3)	(137.2)
	Financed by:			
9	Government formula grants	134.4	121.8	121.5
10	City offset	11.6	11.6	11.9
11	Council tax	6.6	6.6	8.0
12	NNDR premium	10.5	10.5	12.5
13	Total Government Grants and Tax Revenues	163.1	150.5	153.9
14	(Deficit)/Surplus transferred from (to) reserves	25.8	26.2	16.7
15	Less one-off items planned to be funded from revenue reserves	(5.0)	(3.1)	0.0
16	Underlying Deficit/(Surplus)	20.8	23.1	16.7

26. The City Fund budget requirement for 2019/20 is £137.2m plus a contribution to reserves of £16.7m resulting in a net City Fund budget requirement of £153.9m, an increase of £3.4m on the previous year. The following table shows how this is financed and the resulting council tax requirement.

Table 6: Council Tax requirement

Council Tax Requirement	2018/19 Original £m	2019/20 Draft £m
Net Expenditure	(189.6)	(193.8)
Estate Rental Income	46.8	48.7
Interest on balances	5.5	7.9
Budget Requirement	(137.3)	(137.2)
Proposed contribution to reserves	(11.3)	(16.7)
Net City Fund Budget Requirement	(148.6)	(153.9)
Financing Sources:		
Business Rates Retention	67.7	61.7
Police Grant	52.1	59.8
City Offset	11.6	11.9
NDR Premium	10.5	12.5
Collection Fund Surplus (CoL share)	0.5	1.0
Council Tax Requirement	6.2	7.0

27. Included within the net budget requirement is provision for any levies issued to the City Corporation by relevant levying bodies and the precepts anticipated for the forthcoming year by the Inner and Middle Temples (after allowing for special expenses, detailed in Appendix 1).

Table 7: Temple Precepts

	2018/19 £	2019/20 £
Inner Temple	202,484	208,963
Middle Temple	164,615	164,481
Total:	367,099	373,444

28. On financing, the table below analyses the change in formula grants:

Table 8: Analysis of Core Government Grants

	2018/19 Original £	2019/20 Draft £	Variance £m	Variance %
Rates Retention: baseline funding	23.6	22.6	(1.0)	(4.2)
Rates Retention: growth	44.1	39.1	(5.0)	(11.3)
Subtotal:	67.7	61.7	(6.0)	(8.9)
Police	52.1	59.8	7.7	14.8
Total Core Government Grants	119.8	121.5	1.7	1.4

Business Rates

29. The Secretary of State has proposed a National Non-Domestic Rate multiplier of 50.4p and a small business National Non-Domestic Rate multiplier of £49.1p for 2019/20. These multipliers represent an increase of 1.1p over the 2018/19 levels. The actual amount payable by each business will depend upon its rateable value.
30. If the proposed Business Rate Premium increases by 0.1p to 0.6p in the £, the proposed premium will result in a National Non-Domestic Rate multiplier of 51.0p and a small business National Non-Domestic Rate multiplier of £49.7p for the City for 2019/20. It is anticipated that a Premium of 0.6p will raise £14.6m taking into account reliefs and appeals.
31. As in previous years, authority is sought for the Chamberlain to award the following discretionary rate reliefs under Section 47 of the Local Government Finance Act 1988:
- Supporting Small Business Relief – A discount for ratepayers who as a result of their rateable value changing as a result of the 2017 revaluation have lost some or all of their small business rate relief.
32. A discretionary revaluation relief scheme was introduced in April 2017 to support businesses facing the steepest increases in bills following revaluation. This is a four-year scheme with specific amounts allocated to each billing authority for each

of the five years. Authority is sought for the Chamberlain to determine the City scheme for each of the remaining years 2019/20 and 2020/21.

33. For 2019/20 the Government announced that it would provide additional support for some types of retail properties. If a property has a rateable value of less than £51,000 then it will receive a reduction of a third in its 2019/20 and 2020/21 business rates bills.

Business Rates Supplement

34. The Mayor of London is proposing to levy a Business Rates Supplement of 2.0p in the £ on properties with a rateable value of £70,000 and above to fund Crossrail.

Determination of the Council tax Requirement

35. The 1992 Act prescribes detailed calculations that the City, as billing authority, has to make to determine Council Tax amounts. The four steps are shown in Appendix A. Although the process is somewhat laborious, it is a legislative requirement that these separate amounts be formally determined by resolutions of the Court of Common Council.
36. After allowing for a proposed contribution to reserves, the final City Fund Council Tax requirement for 2019/20 is £7.0m. In accordance with the provisions in the Localism Act 2011, the Council Tax requirement allows for the Formula Grant, the City Offset, the City's Rate Premium and the estimated surplus on the Collection Fund at 31 March 2019.
37. As detailed in Appendix A, the City's proposed Council Tax for 2019/20 at band D would be £894.28, before adding the Greater London Authority (GLA) precept and inclusive of a 2.99% increase in Council Tax and a 2.0% Adult Social Care precept. To determine the City's Council Tax for each property band, nationally-fixed proportions are applied to the average band D property.
38. The GLA's 'provisional' precept for 2019/20 is £78.38 for a Band D property. This excludes the Metropolitan Police requirement and represents an increase of £2.28 compared with 2018/19.
39. The total amounts of Council Tax for each category must be set by the City before 11 March. The proposed amounts are shown in table 9 below:

Table 9: Council Tax per Property Band

	£							
	A	B	C	D	E	F	G	H
Proportion	6	7	8	9	11	13	15	18
CoL	596.19	695.55	794.92	894.28	1,093.01	1,291.73	1,490.47	1,788.56
GLA	52.25	60.96	69.67	78.38	95.80	113.22	130.63	156.76
Total	648.44	756.51	864.59	972.66	1,188.81	1,404.95	1,621.10	1,945.32

40. It is anticipated that the City's total Council Tax will remain one of the lowest in London. The Court of Common Council is requested to formally determine that the relevant (net of local precepts and levies) basic amount of Council Tax for 2019/20 will not be excessive in relation to the new referendum requirements for any council tax increases.

Council Tax Reduction Scheme

41. In 2013/14, the Government introduced a locally-determined Council Tax Reduction Scheme. This replaced the national Council Tax Benefit scheme and assisted people on low incomes with their council tax bills. There are no proposals to make any specific amendments to the Council Tax Reduction Scheme for this or future years, beyond keeping the scheme in line with the national Housing Benefit regulations.
42. The Council Tax Reduction Scheme will therefore remain the same for 2019/20 as was administered in 2016/17, 2017/18, and 2018/19 subject to the annual uprating of amounts in line with Housing Benefit applicable amounts.

Capital

43. The City Corporation has a significant programme of property investments and works to improve the operational property estate and the street scene. Spending on these types of activity is classified as capital expenditure.
44. Capital expenditure is primarily financed from capital reserves derived from the sale of properties, earmarked reserves and grants or reimbursements from third parties. The City has historically not borrowed any money to finance these schemes. Financing is summarised in the table below.

Table 10: Capital Financing

	2018/19 £m	2019/20 £m
Estimated Capital Expenditure	117.1	211.0
<u>Financing Sources:</u>		
Housing Revenue Account (HRA)	12.8	4.7
Disposal Proceeds	28.3	62.3
Revenue Reserves	48.5	37.8
External Grants and Reimbursements	27.5	47.0
External borrowing	-	59.2
Total:	117.1	211.0

45. The Local Government Act 2003 requires the City to set prudential indicators as part of the budget setting process. The indicators that the Court of Common Council is asked to set are:
- Ratio of financing costs to net revenue stream (City Fund and HRA)
 - Gross debt and the capital financing requirement
 - Estimates of capital expenditure 2019/20 to 2021/22

- d. Estimates of the capital financing requirement 2019/20 to 2021/22
- e. Times cover on Unencumbered Revenue Reserves

- 46. The prudential indicators listed above have been calculated in Appendix D. In addition, treasury-related prudential indicators are required to be set, and these are included within the 'Treasury Management Strategy Statement and Investment Strategy Statement 2019/20' at Appendix E.
- 47. The Court of Common Council needs to formally approve these indicators.
- 48. The main point to highlight is that there is now an underlying requirement to borrow externally for capital purposes. The Minimum Revenue Provision Policy Statement 2019/20 is set out in Appendix F. The cost of borrowing must be charged to the relevant revenue budget whether this is on an interest-only or repayment basis. The long-term nature of borrowing means these revenue sums are unavailable to fund other activity for a significant period of time. By agreeing to fund capital schemes through borrowing, Members are agreeing to divert this funding away from revenue activity in order to meet their priorities.
- 49. The City Corporation must ensure that a Minimum Revenue Provision (MRP) is set aside for all City Fund related borrowing. This is managed by borrowing on an annuity basis for long term borrowing which repays the capital and interest over the term of the borrowing. The MRP is aligned to the interest repaid over the term of the loan
- 50. In addition, the funding of capital expenditure from cash received from long lease premiums which are deferred in accordance with accounting standards has to be treated as internal borrowing. To ensure that this cash is not 'used again' when the deferred income is released to revenue, the City Corporation will make a MRP equal to the amount released, resulting in an overall neutral impact on the revenue account bottom line.

City Fund Capital & Supplementary Revenue Project Budgets

- 51. The latest City Fund capital and supplementary revenue projects budgets total £109.9m for 2018/19 and £38.7m for 2019/20. The budgets include schemes relating to affordable housing construction, HRA stock improvements, police accommodation, the Museum of London re-location, the Combined Courts project, a property acquisition and highways improvement schemes. The budgets are set out in full on from page 105 of the Summary Budget Book.

Robustness of Estimates and Adequacy of Reserves and Contingencies

- 52. Section 25 of the Local Government Act 2003 requires the Chamberlain to report on the robustness of estimates and the adequacy of reserves underpinning the budget proposals.
- 53. In coming to a conclusion on the robustness of estimates, the Chamberlain needs to assess the risk of over or under spending the budget. To fulfil this requirement the following comments are made:

- a. provision has been made for all known liabilities, together with indicative costs (where identified) of capital schemes yet to be evaluated;
- b. the estimates and financial forecast have been prepared at this stage on the basis of the Corporation remaining debt free until such time as external borrowing may be needed to bridge the gap for major capital projects (the Museum of London relocation and the Combined Courts project);
- c. prudent assessments have been made regarding key assumptions;
- d. an annual capital envelope is in place seeking to ensure that capital expenditure is contained within affordable limits or, if on an exceptional basis funding is sought outside this envelope, it must be demonstrated that the project is of the highest corporate priority;
- e. although the City Fund financial position is vulnerable to rent levels and interest rates, it should be noted that:
 - the City Surveyor has carried out an in-depth review of rent incomes; and
 - the assumed interest rate, although increasing, remains low across the planning period; and
- f. a strong track record in achieving budgets gives confidence on the robustness of estimates.
- g. a number of measures are needed to stabilise the financial position in 2019/20 that will support the steps that need to be taken over the medium-term, through a combination of continuing the efficiency drive across the Corporation and Police, income generation measures, including tax/Premium increases, and containing the cost of major projects and other programmes. The fundamental review will be the mechanism to achieve this.

54. An analysis of usable City Fund Reserves is set out in Appendix C. Depletion of City Fund reserves is a consideration for the medium-term: although reserve balances are forecast to remain healthy in 2019/20, the potential call on reserves to support revenue and capital expenditure beyond 2019/20 reinforces the need for the fundamental review to establish prioritised plans.

55. In assessing the adequacy of contingency funds, the Chamberlain has reviewed the allocation and expenditure of contingency funds over the past four years. This has included the Finance Committee contingencies, the Policy and Resources Committee contingency and the Policy Initiatives Fund. In each of the past four years the provision of funds has been more than sufficient resulting in an uncommitted balance for each contingency fund in each year. On this basis the existing contingency provision will remain unchanged for 2019/20. A full analysis of contingency fund provision and expenditure is provided in Appendix I.

Risks

56. There are risks to the achievement of the latest forecasts:

Within the City Corporation's control:

- The fundamental review does not lead to effectively prioritised revenue and capital budgets;
- Addressing the City Police budget deficit of £8.7m in 2019/20 with savings from the force of at least £4.6m, with further savings required in future years;
- Police Action Fraud project overspending and changes in cash flow requirements; Major capital projects not being delivered within estimated cost;

Outside the City Corporation's control:

- Brexit affecting the rental income from our commercial property as a result of increased voids;
- Business Rates income - volatility around the growth forecasts and appeals, dependent on full occupation of new builds and London pilot;
- Fair Funding review which will affect the amount of business rates retained by the City to fund services; and
- Inflation is currently running at 2.3%, but the Office for Budget Responsibility forecasts a drop to 2%. The position will be monitored during 2019/20.
- Pension fund deficit: This can have a significant impact on the finances of the City Corporation. If we start falling behind the recovery profile, the Corporation would need to consider whether to contribute more funds into the scheme. We have a full actuarial valuation every three years and annual updates on the funding position. As at 31 March 2018, the projected funding position was 91.5%, requiring an employer contribution of 19.5% of payroll to repay the deficit by 2033. The Government Actuary's Department (GAD) have recently scrutinised the assumptions used in the Local Government Pension scheme to ensure that employers are taking a sufficiently prudent approach to financing the LGPS benefits. Applying GAD's standardised assumptions would put the City Corporation's funding level in the lowest 10%, however our actuaries apply assumptions on the profile and experience of our own scheme.

Whilst we should not be too alarmed by the prospect of a worsening funding position as result of standardised assumptions as opposed to actual financial deterioration, it is likely that our actuaries will be 'encouraged' to apply a more prudent range of assumptions at this valuation, which will result in higher liabilities and consequently a worse funding position.

If we used the standardised GAD assumptions, it would imply an increase in employer contributions to 25% from 2020-2022, with a potential impact of £5.1m p.a.

The Actuarial review will take place in March and the implications will be considered by a working party involving members and recommendations made to Finance Committee in early summer, ready for the revised budget considerations in the Autumn

Equalities Implications

57. During the preparation of this report, all Chief Officers were asked to consider whether there would be any potential adverse impact of the various budget policy proposals on equality of service. This was with particular regard to service provision and delivery that affects people, or groups of people, in respect of disability, gender and racial equality. None were received.

Conclusion

58. It is important that a fundamental review is taken forward to address the medium-term financial challenges which will emerge from 2020/21 onwards and to ensure that our resources are aligned with our Corporate Plan outcomes. Adopting the new Corporate Plan is the City Corporation's opportunity to reappraise spending in a cross-cutting way, rather than the normal silo-based approach of just relying on efficiency squeezes and savings by individual service committees or departments.

59. A report will be presented to the March meeting of the Policy and Resources Committee on this process.

60. Steps should be taken this year to maintain the progress on efficiencies, address the police budget deficit, manage resource pressures, and contain the costs of the major projects and other capital requests.

61. Increases in Council Tax should be considered in view of the medium-term financial outlook, wider developments across London, the Fair Funding Review, and pressures on social care budgets.

62. The Court is, therefore, asked to approve the recommendations set out at the start of this report and in Appendix J.

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

DATED this 19th day of February 2019.

SIGNED on behalf of the Committee.

Jeremy Paul Mayhew
Chairman, Finance Committee

Appendices

- Appendix A – Calculating Council Tax
- Appendix B – Additional Revenue Funding Requests
- Appendix C – City Fund Useable Reserves
- Appendix D – Prudential Indicators
- Appendix E – Treasury Management Strategy Statement and Investment Strategy Statement 2019/20
- Appendix F – Minimum Revenue Provision Policy Statement 2019/20
- Appendix G – Capital Strategy
- Appendix H – City Fund Budget Policy
- Appendix I – Review of contingency funds
- Appendix J – Resolution for Approval by Court of Common Council

Calculating Council Tax

Step One ('B1')

This requires calculation of the basic amount of Council Tax for a Band D dwelling for the whole of the City's area by applying the formula:

$$'B1' = \frac{R}{T}$$

Where

'B1' is the Basic Amount 'One':

R is the amount calculated by the authority as its council tax requirement for the year;

T is the amount which is calculated by the authority as its Council Tax base for the year. This amount was approved by the Chamberlain under the delegated authority of the City of London together with the Council Tax bases for each part of the City's area.

The above calculation is as follows:

$$\begin{aligned} 'B1' &= \frac{\text{£6,961,997.00}}{7,785.03} \\ 'B1' &= \text{£894.28} \end{aligned}$$

Note: Item R consists of the following components:

	£	£
City Fund Net Budget Requirement		153,884,727
Less:		
Business Rates Retention	(61,717,000)	
Police Grant	(59,800,000)	
City's Offset	(11,871,000)	
Estimated Non-Domestic Rate Premium (Net)	(12,500,000)	
Estimated Collection Fund Surplus as at 31 March 2018 (City's share)	(1,034,730)	(146,922,730)
TOTAL COUNCIL TAX REQUIREMENT ®		6,961,997

Step Two ('B2')

This calculation is for the basic amount of tax for the area of the City excluding special items. The prescribed formula is:

$$\text{'B2'} = \text{'B1'} - \frac{A}{T}$$

Where:

'B2' is the Basic Amount 'Two';

'B1' is the Basic Amount of Council Tax (Basic Amount 'One')
NB included with 'B1' is the aggregate of special items

A is the Aggregate of all special items;

T is the Council Tax base for the whole area

The above calculation is as follows:

$$\text{'B2'} = \quad \quad \quad \pounds 894.28 - \frac{\pounds 19,564,445.17}{7,785.03}$$

$$\text{'B2'} = \quad \quad \quad \pounds 1,618.81 \quad \underline{\text{CR}}$$

Note: Item A consists of the following components:

	£	£
Highways Net Expenditure	8,259,000.00	
Street Cleansing	5,903,000.00	
Waste Collection	2,702,000.00	
Waste Disposal	1,395,000.00	
Road Safety	543,000.00	
Drains and Sewers	389,000.00	
Total City's Special Expenses		19,191,000.00
Inner Temple's Precept	208,963.43	
Middle Temple's Precept	164,481.74	373,445.17
Total Special Items		19,564,445.17

Step Three 'B3'

The next calculation is for the basic amount of each of the three parts of the City (the Inner and the Middle Temples and the remainder of the City area) to which special items relate (Basic Amount 'Three'). The calculations for each of the areas are as follows:

$$\text{'B3'} = \text{'B2'} + \frac{S}{TP}$$

Where:

'B3' is the Basic Amount 'Three'

'B2' is the Basic Amount 'Two'

S is the amount of the special items for the part of the area

TP is the billing authority's Tax base for the part of the area to which the special items relate as determined by the Chamberlain under the delegated authority of the City of London Finance Committee.

City Area Excluding the Temples

$$\text{'B3'} = \text{£1,618.81 CR} + \frac{\text{£19,191,000}}{7,636.43}$$

$$\text{'B3'} = \text{£894.28}$$

Inner Temple

$$\text{'B3'} = \text{£1,618.81 CR} + \frac{\text{£208,963.43}}{83.15}$$

$$\text{'B3'} = \text{£894.28}$$

Middle Temple

$$\text{'B3'} = \text{£1,618.81 CR} + \frac{\text{£164,481.74}}{65.45}$$

$$\text{'B3'} = \text{£894.28}$$

Step Four

Finally, Council Tax amounts have to be calculated for each valuation band (A to H) in each of the three areas (i.e. 24 Council Tax categories). The formula to be used is:

$$\text{Council Tax for particular category} = A \times \frac{N}{D}$$

A is the Basic Amount 'Three' ('B3') calculated for each part of its area;

N is the proportion applicable to dwellings listed in the particular valuation Band for which the calculation is being made;

D is the proportion applicable to dwellings listed in valuation Band D.

Council Tax per Property Band: calculated by applying nationally fixed proportions from Band D.								
	£							
	A	B	C	D	E	F	G	H
Proportion	6	7	8	9	11	13	15	18
CoL	596.19	695.55	794.92	894.28	1,093.01	1,291.73	1,490.47	1,788.56
GLA	52.25	60.96	69.67	78.38	95.80	113.22	130.63	156.76
Total	648.44	756.51	864.59	972.66	1,188.81	1,404.95	1,621.10	1,945.32

	One off /ongoing	Funded?	£'000	Detail	Comments
ALREADY APPROVED					
Corporate Energy contract	Ongoing	No	828.0	Corporate energy contract has been relet from 1 Oct 18 with an average increase in cost of 32%. It was agreed that calculated inflation would be provided for 19-20 for the major corporate properties (excluding services recharged to third parties).	Finance and Court approved under Urgency July 2018
Strengthening Police Authority Governance	Ongoing	No	250.0	Costs for two FTE in Financial Services and one FTE in Town Clerks to support Police Authority function	Policy approved in November 2018, Court approved in Jan 2019
Already approved by Court subtotal:			1,078.0		
PROPERTY INVESTMENT PORTFOLIO- MANAGEMENT					
City Fund Estate works and void costs	Ongoing	Yes from rent	417.0	To cover some cyclical works and void costs that cannot be met from the local risk budget	Property Investment Board 12th December As this is part of the investment portfolio can be covered by increased rent. Appropriate charge to property fund, so recommended for approval.
Architect to advise on options for redevelopment	One-off	Yes from rent	100.0	Options for development of Site 1 and Site 2 Tabernacle Street Site.	PIB 12th Dec. RASC 17th January Investment property portfolio- therefore invest to earn scheme. Recommended for approval.
Fleet House vacant possession	One-off	Yes from rent	260.0	Fees to facilitate the vacant possession of the Fleet Street Estate into Fleet house on a 15 year term for a major tenant at Fleet Street Estate.	PIB 23 Jan Dec. Capital Buildings - Urgency Investment property portfolio- therefore invest to earn scheme. Recommended for approval.
Investment Property Subtotal:			777.0		
OPPORTUNITY COSTS OF EVENTS					
Guildhall Art Gallery	Ongoing	Could be recovered through pricing of events	269.0	Funding required to compensate the gallery for closure for events. This uplift considers a staffing restructure to drive efficiencies, ensure sustainability, and delivers marketing, acquisitions, and conservation and collections care budgets, none of which previously existed (their absence limiting the Gallery's ability and reputation as a professional gallery body). Without the recommended adjustment, the Gallery will have to make some difficult choices if it is to stay open and continue to care for the City Corporation's art collection. This will likely see the closure of its education programme and the termination of its rolling programme of exhibitions.	CHL 14th May (agreed review of budgets), 11th December Although this is technically unfunded, the opportunity cost should be considered in the Guildhall trading account for the pricing of events. Already included in forecast
Costs of Events Subtotal:			269.0		
PUBLIC FACING SERVICES					
Operational Estate - Asset Maintenance	Ongoing	No	114.0	Cost of maintaining assets identified through the Asset verification exercise. Net cost, after savings on the contract retender, is £515k overall- apportioned to funds.	CASC 5th September and P&R 4th October: growth in asset base. Part included forecasts.
Waste Collection & Street Cleansing Contract	Ongoing	No	3,218.0	Increased cost of new contract commencing April 2019 following recent tender exercise	PHES 8th Nov, Finance 13th Nov, CCC 16th Nov (urgency) If not approved, significant service changes would be required. However this is a substantial ongoing increase in baseline that may not be sustainbale over the longer term,when funding levels are reduced.
Coroner	Ongoing	No	150.0	Additional costs (staffing, medical and legal fees, mortuary etc) resulting from four-fold increase in number of reportable deaths in the Square Mile	PHES 15 Jan 2019. Growth in service provision, but can there be reproiritisation of resources?
Operational Properties - Barbican Centre Running Costs	Ongoing	No	400.0	Citigen - Guildhall complex incl Wood St heat supplies	
Culture Mile	One-off	Yes	238.0	Postponement of content/artistic programmes from 18/19 to 19/20 i.e. Sound Unbound, originally planned for March 2019 has moved to May, development phases of projects extending into 19/20 for works initiated in 18/19 and key staff were not appointed until summer 2018 and consequently needed to spend much of autumn 2018 on team consolidation and outline strategic planning to ensure the total budget available to March 2020 is allocated in the most appropriate and impactful ways.	Budget realignment, underspend in 2018/19 and spend in 2019/20
Public facing services subtotal:			4,120.0		
Subtotal:			6,244.0		
DIMINIMUS ITEMS: less than £100k			£'000	Detail	Comments
Flood Risk & Future Resilience Work	Ongoing	No	78.0	Cost of Flood Risk And Future Resilience work to be drawn down from from the un-ringfenced government grant provision for Lead Local Flood Authorities.	P&T 20th November 2018. In previous years the costs have been absorbed in local risk, however the service committee are no longer able to absorb the costs.
Air Quality	Ongoing	No	99.0	To cover increase in statutory obligations and work demands due to air quality being a corporate red risk	PHES 15 Jan 2019
DCCS - Sir John Cass - Free School Meals	Ongoing	Yes	56.0	To continue SJC free school meals funded by PIP in 2018/19	Funded from ongoing saving in baseline.

DIMINIMUS ITEMS: less than £100k			£'000	Detail	Comments
DCCS - Childrens Social worker	Ongoing	No	60.0	To support the increase in numbers of care leavers and unaccompanied asylum seeking children	
DCCS - Adults Social worker	Ongoing	Yes*	60.0	To support the increase in demand on Adult Social Care regarding Safeguarding and Mental Health	Could be covered by increase in Council Tax- social care precept
DCCS - Approved Mental Health Practitioner (AMHP)	Ongoing	Yes*	40.0	Review of the current CoL AMHP function highlighted potential single point of failure	Could be covered by increase in Council Tax- social care precept
Sustainable Buildings review	One-off	No	42.0	Develop plans to make our operational and investment properies more environmentally sustainable	PIB 12th Dec. RASC 17th January. Discretionary one off spend, the review may lead to future resource requests unless otherwise contained.
Strategic Security Advisor	Ongoing	No	70.0	In Jan 2016, RA Sub approved a base budget increase of £60k in the Town Clerk’s Resilience Team for the appointment of a specialist Security Advisor. A Strategic Security Director was appointed, but at a significantly higher salary than initially anticipated. The shortfall in salary for this post is £70k	
London Counter Fraud Hub (LB Ealing/CIPFA)	Ongoing	No	70.0	Subscription cost of London Counter Fraud Hub (seven year agreement)	8 Nov 2018 (ARM approved signing up to the scheme)
Corporate Programme Office	Ongoing	No	50.0	salary cost of additional staff member £45k plus professional costs £5k	New growth area linked to need to improve programme management
Pan-London Resilience	Ongoing	No	30.0	Additional contribution from City of London Corporation	
Subtotal:			655.0		
TOTAL:			6,899.0		
Reapportion Guildhall Admin			1,122.5		
Cost per fund			8,021.5		

Reserves

Forecast Movements in City Fund Usable Reserves 2019/20				
	Notes	Estimated Opening Balance 1 Apr 2019 £m	Forecast Net Movement in Year £m	Estimated Closing Balance 31 Mar 2020 £m
Revenue Usable Reserves				
General Reserve	a	20.0	-	20.0
Earmarked				
Major Projects Financing Reserve	b	28.6	17.2	45.8
Police Future Expenditure	c	0.0	-	0.0
Highways Improvements	d	36.2	(29.1)	7.1
VAT Reserve	e	4.2	-	4.2
Proceeds of Crime Act	f	2.5	(0.5)	2.0
Judges Pensions	g	1.1	-	1.1
Public Health	h	0.9	(0.2)	0.7
Renewals and Repairs	i	0.7	-	0.7
Service Projects	j	10.0	-	10.0
Total Revenue Earmarked		84.2	(12.6)	71.6
Housing Revenue Account (HRA)	k	1.4	(0.8)	0.6
Total Revenue Usable Reserves		85.6	(13.4)	72.2
Capital Usable Reserves				
Capital Receipts Reserve	l	0	-	0
Capital Grants Unapplied	m	21.2	(3.3)	17.9
HRA Major Repairs Reserve	k	0	-	0
Total Capital Usable Reserves		21.2	(3.3)	17.9
Total Usable Reserves		96.8	(16.7)	90.1

Notes

- a. General Reserve – The accumulated balance from annual surpluses or deficits on the City Fund Revenue Account less any transfers to, or plus any transfers from, earmarked reserves.
- b. Major Projects Financing Reserve – This reserve will contain the balance of the general reserve above £20m to fund investment in major projects, either as a direct revenue contribution or to generate income to fund revenue costs.
- c. Police Reserve - Revenue expenditure for the City Police service is cash limited. Underspends against this limit may be carried forward as a reserve to the following financial year and overspends are required to be met from this reserve.
- d. Highway Improvements - Created from on-street car parking surpluses to finance future highways related expenditure and projects as provided by

section 55 of the Road Traffic Regulation Act 1984, as amended by the Road Traffic Act 1991.

- e. VAT Reserve – Should the City Corporation no longer be able to recover VAT incurred on exempt services as a result of exceeding the 5% partial exemption threshold, this reserve will be the first call for meeting the associated costs.
- f. Proceeds of Crime Act – Cash forfeiture sums awarded to the City. Under the guidelines of the scheme, the funds must be ringfenced for crime reduction initiatives.
- g. Judges Pensions - Sums set aside to assist with the City of London's share of liabilities.
- h. Public Health - established from ring-fenced grant allocations. The grant must be used on activities whose main or primary purpose is to improve the public health of local populations.
- i. Renewals and Repairs – Sums obtained on the surrender of headleases and set aside to fund cyclical maintenance and repair works to the property and void costs.
- j. A number of reserves for service specific projects and activities where the balance on each individual reserve is less than £0.5m have been aggregated under this generic heading.
- k. These reserves are ringfenced by statute to the Housing Revenue Account.
- l. The usable capital receipts within the capital receipts reserve have been exhausted due to the City's commitment to Crossrail. Unusable reserves as a result of deferred lease premiums are not included.
- m. Capital grants and contributions received for specific purposes. This includes receipts from the City's Community Infrastructure Levy.

PRUDENTIAL INDICATORS

The following Prudential Indicators (and those included in Appendix E) have been calculated in accordance with the CIPFA Prudential Code for Capital Finance in Local Authorities. In addition, a local indicator has been calculated to reflect the City Corporation's particular circumstances. Those indicators relating to estimates for the financial years 2019/20, 2020/21 and 2021/22 (values shown in bold) are required to be set by the Court of Common Council as part of the budget setting process, and should be taken into account when considering the affordability, prudence and sustainability of capital investments.

Prudential Indicators for Affordability

Estimate of the ratio of financing costs to net revenue stream

Table 1

	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22
	Actual	Actual	Actual	Revised	Estimate	Estimate	Estimate
HRA	0.21	0.41	0.71	0.61	0.68	0.71	0.71
Non-HRA	-0.37	-0.17	-0.40	-0.09	-0.39	-0.45	-0.41
Total	-0.30	-0.12	-0.29	-0.04	-0.30	-0.35	-0.31
<i>At this time last year</i>	-0.30	-0.12	-0.15	-0.14	-0.05	-0.15	-

This ratio is intended to represent the extent to which the net revenue consequences of capital financing and borrowing impact on the net revenue stream. Since the City Fund is currently a net lender in its Treasury operations and is in receipt of significant rental income from investment properties, the Non-HRA and Total ratios are usually negative. The upward trend in HRA ratios reflects increased revenue contributions to the major repairs reserve, which is used to fund the HRA programme of capital works necessary to maintain the housing estates.

Prudential Indicator of Prudence

Gross Debt and the Capital Financing Requirement

Table 2

	Period 2018/19 to 2021/22
	£m
Gross Debt	286,498
Capital Financing Requirement	399,843

To ensure that, over the medium term, borrowing will only be for capital purposes, this indicator demonstrates that gross debt will not exceed the capital financing requirement over the period 2018/19 to 2021/22. As a result of two major projects to be funded through City Fund - the Museum of London relocation and the new combined courts building at Fleet Street – significant external borrowing is anticipated from 2019/20 onwards. The remainder of the capital financing requirement (the underlying need to borrow) is to be met largely through internal borrowing.

Prudential Indicators for Capital Expenditure and External Debt

Estimate of Capital Expenditure

Table 3

	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22
	Actual	Actual	Actual	Revised	Estimate	Estimate	Estimate
	£m	£m	£m	£m	£m	£m	£m
HRA	8.984	8.775	6.974	24.161	37.142	45.540	11.842
Non-HRA	32.012	250.705	42.575	92.961	173.903	137.684	274.403
Total	40.996	259.480	49.549	117.122	211.045	183.224	286.245
<i>At this time last year</i>	40.996	259.480	92.689	152.551	161.247	170.932	-

This indicator is based on the capital budget, augmented to reflect the indicative cost of schemes which have been approved in principle but have yet to be evaluated. It should be noted that the figures represent gross expenditure and that a number of schemes are wholly or partially funded by external contributions. Comparisons with the figures calculated at this time last year are generally reflective of the re-phasing of capital expenditure, together with the inclusion of more robust estimates relating to the major projects (Museum of London relocation and the new combined courts building).

Estimate of the Capital Financing Requirement

Table 4

	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22
	Actual	Actual	Actual	Revised	Estimate	Estimate	Estimate
	£m	£m	£m	£m	£m	£m	£m
HRA	2.352	0.000	0.000	3.141	9.460	9.276	8.889
Non-HRA	-3.496	40.628	44.590	43.804	117.830	215.361	390.954
Total	-1.144	40.628	44.590	46.945	127.290	224.637	399.843
<i>At this time last year</i>	-1.144	40.628	48.095	77.604	124.992	184.582	-

The capital financing requirement (CFR) reflects the underlying need to borrow and is calculated by identifying the shortfall in capital financing sources (e.g. capital receipts, grants, revenue reserves etc) to be applied. A positive indicator reflects the need for external and/or internal borrowing to fund capital expenditure.

The overall negative figure before 2016/17 indicatives the City's debt-free status at that time. From 2016/17 onwards, the City Fund has been financing some capital expenditure from cash sums received from the sale of long leases, which are treated as deferred income in accordance with accounting standards. For the purposes of this indicator, such funding counts as 'internal borrowing' and has given rise to positive CFRs going forward. In addition, from 2019/20 the City Fund will need to take out loans with third parties (external borrowing) towards funding for the major projects.

In accordance with the guidance contained in the Prudential Code, the 'Actual' indicators are calculated directly from the Balance Sheet, whilst the method of calculating the HRA and Non-HRA elements is prescribed under Statute.

The remaining prudential indicators relating to external debt and treasury management are included within Appendix E.

Local Indicators

A local indicator which gives a useful measure of both sustainability and of the adequacy of revenue reserves has been developed.

Times Cover on Unencumbered Revenue Reserves

Table 5

	2018/19	2019/20	2020/21	2021/22
Times cover on unencumbered revenue reserves	2.7	(3.8)	N/a	N/a
<i>At this time last year</i>	<i>(4.3)</i>	<i>15.2</i>	<i>0.1</i>	<i>-</i>

This indicator is calculated by dividing the balance of unencumbered general reserves by any annual revenue deficit/(surplus). For 2018/19 a revenue deficit is forecast, mainly as a result of funding this year's major project expenditure from unencumbered reserves. In 2019/20 a revenue surplus is forecast, denoted by the brackets. From 2020/21 a break even position is forecast, which is dependent on the identification of savings in revenue expenditure. A positive balance of reserves is to be maintained to guard against the risk of savings not being achieved.

This page is intentionally left blank

TREASURY MANAGEMENT STRATEGY STATEMENT

AND

ANNUAL INVESTMENT STRATEGY

2019/20

Treasury Management Strategy Statement and Annual Investment Strategy 2019/20

1. Introduction

1.1. Background

The City of London Corporation (the City) is required to operate a balanced budget, which broadly means that cash raised during the year will meet cash expenditure. Part of the treasury management operation is to ensure that this cash flow is adequately planned, with cash being available when it is needed. Surplus monies are invested in low risk counterparties or instruments commensurate with the City's low risk appetite, providing adequate liquidity initially before considering investment return.

The second main function of the treasury management service is the funding of capital expenditure plans. These capital plans provide a guide to the borrowing needs of the City, essentially the longer-term cash flow planning, to ensure that the organisation can meet its capital spending obligations. This management of longer-term cash may involve arranging long or short-term loans, or using longer-term cash flow surpluses. On occasion, when it is prudent and economic, any debt previously drawn may be restructured to meet risk or cost objectives.

1.2. The Treasury Management Policy Statement

The City defines its treasury management activities as:

The management of the organisation's investments and cash flows, its banking, money market and capital market transaction; the effective control of the risks associated with those activities; and the pursuit of optimum performance consistent with those risks.

The City regards the security of its financial investments through the successful identification, monitoring and control of risk to be the prime criteria by which the effectiveness of its treasury management activities will be measured. Accordingly, the analysis and reporting of treasury management activities will focus on their risk implications for the organisation, and any financial instruments entered into to manage these risks.

The City acknowledges that effective treasury management will provide support towards the achievement of its business and service objectives. It is therefore committed to the principles of achieving value for money in treasury management and to employing suitable comprehensive performance measurement techniques, within the context of effective risk management.

1.3. CIPFA Requirements

The Chartered Institute of Public Finance and Accountancy's (CIPFA) Code of Practice on Treasury Management (revised November 2009) was adopted by the Court of Common Council (the Court) on 3 March 2010. The Code of Practice was revised in November 2017.

The primary requirements of the Code are as follows:

- (i) The City of London Corporation will create and maintain, as the cornerstones for effective treasury management:

- A treasury management policy statement, stating the policies, objectives and approach to risk management of its treasury management activities
 - Suitable treasury management practices (TMPs), setting out the manner in which the organisation will seek to achieve those policies and objectives, and prescribing how it will manage and control those activities.
- (ii) This organisation (i.e. the Court of Common Council) will receive reports on its treasury management policies, practices and activities, including as a minimum an annual strategy and plan in advance of the year, a mid-year review and an annual report after its close.
- (iii) The Court of Common Council delegates responsibility for the implementation and regular monitoring of its treasury management policies to the Finance Committee and the Financial Investment Board; the execution and administration of treasury management decisions is delegated to the Chamberlain, who will act in accordance with the organisation's policy statement and TMPs and, if he/she is a CIPFA member, CIPFA's Standard of Professional Practice on Treasury Management.
- (iv) The Court of Common Council nominates the Audit and Risk Management Committee to be responsible for ensuring effective scrutiny of the treasury management strategy and policies.

The CIPFA revised 2017 Prudential and Treasury Management Codes require, for 2019-20, all local authorities to prepare a capital strategy. The capital strategy provides a high-level long-term overview of how capital expenditure, capital financing and treasury management activity contribute to the provision of services as well as an overview of how the associated risk is managed and the implications for future financial sustainability. The Treasury Management Strategy Statement is reported separately from the Capital Strategy. This ensures the separation of the core treasury function under security, liquidity and yield principles from the policy and commercial investments usually driven by expenditure on an asset.

1.4. Treasury Management Strategy for 2019/20

The Local Government Act 2003 (the Act) and supporting regulations require the City to 'have regard to' the CIPFA Prudential Code and the CIPFA Treasury Management Code of Practice to set Prudential and Treasury Indicators for the next three years to ensure that the City's capital investment plans are affordable, prudent and sustainable. The City's Prudential Indicators are set in its annual Budget Report and Medium-Term Financial Strategy, while Treasury Indicators are established in this report (Appendix 3).

The Act requires the Court of Common Council to set out its treasury strategy for borrowing (section 7 of this report) and to prepare an Annual Investment Strategy (section 8 of this report). The Investment Strategy sets out the City's policies for managing its investments and for giving priority to the security and liquidity of those investments.

The suggested strategy for 2019/20 in respect of the required aspects of the treasury management function is based upon the treasury officers' views on interest rates, supplemented with leading market forecasts provided by the City's treasury adviser, Link Asset Services, Treasury Solutions.

The strategy covers:

- the capital expenditure plans and the associated prudential indicators
- the minimum revenue provision (MRP) policy
- the current treasury position
- treasury indicators which limit the treasury risk and activities of the City
- prospects for interest rates
- the borrowing strategy
- policy on borrowing in advance of need
- debt rescheduling
- the investment strategy
- creditworthiness policy
- policy on use of external service providers.

These elements cover the requirements of the local Government Act 2003, the CIPFA Prudential Code, the MHCLG MRP Guidance, the CIPFA Treasury Management Code and the MHCLG Investment Guidance.

1.5. Balanced Budget Requirement

It is a statutory requirement under Section 33 of the Local Government Finance Act 1992, for the City to produce a balanced budget. In particular, Section 32 requires a local authority to calculate its budget requirement for each financial year to include the revenue costs that flow from capital financing decisions. This, therefore, means that increases in capital expenditure must be limited to a level whereby increases in charges to revenue from:

1. increases in interest charges caused by increased borrowing to finance additional capital expenditure, and
2. any increases in running costs from new capital projects are limited to a level which is affordable within the projected income of the City for the foreseeable future.

2. Capital Expenditure, Capital Financing and the Underlying Borrowing Requirement

The City's capital expenditure plans are a key driver of treasury management activity. The output of the capital expenditure plans is reflected in the prudential indicators, which are designed to assist Members' overview and confirm capital expenditure plans.

The City's capital expenditure plans in respect of its local authority functions (the City Fund) are detailed in the 2019/20 Budget Report and Medium-Term Financial Strategy, which also contains the City's Prudential Indicators. The Prudential Indicators summarise the City Fund's annual capital expenditure plans for the medium term.

Estimate of Capital Expenditure (City Fund)

Table 1	2017/18 Actual £m	2018/19 Estimate £m	2019/20 Estimate £m	2020/21 Estimate £m	2021/22 Estimate £m
Capital Expenditure	49.5	117.1	211.0	183.2	286.2

The Prudential Indicators also establish the City Fund's Capital Financing Requirement (CFR). The CFR is simply the total historic outstanding capital expenditure which has not yet been paid for from either revenue or capital resources. It is essentially a measure of the City Fund's indebtedness and so its underlying borrowing need. Any capital expenditure above, which has not immediately been paid for through a revenue or capital resource, will increase the CFR.

Estimate of the Capital Financing Requirement (City Fund)

Table 2	2017/18 Actual £m	2018/19 Estimate £m	2019/20 Estimate £m	2020/21 Estimate £m	2021/22 Estimate £m
Capital Financing Requirement	44.6	46.9	127.3	224.6	399.8

The CFR does not increase indefinitely, as the minimum revenue provision (MRP) is a statutory annual revenue charge which broadly reduces the indebtedness in line with each asset's life, and so charges the economic consumption of capital assets as they are used. The City's MRP Policy is detailed in Appendix 3.

City's Cash

The City also delivers capital expenditure outside of its capacity as a local authority, via City's Cash. As with the City Fund, any capital expenditure which has not immediately been paid for through a revenue or capital resource, will increase the City's Cash borrowing requirement. Table 3 summarises the planned City's Cash capital expenditure for the medium term and the impact on the borrowing requirement.

Capital Expenditure and Borrowing Requirement (City's Cash)

Table 3	2017/18 Actual £m	2018/19 Estimate £m	2019/20 Estimate £m	2020/21 Estimate £m	2021/22 Estimate £m
Capital Expenditure	59.3	200.6	174.4	155.9	138.8
Borrowing Requirement (Cumulative)	0.0	125.0	230.8	315.9	428.4

As with the MRP for the City Fund, the borrowing requirement for City's Cash will be reduced gradually over time as set out in the City's Cash Borrowing Policy Statement (Appendix 9).

3. Current Portfolio Position

The City's treasury portfolio position at 31 December 2018 comprised:

Table 4		Principal		Ave. rate
		£m	£m	%
Fixed rate funding	PWLB	0		
	Market	0	0	-
Variable rate funding	PWLB	0	0	-
	Market	0	0	-
Other long-term liabilities			0	
Gross debt			0	-
Total investments			871.8	0.77
Net Investments			871.8	

4. Treasury Indicators for 2019/20 – 2021/22

Treasury Indicators (as set out in Appendix 3) are relevant for the purposes of setting an integrated treasury management strategy.

5. Prospects for Interest Rates

The City of London has appointed Link Asset Services (Link) as its treasury advisor and part of their service is to assist the City to formulate a view on interest rates. Appendix 1 draws together a number of forecasts for both short term (Bank Rate) and longer term interest rates and Appendix 2 provides a more detailed economic commentary. The following table and accompanying text below gives the Link central view.

	Bank Rate	PWLB Borrowing Rates %			
	%	(including certainty rate adjustment)			
		5 year	10 years	25 year	50 year
Mar 2019	0.75	2.10	2.50	2.90	2.70
Jun 2019	1.00	2.20	2.60	3.00	2.80
Sep 2019	1.00	2.20	2.60	3.10	2.90
Dec 2019	1.00	2.30	2.70	3.10	2.90
Mar 2020	1.25	2.30	2.80	3.20	3.00
Jun 2020	1.25	2.40	2.90	3.30	3.10
Sep 2020	1.25	2.50	2.90	3.30	3.10
Dec 2020	1.50	2.50	3.00	3.40	3.20
Mar 2021	1.50	2.60	3.00	3.40	3.20
Jun 2021	1.75	2.60	3.10	3.50	3.30
Sep 2021	1.75	2.70	3.10	3.50	3.30
Dec 2021	1.75	2.80	3.20	3.60	3.40
Mar 2022	2.00	2.80	3.20	3.60	3.40

After a flow of generally positive economic statistics, the MPC increased Bank Rate from 0.5% to 0.75% on 2 August 2018. Growth strengthened during 2018, until

slowing significantly in the last quarter. The MPC left Bank Rate unchanged in November, and it is unlikely to increase rates in February 2019, ahead of the March deadline for Brexit. On a major assumption that Parliament and the EU reach a deal before March, the next increase in Bank Rate is forecast to be in May 2019, followed by increases in February and November 2020, before ending up at 2.0% in February 2022.

The overall longer run future trend is for gilt yields, and consequently PWLB rates, to rise, albeit gently. Over the last 25 years historically low levels of inflation have coincided with falling bond yields. Since 2008 extraordinary monetary stimulus through quantitative easing and ultra low interest rates has also kept bond yields low and equity values high. However this changed from 2016, when the US Federal Reserve started tightening monetary policy to tackle inflation. US 10 year bond yields reached 3.2% in October 2018 but have since receded considerably.

From time to time, gilt yields, and therefore PWLB rates, can be subject to exceptional levels of volatility due to geo-political, sovereign debt crisis, emerging market developments and sharp changes in investor sentiment. Such volatility could occur at any time during the forecast period. Therefore, economic and interest rate forecasting remains difficult with so many external influences weighing on the UK. The above forecasts, (and MPC decisions), will be liable to further amendment depending on how economic data and developments in financial markets transpire over the next year.

Investment and borrowing rates

- Investment returns are likely to remain low during 2019/20 but to be on a gently rising trend over the next few years.
- Borrowing interest rates have been volatile so far in 2018-19 and while they were on a rising trend during the first half of the year, they have backtracked since then until early January. Many local authorities have adopted a policy of avoiding new borrowing by running down spare cash balances, which has served them well over the last few years. However, this needs to be carefully reviewed to avoid incurring higher borrowing costs in the future when authorities may not be able to avoid new borrowing to finance capital expenditure and/or the refinancing of maturing debt;
- There will remain a cost of carry, (the difference between higher borrowing costs and lower investment returns), to any new long-term borrowing that causes a temporary increase in cash balances as this position will, most likely, incur a revenue cost.

6. Interest Rate Exposure

The revised Prudential Code removes the requirement to set treasury indicators for fixed and variable interest rate exposure. Instead the City is required to set out how it intends to manage interest rate exposure.

This organisation will manage its exposure to fluctuations in interest rates with a view to containing its interest costs, or securing its interest revenues, in accordance with the amounts provided in its budgetary arrangements and management information arrangements.

It will achieve this by the prudent use of its approved instruments, methods and techniques, primarily to create stability and certainty of costs and revenues, but at the same time retaining a sufficient degree of flexibility to take advantage of unexpected, potentially advantageous changes in the level or structure of interest rates.

7. Borrowing Strategy

The borrowing strategy is developed from the capital plans and prospect for interest rates outlined in sections 2 and 5 above, respectively.

For both the City Fund and City's Cash, the capital expenditure plans create borrowing requirements and the borrowing strategy aims to make sure that sufficient cash is available to ensure the delivery of the City's capital programme as planned.

The City can choose to manage the borrowing requirements through obtaining external debt from a variety of sources; through the temporary use of its own cash resources ("internal borrowing"); or via a combination of these methods.

7.1. City Fund

As the City Fund currently has no external debt portfolio, consideration will be given to obtaining new external debt to meet some or all of the borrowing requirement in 2019/20. In doing so, the Chamberlain will have regard for liquidity requirements, interest rate risk and the implications for the revenue budget.

The Chamberlain will monitor interest rates in financial markets and adopt a pragmatic approach to changing circumstances. For example,

- *if it was felt that there was a significant risk of a sharp FALL in long and short term rates*, (e.g. due to a marked increase of risks around relapse into recession or of risks of deflation), then long term borrowings will be postponed, and potential short-term borrowing will be considered.
- *if it was felt that there was a significant risk of a much sharper RISE in long and short term rates than that currently forecast*, perhaps arising from an acceleration in the rate of increase in central rates in the USA and UK, an increase in world economic activity, or a sudden increase in inflation risks, then the portfolio position will be re-appraised. Most likely, fixed rate funding will be drawn whilst interest rates are lower than they are projected to be in the next few years.

Any decisions will be reported to the Finance Committee and the Court of Common Council at the next available opportunity.

The City must set two treasury indicators representing the upper limits for the total amount of external debt for City Fund. These limits are required under the Prudential Code in order to ensure borrowing is affordable and is consistent with the City Fund's capital expenditure requirements.

- The **operational boundary for external debt** should represent the most likely scenario for external borrowing. It is acceptable for actual borrowing to deviate from this estimate from time to time. The proposed limit is set to mirror the estimated CFR for the forthcoming year and the following two years.

- The **authorised limit for external debt** is the maximum threshold for external debt for over 2019/20, 2020/21 and 2021/22. This limit is required by the Local Government Act 2003 and is set above the operational boundary to ensure that the City is not restricted in the event of a debt restructuring opportunity.

The proposed limits for 2019/20 are set out in Appendix 3.

The City is also required to set a treasury indicator in respect of the maturity structure of external debt to ensure that the external debt portfolio remains appropriately balanced over the long term. Under the revised Treasury Management Code of Practice, the City is required to set limit for all borrowing (i.e. both fixed rate and variable debt), and the proposed limits are detailed in Appendix 3.

7.2. City's Cash

The capital expenditure plans for City's Cash likewise create a borrowing requirement, which is forecast to be £230.8m in 2019/20. As with the City Fund borrowing strategy, consideration will be given to obtaining new external debt to meet some or all of this borrowing requirement in 2019/20. In doing so, the Chamberlain will have regard for liquidity requirements, interest rate risk and the implications for the revenue budget.

The regulatory framework established through the CIPFA professional codes and MHCLG guidance pertains to the City's local authority function, the City Fund. To facilitate effective management of the City's Cash borrowing requirement, this organisation has adopted the City's Cash Borrowing Policy Statement (Appendix 9), which sets out the principles for effectively managing the risks arising from borrowing on behalf of City's Cash. Under this framework, the City has resolved to establish two further treasury indicators, which will help the organisation to ensure its borrowing plans remain prudent, affordable and sustainable:

- **Estimates of financing costs to net revenue stream.** This indicator is given as a percentage and establishes the amount of the City's Cash net revenue that is used to service borrowing costs.
- **Overall borrowing limits.** This indicator represents an upper limit for external debt which officers cannot exceed.

The proposed indicators for 2019/20 are set out in Appendix 3 alongside the City Fund treasury indicators.

7.3. Policy on borrowing in advance of need

The City will not borrow more than or in advance of its needs purely in order to profit from the investment of the extra sums borrowed. Any decision to borrow in advance will be within forward approved Capital Financing Requirement estimates and will be considered carefully to ensure that value for money can be demonstrated and that the Council can ensure the security of such funds.

7.4. Debt rescheduling

The City does not anticipate any debt rescheduling in the near term. However, should any opportunities for debt rescheduling arise (through a decrease in

borrowing rates, for instance), such cases will need to be considered in the context of the current treasury position and the size of the cost of debt repayment (i.e. any penalties incurred).

The reasons for any rescheduling to take place will include:

- the generation of cash savings and / or discounted cash flow savings;
- helping to fulfil the treasury strategy;
- enhance the balance of the portfolio (amend the maturity profile and/or the balance of volatility).

All rescheduling will be reported to the Court of Common Council, at the earliest meeting following its action.

8. Annual Investment Strategy

8.1. Investment Policy

The City of London's investment policy will have regard to the MHCLG's Guidance on Local Government Investments ("the Guidance") and the revised CIPFA Treasury Management in Public Services Code of Practice and Cross Sectorial Guidance Notes 2017 ("the CIPFA TM Code").

The MHCLG and CIPFA have extended the meaning of 'investments' to include both financial and non-financial investments. This report deals solely with financial investments, (as managed by the treasury management team). Non-financial investments, (e.g. commercial property), are covered in the Capital Strategy, (a separate report).

The City's investment priorities are:

- (a) security; and
- (b) liquidity.

The City will also aim to achieve the optimum return on its investments commensurate with proper levels of security and liquidity. The risk appetite of the City is low in order to give priority to security of its investments.

The borrowing of monies purely to invest or on-lend and make a return is unlawful and the City will not engage in such activity.

In accordance with the above guidance from the MHCLG and CIPFA, and in order to minimise the risk to investments, the City applies minimum acceptable credit criteria in order to generate a list of highly creditworthy counterparties which also enables diversification and thus avoidance of concentration risk. The key ratings used to monitor counterparties are the Short Term and Long Term ratings.

Ratings will not be the sole determinant of the quality of an institution; it is important to continually assess and monitor the financial sector on both a micro and macro basis and in relation to the economic and political environments in which institutions operate. The assessment will also take account of information that reflects the opinion of the markets. To achieve this consideration, the City will engage with its advisors to maintain a monitor on market pricing such as "credit default swaps" and overlay that information on top of the credit ratings.

Other information sources used will include the financial press, share price and other such information pertaining to the banking sector in order to establish the most robust scrutiny process on the suitability of potential investment counterparties.

Investment instruments identified for use in the financial year are listed in Appendix 4 under the 'specified' and 'non-specified' investments categories.

The City will also set a limit for the amount of its investments which are invested for longer than 365 days (see Appendix 3).

8.2. Creditworthiness policy

The primary principle governing the City's investment criteria is the security of its investments, although the yield or return on the investment is also a key consideration. After this main principle, the City will ensure that:

- It maintains a policy covering both the categories of investment types it will invest in, criteria for choosing investment counterparties with adequate security, and monitoring their security.
- It has sufficient liquidity in its investments. For this purpose it will set out procedures for determining the maximum periods for which funds may prudently be committed. These procedures also apply to the City's prudential indicators covering the maximum principal sums invested.

The Chamberlain will maintain a counterparty list in compliance with the following criteria and will revise these criteria and submit them to the Financial Investment Board for approval as necessary. These criteria are separate to those which determine which types of investment instruments are classified as either specified or non-specified as it provides an overall pool of counterparties considered high quality which the City may use, rather than defining what types of investment instruments are to be used.

Regular meetings are held involving the Chamberlain, the Deputy Chamberlain, Corporate Treasurer and members of the Treasury team, where the suitability of prospective counterparties and the optimum duration for lending is discussed and agreed.

Credit rating information is supplied by Link Asset Services, our treasury advisors, on all active counterparties that comply with the criteria below. Any counterparty failing to meet the criteria would be omitted from the counterparty (dealing) list. Any rating changes, rating Watches (notification of a likely change), rating Outlooks (notification of a possible longer-term bias outside the central rating view) are provided to officers almost immediately after they occur and this information is considered before dealing. For instance, a negative rating Watch applying to a counterparty would result in a temporary suspension, which will be reviewed in light of market conditions.

All credit ratings will be monitored on a daily basis. The City is alerted to credit warnings and changes to ratings of all three agencies through its use of the Link creditworthiness service.

The criteria for providing a pool of high quality investment counterparties (both specified and non-specified investments) are:

- Banks 1 – good credit quality – the City will only use banks which:
 - (i) are UK banks; and/or

- (ii) are non-UK and domiciled in a country which has a minimum sovereign long-term rating of AAA (Fitch rating)

and have, as a minimum the following Fitch, credit rating:

(i) Short-term	F1
(ii) Long-term	A

- Banks 2 – Part Nationalised UK banks –Royal Bank of Scotland **ring-fenced operations**. This bank can be included if it continues to be part nationalised, or it meets the ratings in Banks 1 above.
- Banks 3 – The City's own banker (Lloyds Banking Group) for transactional purposes if the bank falls below the above criteria, although in this case, balances will be minimised in both monetary size and duration.
- Bank subsidiary and treasury operation - The City will use these where the parent bank has provided an appropriate guarantee or has the necessary ratings outlined above. This criteria is particularly relevant to City Re Limited, the City's Captive insurance company, which deposits funds with bank subsidiaries in Guernsey.
- Building Societies – The City may use all societies which:
 - (i) have assets in excess of £9bn; or
 - (ii) meet the ratings for banks outlined above
- Money Market Funds CNAV* – with minimum credit ratings of AAA/mmF
- Money Market Funds (MMFs) LVNAV* – with minimum credit ratings of AAA/mmF
- Money Market Funds (MMFs) VNAV* – with minimum credit ratings of AAA/mmF
- Ultra-Short Dated Bond Funds with a credit rating of at least AAA/f (previously referred to as Enhanced Cash Plus Funds)
- Short Dated Bond Fund – These funds typically do not obtain their own standalone credit rating. The funds will invest in a wide array of investment grade instruments, the City will undertake all necessary due diligence to ensure a minimum credit quality across the funds underlying composition is set out within initial Investment Manager Agreements and actively monitor the on-going credit quality of any fund invested.
- UK Government – including government gilts and the debt management agency deposit facility.
- Local authorities

A limit of £300m will be applied to the use of non-specified investments.

***European Money Market Reform.** Under EU money market reforms implemented in 2018/19, three new classifications of money market funds have been created:

- Constant Net Asset Value ("CNAV") MMFs – must invest 99.5% of their assets into government debt instruments and are permitted to maintain a constant net asset value.
- Low Volatility Net Asset Value ("LVNAV") MMFs – permitted to maintain a constant dealing net asset value provided that certain criteria are met,

including that the market net asset value of the fund does not deviate from the dealing net asset value by more than 20 basis points.

- Variable Net Asset Value (“VNAV”) MMFs – price assets using market pricing and therefore offer a fluctuating dealing net asset value.

Use of additional information other than credit ratings. Additional requirements under the Code require the City to supplement credit rating information. Whilst the above criteria relies primarily on the application of credit ratings to provide a pool of appropriate counterparties for officers to use, additional operational market information will be applied before making any specific investment decision from the agreed pool of counterparties. This additional market information (for example Credit Default Swaps, negative rating Watches/Outlooks) will be applied to compare the relative security of differing investment counterparties

Time and monetary limits applying to investments. The time and monetary limits for institutions on the City’s counterparty list are set out in Appendix 5 as at 31st December 2018. The City may add managers to this list as appropriate.

UK banks – ring fencing. The largest UK banks, (those with more than £25bn of retail / Small and Medium-sized Enterprise (SME) deposits), are required, by UK law, to separate core retail banking services from their investment and international banking activities by 1st January 2019. This is known as “ring-fencing”. Whilst smaller banks with less than £25bn in deposits are exempt, they can choose to opt up. Several banks are very close to the threshold already and so may come into scope in the future regardless.

Ring-fencing is a regulatory initiative created in response to the global financial crisis. It mandates the separation of retail and SME deposits from investment banking, in order to improve the resilience and resolvability of banks by changing their structure. In general, simpler, activities offered from within a ring-fenced bank, (RFB), will be focused on lower risk, day-to-day core transactions, whilst more complex and “riskier” activities are required to be housed in a separate entity, a non-ring-fenced bank, (NRFB). This is intended to ensure that an entity’s core activities are not adversely affected by the acts or omissions of other members of its group.

While the structure of the banks included within this process may have changed, the fundamentals of credit assessment have not. The City will continue to assess the new-formed entities in the same way that it does others and those with sufficiently high ratings, (and any other metrics considered), will be considered for investment purposes.

8.3. Country limits

The City has determined that it will only use approved counterparties from countries with a minimum sovereign credit rating of AAA (Fitch) or equivalent. The country limits list, as shown in Appendix 6, will be added to or deducted from by officers should individual country ratings change in accordance with this policy. It is proposed that the UK (which is currently rated as AA) will be excluded from this stipulated minimum sovereign rating requirement.

8.4. Investment Strategy

In-house funds: The City’s in-house managed funds are both cash-flow derived and also represented by core balances which can be made available for investment over a 2-3 year period. Investments will accordingly be made with reference to the

core balance and cash flow requirements and the outlook for short-term interest rates (i.e. rates for investments up to 12 months). The City does not currently have any term deposits which span the 2018/19 financial year.

Investment returns expectations: Bank Rate is forecast to increase steadily but slowly over the next few years to reach 2.00% by quarter 1 2022. Bank Rate forecasts for financial year ends (March) are:

- 2018/19 0.75%
- 2019/20 1.25%
- 2020/21 1.50%
- 2021/22 2.00%

Link consider that the overall balance of risks to these forecasts is currently probably neutral. The balance of risks to increases in Bank Rate and shorter term PWLB rates, are probably also even and are dependent on how strong GDP growth turns out, how slowly inflation pressures subside, and how quickly the Brexit negotiations move forward positively.

The outlook for rates for the forthcoming year and over the medium term remains heavily contingent on economic conditions and political developments, particularly Brexit. Under these conditions the Chamberlain will continue to invest surplus cash balances in a balanced portfolio that prioritises security and liquidity concerns.

For 2018/19 the City has budgeted for an average investment return of 0.75% on investments placed during the financial year. Financial forecasts for the period 2019/20 include interest earnings based on a weighted average investment return of 1.00%.

In managing its cash as effectively as possible, the City aims to benefit from the highest available interest rates for the types of investment vehicles invested in, whilst ensuring that it keeps within its credit criteria as set out in this document. Currently, the City invests in a call account with Lloyds Bank, money market funds, short-dated deposits (three months to one year) and a 95-day notice account. These investments are relatively liquid and therefore as and when interest rates improve balances can be invested for longer periods.

9. Investment Treasury Indicator and Limit

Total principal funds invested for greater than 365 days are subject to a limit, set with regard to the City's liquidity requirements and to reduce the need for an early sale of an investment, and are based on the availability of funds after each year end.

The Board is asked to approve the treasury indicator and limit:

Maximum principal sums invested for more than 365 days (up to three years)			
	2019/20 £M	2020/21 £M	2021/22 £M
Principal sums invested >365 days	300	300	300

10. End of year investment report

At the end of the financial year, the City will report on its investment activity as part of its Annual Treasury Report.

11. External fund managers

A proportion of the City's funds, amounting to £400.4m as at 31 December 2018, are externally managed on a discretionary basis by the following fund managers:

- Aberdeen Standard plc,
- CCLA Investment Management Ltd
- Deutsche Asset Wealth Management,
- Federated UK LLP,
- Invesco Fund Managers Ltd
- Legal and General Investment Management
- Payden Global Funds Plc
- Royal London Asset Management

The City's external fund managers will comply with the Annual Investment Strategy, and the agreements between the City and the fund managers additionally stipulate guidelines and duration and other limits in order to contain and control risk. Investments made by the Fund Managers include a diversified portfolio of very high quality sterling-dominated investments, including gilts, supranationals, bank and corporate bonds, as well as other money market securities. The individual investments held within the Funds are monitored on a regular basis by Treasury staff.

The credit criteria to be used for the selection of the Money Market fund manager(s) is based on Fitch Ratings and is AAA/mmf. The Ultra-Short Dated Bond fund managers (including Payden Sterling Reserve Fund, Federated Sterling Cash Plus Fund and Aberdeen Standard Investments Ultra Short Duration Sterling Fund) are all rated by Standard and Poor's as AAA.

The City also uses two Short Dated Bond funds managers by Legal and General and Royal London Asset Management. Both funds are unrated (as is typical of these instruments). The funds offer significant diversification by being invested in a wide range of investment grade instruments, rated BBB and above and limiting exposure to any one debt issuer or issuance.

12. Policy on the use of external service providers

The City uses Link Asset Services, Treasury Solutions as its external treasury management advisers.

The City recognises that responsibility for treasury management decisions remains with the organisation at all times and will ensure that undue reliance is not placed upon its external service providers.

It also recognises that there is value in employing external providers of treasury management services in order to acquire access to specialist skills and resources. The City will ensure that the terms of their appointment and the methods by which their value will be assessed are properly agreed and documented, and subjected to regular review.

13. Scheme of Delegation

Please see Appendix 7.

14. Role of the Section 151 officer

Please see Appendix 8.

15. Training

The CIPFA Code requires the responsible officer to ensure that members with responsibility for treasury management receive adequate training in treasury management. The training needs of members and treasury management officers are periodically reviewed.

APPENDICES

1. Interest Rate Forecasts 2018-2021
2. Link Asset Services view on Economic Background
3. Treasury Indicators 2018/19 – 2020/21 and Minimum Revenue Provision Statement
4. Treasury Management Practice (TMP1) – Credit and Counterparty Risk Management
5. Current Approved Counterparties
6. Approved Countries for Investments
7. Treasury Management Scheme of Delegation
8. The Treasury Management Role of the Section 151 Officer
9. City's Cash Borrowing Policy Statement

LINK INTEREST RATE FORECASTS 2019 – 2022

Link Asset Services Interest Rate View													
	Mar-19	Jun-19	Sep-19	Dec-19	Mar-20	Jun-20	Sep-20	Dec-20	Mar-21	Jun-21	Sep-21	Dec-21	Mar-22
Bank Rate View	0.75%	1.00%	1.00%	1.00%	1.25%	1.25%	1.25%	1.50%	1.50%	1.75%	1.75%	1.75%	2.00%
3 Month LIBID	0.90%	1.00%	1.10%	1.20%	1.30%	1.40%	1.50%	1.50%	1.60%	1.70%	1.80%	1.90%	2.00%
6 Month LIBID	1.00%	1.20%	1.30%	1.40%	1.50%	1.60%	1.70%	1.70%	1.80%	1.90%	2.00%	2.10%	2.20%
12 Month LIBID	1.20%	1.30%	1.40%	1.50%	1.60%	1.70%	1.80%	1.90%	2.00%	2.10%	2.20%	2.30%	2.40%
5yr PWLB Rate	2.10%	2.20%	2.20%	2.30%	2.30%	2.40%	2.50%	2.50%	2.60%	2.60%	2.70%	2.80%	2.80%
10yr PWLB Rate	2.50%	2.60%	2.60%	2.70%	2.80%	2.90%	2.90%	3.00%	3.00%	3.10%	3.10%	3.20%	3.20%
25yr PWLB Rate	2.90%	3.00%	3.10%	3.10%	3.20%	3.30%	3.30%	3.40%	3.40%	3.50%	3.50%	3.60%	3.60%
50yr PWLB Rate	2.70%	2.80%	2.90%	2.90%	3.00%	3.10%	3.10%	3.20%	3.20%	3.30%	3.30%	3.40%	3.40%
Bank Rate													
Link Asset Services	0.75%	1.00%	1.00%	1.00%	1.25%	1.25%	1.25%	1.50%	1.50%	1.75%	1.75%	1.75%	2.00%
Capital Economics	0.75%	1.00%	1.25%	1.50%	1.70%	1.75%	2.00%	2.00%	-	-	-	-	-
5yr PWLB Rate													
Link Asset Services	2.10%	2.20%	2.20%	2.30%	2.30%	2.40%	2.50%	2.50%	2.60%	2.60%	2.70%	2.80%	2.80%
Capital Economics	2.03%	2.15%	2.40%	2.65%	2.70%	2.75%	2.80%	2.85%	-	-	-	-	-
10yr PWLB Rate													
Link Asset Services	2.50%	2.60%	2.60%	2.70%	2.80%	2.90%	2.90%	3.00%	3.00%	3.10%	3.10%	3.20%	3.20%
Capital Economics	2.43%	2.55%	2.80%	3.05%	3.05%	3.05%	3.05%	3.05%	-	-	-	-	-
25yr PWLB Rate													
Link Asset Services	2.90%	3.00%	3.10%	3.10%	3.20%	3.30%	3.30%	3.40%	3.40%	3.50%	3.50%	3.60%	3.60%
Capital Economics	2.96%	3.08%	3.33%	3.58%	3.53%	3.48%	3.43%	3.38%	-	-	-	-	-
50yr PWLB Rate													
Link Asset Services	2.70%	2.80%	2.90%	2.90%	3.00%	3.10%	3.10%	3.20%	3.20%	3.30%	3.30%	3.40%	3.40%
Capital Economics	2.78%	2.90%	3.15%	3.40%	3.40%	3.40%	3.40%	3.40%	-	-	-	-	-

Note: The current PWLB rates and forecast shown above have taken into account the 20 basis point certainty rate reduction effective since 1st November 2012.

LINK ASSET SERVICES VIEW ON ECONOMIC BACKGROUND

GLOBAL OUTLOOK. World growth has been doing reasonably well, aided by strong growth in the US. However, US growth is likely to fall back in 2019 and, together with weakening economic activity in China and the eurozone, overall world growth is likely to weaken.

Inflation has been weak during 2018 but, at long last, unemployment falling to remarkably low levels in the US and UK has led to an acceleration of wage inflation. The US Fed has therefore increased rates nine times and the Bank of England twice. However, the ECB is unlikely to start raising rates until late in 2019 at the earliest.

KEY RISKS – central bank monetary policy measures

Looking back on nearly ten years since the financial crash of 2008 when liquidity suddenly dried up in financial markets, it can be assessed that central banks' monetary policy measures to counter the sharp world recession were successful. The key monetary policy measures they used were a combination of lowering central interest rates and flooding financial markets with liquidity, particularly through unconventional means such as quantitative easing (QE), where central banks bought large amounts of central government debt and smaller sums of other debt.

The key issue now is that period of stimulating economic recovery and warding off the threat of deflation, is coming towards its close. A new period is well advanced in the US, and started more recently in the UK, of reversing those measures i.e. by raising central rates and, (for the US), reducing central banks' holdings of government and other debt. These measures are now required in order to stop the trend of a reduction in spare capacity in the economy and of unemployment falling to such low levels, that the re-emergence of inflation is viewed as a major risk. It is, therefore, crucial that central banks get their timing right and do not cause shocks to market expectations that could destabilise financial markets. In particular, a key risk is that because QE-driven purchases of bonds drove up the price of government debt, and therefore caused a sharp drop in income yields, this also encouraged investors into a search for yield and into investing in riskier assets such as equities. Consequently, prices in both bond and equity markets rose to historically high valuation levels simultaneously. This meant that both asset categories were exposed to the risk of a sharp downward correction and we did, indeed, see a sharp fall in equity values in the last quarter of 2018. It is important, therefore, that central banks only gradually unwind their holdings of bonds in order to prevent destabilising the financial markets. It is also likely that the timeframe for central banks unwinding their holdings of QE debt purchases will be over several years. They need to balance their timing to neither squash economic recovery, by taking too rapid and too strong action, or, conversely, let inflation run away by taking action that was too slow and/or too weak. **The potential for central banks to get this timing and strength of action wrong are now key risks.** At the time of writing, (early January 2019), financial markets are very concerned that the Fed is being too aggressive with its policy for raising interest rates and is likely to cause a recession in the US economy.

The world economy also needs to adjust to a sharp change in **liquidity creation** over the last five years where the US has moved from boosting liquidity by QE purchases, to reducing its holdings of debt (currently about \$50bn per month). In addition, the European Central Bank ended its QE purchases in December 2018.

UK. The flow of positive economic statistics since the end of the first quarter of 2018 has shown that pessimism was overdone about the poor growth in quarter 1 when adverse weather caused a temporary downward blip. Quarter 1 at 0.1% growth in GDP was followed by a return to 0.4% in quarter 2 and by a strong performance in quarter 3 of +0.6%. However, growth in quarter 4 is expected to weaken significantly.

At their November quarterly Inflation Report meeting, the MPC repeated their well-worn phrase that future Bank Rate increases would be gradual and would rise to a much lower equilibrium rate, (where monetary policy is neither expansionary or contractionary), than before the crash; indeed they gave a figure for this of around 2.5% in ten years' time, but declined to give a medium term forecast. However, with so much uncertainty around Brexit, they warned that the next move could be up or down, even if there was a disorderly Brexit. While it would be expected that Bank Rate could be cut if there was a significant fall in GDP growth as a result of a disorderly Brexit, so as to provide a stimulus to growth, they warned they could also raise Bank Rate in the same scenario if there was a boost to inflation from a devaluation of sterling, increases in import prices and more expensive goods produced in the UK replacing cheaper goods previously imported, and so on. In addition, the Chancellor could potentially provide fiscal stimulus to support economic growth, though at the cost of increasing the budget deficit above currently projected levels.

It is unlikely that the MPC would increase Bank Rate in February 2019, ahead of the deadline in March for Brexit. Getting parliamentary approval for a Brexit agreement on both sides of the Channel will take well into spring 2019. However, in view of the hawkish stance of the MPC at their November meeting, the next increase in Bank Rate is now forecast to be in May 2019, (on the assumption that a Brexit deal is agreed by both the UK and the EU). The following increases are then forecast to be in February and November 2020 before ending up at 2.0% in February 2022.

Inflation. The Consumer Price Index (CPI) measure of inflation has been falling from a peak of 3.1% in November 2017 to 2.1% in December 2018. In the November Bank of England quarterly Inflation Report, inflation was forecast to still be marginally above its 2% inflation target two years ahead, (at about 2.1%), given a scenario of minimal increases in Bank Rate.

The **labour market** figures in November were particularly strong with an emphatic increase in total employment of 141,000 over the previous three months, unemployment at 4.0% at a 43 year low on the Independent Labour Organisation measure, and job vacancies hitting an all-time high, indicating that employers are having major difficulties filling job vacancies with suitable staff. It was therefore unsurprising that wage inflation continued at its high point of 3.3%, (3 month average regular pay, excluding bonuses). This meant that in real terms, (i.e. wage rates less CPI inflation), earnings are currently growing by about 1.2%, the highest level since 2009. This increase in household spending power is likely to feed through into providing some support to the overall rate of economic growth in the coming months. This tends to confirm that the MPC was right to start on a cautious increase in Bank Rate in August as it views wage inflation in excess of 3% as increasing inflationary pressures within the UK economy.

In the **political arena**, the Brexit deal put forward by the Conservative minority government was defeated on 15 January. It is unclear at the time of writing, how this situation will move forward. However, our central position is that Prime Minister May's government will endure, despite various setbacks, along the route to reaching an orderly Brexit though the risks are increasing that it may not be possible to get full agreement by the UK and EU before 29 March 2019, in which case this withdrawal date is likely to be pushed back to a new date. If, however,

the UK faces a general election in the next 12 months, this could result in a potential loosening of monetary and fiscal policy and therefore medium to longer dated gilt yields could rise on the expectation of a weak pound and concerns around inflation picking up.

USA. President Trump's massive easing of fiscal policy is fuelling a (temporary) boost in consumption which has generated an upturn in the rate of strong growth which rose from 2.2% (annualised rate) in quarter 1 to 4.2% in quarter 2 and 3.5%, (3.0% y/y), in quarter 3, but also an upturn in inflationary pressures. The strong growth in employment numbers and the reduction in the unemployment rate to 3.9%, near to a recent 49 year low, has fed through to an upturn in wage inflation which hit 3.2% in November. However, CPI inflation overall fell to 2.2% in November and looks to be on a falling trend to drop below the Fed's target of 2% during 2019. The Fed has continued on its series of increases in interest rates with another 0.25% increase in December to between 2.25% and 2.50%, this being the fifth increase in 2018 and the ninth in this cycle. However, they did also reduce their forecast for further increases from three to two. This latest increase compounded investor fears that the Fed is over doing the speed and level of increases in rates and that it is going to cause a US recession as a result. There is also much evidence in previous monetary policy cycles of the Fed's series of increases doing exactly that. Consequently, we have seen stock markets around the world falling under the weight of fears around the Fed's actions, the trade war between the US and China and an expectation that world growth will slow.

The tariff war between the US and China has been generating a lot of heat during 2018, but it is not expected that the current level of actual action would have much in the way of a significant effect on US or world growth. However, there is a risk of escalation if an agreement is not reached soon between the US and China.

Eurozone. Growth was 0.4% in quarters 1 and 2 but fell back to 0.2% in quarter 3, though this was probably just a temporary dip. In particular, data from Germany has been mixed and it could be negatively impacted by US tariffs on a significant part of its manufacturing exports e.g. cars. Current forward indicators for economic growth and inflation have now been on a downward trend for a significant period, which will make it difficult for the ECB to make any start on increasing rates until 2020 at the earliest. Indeed, the issue now is rather whether the ECB will have to resort to new measures to boost liquidity in the economy in order to support growth. Having halved its quantitative easing purchases of debt in October 2018 to €15bn per month, the European Central Bank ended all further purchases in December 2018. In its January 2019 meeting, it made a point of underlining that it will be fully reinvesting all maturing debt for an extended period of time past the date at which it starts raising the key ECB interest rates.

China. Economic growth has been weakening over successive years, despite repeated rounds of central bank stimulus; medium term risks are increasing. Major progress still needs to be made to eliminate excess industrial capacity and the stock of unsold property, and to address the level of non-performing loans in the banking and credit systems. Progress has been made in reducing the rate of credit creation, particularly from the shadow banking sector, which is feeding through into lower economic growth. There are concerns that official economic statistics are inflating the published rate of growth.

Japan – has been struggling to stimulate consistent significant GDP growth and to get inflation up to its target of 2%, despite huge monetary and fiscal stimulus. It is also making little progress on fundamental reform of the economy. It is likely that loose monetary policy will endure for some years yet to try to stimulate growth and modest inflation.

Emerging countries. Argentina and Turkey are currently experiencing major headwinds and are facing challenges in external financing requirements well in excess of their reserves of foreign exchange. However, these countries are small in terms of the overall world economy, (around 1% each), so the fallout from the expected recessions in these countries will be minimal.

INTEREST RATE FORECASTS

The interest rate forecasts provided by Link Asset Services in section 5 are **predicated on an assumption of an agreement being reached on Brexit between the UK and the EU.** On this basis, while GDP growth is likely to be subdued in 2019 due to all the uncertainties around Brexit depressing consumer and business confidence, an agreement is likely to lead to a boost to the rate of growth in 2020 which could, in turn, increase inflationary pressures in the economy and so cause the Bank of England to resume a series of gentle increases in Bank Rate. Just how fast, and how far, those increases will occur and rise to, will be data dependent. The forecasts in this report assume a modest recovery in the rate and timing of stronger growth and in the corresponding response by the Bank in raising rates.

- In the event of an **orderly non-agreement exit**, it is likely that the Bank of England would take action to cut Bank Rate from 0.75% in order to help economic growth deal with the adverse effects of this situation. This is also likely to cause short to medium term gilt yields to fall.
- If there was a **disorderly Brexit**, then any cut in Bank Rate would be likely to last for a longer period and also depress short and medium gilt yields correspondingly. It is also possible that the government could act to protect economic growth by implementing fiscal stimulus.

However, there would appear to be a majority consensus in the Commons against any form of non-agreement exit so the chance of this occurring has now substantially diminished.

The balance of risks to the UK

- The overall balance of risks to economic growth in the UK is probably neutral.
- The balance of risks to increases in Bank Rate and shorter term PWLB rates, are probably also even and are broadly dependent on how strong GDP growth turns out, how slowly inflation pressures subside, and how quickly the Brexit negotiations move forward positively.

One risk that is both an upside and downside risk, is that all central banks are now working in very different economic conditions than before the 2008 financial crash as there has been a major increase in consumer and other debt due to the exceptionally low levels of borrowing rates that have prevailed for ten years since 2008. This means that the neutral rate of interest in an economy, (i.e. the rate that is neither expansionary nor deflationary), is difficult to determine definitively in this new environment, although central banks have made statements that they expect it to be much lower than before 2008. Central banks could therefore either over or under do increases in central interest rates.

Downside risks to current forecasts for UK gilt yields and PWLB rates currently include:

- **Brexit** – if it were to cause significant economic disruption and a major downturn in the rate of growth.
- **Bank of England monetary policy** takes action too quickly, or too far, over the next three years to raise Bank Rate and causes UK economic growth, and increases in inflation, to be weaker than we currently anticipate.
- A resurgence of the **eurozone sovereign debt crisis**, possibly in **Italy**, due to its high level of government debt, low rate of economic growth and vulnerable banking system,

and due to the election in March of a government which has made a lot of anti-austerity noise. The EU rejected the initial proposed Italian budget and demanded cuts in government spending which the Italian government initially refused. However, a fudge was subsequently agreed, but only by *delaying* the planned increases in expenditure to a later year. This has therefore only been kicked down the road to a later time. The rating agencies have started on downgrading Italian debt to one notch above junk level. If Italian debt were to fall below investment grade, many investors would be unable to hold it. Unsurprisingly, investors are becoming increasingly concerned by the words and actions of the Italian government and consequently, Italian bond yields have risen – at a time when the government faces having to refinance large amounts of debt maturing in 2019.

- **Weak capitalisation of some European banks.** Italian banks are particularly vulnerable; one factor is that they hold a high level of Italian government debt – debt which is falling in value. This is therefore undermining their capital ratios and raises the question of whether they will need to raise fresh capital to plug the gap.
- **German minority government.** In the German general election of September 2017, Angela Merkel's CDU party was left in a vulnerable minority position dependent on the fractious support of the SPD party, as a result of the rise in popularity of the anti-immigration AfD party. Then in October 2018, the results of the Bavarian and Hesse state elections radically undermined the SPD party and showed a sharp fall in support for the CDU. As a result, the SPD is reviewing whether it can continue to support a coalition that is so damaging to its electoral popularity. After the result of the Hesse state election, Angela Merkel announced that she would not stand for re-election as CDU party leader at her party's convention in December 2018, (a new party leader has now been elected). However, this makes little practical difference as she is still expected to aim to continue for now as the Chancellor. However, there are five more state elections coming up in 2019 and EU parliamentary elections in May/June; these could result in a further loss of electoral support for both the CDU and SPD which could also undermine her leadership.
- **Other minority eurozone governments.** Spain, Portugal, Ireland, the Netherlands and Belgium all have vulnerable minority governments dependent on coalitions which could prove fragile. Sweden is also struggling to form a government due to the anti-immigration party holding the balance of power, and which no other party is willing to form a coalition with. The Belgian coalition collapsed in December 2018 but a minority caretaker government has been appointed until the May EU wide general elections.
- **Austria, the Czech Republic and Hungary** now form a strongly anti-immigration bloc within the EU while **Italy**, in 2018, also elected a strongly anti-immigration government. Elections to the EU parliament are due in May/June 2019.
- Further increases in interest rates in the US could spark a **sudden flight of investment funds** from more risky assets e.g. shares, into bonds yielding a much improved yield. Throughout the last quarter of 2018, we saw sharp falls in equity markets interspersed with occasional partial rallies. Emerging countries which have borrowed heavily in dollar denominated debt, could be particularly exposed to this risk of an investor flight to safe havens e.g. UK gilts.
- There are concerns around the level of **US corporate debt** which has swollen massively during the period of low borrowing rates in order to finance mergers and acquisitions. This has resulted in the debt of many large corporations being downgraded to a BBB credit rating, close to junk status. Indeed, 48% of total investment grade corporate debt is now rated at BBB. If such corporations fail to generate profits and cash flow to reduce their debt levels as expected, this could tip their debt into junk ratings which will increase their cost of financing and further negatively impact profits and cash flow.

- **Geopolitical risks**, especially North Korea, but also in Europe and the Middle East, which could lead to increasing safe haven flows.

Upside risks to current forecasts for UK gilt yields and PWLB rates

- **Brexit** – if both sides were to agree by 29 March a compromise that quickly removed all threats of economic and political disruption and so led to an early boost to UK economic growth.
- **The Fed causing a sudden shock in financial markets** through misjudging the pace and strength of increases in its Fed Funds Rate and in the pace and strength of reversal of QE, which then leads to a fundamental reassessment by investors of the relative risks of holding bonds, as opposed to equities. This could lead to a major flight from bonds to equities and a sharp increase in bond yields in the US, which could then spill over into impacting bond yields around the world.
- The **Bank of England is too slow** in its pace and strength of increases in Bank Rate and, therefore, allows inflation pressures to build up too strongly within the UK economy, which then necessitates a later rapid series of increases in Bank Rate faster than we currently expect.
- **UK inflation**, whether domestically generated or imported, returning to sustained significantly higher levels causing an increase in the inflation premium inherent to gilt yields.

Brexit timetable and process

- If an agreement is reached with the EU on the terms of Brexit, then this will be followed by a proposed transitional period ending around December 2020.
- UK continues as a full EU member until March 2019 with access to the single market and tariff free trade between the EU and UK. Different sectors of the UK economy may leave the single market and tariff free trade at different times during the transitional period.
- The UK and EU would attempt to negotiate, among other agreements, a bi-lateral trade agreement over that period.
- The UK would aim for a negotiated agreed withdrawal from the EU, although the UK could also exit without any such agreements in the event of a breakdown of negotiations.
- If the UK exits without an agreed deal with the EU, World Trade Organisation rules and tariffs could apply to trade between the UK and EU – but this is not certain.
- On full exit from the EU: the UK parliament would repeal the 1972 European Communities Act.

TREASURY INDICATORS 2018/19 – 2020/21 AND MINIMUM REVENUE PROVISION STATEMENT

TABLE 1: TREASURY MANAGEMENT INDICATORS	2017/18	2018/19	2019/20	2020/21	2021/22
	actual	probable outturn	estimate	estimate	estimate
	£'000	£'000	£'000	£'000	£'000
Authorised Limit for external debt -					
Borrowing	-	146,945	227,290	324,637	499,843
other long-term liabilities	14,006	13,888	13,770	13,653	13,536
TOTAL	14,006	160,833	241,060	338,290	513,379
Operational Boundary for external debt -					
Borrowing	-	46,945	127,290	224,637	399,843
other long-term liabilities	14,006	13,888	13,770	13,653	13,536
TOTAL	14,006	60,833	141,060	238,290	413,379
Actual external debt*	£0	£0	-	-	-
Upper limit for total principal sums invested for over 365 days (per maturity date)	£200m	£300m	£300m	£300m	£300m

*Actual external debt at the end of the financial year

TABLE 2: Maturity structure of borrowing during 2019/20	upper limit	lower limit
- under 12 months	50%	0%
- 12 months and within 24 months	50%	0%
- 24 months and within 5 years	50%	0%
- 5 years and within 10 years	75%	0%
- 10 years and above	100%	0%

TABLE 3: CITY'S CASH BORROWING INDICATORS	2017/18	2018/19	2019/20	2020/21	2021/22
	actual	probable outturn	estimate	estimate	estimate
	%	%	%	%	%
Estimates of financing costs to net revenue stream	0.0%	0.3%	5.2%	8.3%	10.3%
	£'000	£'000	£'000	£'000	£'000
Overall borrowing limits	0	225,000	355,840	415,850	528,350

MINIMUM REVENUE PROVISION (MRP) POLICY STATEMENT 2019/20

To ensure that capital expenditure funded by borrowing is ultimately financed, the City Fund is required to make a Minimum Revenue Provision (MRP) when the Capital Financing Requirement (CFR) is positive. A positive CFR is indicative of an underlying need to borrow and will arise when capital expenditure is funded by 'borrowing', either external (loans from third parties) or internal (use of cash balances held by the City Fund).

MHCLG regulations have been issued which require the Court of Common Council to approve an **MRP Statement** in advance of each year. The regulatory guidance recommends four options for local authorities. Options 1 and 2 relate to government supported borrowing prior to 2008. As the City Fund does not have any outstanding borrowing from this period, these options are not relevant. For any prudential borrowing undertaken after 2008, options 3 and 4 apply:

- **Option 3: Asset life method** – MRP will be based on the estimated life of the assets, in accordance with the regulations (this option must be applied for any expenditure capitalised under a Capitalisation Direction);
- **Option 4: Depreciation method** – MRP will follow standard depreciation accounting procedures;

For any new borrowing under the prudential financing system, the City Fund will apply the asset life method over the useful economic life of the relevant assets. However, as loan repayments will commence in advance of the assets becoming operational, additional provision will be made in the early years so that MRP is at least equal to the amount of the loan principal repaid. This option provides for a reduction in the borrowing need over the approximate life of the assets.

As in previous years, the City will continue to apply a separate MRP policy for that portion of the CFR which has arisen through the funding of capital expenditure from cash received from long lease premiums which are deferred in accordance with accounting standards. This deferred income is released to revenue over the life of the leases to which it relates, typically between 125 and 250 years.

The City's MRP policy in respect of this form of internal borrowing is based on a mechanism to ensure that the deferred income used to finance capital expenditure is not then 'used again' when it is released to revenue. The amount of the annual MRP is therefore to be equal to the amount of the deferred income released, resulting in an overall neutral impact on the bottom line.

MRP will fall due in the year following the one in which the expenditure is incurred, or the year after the asset becomes operational.

The MRP liability for 2018/19 is £1,056k and is estimated at £1,152k for 2019/20

TREASURY MANAGEMENT PRACTICES (TMP 1) – Credit and Counterparty Risk Management

SPECIFIED INVESTMENTS: All such investments will be sterling denominated, with **maturities up to maximum of 1 year**, meeting the minimum ‘high’ quality criteria where appropriate.

	Minimum ‘High’ Credit Criteria	Use
Debt Management Agency Deposit Facility	--	In-house
Term deposits – local authorities	--	In-house
Term deposits – banks and building societies, including part nationalised banks	Short-term F1, Long-term A,	In-house
Term deposits – banks and building societies, including part nationalised banks	Short-term F1, Long-term A,	Fund Managers
Money Market Funds CNAV	AAA/mmf (or equivalent)	In-house via Fund Managers
Money Market Funds LVNAV	AAA/mmf (or equivalent)	In-house via Fund Managers
Money Market Funds VNAV	AAA/mmf (or equivalent)	In-house via Fund Managers
Ultra-Short Dated Bond Fund	AAA/f (or equivalent)	In-house via Fund Managers
UK Government Gilts	UK Sovereign Rating	In-house & Fund Managers
Treasury Bills	UK Sovereign Rating	Fund Managers
Sovereign Bond issues (other than the UK government)	AAA	Fund Managers

NON-SPECIFIED INVESTMENTS: These are any investments which do not meet the Specified Investment criteria. A maximum of £300m will be held in aggregate in non-specified investment.

A variety of investment instruments will be used, subject to the credit quality of the institution, and depending on the type of investment made it will fall into one of the categories set out below.

	Minimum Credit Criteria	Use	Maximum	Maximum Maturity Period
Term deposits – other Las (with maturities in excess of one year)	-	In-house	£25m per LA	Three years
Term deposits, including callable deposits – banks and building societies (with maturities in excess of one year)	Long-term A, Short-term F1,	In-house and Fund Managers	£300m overall	Three years
Certificates of deposits issued by banks and building societies with maturities in excess of one year	Long-term A, Short-term F1,	In-house on a buy-and-hold basis and fund managers	£50m overall	Three years
UK Government Gilts with maturities in excess of one year	AAA	In-house on a buy-and-hold basis and fund managers	£50m overall	Three years
UK Index Linked Gilts	AAA	In-house on a buy-and-hold basis and fund managers	£50m Overall	Three years
Short Dated Bond Funds	--	In-house via Fund Managers	£100m Principal Overall	n/a*

*Short Dated Bonds Funds are buy and hold investments with no pre-determined maturity at time of funding, liquidity access is typically T + 3 or 4.

APPROVED COUNTERPARTIES as at 31 DECEMBER 2018

BANKS AND THEIR WHOLLY OWNED SUBSIDIARIES

FITCH RATINGS		BANK*	LIMIT PER GROUP	DURATION
A+ A+	F1 F1	Barclays Bank PLC (NRFB) Barclays Bank UK PLC (RFB)	£100M	Up to 3 years
A	F1	Goldman Sachs International Bank	£100M	Up to 3 years
AA- AA-	F1+ F1+	HSBC (RFB) HSBC (NRFB)	£100M	Up to 3 years
A A+ A+	F1 F1 F1	Lloyds Bank Corporate Markets PLC (NRFB) Lloyds Bank PLC (RFB) Bank of Scotland PLC (RFB)	£150M	Up to 3 years
A A+ A+	F1 F1 F1	NatWest Markets PLC (NRFB) National Westminster Bank PLC (RFB) Royal Bank of Scotland PLC (RFB)	£100M	Up to 3 years
A+	F1	Santander UK PLC (RFB)	£100M	Up to 3 years

*Under the ring-fencing initiative, the largest UK banks are now legally required to separate the core retail business into a ring-fenced bank (RFB) and to house their complex investment activities into a non-ring-fenced bank (NRFB). See section 8.2 above for further details.

BUILDING SOCIETIES

FITCH RATINGS		BANK	ASSETS	LIMIT PER GROUP	DURATION
A+	F1	Nationwide	£220Bn	£120M	Up to 3 years
A-	F1	Yorkshire	£45Bn	£20M	Up to 1 year
A-	F1	Coventry	£38Bn	£20M	Up to 1 year
A-	F1	Skipton	£18Bn	£20M	Up to 1 year
A-	F1	Leeds	£16Bn	£20M	Up to 1 year

MONEY MARKET FUNDS

FITCH RATINGS	MONEY MARKET FUNDS Limit of £100M per fund	DURATION
AAA/mmf	CCLA	Liquid
AAA/mmf	Federated Short-Term Sterling Prime Fund*	Liquid
AAA/mmf	Standard Life Liquidity Fund** Aberdeen Sterling Liquidity Fund	Liquid
AAA/mmf	Invesco	Liquid
AAA/mmf	Deutsche Liquidity Fund	Liquid

ULTRA SHORT DATED BOND FUNDS

FITCH RATINGS (or equivalent)	ULTRA SHORT DATED BOND FUNDS Limit of £100M per fund	DURATION
AAA/f	Payden Sterling Reserve Fund	Liquid
AAA/f	Federated Sterling Cash Plus Fund*	Liquid
AAA/f	Standard Life Investments Short Duration Managed Liquidity Fund**	Liquid

*A combined limit of £100m applies to balances across the Money Market Fund and Ultra Short Dated Bond Fund both managed by Federated

**A combined limit of £100m applies to balances across the Money Market Funds and Ultra Short Dated Bond Fund all managed by Aberdeen Standard

SHORT DATED BOND FUNDS

FITCH RATINGS (or equivalent)	SHORT DATED BOND FUNDS Limit of £100M per fund	DURATION
-	Legal and General Short Dated Sterling Corporate Bond Index Fund	Liquid
-	Royal London Investment Grade Short Dated Credit Fund	Liquid

FOREIGN BANKS

(with a presence in London)

FITCH RATINGS		COUNTRY AND BANK	LIMIT PER GROUP	DURATION
AA-	F1+	<u>AUSTRALIA</u> AUSTRALIA AND NEW ZEALAND BANKING GROUP LTD	£100M	Up to 3 years
	F1+	NATIONAL AUSTRALIA BANK LTD	£100M	Up to 3 years
AA	F1+	<u>SWEDEN</u> SVENSKA HANDELSBANKEN	£100M	Up to 3 years

LOCAL AUTHORITIES

LIMIT OF £25M PER AUTHORITY
Any UK local authority

APPROVED COUNTRIES FOR INVESTMENT

This list is based on those countries which have sovereign ratings of AAA as at 21 January 2019

AAA

- Australia
- Canada
- Denmark
- Germany
- Luxembourg*
- Netherlands
- Norway *
- Singapore
- Sweden
- Switzerland

AA

- United Kingdom

* Currently no eligible banks to invest in either country as per the Link Asset Services weekly list

TREASURY MANAGEMENT SCHEME OF DELEGATION

The roles of the various bodies of the City of London Corporation with regard to treasury management are:

(i) Court of Common Council

- Receiving and reviewing reports on treasury management policies, practices and activities
- Approval of annual strategy.

(ii) Financial Investment Board and Finance Committee

- Approval of/amendments to the organisation's adopted clauses, treasury management policy statement and treasury management practices
- Budget consideration and approval
- Approval of the division of responsibilities
- Receiving and reviewing regular monitoring reports and acting on recommendations
- Approving the selection of external service providers and agreeing terms of appointment.

(iii) Audit & Risk Management Committee

- Reviewing the treasury management policy and procedures and making recommendations to the responsible body.

THE TREASURY MANAGEMENT ROLE OF THE SECTION 151 OFFICER

The Chamberlain

- Recommending clauses, treasury management policy/practices for approval, reviewing the same regularly, and monitoring compliance
- Submitting regular treasury management policy reports
- Submitting budgets and budget variations
- Receiving and reviewing management information reports
- Reviewing the performance of the treasury management function
- Ensuring the adequacy of treasury management resources and skills, and the effective division of responsibilities within the treasury management function
- Ensuring the adequacy of internal audit, and liaising with external audit
- Recommending the appointment of external service providers.

CITY'S CASH BORROWING POLICY STATEMENT

1. The City Corporation shall ensure that all of its City's Cash capital expenditure, investments and borrowing decisions are prudent and sustainable. In doing so, it will take into account its arrangements for the repayment of debt and consideration of risk and the impact, and potential impact, on the overall fiscal sustainability of City's Cash.

2. Borrowing shall be undertaken on an affordable basis and total capital investment must remain within sustainable limits. When assessing the affordability of its City's Cash investment plans, the City Corporation will consider both the City's Cash resources currently available and its estimated future resources, together with the totality of its City's Cash capital plans, income and expenditure forecasts.

3. To ensure that the benefits of capital expenditure are matched against the costs, borrowing will be amortised over the life of the associated asset.

4. To the greatest extent possible, expected finance costs arising from borrowing are matched against appropriate revenue income streams.

5. The City Corporation will organise its borrowing on behalf of City's Cash in such a way as to ensure that financing is available when required to manage liquidity risk (i.e. to make sure that funds are in place to meet payments for capital expenditure on a timely basis). The City Corporation will only borrow in advance of need on behalf of City's Cash on the basis of a sound financial case (for instance, to mitigate exposure to rising interest rates).

6. The City Corporation will ensure debt is appropriately profiled to mitigate refinancing risk.

7. The City Corporation will monitor the sensitivity of liabilities to inflation and will manage inflation risks in the context of the inflation exposures across City's Cash (e.g. the City Corporation will be mindful of the potential impact of index-linked borrowing on the financial position of City's Cash).

8. The City Corporation will seek to obtain value for money in identifying appropriate borrowing for City's Cash. Where internal borrowing (i.e. from City Fund or Bridge House Estates) is used as a source of funding, the City Corporation will keep under review the elevated risk of refinancing.

9. All borrowing is expected to be drawn in Sterling. Where debt is raised in foreign currencies, the City Corporation will consider suitable measures for mitigating the risks presented by fluctuation in exchange rates.

10. Interest rate movement exposure will be managed prudently, balancing cost against likely financial impact.

11. The City Corporation will maintain the following indicators which relate to City's Cash borrowing only:

- Estimates of financing costs to net revenue stream
- Overall borrowing limits

This page is intentionally left blank

MINIMUM REVENUE PROVISION (MRP) POLICY STATEMENT 2019/20

1. To ensure that capital expenditure funded by borrowing is ultimately financed, the City Fund is required to make a Minimum Revenue Provision (MRP) when the Capital Financing Requirement (CFR) is positive. A positive CFR is indicative of an underlying need to borrow and will arise when capital expenditure is funded by 'borrowing', either external (loans from third parties) or internal (use of cash balances held by the City Fund).
2. MHCLG regulations have been issued which require the Court of Common Council to approve **an MRP Statement** in advance of each year. The regulatory guidance recommends four options for local authorities. Options 1 and 2 relate to government supported borrowing prior to 2008. As the City Fund does not have any outstanding borrowing from this period, these options are not relevant. For any prudential borrowing undertaken after 2008, options 3 and 4 apply:
 - **Option 3: Asset life method** – MRP will be based on the estimated life of the assets, in accordance with the regulations (this option must be applied for any expenditure capitalised under a Capitalisation Direction);
 - **Option 4: Depreciation method** – MRP will follow standard depreciation accounting procedures;
3. For any new borrowing under the prudential financing system, the City Fund will apply the asset life method over the useful economic life of the relevant assets. However, as loan repayments will commence in advance of the assets becoming operational, additional provision will be made in the early years so that MRP is at least equal to the amount of the loan principal repaid. This option provides for a reduction in the borrowing need over the approximate life of the assets.
4. As in previous years, the City will continue to apply a separate MRP policy for that portion of the CFR which has arisen through the funding of capital expenditure from cash received from long lease premiums which are deferred in accordance with accounting standards. This deferred income is released to revenue over the life of the leases to which it relates, typically between 125 and 250 years.
5. The City's MRP policy in respect of this form of internal borrowing is based on a mechanism to ensure that the deferred income used to finance capital expenditure is not then 'used again' when it is released to revenue. The amount of the annual MRP is therefore to be equal to the amount of the deferred income released, resulting in an overall neutral impact on the bottom line.
6. MRP will fall due in the year following the one in which the expenditure is incurred, or the year after the asset becomes operational.
7. The MRP liability for 2018/19 is £1,056k and is estimated at £1,152k for 2019/20.

This page is intentionally left blank

DRAFT CAPITAL STRATEGY

Financial Years 2019/20 to 2023-24

INTRODUCTION AND BACKGROUND

1. This Capital Strategy is an overarching document which sets the policy framework for the development, management and monitoring of capital investment. The strategy focuses on core principles that underpin the City Corporation's capital programme. In particular it covers:
 - the short, medium and longer-term objectives;
 - the key issues and risks that will impact on the delivery of the programme;
 - and the governance framework in place to ensure the capital programme is delivered and provides value for money.
2. This capital strategy aligns with the priorities set out in the City Corporation's Corporate Plan and other key strategy documents such as those covering the investment estates.
3. The strategy is integrated with the medium-term financial plan and treasury management strategy.
4. The Court of Common Council will agree the capital strategy and programme at least annually and as necessary in the event of a significant change in circumstances.

CORE PRINCIPLES THAT UNDERPIN THE CAPITAL PROGRAMME

5. The key principles for the capital programme are summarised below and shown in more detail as Annex A.
6. Capital investment decisions reflect the aspirations and priorities included within the City Corporation's Corporate Plan and supporting strategies.
7. Schemes to be added to the capital programme will be subject to a gateway process overseen by Project Sub Committee. The only exceptions to this are for the major projects that are dealt with by Capital Buildings Committee and Policy and Resources Committee and investment property acquisitions and disposals which are overseen by Property Investment Board. All schemes are prioritised according to availability of resources and scheme specific funding, and factors such as legal obligations, health and safety considerations and their longer-term impact on the City Corporation's financial position.
8. A key consideration is affordability of the capital programme in terms of the City's Medium Term Financial Plan. In any programme presented to Members for agreement this issue will have been considered and, where resources are limited, new bids must be prioritised to ensure the best use of available funds.

9. Commissioning and procuring for capital schemes will comply with the requirements set out in the City Corporation's Standing Orders, Financial Regulations and Procurement Code.

GOVERNANCE FRAMEWORK

10. The City Corporation in its local authority capacity is required to agree the capital strategy annually in accordance with the Prudential Code. To be consistent with the City Corporation's Treasury Management Strategy Statement the capital strategy for City's Cash is being reported on the same basis. For the time being, capital plans of the Bridge House Estates Trust are excluded pending the outcome of the Bridge House Estates Governance review, although the general principles and framework described in this document will apply.
11. The impact of the capital programmes for each fund is incorporated into the medium-term financial plans to demonstrate affordability, sustainability and prudence.
12. To assist in the resource allocation process, project proposals are prioritised and categorised, with only essential schemes within the following criteria being considered for central funding:
 - health and safety or statutory requirements,
 - substantially reimbursable
 - spend to save (payback within 5 years)
 - income generating
 - major renewals of income generating assets.

Due to the large volume of pipeline schemes, a more stringent set of criteria are being developed to assist Policy & Resources Committee to decide whether resources should be allocated.

13. Projects are one of the key ways that the City Corporation delivers its strategic aims and priorities. The City Corporation is committed to ensuring that projects are delivered efficiently and that the best use is made of the resources available to the organisation. Approval of projects is the responsibility of the Policy and Resources Committee through its Projects Sub-Committee, which scrutinises individual projects, and the Resource Allocation Sub-Committee, which considers the overall programme of project activity and its funding. Decisions about projects are made in conjunction with service committees and the Court of Common Council (for high value projects). Major Projects are managed directly through the Capital Buildings or Policy and Resources Committees.
14. Where the Town Clerk considers a scheme has policy implications, or where the Policy and Resources Committee has indicated it wishes to consider a particular project further, project reports will also be submitted to that Committee.
15. The Finance Committee is responsible for obtaining value for money, improving efficiency and overseeing procurement generally across the organisation. The

Finance Committee therefore receives periodic reports on the City Corporation's capital expenditure.

16. The gateway process is contained in the Project Procedure, which is approved by the Policy and Resources Committee and the Court of Common Council. It applies to capital projects over £50,000. The Town Clerk monitors the progress of reports from start to finish and project managers maintain information about the progress of projects on the Project Vision system. Project Boards are usually established for individual projects, particularly those that require officers from a number of departments to deliver them.
17. Inclusion of schemes in the capital programme is subject to agreement by the relevant City Corporation committees which, depending on value, will include the Court of Common Council.
18. All projects included in the capital programme must comply with standing orders, financial regulations, the project procedure, the procurement code and rules and are subject to confirmation of funding.

SHORT, MEDIUM AND LONGER-TERM CAPITAL PLANNING OBJECTIVES

19. The City Corporation maintains an approved capital programme that covers a five-year period which is approved by the Court of Common Council as part of the annual budget setting process.
20. Going forward the plan is to extend the capital programme over a longer term, especially with regard to the major projects, to aid in the financial planning process. Planning the capital programme over a ten-year period will ensure that the City Corporation does not over-commit to a capital programme that is not affordable, sustainable and prudent.
21. The impact of the major projects on available funding over the medium to long term will be significant and it will be a requirement to prioritise the remaining capital spend to make best use of the limited resources that will be available.
22. The City Corporation has substantial operational property and investment property portfolios. Strategic plans are produced for each fund for the investment properties which are agreed by Property Investment Board. Operational properties are overseen by Corporate Asset Sub Committee with a corporate asset management plan being overseen by this committee.
23. Such a sizeable property portfolio requires significant capital and revenue investment to maintain it and, in the case of the investment property, maximise the returns. These schemes are therefore likely to make ongoing major calls on the City Corporation's limited capital resources.
24. To assist with managing this commitment the City Corporation is conducting an operational property review with a view to disposing surplus assets through rationalising the operational property estate.

CAPITAL INVESTMENT PRIORITIES

25. Capital investment plans are driven by the City Corporation's Corporate Plan, the key strategic document that sets out the City Corporation's vision, ambitions, values and priorities. The Corporate Plan is underpinned through the departmental business plans which include assets required in their delivery and highlight capital investment requirements and aspirations. The latest draft capital plans, which include the indicative cost of schemes still under development, are as follows:

	2018/19 £m	2019/20 £m	2020/21 £m	2021/22 £m	2022/23 £m	Later years £m	Total £m
City Fund	117	211	183	286	210	460	1,541.2
City's Cash	201	174	156	139	81	881	1,695.7
Bridge House Estates							120.4
	318	385	339	425	291	1,341	3,357.3

The draft plans have been further analysed into three main groups:

	City Fund £m	City's Cash £m	Bridge House Estates £m	Total £m
Major Projects	950.9	1,365.1	-	2,316.0
Capital and SRP Programmes	365.3	180.1	120.4	665.8
Pipeline/Funding Unconfirmed	225.0	150.5	-	375.5
TOTAL:	1,541.2	1,695.7	120.4	3,357.3

26. There are four major projects at various stages of development:

- Museum of London Relocation (City Fund and City's Cash)
- Combined Courts (City Fund)
- Market Consolidation Programme (City's Cash)
- Centre for Music (City's Cash, largely beyond the medium-term financial planning period)

27. These projects represent a substantial funding requirement of unprecedented scale in the context of the City Corporation's more recent capital plans. They therefore present a significant challenge to the finances of the organisation, requiring a step change in the previously debt-free status of both City Fund and City's Cash.

28. Other significant commitments within the current capital programme include:

- Investment Property refurbishments
- Infrastructure improvements at the Old Bailey
- Guildhall Complex new acquisition and refurbishment
- Social Housing Decent Homes refurbishments and new affordable housing units

29. Pipeline schemes include:

- City of London Schools Improvement Programmes (cash flow financing)
- Major refurbishment works to the Guildhall Complex

- Highways and Public Realm improvements
- IT modernisation and transformation

30. More stringent criteria are being developed to assist Policy & Resources Committee to decide resource allocation for these unfunded schemes. This may result in some schemes being cancelled or deferred.

ASSET MANAGEMENT PLANNING

31. The overriding objective of asset management within the City Corporation is to achieve a corporate portfolio of property assets that is appropriate, fit for purpose and affordable.

32. The City Corporation's property portfolio consists of both operational and investment property. The City Corporation has specific reasons for owning and retaining property:

- Operational purposes e.g. assets that support core business and service delivery such as schools, office buildings, The Barbican Arts Centre, Central Criminal Court, cleansing depot, cemetery and crematorium, port health offices, markets, Mansion House and open spaces across London.
- Investment properties held to provide a financial return to the City Corporation to provide financial support for service provision.
- Strategic investment to enable growth in the City fringe - the strategic property estate.

33. Asset management is an important part of the City Corporation's business management arrangements and is crucial to the delivery of efficient and effective services. The ongoing management and maintenance of operational property assets is considered as part of the Corporate Asset Management Strategy. The asset management planning includes an objective to optimise the City Corporation's operational estate.

34. The development of Asset Management Plans across the operational estate assists in delivering the asset management component of service department business plans. In so doing, these plans support the prioritisation of future capital requirements and incorporation of corporate objectives across the operational estate.

35. There is a strong link between Asset Management Plans and the Asset Management Service Based Review, which seeks to improve asset management processes and deliver future efficiencies. Recommendations from this review have now received committee approval and will support improvements to financial sustainability, corporate policies and controls, data management, strategic asset planning, delivering asset management related projects, compliance and property management process.

COMMERCIAL ACTIVITY AND INVESTMENT PROPERTY

36. The Chartered Institute of Public Finance and Accountancy (CIPFA) defines investment property as property held solely to earn rentals or for capital appreciation or both.
37. Returns from our investment property ownership can be both income-driven (through the receipt of rent) and by way of appreciation of the underlying asset value (capital growth).
38. The combination of these is a consideration in assessing the attractiveness of a property for acquisition. In the context of the Capital Strategy, the City Corporation uses capital to invest in property to provide a positive surplus/financial return which is a key source of funding for the ongoing provision of services.
39. Property investment is not without risk as property values can fall as well as rise and changing economic conditions could cause tenants to leave with properties remaining vacant. These risks are mitigated in part by the mixed lease structure of holdings with some properties directly managed with multiple lettings, some single lettings to tenants on fully repairing and insuring leases and some to tenants on geared ground rent leases where the City Corporation is guaranteed a minimum rent but also shares in the actual rent received over a certain threshold.
40. The property portfolio is overseen by Members through a dedicated Property Investment Board appointed by Investment Committee which meets on a monthly basis to receive reports on performance, set strategy, and agree major lettings, acquisitions and disposals.
41. Performance of each estate is benchmarked through MSCI against the overall MSCI Universe and against the MSCI "Greater London Properties including owner occupied" benchmarks. The target set is to outperform the MSCI benchmarks for Total Return on an annualised five-year basis. There is also a subsidiary target to maintain rental income levels and to endeavour to secure rental income growth at least in line with inflation.
42. The properties forming the Strategic Property Estate have been acquired for large scale redevelopment. They are part of the strategy of supporting growth in the business cluster in the City Fringes by providing high quality floor space and returns from these properties are focussed on capital appreciation through their redevelopment.
43. The Property Investment Board receives quarterly rent five-year rental forecast reports and regular reports on the level of voids and debtor arrears. From time to time the Board also receives presentations, usually from major firms of surveyors, on the state of the UK and London property market and potential future trends.

REVENUE BUDGET IMPLICATIONS FROM CAPITAL INVESTMENT DECISIONS

44. Capital expenditure for the City Corporation is financed through a variety of sources, typically
- Receipts from the sale of capital assets
 - Capital grants

- External contributions such as S106 or Community Infrastructure Levy
- The use of general reserves or from revenue budget contributions
- Earmarked reserves set aside for specific purposes.

Any capital expenditure not financed from the above sources will need to be funded by prudential borrowing, which can either be internal or external.

45. The City Corporation can utilise its temporary cash balances in lieu of external borrowing to fund capital expenditure. This is referred to as internal borrowing. External borrowing refers to loans from third parties e.g. banks or the Public Works Loans Board.
46. To date, the City Corporation has funded all of its capital expenditure from the sources listed above or through internal borrowing. Going forward the impact of the major projects means that external borrowing will be required.
47. In approving the inclusion of schemes and projects within the capital programme, the City Corporation ensures all of the capital and investment plans are affordable, prudent and sustainable. In doing so the City Corporation will take into account the arrangements for the repayment of debt, through a prudent Minimum Revenue Provision (MRP) policy in line with MRP guidance produced by the Ministry of Housing, Communities and Local Government.
48. The capital financing costs and any additional running costs arising from capital investment decisions are incorporated within the annual budget and medium term financial plans. This enables Members to consider the consequences of capital investment alongside other competing priorities for revenue funding.
49. As part of the appraisal process, and at the discretion of the Chamberlain, the financing costs of prudential borrowing, may be charged to the relevant service.
50. Capital investment decision making is not only about ensuring that the initial allocation of capital funds meets corporate and service priorities but ensuring the asset is fully utilised, sustainable and affordable throughout its whole life. This overarching commitment to long term affordability is a key principle in any capital investment appraisal decision and is particularly challenging in relation to the four Major Projects. In making its capital investment decisions the City Corporation must have explicit regard to consider all reasonable options available.
51. The revenue implications of the major projects are significant. The cost of borrowing must be charged to the relevant revenue budget whether this is on an interest-only or repayment basis. The long-term nature of borrowing means these revenue sums are unavailable to fund other activity for a significant period of time. By agreeing to fund capital schemes through borrowing, Members are agreeing to divert this funding away from revenue activity in order to meet their priorities.
52. The City Corporation must ensure that a MRP is set aside for all City Fund related borrowing. This is managed by borrowing on an annuity basis for long term borrowing which repays the capital and interest over the term of the borrowing. The MRP is aligned to the interest repaid over the term of the loan.

RISK MANAGEMENT

53. This section considers the City Corporation's risk appetite with regard to its capital investments and commercial activities, i.e. the amount of risk that the City Corporation is prepared to accept, tolerate, or be exposed to at any point in time. It is important to note that risk will always exist in some measure and cannot be removed in its entirety.
54. A risk review is an important aspect of the consideration of any proposed capital or investment proposal. The risks will be considered in line with the City Corporation's corporate risk management strategies and commensurate with the City Corporation's low risk appetite. Subject to careful due diligence, the City Corporation may consider a moderately higher level of risk for strategic initiatives, where there is a direct gain to the City Corporation's revenues or where there is Member appetite to deliver high profile projects.
55. The City Corporation maintains a Corporate Risk Register and priority will be given to schemes that mitigate an identified risk.
56. The gateway approval process has three approval tracks: Complex, Regular and Light, with varying levels of member scrutiny. The decision about which track a project should follow depends on the estimated cost and the level of risk. Projects can move between tracks at any stage if it becomes evident that a project is more or less complex than originally anticipated.
57. For each project a costed risk register is prepared to consider the risks associated with the project. This is informed by previous experience of similar projects and other factors, where relevant, such as the age of the asset, its size and its type. The risk register includes mitigations that will be taken to minimise the risk and a financial assessment of the likely cost should the mitigated risks crystallise. In addition, major projects include an element of optimism bias in line with HM Treasury guidance to mitigate the financial implication of delays and/or increased costs.

TREASURY MANAGEMENT

58. The capital strategy is integrated with its treasury management activity as the City Corporation's capital expenditure plans and its approach to financing that expenditure will drive the organisation's need for borrowing.
59. The Treasury Management Strategy Statement outlines how the City Corporation will carry out its treasury management activities. This statement is reviewed annually by the Court of Common Council. Treasury management activity is scrutinised by the Audit and Risk Management Committee.

60. The Treasury Management Strategy Statement outlines the organisation's borrowing strategy, which aims to make sure that sufficient cash is available to deliver the City Corporation's capital programme as planned. Consideration will be given to obtaining new external debt to meet some or all of the City Corporation's borrowing requirement in 2019/20. Any borrowing decision will be undertaken in the context of the managing interest rate exposure in order to contain the organisation's interest costs.
61. The City Corporation faces a number of key risks in terms of servicing its current and future debt requirement including interest rate risk, refinancing risk and liquidity risk. To control these risks, the City Corporation maintains treasury indicators which are set out in the Treasury Management Strategy Statement.

KNOWLEDGE AND SKILLS

62. The City Corporation has professionally qualified staff across a range of disciplines including finance, legal and property that follow continuous professional development (CPD) and attend courses on an ongoing basis to keep abreast of new developments and skills. In addition, the Projects Sub Committee is instigating an accredited programme of training for project managers.
63. The City Corporation establishes project teams from all the professional disciplines from across the City Corporation as and when required. External professional advice is taken where required and will always be sought in consideration of any major commercial property investment decision.
64. Within the Court of Common Council there are also a number of Members who have substantial professional expertise which assist when making crucial capital investment decisions. Some specialist committees, such as Property Investment Board, co-opt external members with specific expertise to further inform the decision-making process.

BACKGROUND DOCUMENTS

Strategic Property Annual Update & Strategy for 2019

City Fund Portfolio Update and Strategic Review January 2019

City's Estate Annual Strategy Review December 2018

Treasury Management Strategy Statement & Annual Investment Strategy
2019/20

Corporate Asset Management Strategy

Corporate Project Procedure

City of London Corporate Plan

Corporate Risk Register

CORE PRINCIPLES UNDERPINNING THE CAPITAL PROGRAMME

In considering schemes for inclusion in the capital programme, regard will be had to the following principles:

- schemes to be included in the Capital Programme, in accordance with the Project Procedure, follow an appropriate level of due diligence and assurance regarding deliverability/practicable
- prior to mobilisation, all projects complete the gateway process which ensure they are affordable and sustainable. This includes careful consideration of value for money and options appraisal
- capital appraisal should promote schemes which provide a direct gain to the City Corporation's revenues within agreed risk appetite, e.g. commercial investment return, "invest to save" or "income generation" outcomes or attract external investment.
- environmental and social sustainability issues should be built into project appraisal
- the financial implications of capital investment decisions is considered at Gateway 4 and will be properly appraised as part of the determination process
- projects will not proceed unless full funding has been identified and approved as part of the Gateway process.
- available capital funding will be optimised e.g. through surplus asset disposal strategy,
- maximising available capital resources through use of planning gain, corporately pooling capital receipts and by exploring external financing sources
- that capital funding decisions minimise or mitigate the ongoing revenue implications of capital investment decisions
- the financial implications of capital investment decisions should be fully integrated into revenue budget and longer-term financial plans
- robust governance arrangements through the Corporate project procedure and other member oversight are in place for all programmes and projects, clearly defining responsibility for the delivery of individual schemes within the capital programme
- all capital schemes follow appropriate project management arrangements
- there are effective working relationships with partners
- that projects are reviewed on completion to ensure key learning opportunities are maximised

Medium Term Financial Strategy/Budget Policy

City Fund

The main constituents of the City Fund medium term financial strategy/budget policy are as follows:-

- (i) to aim to achieve as a minimum over the medium-term planning period the 'golden rule' of matching on-going revenue expenditures and incomes;
- (ii) to implement budget adjustments and measures that are sustainable, on-going and focused on improving efficiencies;
- (iii) in line with (ii), as far as possible to protect existing repairs and maintenance budgets from any efficiency squeezes or budget adjustments and to ring-fence all other non-staffing budgets (to prevent any amounts from these budgets being transferred into staffing budgets);
- (iv) within the overall context of securing savings and budget reductions, to provide Chief Officers with stable financial frameworks that enable them to plan and budget with some certainty;
- (v) for the Police service, ordinarily to set an annual cash limit determined from the national settlement allocation to the City Police together with the allocation from the Business Rates Premium;
- (vi) to identify and achieve targeted/selective budget reductions and savings programmes;
- (vii) to continue to review critically all financing arrangements, criteria and provisions relating to existing and proposed capital and supplementary revenue project expenditures;
- (viii) to reduce the City Fund's budget exposure to future interest rate changes by adopting a very prudent, constant annual earnings assumption in financial forecasts. If higher earnings are actually achieved, consideration to be given to only making the additional income available for non-recurring items of expenditure;
- (ix) to accept that in some years of the financial planning period it may be necessary to make contributions from revenue balances to balance the revenue budget;
- (x) to finance capital projects first from disposal proceeds rather than revenue resources and supplementary revenue projects from provisions set aside within the financial forecast followed by external borrowing (if required) in an affordable, prudent and sustainable way; and
- (xi) to minimise the impact of rate/tax increases on City businesses and residents.

This page is intentionally left blank

Review of Contingency Funds

The following tables support the review of contingency funds within the City Corporation. They demonstrate that in each of the last four years the provision of funds has been sufficient to result in an uncommitted balance remaining.

Finance Committee Contingencies

Finance Committee Contingencies						
		City's Cash £'000	City Fund £'000	Bridge House Estates £'000	Disaster Fund £'000	Total £'000
2018/19	Provision	950	800	50	100	1,900
	Provision brought forward	109	60	0	0	169
	Total Provision	1,059	860	50	100	2,069
	Less Allocations	(788)	(583)	(4)	(70)	(1,445)
	Uncommitted Balance 2018/19 @ 22/1/19	271	277	46	30	624
2017/18	Provision	950	800	50	100	1,900
	Provision brought forward	85	0	0	0	85
	Total Provision	1,035	800	50	100	1,985
	Allocations	(788)	(697)	(22)	(100)	(1,607)
	Uncommitted Balance	247	103	28	0	378
2016/17	Provision	950	800	50	100	1,900
	Provision brought forward	310	118	0	80	508
	Total Provision	1,260	918	50	180	2,408
	Allocations	(956)	(227)	(2)	(180)	(1,365)
	Uncommitted Balance	304	691	48	0	1,043
2015/16	Provision	950	800	50	100	1,900
	Provision brought forward	170	83	0	30	283
	Total Provision	1,120	883	50	130	2,183
	Allocations	(880)	(730)	(15)	(50)	(1,675)
	Uncommitted Balance	240	153	35	80	508

Policy and Resources Committee Contingency

Policy and Resources Contingency		
		City's Cash £'000
2018/19	Provision	300
	Provision brought forward for unspent provisions	18
	Provision brought forward for agreed allocations not yet completed.	193
	Total Provision	511
	Less Allocations	(433)
	Uncommitted Balance 2018/19 @ 22/1/19	78
2017/18	Provision	300
	Provision brought forward for unspent provisions	152
	Provision brought forward for agreed allocations not yet completed.	150
	Allocation to P&R Contingency	-200
	Total Provision	402
	Allocations	(384)
	Uncommitted Balance	18
2016/17	Provision	300
	Provision brought forward for unspent provisions	124
	Provision brought forward for agreed allocations not yet completed.	179
	Total Provision	603
	Allocations	(451)
	Uncommitted Balance	152
2015/16	Provision	800
	Allocation to P&R Contingency	-253
	Provision brought forward from 14/15	181
	Total Provision	728
	Allocations	(604)
	Uncommitted Balance	124

Policy Initiatives Fund

Policy and Resources Policy Initiative Fund		
		City's Cash £'000
2018/19	Base Provision	1,250
	Provision brought forward for unspent provisions	161
	Provision brought forward for agreed allocations not yet completed.	174
	Total Provision	1,585
	Less Allocations	(1,479)
	Uncommitted Balance 2018/19 @ 22/1/19	106
2017/18	Base Provision	1,250
	Allocation from P&R Contingency	200
	Provision brought forward for unspent provisions	72
	Provision brought forward for agreed allocations not yet completed.	38
	Total Provision	1,560
	Allocations	(1,399)
	Uncommitted Balance	161
2016/17	Base Provision	1,250
	Provision brought forward for unspent provisions	133
	Provision brought forward for agreed allocations not yet completed.	136
	Total Provision	1,519
	Allocations	(1,447)
	Uncommitted Balance	72
2015/16	Base Provision	750
	Allocation from P&R Contingency	253
	Additional Allocation	300
	Provision brought forward from 14/15	193
	Total Provision	1,496
	Allocations	(1,363)
	Uncommitted Balance	133

This page is intentionally left blank

City Fund 2019/20 Budget Report and Medium Term Financial Strategy including Non Domestic Rates and Council Taxes for the Year 2019/20

Resolution by the Court of Common Council

1. It is recommended that for the 2019/20 financial year the Court of Common Council approves;
 - the Premium multiplier on the Non-Domestic Rate and Small Business Rate multipliers be set at 0.006 (an increase of 0.001 on the present multiplier) to enable the City to continue to support the City of London Police, security and contingency planning activity within the Square Mile at an enhanced level;
 - an increase of 4.99% in the 'relevant basic amount' of Council Tax of £894.28 includes a 2% increase for Adult Social Care for a Band D property (excluding the GLA precept);
 - the overall financial framework and the revised Medium Term Financial Strategy for the City Fund; and
 - the City Fund Net Budget Requirement of £153,884,727

Council Tax

2. It be noted that in 2012 the Finance Committee delegated the calculation of the Council Tax Base to the Chamberlain and the Chamberlain has calculated the following amounts for the year 2019/20 in accordance with Section 31B of the Local Government Finance Act 1992:
 - (a) 7,785.03 being the amount calculated by the Chamberlain (as delegated by the Finance Committee), in accordance with the Local Authorities (Calculation of Council Tax Base) (England) Regulations 2012, as the City's Council Tax Base for the year; this amount includes a calculation of the amount of council tax reduction; and
 - (b) Parts of Common Council's Area

Inner Temple	Middle Temple	City excl. Temples (special expense area)
83.15	65.45	7,636.43

being the amounts calculated by the Chamberlain, in accordance with the Regulations, as the amounts of the City's Council Tax Base for the year for dwellings in those parts of its area to which the special items relate.

3. For the year 2019/20 the Common Council determines, in accordance with Section 35(2)(d) of the Local Government Finance Act 1992, that any expenses incurred by the Common Council in performing in a part of its area a function performed elsewhere in its area by the Sub-Treasurer of the Inner Temple and the Under Treasurer of the Middle Temple shall not be treated as special expenses,

apart from the amount of £19,191,000 being the expenses incurred by the Common Council in performing in the area of the Common Council of the City of London the City highways, street cleansing, waste collection and disposal, road safety, drains and sewer functions.

4. That the following amounts be now calculated by the Common Council for the year 2019/20 in accordance with Sections 31 to 36 of the Local Government Finance Act 1992:

- | | |
|--------------------|--|
| (a) £412,552,000 | Being the aggregate of the amounts which the Common Council estimates for the items set out in Section 31A(2) (a) to (f) of the Act, including the local precepts issued by the Inner and Middle Temples |
| (b) £405,590,003 | Being the aggregate of the amounts which the Common Council estimates for the items set out in Section 31A(3) (a) to (d) of the Act; |
| (c) 6,961,997 | Being the amount by which the aggregate at 4(a) above exceeds the aggregate at 4(b) above, calculated by the Common Council, in accordance with Section 31A(4) of the Act, as its council tax requirement for the year; |
| (d) £894.28 | Being the amount of 4(c) above, divided by the amount at 2(a) above, calculated by the Common Council, in accordance with Section 31B of the Act, as the basic amount of its Council Tax for the year; |
| (e) £19,564,445.17 | Being the aggregate amount of all special items referred to in Section 34(1) of the Act, including the local precepts issued by the Inner and Middle Temples; |
| (f) £1,618.81 | Being the amount at 4(d) above less the result given by dividing the amount at 4(e) above by the amount at 2(a) above, calculated by the Common Council, in accordance with Section 34(2) of the Act, as the basic amount of its Council Tax for the year for dwellings in those parts of its area to which no special item relates. |

(g) Parts of Common Council's Area

Inner Temple	Middle Temple	City excl. Temples (special expense area)
£	£	£
894.28	894.28	894.28

being the amounts given by adding to the amount at 4(f) above the amounts of the special item or items relating to dwellings in those parts of the Common Council's area mentioned above divided in each case by the amount at 2(b) above, calculated by the Common Council, in accordance with Section 34(3) of the Act, as the basic amounts of its Council Tax for the year for dwellings in those parts of its area to which one of the special items relate; and

(h) Council Tax Valuation Bands

Valuation Bands	Inner Temple	Middle Temple	City excluding Temples (special expense area)
	£	£	£
A	596.19	596.19	596.19
B	695.55	695.55	695.55
C	794.92	794.92	794.92
D	894.28	894.28	894.28
E	1,093.01	1,093.01	1,093.01
F	1,291.73	1,291.73	1,291.73
G	1,490.47	1,490.47	1,490.47
H	1,788.56	1,788.56	1,788.56

being the amounts given by multiplying the amounts at 4(g) above by the number which, in the proportion set out in Section 5(1) of the Act, is applicable to dwellings listed in a particular valuation band divided by the number which, in that proportion, is applicable to dwellings listed in valuation band D, calculated by the Common Council, in accordance with Section 36(1) of the Act, as the amounts to be taken into account for the year in respect of categories of dwellings listed in different valuation bands.

5. It be noted that for the year 2019/20 the Greater London Authority has proposed the following amounts in precepts issued to the Common Council, in accordance with Section 40 of the Local Government Finance Act 1992, for each of the categories of dwellings shown below:

Valuation Bands Precepting Authority

Greater London
Authority

	£
A	52.25
B	60.96
C	69.67
D	78.38
E	95.80
F	113.22
G	130.63
H	156.76

6. Having calculated the aggregate in each case of the amounts at 4(h) and 5 above, the Common Council, in accordance with Section 30(2) of the Local Government Finance Act 1992, hereby proposes the following amounts as the amounts of Council Tax for the year 2019/20 for each of the categories of dwelling as shown below:

Council Tax Valuation Bands Inclusive of GLA Precept

Valuation Bands	Inner Temple	Middle Temple	City excluding Temples (special expense
	£	£	£
A	648.44	648.44	648.44
B	756.51	756.51	756.51
C	864.59	864.59	864.59
D	972.66	972.66	972.66
E	1,188.81	1,188.81	1,188.81
F	1,404.95	1,404.95	1,404.95
G	1,621.10	1,621.10	1,621.10
H	1,945.32	1,945.32	1,945.32

7. The Common Council of the City of London hereby determines that the following amounts of discount be awarded:
- i. dwellings in Class B as defined in the Council Tax (Prescribed Classes of Dwellings) (England) Regulations 2003 prescribed by the Secretary of State under the provisions of Section 11A of the Local Government Finance Act 1992 should be nil;
 - ii. dwellings in Class C as defined in the Council Tax (Prescribed Classes of Dwellings) (England) Regulations 2003 prescribed by the Secretary of State under the provisions of Section 11A of the Local Government Finance Act 1992:

- (a) in the case of a vacant dwelling that has been such for a continuous period of less than 6 months ending immediately before the day in question: should be nil;
 - (b) in the case of a vacant dwelling that has been such for a continuous period of 6 months or more: should be nil;
 - iii. dwellings in Class D as defined in the Council Tax (Prescribed Classes of Dwellings) (England) Regulations 2003 prescribed by the Secretary of State under the provisions of Section 11A of the Local Government Finance Act 1992 should be nil;
 - iv. care leavers within the City up to the age of 25, under Section 13A(1)(c) of the Local Government Finance Act 1992 subject to liability considerations should be 100%; and
 - v. discretionary discounts up to 100% under Section 13A(1)(c) of the Local Government Finance Act 1992 to provide council tax support in exceptional circumstances as agreed by the Finance Committee at its meeting in November 2017.
8. The Common Council of the City of London determines that for 2019/20 a long-term empty property premium is levied under the provisions of Section 11B of the Local Government Finance Act 1992 at the maximum rate in accordance with legislation. (For 2019/20 this will result in an additional levy of 100% i.e. a council tax charge of 200% for applicable vacant dwellings).
9. The Common Council of the City of London hereby determines that its relevant basic amount of council tax for 2019/20, calculated in accordance with Section 52ZX of the Local Government Finance Act 1992 is not excessive in accordance with the Referendums Relating to Council Tax Increases (Principles) (England) Report 2019/20.

Council Tax Reduction (formerly Council Tax Benefit)

10. It be noted that at the Court of Common Council meeting in January 2017 Members approved the Council Tax Reduction Scheme for 2017/18 and future years to be the same as the scheme for 2016/17. There were no proposals to make any specific amendments to the Council Tax Reduction Scheme for that or future years, beyond keeping the scheme in line with Housing Benefit.

Effectively, therefore, the City's Local Council Tax Reduction Scheme for 2019/20 will remain the same as was administered in 2016/17, 2017/18 and 2018/19 subject to the annual uprating of non-dependent income and deductions, and income levels relating to Alternative Council Tax Reduction, or any other uprating as it applies to working age claimants, adjusted in line with inflation levels by reference to relevant annual uprating in the Housing Benefit Scheme or The Prescribed Council Tax Reduction Scheme for Pensioners.

Non Domestic Rates

11. The Common Council of the City of London being a special authority in accordance with Section 144(6) of the Local Government Finance Act 1988 hereby sets for the chargeable financial year beginning with 1st April 2019, a Non-Domestic Rating Multiplier of 0.510 and a Small Business Non-Domestic Rating Multiplier of 0.497 in accordance with Part II of the Schedule 7 of the said Act. (Both multipliers are inclusive of the City business rate premium of 0.006).
12. In addition, the levying by the Greater London Authority of a Business Rate Supplement in 2019/20 of 0.020 (i.e. 2.0p in the £) on hereditaments with a rateable value greater than £70,000, to finance its contribution to Crossrail, be noted.
13. A copy of the said Council Taxes and the Non-Domestic Rating Multipliers, signed by the Town Clerk, be deposited in the offices of the Town Clerk in the said City, and advertised within 21 days from the date of the Court's decision, in at least one newspaper circulating in the area of the Common Council.

Capital Expenditure and Financing for the Year 2019/20

Having considered the circulated report, we further recommend that the Court passes a resolution in the following terms: -

14. The City Fund capital budget is approved, and its final financing be determined by the Chamberlain, apart from in regard to any possible borrowing options.
15. For the purpose of Section 3(1) of the Local Government Act 2003, for the financial years 2019/20 to 2021/22, the Court of Common Council hereby determines that at this stage the amount of money (referred to as the "Authorised Limit"), which is the maximum amount which the City may have outstanding by way of external borrowing, shall be £513,379,000.
16. For the purpose of Section 21(A) of the Local Government Act 2003, for the financial year 2019/20, the Court of Common Council hereby determines that the prudent amount of Minimum Revenue Provision is £1,152,000 using the asset life method over the useful economic life of the relevant assets and which equals the amount of deferred income released from the premiums received for the sale of long leases in accordance with the Minimum Revenue Provision Policy at Appendix F.
17. Any potential external borrowing requirement and associated implications will be subject to a further report to Finance Committee and the Court of Common Council.
18. The Chamberlain be authorised to lend surplus monies on the basis set out in the Annual Investment Strategy, with an absolute limit of £300m for maturities in excess of 364 days.
19. The following Prudential Indicators be set:

	2018/19	2019/20	2020/21
Estimates of the ratio of financing costs to net revenue stream:			
HRA	0.61	0.68	0.71
Non-HRA	(0.09)	(0.39)	(0.45)
Total	(0.04)	(0.30)	(0.35)
Estimates of Capital Expenditure & External Debt	£m	£m	£m
HRA	24.161	37.142	45.540
Non-HRA	92.961	173.903	137.684
Total	117.122	211.045	183.224
Estimates of Capital Financing Requirement – underlying need to borrow	£m	£m	£m
HRA	3.141	9.460	9.279
Non-HRA	43.804	117.830	215.361
Total	46.945	127.920	224.637
Net borrowing/(Net investments)	Period 2018/19 to 2021/22 £m 286.498		
Capital financing requirement – underlying need to borrow	399.843		

Prudential indicators for affordability, prudence, capital expenditure and external debt:

TREASURY MANAGEMENT INDICATORS	2017/18	2018/19	2019/20	2020/21	2021/22
	actual	probable outturn	estimate	estimate	estimate
	£'000	£'000	£'000	£'000	£'000
Authorised Limit for external debt -					
Borrowing	-	146,945	227,290	324,637	499,843
other long-term liabilities	14,006	13,888	13,770	13,653	13,536
TOTAL	14,006	160,833	241,060	338,290	513,379
Operational Boundary for external debt -					
Borrowing	-	46,945	127,290	224,637	399,843
other long-term liabilities	14,006	13,888	13,770	13,653	13,536
TOTAL	14,006	60,833	141,060	238,290	413,379

TREASURY MANAGEMENT INDICATORS	2017/18	2018/19	2019/20	2020/21	2021/22
Actual external debt*	£0	£0	-	-	-
Upper limit for total principal sums invested for over 365 days (per maturity date)	£200m	£300m	£300m	£300m	£300m

Maturity structure of borrowing during 2019/20	upper limit	lower limit
- under 12 months	50%	0%
- 12 months and within 24 months	50%	0%
- 24 months and within 5 years	50%	0%
- 5 years and within 10 years	75%	0%
- 10 years and above	100%	0%

Local Indicator focusing on revenue reserves:

	2018/19	2019/20	2020/21	2021/22
Times cover on unencumbered revenue reserves	2.7	(3.8)	N/a	N/a
<i>At this time last year</i>	<i>(4.3)</i>	<i>15.2</i>	<i>0.1</i>	<i>-</i>

Other Recommendations

20. The Treasury Management Strategy Statement and Annual Investment Strategy 2019/20 are endorsed.
21. The Chamberlain's assessment of the robustness of budgets and the adequacy of reserves and contingencies is endorsed.

Report – Finance Committee

Revenue and Capital Budgets 2018/19 and 2019/20: City's Cash and Bridge House Estates

To be presented on Thursday, 7th March 2019

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

SUMMARY

This report should be read in conjunction with the separate report on the Court Summons entitled 'City Fund – 2019/20 Budget Report and Medium-Term Financial Strategy'. This report covers the 2019/20 Budget and financial outlook for City's Cash and Bridge House Estates.

Looking at the forecasts for the individual funds:

City's Cash: the increased funding requirement flowing from the adoption of a major projects programme, in addition to pressures across a range of existing revenue and capital budgets, mean that deficits are forecast across the medium-term planning horizon. The cumulative draw down on equities is £221m (including the planned £50m to finance the two Crossrail payments), when historically we would have drawn down £115m over the period. This represents a diminution of £106m of the net asset balance on the current balance sheet over the period. Whilst in the short term the position is benign, the medium-term financial budget position will become increasingly challenging.

This challenging position, coupled with the scale of the financial uncertainties and challenge from City Fund, mean that the City of London Corporation will need to undertake a fundamental review of its priorities and expenditure over the next year to ensure that budgets are fully aligned with and support our Corporate Plan objectives and our finances are put on to a sustainable footing over the medium-term. It is a question of addressing both the medium-term financial challenge and how best to use our resources to achieve a Corporate Plan with maximum impact.

Bridge House Estates is in a strong financial position, with surpluses forecast across the period, before additional funding requests. Initial financial modelling shows that potentially £374m of the general fund could be released to support charitable funding activities. However, the immediate priority is to clarify ongoing bridge maintenance needs and future replacement costs/timings; it is key that these costs are fully understood and provided for, prior to committing additional funds towards charitable funding.

Guildhall Administration: the report also summarises the budgets for central support services within Guildhall Administration (which currently 'holds' such costs before these are wholly recovered). Consequently, after recovery of costs, the net expenditure on Guildhall Administration is nil.

The 2019/20 [Summary Budget Book](#) accompanies this report and is available on the City Corporation's website, [here](#). Copies are also available in the Members' Reading Room and can be requested from Philip.Gregory@cityoflondon.gov.uk. The Summary Budget Book provides:

RECOMMENDATION(S)

Members are asked to:

1. Note the latest revenue budgets for 2018/19 (paragraphs 14, 19 and 26).
2. Agree the 2019/20 revenue budgets, including the following measures:
 - **Efficiency Savings:** Maintain the 2% efficiency saving across all Corporation departments, which together with the pay and inflation uplift of 2% would result in flat cash budgets (paragraph 2).
 - **Additional resource requests:** to establish an in-year provision pending further consideration by the Resource Allocation Sub Committee (paragraph 12).
3. Agree the Capital Budgets, as set out on pages 166 and 208 of the Summary Budget Book.
4. Medium Term Corporate Plan Alignment and Financial Sustainability
 - **Revenue:** Establish a fundamental review of priorities to align resources to the Corporate Plan and deliver a sustainable medium-term financial plan and receive a report on the framework and timing in March (paragraph 12)
 - **Capital:** cash limits for the major projects and explore options for further streamlining, joint ventures/private sector capital, a process for prioritising other capital projects, and the disposal of non-income earning surplus operational property as identified from the operational property review and approved by the Policy and Resources Committee (paragraph 12).

MAIN REPORT

Background

1. The primary purpose of this report is to summarise the latest budgets for 2018/19 and the proposed budgets for 2019/20 for City's Cash and Bridge House Estates, which have all been prepared within agreed policy guidelines and allocations.
2. During the autumn/winter cycle of meetings each Committee has received and approved a budget report which, with the exception of Guildhall School of Music and Drama and Bridge House Estates, has been prepared on the basis of the planning framework for Chief Officers. This framework included:
 - A reduction in resource base of 2% to deliver the previously approved Efficiency and Sustainability plan, which together with a pay and prices uplift of 2%, results in flat cash baselines.

- Cyclical Works Programme budgets were excluded from the 2% reduction.
3. For Bridge House Estates the budget strategy remains to maintain a surplus over and above the funding required for the ongoing maintenance and improvement of the bridges to sustain the grant-giving programme through the City Bridge Trust.
 4. Accompanying this report is the Summary Budget Book 2019/20 which is available on the City Corporation's website, [here](#). Copies are also available in the Members' Reading Room and can be requested from Philip.Gregory@cityoflondon.gov.uk. The Summary Budget Book provides:
 - i. all the budgets at a summary level in a single document;
 - ii. service overviews – a narrative of the services for which each Chief Officer is responsible;
 - iii. Chief Officer summaries – the net revenue expenditure by division of service, fund, type of expenditure and income;
 - iv. Fund summaries showing the net revenue requirement for each Fund supported by Committee summaries showing the net requirement for each Committee within the Fund; and
 - v. the capital and supplementary revenue project budgets by Fund.

Overall Financial Strategy

5. The City of London Corporation's overall financial strategy seeks to:
 - maintain and enhance the financial strength of the City Corporation through its investment strategies for financial and property assets;
 - pursue budget policies which seek to achieve a sustainable level of revenue spending and create headroom for capital investment and policy initiatives;
 - create a stable framework for budgeting through effective financial planning; and
 - promote investment in capital projects which bring clear economic, policy or service benefits.
6. The medium-term financial strategies and budget policies for City's Cash and Bridge House Estates are set out in Appendix 1. City Fund's medium-term financial strategy is included in the separate the City Fund report.

Financial overview

7. The financial overview across the medium-term planning horizon is shown in table 1 below:

TABLE 1**CITY'S CASH**

Surplus/ (Deficit)	2018/19	2019/20	2020/21	2021/22	2022/23
(Deficit)/ Surplus with planned equity drawdown	(11.6)	(2.9)	(2.4)	(2.6)	3.5
Major Project Financing	0	(4.5)	(7.5)	(9.3)	(12.4)
Budget uplift revenue requests	0	(5.3)	(4.8)	(3.7)	(3.4)
City's Cash combined deficit	(11.6)	(12.7)	(14.7)	(15.6)	(12.3)
Financed by:					
Reserves (excluding required income generating fund reserves) *	44.7	26.2	31.1	35.3	43.3
Or savings requirement	11.6	12.7	14.7	15.6	12.3

*Assumes continued average 6.7% rate of return on securities backed reserves; all property reserves designated for income generation

BRIDGE HOUSE ESTATES

Surplus/ (Deficit)	2018/19	2019/20	2020/21	2021/22	2022/23
Surplus with planned equity drawdown	2.1	0.8	0.8	1.5	0.3
Budget uplift revenue requests	0	(1.5)	(1.4)	(1.4)	(1.4)
BHE combined surplus/ (deficit)	2.1	(0.7)	(0.6)	0.1	(1.1)

8. Although City's Cash income streams are stable, we are already drawing down on recent balance sheet growth to support the revenue position. In the immediate short-term the financial position is more benign, but both the medium term and the longer-term views are problematic, particularly if the City's Cash potential major projects (Markets Consolidation, Centre for Music) start to ramp up. The medium-term financial budget position will therefore become increasingly challenging.
9. The cumulative draw down on equities is £221m (including the planned £50m to finance the two Crossrail payments), when historically we would have drawn down £115m over the period. This represents a diminution of £106m of the net asset balance on the current balance sheet over the period.
10. For City's Cash, the potential impact of capital projects (Markets and C4M) would be considerable with annual revenue costs of £18m by 2023/24 and a gearing of 22% long term debt to net asset ratio. The revenue impact from borrowing to fund £138m of second tier projects would be c£5m, giving a total revenue pressure of £23m pa.

A Strategic Response to Match the Scale of the Challenges for City's Cash

11. Before addressing the immediate pressures in 2019/20, it is important to respond to the scale of the medium-term challenge for City's Cash and to take the steps

now to ensure that we can take a strategic and prioritised response to the big challenges that we expect to emerge in 2020/21.

12. The separate report on City Fund shows that, although City Fund is forecast to be in surplus by £19m for 2019/20, it can only be balanced over the next four years, with the use of general reserves. Over the medium term, savings potentially up to £50m p.a. need to be taken out of budgets (£27m on City Fund and £23m on City's Cash) which equates to a 27.5% cut to net expenditure on City Fund and 24.4% on City's cash net expenditure. This requires action on both revenue and capital budgets, which could be approached by simply applying an across the board reduction in departmental budgets. But the **recommended** approach is to:

Establish a fundamental review that will seek to ensure that funding is aligned with the Corporation's Corporate Plan objectives and ensure a sustainable budget position over the medium and longer term.

As agreed by the December Policy and Resources Committee, cash limit the agreed major projects and seek opportunities to streamline, draw in private sector capital and prioritise other capital requests.

Approach to current year revenue requests

- i. There have been a large number of additional funding requests for 2019/20, for City's Cash totalling £5.3m and BHE totalling £1.5m p.a. These are shown in appendix 5.
- ii. The items shaded in grey have already been approved by Policy and Resources Committee.
- iii. For City's Cash, the majority of the fixed term (between one and five years) additional spend requests have already been agreed by Policy and Resources, but over £1m is discretionary and for Member consideration. Given that City's Cash is already drawing down on the growth in the balance sheet, before the impact of these funding pressures, there is only limited scope to approve ongoing base budget adjustments.
- iv. A provision will be created to ringfence funds for base budget uplifts in 2019/20, as listed in Appendix 5, which will require authorisation from Resource Allocation Sub-committee to release.
- v. In advance of the **prioritisation process**, which will form a central element of the fundamental review for budgets for 2020/21 onwards, an option is to include a provision within the 2019/20 budget, subject to Resource Allocation Sub Committee's scrutiny of these requests. Agreeing base budget uplifts increases correspondingly the savings targets in future years. It also underlines the **need for additional unfunded revenue bids to be avoided during 2019/20**, which could pre-empt the outcome of the fundamental review.

CITY'S CASH

13. The 2018/19 and 2019/20 budgets for City's Cash are set out below. They have been prepared within the planning frameworks agreed by the Resource Allocation Sub-Committee shown at Appendix 1.

City's Cash Summary			
	2018/19 Original £m	2018/19 Latest £m	2019/20 Original £m
Gross Revenue Expenditure	(238.3)	(237.5)	(237.8)
Gross Revenue Income	169.9	177.8	181.5
Operating (Deficit) Surplus funded by drawdown	(68.4)	(59.7)	(56.3)

14. City's Cash net expenditure is £8.7m lower comparing the latest 2018/19 budget with the 2018/19 original budget. The gross expenditure above includes a £25m Crossrail contribution in each year in 2018/19 and 2019/20. The main movements comprise central risk budget adjustments and carry forwards, reduced SRP expenditure, revised rental income from investment properties offset by the creation of the Brexit contingency pot of £2m and the re-introduction of the capped service charge at Smithfield market.
15. The budget for 2019/20 includes further additional rental income from investment property and additional budget allocations to the Economic Development Office (£1.8m), the Green Finance Institute (£0.7m) and to fund increasing costs including the energy contract (£0.3m).
16. The net positions for 2018/19 and 2019/20 are summarised by Committee in Appendix 2 with the budget funding requests for 2019/20 in Appendix 5. Reserves are available to meet the estimated deficit in the current year and in 2019/20.
17. The City's Cash deficit is funded through a planned drawdown on non-property investments. Historically around £23m has been drawn down each year to fund the deficit (as a proxy for dividend income from total return investment funds). If the £25m Crossrail payments are excluded from the deficits above, the drawdown amounts are around £12m higher than historic levels in each year. If drawdown amounts continue at this rate there is a risk that the strength of the balance sheet may be diminished over the medium term.

City's Cash Capital & Supplementary Revenue Project Budgets

18. The latest City's Cash capital and supplementary revenue projects budgets total £205.6m for 2018/19 and £35.3m for 2019/20. The budgets include Markets Consolidation Programme costs, purchase of 20/21 Aldermanbury, property investments and works at the CoL Freeman's School. These budgets are set out in detail at page 166 of the summary budget book.

BRIDGE HOUSE ESTATES

Overall Budget Position

19. A strong financial position, with surpluses forecast across the period, before additional funding requests. Initial financial modelling shows that potentially £374m of the general fund could be released to support charitable funding activities. However, the immediate priority is to clarify ongoing bridge maintenance needs and future replacement costs/timings; these costs must be fully understood and provided for prior to committing additional funds towards charitable funding.
20. The Bridge House Estates outturn position in the current year is expected to be a surplus of £2.1m compared to a balanced original budget. This is mainly due to increased rental income from investment properties.
21. The budget for 2019/20 includes a reduction in rental income from investment property and additional costs to support the delivery of the Philanthropy strategy.
22. The primary purpose of the charity is to ensure the bridges are maintained and repaired appropriately. The current budget includes a total commitment of £100m from 2018/19 over the next 5 years to fund the City Bridge Trust 'Bridging Divides' strategy for charitable giving.
23. With regard to future years of the financial forecast Bridge House Estates has a small draw down requirement, although as the increased costs are largely due to recharges from Guildhall administration, savings in these budgets will reduce that requirement.
24. The budgets have been prepared in accordance with the budget policy set out in Appendix 1 and the requirements for 2018/19 and 2019/20 are summarised in the table below:

Bridge House Estates Summary			
	2018/19 Original £m	2018/19 Latest £m	2019/20 Original £m
Gross Expenditure	(53.1)	(53.7)	(54.7)
Gross Income	37.5	40.2	38.4
Operating (Deficit) Surplus funded by drawdown	(15.6)	(13.5)	(16.3)

25. Appendix 3 shows the budgets by committee with the budget funding requests for 2019/20 in Appendix 5.

Bridge House Estates Capital & Supplementary Revenue Project Budgets

26. The latest Bridge House Estates capital and supplementary revenue projects budgets total £2.4m for 2018/19 and £0.5m for 2019/20. The budgets relate mainly to property investments. These budgets are set out in detail at page 208 of the summary budget book.

GUILDHALL ADMINISTRATION

Overall Budget Position

27. Guildhall Administration encompasses most of the central support services for the City, with the costs being fully recovered from the three main City Funds, Housing Revenue Account, Museum of London and other external bodies in accordance with the level of support provided. Consequently, after recovery of costs, the net expenditure on Guildhall Administration is nil. The table below summarises the position.

Guildhall Administration Summary			
	2018/19 Original £m	2018/19 Latest £m	2019/20 Original £m
Gross Expenditure	(70.1)	(72.9)	(74.0)
Gross Income	70.1	72.9	74.0
Operating (Deficit) Surplus funded by drawdown	-	-	-

28. The gross expenditure for Guildhall Administration is recovered across all funds. Increased costs in 2018/19 arose from increased buildings insurance premiums (£1.1m), carry forward requests and inflation costs.

29. The 2019/20 budget includes increased energy costs and additional staff within the corporate centre in addition to almost £1m in increased running costs for the Guildhall complex.

30. Appendix 4 shows the budgets by committee with the budget funding requests for 2019/20 in Appendix 5.

Appendices

- Appendix 1 – Medium Term Financial Strategy/Budget Policy
- Appendix 2 – City's Cash Budget
- Appendix 3 – Bridge House Estates Budget
- Appendix 4 – Guildhall Administration Budget
- Appendix 5 – Additional Resource Requests by Fund

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

DATED this 19th day of February 2019.

SIGNED on behalf of the Committee.

Jeremy Paul Mayhew
Chairman, Finance Committee

City's Cash

The main constituents of the current budget policy for City's Cash services reflect the general elements within the City Fund strategy together with the following specific objectives:

- ensure that ongoing revenue expenditure is contained within revenue income over the medium term and sufficient surpluses are generated to finance capital investment on City's Cash services;
- continue to seek property investment opportunities to enhance income/seek capital appreciation during the year, subject to any financing being met from the City's Estate Designated Sales Pool; and
- sell either property or financial assets, which would need to be in addition to property disposals required to meet the financing requirements of the Designated Sales Pool, to meet City's Cash cash-flow requirements.

Bridge House Estates

Budget policy in relation to Bridge House Estates is as follows:

- adhering to a planning framework which provides cash limit allowances towards inflationary pressures rather than the budget reductions and savings programmes applied to other funds;
- ensuring that ongoing revenue expenditure is contained within revenue income over the medium term and that sufficient surpluses are generated to finance expenditure on the Bridges with surplus funds allocated to charitable grants; and
- continuing to seek property investment opportunities to enhance income/provide capital appreciation during the year subject to any financing being met from the Bridge House Estates Designated Sales Pool.

CITY'S CASH

City's Cash 2018/19 and 2019/20 budgets shown by Committee in the table below:

City's Cash Summary by Committee	2018/19 Original £m	2018/19 Latest £m	2019/20 Original £m
Net (Expenditure) Income			
Culture, Heritage & Libraries	(0.1)	(0.2)	(0.1)
Education Board	(2.3)	(2.4)	(2.6)
Finance	(58.4)	(50.0)	(52.7)
G. P. Committee of Aldermen	(3.6)	(4.3)	(3.9)
Guildhall School of Music and Drama	(11.8)	(11.6)	(12.2)
Markets	0.9	(0.8)	(0.1)
Open Spaces :-	0.0	0.0	0.0
Open Spaces Directorate	0.0	0.0	0.0
Epping Forest and Commons	(9.1)	(8.4)	(7.6)
Hampstead, Queen's Pk, Highgate Wd	(8.9)	(7.8)	(7.9)
Bunhill Fields	(0.4)	(0.3)	(0.2)
West Ham Park	(1.6)	(1.4)	(1.3)
Policy and Resources	(14.3)	(17.3)	(14.8)
Property Investment Board	45.3	48.9	51.5
Schools :-	0.0	0.0	0.0
City of London School (1)	(1.6)	(1.6)	(1.7)
City of London Freeman's School (1)	(1.8)	(1.8)	(1.8)
City of London School for Girls (1)	(0.7)	(0.7)	(0.9)
	0.0	0.0	0.0
(Deficit) Surplus (from) to reserves	(68.4)	(59.7)	(56.3)

1. Shows City Support rather than net expenditure by the schools.

- The following table further analyses the budget to indicate the income produced from the City's assets (investment property rent income, non-property investment income and interest on balances, at lines 3 to 5 respectively). It also indicates the underlying deficits or surpluses on City's Cash before the anticipated profits on the sale of assets are taken into account (lines 6 to 8).

City's Cash Requirements 2018/19 and 2019/20					
		2018/19 Original £m	2018/19 Latest £m	2019/20 Original £m	Para. No.
1	Net expenditure on services	(105.8)	(111.6)	(111.0)	
2	Cyclical Works Programme and SRP's	(20.4)	(10.6)	(9.5)	
3	Estate rent income	53.1	57.8	59.5	
4	Non-property investment income	2.3	2.3	2.3	
5	Interest on balances	0.3	0.3	0.3	
6	Operating (Deficit) / Surplus	(70.5)	(61.8)	(58.4)	
7	Profit on asset sales/deferred income	2.1	2.1	2.1	
8	(Deficit) / Surplus funded by drawdown	(68.4)	(59.7)	(56.3)	

2. The City's Cash position in the current year is expected to be a deficit of £59.7m compared to £68.4m in the original budget; the deficit will be funded with a draw-down of investments. The forecasts for 2018/19 and 2019/20 include a payment of £25m in each year for Crossrail.

BRIDGE HOUSE ESTATES

Bridge House Estates 2019/20 budgets shown below:

Bridge House Estates Summary by Committee <i>Net (Expenditure) Income</i>	2018/19 Original £m	2018/19 Latest £m	2019/20 Original £m
The City Bridge Trust	(23.8)	(23.5)	(23.3)
Culture, Heritage and Libraries	0.8	0.5	0.6
Finance	(4.3)	(4.1)	(5.6)
Planning and Transportation	(4.6)	(5.0)	(5.0)
Property Investment Board	16.3	18.5	17.0
(Deficit) Surplus (from) to reserves	(15.6)	(13.6)	(16.3)

1. Figures in brackets denote expenditure, increases in expenditure, or shortfalls in income.

3. The following table further analyses the budget to indicate:

- the income produced from the City's assets (investment property rent income, non-property investment income and interest on balances at lines 4 to 7 respectively); and
- the budget for charitable grants (line 9).

Bridge House Estates Requirements 2018/19 and 2019/2020					
		2018/19 Original £m	2018/19 Latest £m	2019/20 Original £m	Para. No.
1	Net expenditure on services	(19.0)	(19.2)	(20.5)	
2	Cyclical Works Programme	0.0	0.0	0.0	
3	Bridges repairs, maintenance and major works fund contribution	(1.1)	(1.1)	(1.1)	
4	Estate rent income	21.2	23.5	21.8	
5	Non-property investment income (net)	4.7	4.7	4.7	
6	Interest on balances	0.1	0.1	0.1	
7	Profit on asset sales	0.0	0.0	0.0	
8	Revenue surplus	5.9	8.0	5.0	
9	Charitable grants	(21.5)	(21.5)	(21.3)	
10	Deficit (Surplus) funded by drawdown	(15.6)	(13.5)	(16.3)	

1. Figures in brackets denote expenditure, increases in expenditure, or shortfalls in income.

4. The Bridge House Estates position in the current year is expected to be a surplus of £8.0m compared to a surplus of £5.9m.
5. For 2018/19 and 2019/20, the Bridge House Estates budget will be funded by a drawdown on reserves after charitable grantmaking; and this continues across the planning horizon.

GUILDHALL ADMINISTRATION

6. Shown by Committee is the table below:

Guildhall Administration by Committee Net Expenditures	2018/19 Original £m	2018/19 Latest £m	2019/20 Original £m
Establishment - Town Clerk & C&CS	(11.7)	(12.7)	(12.6)
Finance - Chamberlain	(35.4)	(37.8)	(38.4)
Finance - City Surveyor, Remembrancer and Town Clerk	(23.0)	(22.4)	(23.0)
Total Net Expenditure	(70.1)	(72.9)	(74.0)
Recovery of Costs	70.1	72.9	74.0
Total Guildhall Administration	0	0	0

1. *Figures in brackets denote expenditure, increases in expenditure, or shortfalls in income.*

The net revenue budget for 2018/19 has increased by £2.8 overall to £72.9m.

The net expenditure for 2019/20 is £74.0m, an increase of £3.9m from the 2018/19 original budget.

This page is intentionally left blank

	One off/ ongoing	Funded?	£'000	Detail	Comments
ALREADY APPROVED					
Cyber Griffin	2 years	No	505.0	Budget uplift for EDO/CoLP for 2 years (£925k in 2018/19) only	P&R - 7 June 2018: already approved
Green Finance Institute	3 years	Match	650.0	£2m over 3 years, match funded by HMT	RA Sub - June 2018- already approved
Wellbeing: Sports Strategy	3 years	No	250.0	£75k P&R contingency in 2018/19	P&R - 5 July 2018: already approved
Wellbeing: Mental Health Centre	3 years	Yes	35.0	Initial PIP bid for 2018/19 of £60k. Funding for 3 years in total	PIP- already approved
Wellbeing: Mental Health Centre	one-off	External	32.0	HRA compensation for void periods (one off)	P&R - 5 July 2018: already approved
Wellbeing: Mental Health Centre	3 years	External	192.0	HRA compensation for rent free period (three years)	P&R - 5 July 2018: already approved
Uplift to Mayoral / Shrieval budgets	Ongoing	No	279.0	Increase to Mayoral and Shrieval budgets to ensure that there is sufficient budget to fund events at the Old Bailey and to ensure that there are sufficient resources in place to ensure that an Alderman is not required to expend personal money to take on the discharge of offices of Alderman, Sheriff (including non-Aldermanic Sheriff) and Lord Mayor.	Joint Deputation of Aldermen, Finance Committee and Policy & Resources Committee 15th October 2018: already approved.
Corporate Energy contract	Ongoing	No	254.0	Corporate energy contract has been relet from 1 Oct 18 with an average increase in cost of 32%. It was agreed that calculated inflation would be provided for 19-20 for the major corporate properties (excluding services recharged to third parties).	Finance and Court under Urgency July 2018 Already approved
Borrowing costs	one-off	Yes	200.0	Estimated costs of borrowing advice due to Private Placement (additional fees may be incurred)	P&R & Finance Cttee approved in principle in Dec 2018. Was to be financed from Finance Cttee contingencies, but moved out to later in 2019, with bank facility in 2018/19.
Supporting the City: City Week 2019 Sponsorship	One-off	Yes-PIF	25.0	£25k in PIF 2019/20	P&R - 5 July 2018: Already approved
Supporting the City: CityUK Funding	5 years	No	100.0	Base budget uplift to fund contribution to CityUK.	P&R Dec 18. Already approved
Supporting the City: Strengthening the work on global competitiveness	Ongoing	No	1,800.0	Base budget uplift in EDO of £2m with 10% efficiency saving	P&R Dec 18. Already approved. Included in forecast
Already approved subtotal			4,322.0		
OPEN SPACES:					
Open Spaces Learning Programme	Ongoing	No	395.0	£395k previously funded via City Bridge Trust grant	
Oak Processionary Moth (OPM) Tree Pests & Diseases	Ongoing	No	200.0	£200k in 19/20, £250k thereafter	Open Spaces - Dec 2018
Open Spaces Subtotal:			595.0		
INCOME					
Rental Income - adjustment to budget	Ongoing	N/A	-1,716.0	Additional estimated rental income	Additional income
Income Subtotal:			-1,716.0		
OPERATIONAL PROPERTY RUNNING COSTS:					
5 New Posts City Surveyor Projects Group	Linked to projects	Recharged to Projects	367.0	£50k recruitment (one-off) £317k ongoing	CASC 1st November; Establishment 3rd Dec. Recharge projects
Operational Estate - Asset Maintenance	Ongoing	No	271.0	Cost of maintaining assets identified through the Asset verification exercise. Net cost, after savings on the contract retender, is £515k. BHE made saving on investment property but has no extra cost on operational property hence contribution.	CASC 5th September and P&R 4th October: growth in asset base. Part included forecasts.
Operations subtotal:			638.0		
Subtotal:			3,839.0		
DIMINIMUS ITEMS: less than £100k			£'000	Detail	Recommended for Approval
Gresham College		No	29.5	2.5 FTE posts - funded from Finance Committee contingency in 18/19	Finance - 8 May 2018. Recommended for approval
City Surveyors -Market Forces Supplements for teams	Ongoing	No	68.0	£30k Commercial Group;£25k Operations Group; £13k Projects Group	CASC 1st November; Establishment 3rd Dec. Not able to absorb within local risk (overspending in year)
Education Board - Careers Week	Ongoing	PIF?	60.0	Annual Careers Week event in the City	
Education Board - Fusion Skills Tracking tool	One-off?	No	80.0	Implement a fusion skills assessment tracking tool	
Sustainable Buildings review	One-off	No	43.0	Develop plans to make our operational and investment properties more environmentally sustainable	PIB 12th Dec. RASC 17th January. Discretionary one off spend, the review may lead to future resource requests unless otherwise contained.
St Lawrence Jewry – extension to grant arrangements	three years	no	9.5	Additional costs of the MOU between the CoL, Guildhall Church Council and Diocese	P&R - Feb 2019.
Subtotal:			290.0		
TOTAL:			4,129.0		
Reapportion Guildhall Admin			1,122.5		
Cost per fund			5,251.5		

	One off/ ongoing	Funded?	£'000	Detail	Comments
GOVERNANCE:					
Philanthropy Strategy/City Bridge Trust	Ongoing	Yes	94.0	To support the delivery of the agreed Philanthropy strategy	Included in forecast
INCOME					
Rental Income - BHE	Ongoing	N/A	1,326	Decrease in expected rental income	Included in forecast
OPERATIONAL PROPERTY RUNNING COSTS:					
Corporate Energy contract	Ongoing	Yes	94.0	Corporate energy contract has been relet from 1 Oct 18 with an average increase in cost of 32%. It was agreed that calculated inflation would be provided for 19-20 for the major corporate properties (excluding services recharged to third parties).	Finance and Court under Urgency July 2018 Already approved
Operational Estate - Asset Maintenance	Ongoing	Yes	-88.0	Cost of maintaining assets identified through the Asset verification exercise. Net cost, after savings on the contract retender, is £515k. BHE made saving on investment property but has no extra cost on operational property hence contribution.	CASC 5th September and P&R 4th October: growth in asset base. Part included forecasts.
Operations subtotal:			6.0		
Subtotal:			1,426.0		
DIMINIMUS ITEMS: £100k and under					
City Bridge Trust	One-off	Yes	35.0	To support the delivery of the agreed CBT Strategy	Included in forecast
Subtotal:			35.0		
TOTAL:			1,461.0		

	One off/ ongoing	Funded?	£'000	Detail	Comments
ALREADY APPROVED:					
Renewable Energy Strategy	One-off	No	50.0	£25k in P&R contingency in 2018/19	P&R - 7 June 2018: already approved
Corporate Energy contract	Ongoing	No	321.0	Corporate energy contract has been relet from 1 Oct 18 with an average increase in cost of 32%. It was agreed that calculated inflation would be provided for 19-20 for the major corporate properties (excluding services recharged to third parties).	Finance and Court under Urgency July 2018 Already approved
Diversity and Business Engagement	Ongoing		90.0	£76k in P&R contingency in 2018/19 - HR budget uplift	P&R - 5 July 2018: already approved and included in forecast.
Corporate Treasury	Ongoing		70.0	salary cost of additional staff member to support investment and borrowing	FC - 11 Dec 2018, P&R 13 Dec 2018 already approved
Already Approved subtotal:			531.0		
GOVERNANCE:					
TC new posts	Ongoing	No	190.0	3 new posts in Committee and Member Services	Establishment - 9 July 2018
Funding to support earlier close of financial accounts	One-off	No	300.0	One-off costs of project to streamline accounts closure process during 18/19 and 19/20	
Governance subtotal:			490.0		
OPERATIONAL PROPERTY RUNNING COSTS:					
Guildhall Complex Running Costs	Ongoing	No	946.0	To cover additional costs of running the building due to age and increased usage	CASC - 1st November. Although this is technically unfunded, the opportunity cost should be considered in the Guildhall trading account for the pricing of events. Recommended for approval.
Operational Estate - Asset Maintenance	Ongoing	No	218.0	Cost of maintaining assets identified through the Asset verification exercise. Net cost, after savings on the contract retender, is £515k. BHE made saving on investment property but has no extra cost on operational property hence contribution.	CASC 5th September and P&R 4th October: growth in asset base. Part included forecasts.
Guildhall Complex Running Costs	Ongoing	No	60.0	Citygen - Guildhall complex incl Wood St heat supplies	
Operational Property subtotal:			1,224.0		

TOTAL:	2,245.0
Reapportion Guildhall Admin - City Fund	-1,122.5
Reapportion Guildhall Admin - City's Cash	-1,122.5
Balance:	0.0

This page is intentionally left blank

Report – Policy and Resources Committee

Report of Urgent Action Taken: London Councils Grants Scheme 2019/20 Levy

To be presented on Thursday, 7th March 2019

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

SUMMARY

The City of London Corporation is responsible for issuing the annual levies for subscriptions to all the constituent councils of the London Councils Grants Scheme (LCGS). The Court of Common Council can only consider the levies if at least two-thirds of the constituent councils (i.e. 22 out of 33 of the London local authorities) have approved the total expenditure to be incurred under the Grants Scheme.

Having received confirmation from London Councils that the budget had been agreed by over two thirds of the Constituent Councils, the approval of the Court was sought under the urgency procedures to issue the levies before the statutory deadline of 15 February 2019.

We therefore report that on 5 February 2019, approval was given in accordance with Standing Order No. 19 to issue the levies as set out in the appendix to this report.

MAIN REPORT

1. The budget for the London Councils Grants Scheme and the City of London Corporation's contribution to the Scheme is considered on an annual basis by your Policy and Resources Committee. At its meeting on 17 January 2019 the Committee considered and approved the total amount of expenditure to be incurred in 2019/20 (i.e. £6.909m, £6.668m of which would come from the constituent councils of the Scheme) as well as the City Corporation's subscription to it (i.e. £5,780).
2. The City Corporation is also responsible for issuing levies for subscriptions to all the constituent councils of the Scheme. This element of the Grants Scheme can only be approved by the Court of Common Council. The London Councils' Grants Scheme operates under section 48 of the Local Government Act 1985 which requires at least two-thirds of the constituent councils (i.e. 22 out of 33 of the London local authorities) to have approved the total expenditure to be incurred. Constituent councils have until 1 February to do this and a decision to issue the levies cannot be taken until such time as this has happened. The Court is therefore required to make its decision as levying body between 1 and 15 February each year as, in accordance with regulations, levies have to be issued before 15 February 2019.

3. On 5 February 2019 London Councils confirmed that over two-thirds of constituent councils had agreed the expenditure to be incurred for 2019/20. As the Court of Common Council was not due to meet ahead of 15 February, approval to issue the levies before the statutory deadline was sought under urgency procedures pursuant to Standing Order No.19.
4. Approval was subsequently given to a levy of £6.668m being applied to constituent councils for 2019/20 as set out in the appendix to this report.

APPENDIX – Borough Subscriptions for 2019/20

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

DATED this 5th day of February 2019.

SIGNED on behalf of the Committee.

Deputy Catherine McGuinness
Chair, Policy and Resources Committee

Grants Committee Income and Expenditure Budget 2019/20

Expenditure	Revised Budget 2018/19 £000	Developments £000	Inflation £000	Original Budget 2019/20 £000
Payments in respect of Grants				
London Councils Grants Programme	6,173	0	0	6,173
Membership Fees to London Funders (for all boroughs)	60	0	0	60
European Social Fund Co-Financing	1,880	-1,778	0	102
Sub-Total	8,113	-1,778	0	6,335
Operating (Non-Grants) Expenditure				
Contractual Commitments				
Maintenance of GIFTS Grants IT system	10	0	0	10
	10	0	0	10
Salary Commitments				
Officers	353	-61	7	299
Members	19	0	0	19
Maternity provision	10	0	0	10
	382	-61	7	328
Discretionary Expenditure				
Staff training/recruitment advertising	6	1	0	7
Staff travel	2	0	0	2
	8	1	0	9
Total Operating Expenditure	400	-60	7	347
Central Recharges	155	72	0	227
Total Expenditure	8,668	-1,766	7	6,909
Income				
Core borough subscriptions				
Contribution to grant payments	6,173	0	0	6,173
Contribution to non-grants expenditure	495	0	0	495
	6,668	0	0	6,668
Other Income				
ESF Grant Income	1,000	-942	0	58
	1,000	-942	0	58
Transfer from Reserves	1,000	-817	0	183
Central Recharges	0	0	0	0
Total Income	8,668	-1,759	0	6,909
Net Expenditure	0	7	-7	0

Borough Subscriptions 2019/20

Appendix B

ONS Mid-2016 Estimate of Population ('000)	%	2018/19 Base Borough Contribution (£)		ONS Mid-2017 Estimate of Population ('000)	%	2019/20 Base Borough Contribution (£)	Base Difference from 2018/19 (£)
246.18	2.79%	186,799	Inner London	253.36	2.87%	191,438	4,639
9.40	0.11%	7,133	Camden	7.65	0.09%	5,780	-1,352
279.77	3.17%	212,286	City of London	282.85	3.21%	213,721	1,434
273.53	3.10%	207,551	Greenwich	275.93	3.13%	208,492	940
179.65	2.04%	136,316	Hackney	183.00	2.07%	138,274	1,958
232.87	2.64%	176,699	Hammersmith and Fulham	235.00	2.66%	177,565	866
156.73	1.78%	118,925	Islington	155.74	1.76%	117,677	-1,248
327.91	3.72%	248,814	Kensington and Chelsea	324.05	3.67%	244,851	-3,963
301.87	3.42%	229,056	Lambeth	301.31	3.41%	227,669	-1,387
313.22	3.55%	237,668	Lewisham	314.23	3.56%	237,431	-237
304.85	3.45%	231,317	Southwark	307.96	3.49%	232,694	1,377
316.10	3.58%	239,853	Tower Hamlets	323.26	3.66%	244,254	4,401
247.61	2.81%	187,884	Wandsworth	244.80	2.77%	184,970	-2,914
			Westminster				
3,189.69	36.14%	2,420,301		3,209.14	36.36%	2,424,817	4,516
			Outer London				
206.46	2.34%	156,660	Barking and Dagenham	210.71	2.39%	159,212	2,552
386.08	4.37%	292,953	Barnet	387.80	4.39%	293,021	67
244.76	2.77%	185,721	Bexley	246.12	2.79%	185,968	246
328.25	3.72%	249,072	Brent	329.10	3.73%	248,667	-405
326.88	3.70%	248,033	Bromley	329.39	3.73%	248,886	853
382.30	4.33%	290,085	Croydon	384.84	4.36%	290,784	699
343.20	3.89%	260,416	Ealing	342.74	3.88%	258,973	-1,443
331.40	3.76%	251,463	Enfield	332.71	3.77%	251,395	-68
278.45	3.16%	211,285	Haringey	271.22	3.07%	204,933	-6,352
248.75	2.82%	188,749	Harrow	248.88	2.82%	188,053	-696
252.78	2.86%	191,807	Havering	256.04	2.90%	193,463	1,656
302.47	3.43%	229,511	Hillingdon	302.34	3.43%	228,447	-1,064
271.14	3.07%	205,738	Hounslow	269.10	3.05%	203,331	-2,407
176.11	2.00%	133,630	Kingston upon Thames	174.61	1.98%	131,935	-1,695
205.03	2.32%	155,574	Merton	206.05	2.33%	155,691	116
340.98	3.86%	258,732	Newham	348.00	3.94%	262,948	4,216
299.25	3.39%	227,068	Redbridge	301.79	3.42%	228,032	964
195.85	2.22%	148,609	Richmond upon Thames	195.68	2.22%	147,855	-754
202.22	2.29%	153,442	Sutton	203.24	2.30%	153,568	125
275.84	3.13%	209,304	Waltham Forest	275.51	3.12%	208,175	-1,130
5,598.20	63.44%	4,247,851		5,615.87	63.64%	4,243,335	-4,516
8,787.89	99.58%	6,668,152	Totals	8,825.01	100.00%	6,668,152	0

6,668,152

6,668,152

Report – Hospitality Working Party of the Policy and Resources Committee

Applications for Hospitality

To be presented on Thursday, 7th March 2019

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

(a) **High Sheriffs Reception**

Last year, the City Corporation hosted a reception for the High Sheriffs' Association at the Old Bailey. The office of High Sheriff is a non-political Royal appointment. There are 55 High Sheriffs who serve the counties of England and Wales with each appointment lasting a year. The City of London was granted the right to elect its own sheriff in a charter of 1130, a right affirmed by King Stephen in 1141.

It is proposed that the City Corporation hosts an early evening reception for the High Sheriffs at the Old Bailey on Wednesday 29th May 2019. The reception will represent an opportunity to enhance the City's relationships with the High Sheriffs, highlight the activities of the City's Sheriffs and promote the City Corporation's aims and objectives to regional representatives.

Guests would include the High Sheriffs of England and Wales, Old Bailey Judges, and current Members who have served in the Office of Sheriff.

It is therefore **recommended** that hospitality be granted for an early evening reception for the High Sheriffs' Association at the Old Bailey, and that arrangements are made under the auspices of the Hospitality Working Party; the costs to be met from City's Cash and within approved parameters.

(b) **Armed Forces Flag Day 2019**

Armed Forces Flag Day forms part of a week of activities across the country to raise public awareness of the contribution made by the Armed Forces. Armed Forces Flag Day was established to provide an opportunity to show support for members of the Armed Forces and Service families.

To mark this occasion, and in line with previous years, it is proposed that the City Corporation hosts a flag-raising ceremony in Guildhall Yard during the afternoon of Monday 24th June 2019, followed by light refreshments in the Old Library.

This event will provide an opportunity for the City to show its support for the Armed Forces and raise awareness of the contribution made by those who are currently serving or have previously served in the Forces.

Guests will included serving and retired military personnel, reservists, cadets, Masters and Clerks of Livery Companies, pupils from the City's schools and academies, and representatives from the City's Privileged Regiments.

It is therefore **recommended** that hospitality be granted for a flag-raising ceremony to mark Armed Forces Flag Day, followed by light refreshments, and that arrangements be made under the auspices of the Hospitality Working Party; the costs to be met from City's Cash and within approved parameters.

(c) Central London Bench Reception

Last year, the City Corporation hosted a reception at the Old Bailey for the Central London Bench and it is proposed a similar event takes place in Spring/Summer 2019.

The City has a long history of association with the justice system and, in particular, with the City Magistracy, including by the provision of the City of London's Magistrates' Court. The City Corporation is currently working with HMCTS on the proposal for a new combined court centre in the City of London that would enable all existing courts in the Square Mile (except the Central Criminal Court) to be consolidated into a new multi-purpose flagship centre with a primary focus on fraud, economic crime and cyber-crime.

It is proposed that the City Corporation hosts an early evening reception for the Central London Bench. The reception would provide an opportunity to build on the longstanding relationship the City Corporation has with the Central London Bench and to highlight the contribution made by the City Corporation to the administration of justice in London, including the proposed combined court centre.

Guests would include representatives from the Central London Bench, Government and legal sector organisations such as the Law Society and Bar Council and Members with relevant interests.

It is therefore **recommended** that hospitality be granted for an early evening reception for the Central London Bench and that arrangements are made under the auspices of the Hospitality Working Party; the costs to be met from City's Cash within approved parameters.

(d) Report of Urgent Action Taken: Beasts of London Reception

In accordance with Standing Order No. 19, urgent authority was sought to host an early evening reception at the Museum of London for up to 250 guests to mark the opening of the 'Beasts of London' exhibition.

The Museum of London, in partnership with the Guildhall School of Music and Drama, will open a new exhibition in April 2019 entitled 'Beasts of London'. The exhibition will focus on the history of humans and animals living side by side in London and explore the impact that the modern urban environment has on animals.

This would be a full Court event, with arrangements being made under the auspices of the Culture, Heritage and Libraries Committee. Guests would include representatives from the Cultural and visitor sector (e.g. Historic England, English Heritage, Heritage Lottery Fund, London Museums), political figures, relevant City Business representatives and students from the City schools and academies.

Following the decision of the Hospitality Working Party on 24th January, it became evident that waiting for a Court of Common Council decision on 7th March would not allow sufficient time for arrangements to be put in place for this event. Approval was therefore sought and obtained under urgency procedures and it is recommended that this urgent action be noted.

(e) Report of Urgent Action Taken: The Lord Mayor's Big Curry Lunch

The Lord Mayor's Big Curry Lunch was launched in 2008 and since its inception has raised £1.9m for the Army Benevolent Fund, the Soldiers' Charity, the Royal Navy

and Royal Marines Charity, and the Royal Air Force Benevolent Fund. The lunch is hosted by the Lord Mayor and will be attended by a Member of the Royal Family.

The Big Curry Lunch is a key fundraising event for the Armed Forces and also provides an opportunity to promote the role of the Armed Forces and supports current serving personnel, their families and veterans.

In order to demonstrate the City's continuing commitment to the Armed Forces, and to mark the 75th Anniversary of the Army Benevolent Fund, it has been agreed that the City Corporation will meet the cost of the use of Guildhall for this occasion with event related costs being met from the hospitality budget.

Following the decision of the Hospitality Working Party on 24th January, it became evident that waiting for a Court of Common Council decision on 7th March would not allow sufficient time for arrangements to be put in place for this event. Approval was therefore sought and obtained under urgency procedures and it is recommended that this urgent action be noted.

DATED this 24th day of January 2019

SIGNED on behalf of the Working Party.

John Scott
Chief Commoner and Chairman, Hospitality Working Party

This page is intentionally left blank

Report – Port Health & Environmental Services

Animal Reception Centre – Heathrow Airport: Annual Review of Charges

To be presented on Thursday, 7th March 2019

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

SUMMARY AND REPORT

1. This report seeks approval of the increase to be applied to the Schedule in respect of services provided at the Heathrow Animal Reception Centre (HARC), for the forthcoming financial year 2019/20. The Schedule is attached at Appendix A to this report.
2. Subject to these Byelaws being made, the Comptroller and City Solicitor would be instructed to seal them accordingly.

RECOMMENDATION

3. We **recommend** that the Byelaws contained at Appendix A to this report be made and the Comptroller and City Solicitor be instructed to seal the Byelaws accordingly.

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

DATED this 15th day of January 2019

SIGNED on behalf of the Committee.

Jeremy Lewis Simons
Chairman, Port Health and Environmental Services Committee

This page is intentionally left blank

**ADDITIONAL BYELAWS RELATING TO THE
HEATHROW ANIMAL RECEPTION CENTRE**

1 April 2019 – 31 March 2020
(2018/19 rates shown in brackets)

Minimum charge for any one consignment (excluding those listed under point 2 and 5):
£182 (£177)

Processing and handling fee for all shipments that terminate at Heathrow: £20 (*new*)

ANIMALS CHARGE PER CONSIGNMENT

1. Mammals £182 (£177) for up to 24 hours, £56 (£55) per day or part thereof after 24 hours

2. Cats, Dogs and Ferrets under the Pet Travel Scheme

In order to meet the “pre-check” requirements (where applicable) all documentation must be submitted to the HARC no later than 72 hours prior to the animal’s departure.

a. PETS originating in the EU

- PETS originating in the EU (including those countries listed in Annex 2 of part 1 to Commission Implementing Regulation (EU) 577/2013) will be charged a handling fee of £45 (£42) per animal in addition to the collection charge of £85 (£83) (see Part 2 section 5).

b. PETS originating outside the EU

- If a documentation ‘pre-check’ has been completed and approved by HARC, PETS originating outside the EU will be charged at the minimum charge of £177 for the first animal. Where the consignment consists of more than one animal, a handling fee of £43 (£42) per animal thereafter.
- PETS originating outside the EU that have NOT received a documentation ‘pre-check’ or arrive against the advice of HARC, will be charged at £235 for the first animal. Where the consignment consists of more than one animal, a handling fee of £43 per animal thereafter.

c. PETS checked at aircraft (Assistance Animals)

- If a documentation ‘pre-check’ has been completed and approved by HARC, Assistance Animals will be charged at £220 (£210) plus a 1-hour collection charge of £170 (£166) = £390 (£376) for the first animal. Where the consignment consists of more than one animal, a checking fee of £45 (£42) per animal thereafter.
- Assistance Animals that have **NOT** received a documentation ‘pre-check’ or arrive against the advice of HARC, will be charged at £450 for the first animal. Where the consignment consists of more than one animal, a checking fee of £45 per animal thereafter.

3. Birds £64 (£62) per box per day £182 (£177) minimum charge

Pet birds: £43 (£42) per bird for up to 24 hours.

Birds of prey £18 per bird for up to 24 hours, £182 (£177) minimum charge

Transit commercial bird consignments should be booked through to have a maximum stay at Heathrow of 36 hours. Any transit commercial bird consignments that stay more than 36 hours will be charged at £42 (£40) per box per day, or part thereof.

Bird Quarantine £360-£1250 (£350-£1200) plus laboratory testing fees.

Fees are dependent on size of consignment and housing requirements.

Faecal Sampling and Bird Autopsy costs as per current Animal & Plant Health Agency rates.

Larger consignments to be negotiated see Part 2, Section 6

4. Reptiles £182 (£177) for up to 24 hours, £215 (£210) per day or part thereof after 24 hours.
Transit commercial reptile consignments should be booked through to have a maximum stay at Heathrow of 24 hours. Any transit commercial reptile consignments that stay more than 24 hours and require transferring from their containers will incur the additional special handling charge detailed below.

Additional special £215 (£210) minimum per consignment £64 (£62) per day or part thereof handling for any consignment after 24 hours.

5. Fish/Aquatic Invertebrates/Invertebrates/Semen/Fish and Bird Eggs £1.95 (£1.90) per box, £34 (£32) minimum charge.

A surcharge of £645 (£630) will be added to the above for any transit consignment that has landed without an “OK to forward” from the on-going airline.

6. Security

A charge of £21 (£19) will be made in respect of any consignment which requires security screening prior to leaving the ARC.

7. Not on Board

Requests for collection of animals from aircraft which are subsequently not found on board will be charged at normal collection charge (see Part 2, Section 5).

PART 2
CHARGES FOR ANCILLIARY SERVICES

1. Destruction including disposal of livestock or goods - £40 (£38) per kilogram. Minimum charge £80.

Travelling containers are the owner's property and should be collected with the animal. If they are no longer required, they will be disposed of for a fee of £15.

2. Cleansing and disinfecting aircraft, animal holding facilities, vehicles, loose boxes etc. - £350 (£340) per hour (including disposal of special waste).
3. Identification of species for DEFRA/HM Revenue and Customs/Border Agency - £170 (£166) per hour. Assisting on off airport operations - £85 (£83) per hour/£545 (£530) per day.
4. Re-crating or repair to crates - quotations on request.
5. Collection and delivery of animals and birds to and from the Animal Reception Centre by an Animal Reception Centre member of staff - £170 (£166) per hour or £85 (£83) per consignment if no extra waiting time.
6. Long term rates for government agencies and non-government agencies i.e. RSPCA, to be negotiated.
7. Modification of containers to International Air Travel Association (IATA) standards:-

Space Bars/Battens - £48 (£47) per box
Air Holes - £21 (£20) per box
Water Pots - £21 (£20) per box

(If these services are carried out on the airport an additional fee of £85 (£83) applies for 'delivery' of the service).
8. Use of Large Animal Facility (per pallet) £350 (£340)
9. Special handling e.g. re-oxygenation of fish/re-packaging reptiles/additional administrative functions £85 (£83) per hour plus cost of materials

This page is intentionally left blank

Report – Community and Children’s Services Committee

Housing Strategy

To be presented on Thursday, 7th March 2019

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

SUMMARY

This report seeks approval of a new City of London Corporation housing strategy – ‘Healthy homes; vibrant communities – Our housing strategy for 2019-23’. The strategy sets out the City Corporation’s vision for housing, and provides Members, residents, partners and officers with a high-level summary of outcomes and activities as a focus for prioritisation, oversight and accountability.

RECOMMENDATIONS

Members are asked to approve the adoption of ‘Healthy homes; vibrant communities – Our housing strategy for 2019-23’.

MAIN REPORT

Background

1. The City Corporation is the landlord and freeholder to 2,859 homes in the City and six London Boroughs, as well as the strategic housing authority for the Square Mile.
2. The draft strategy – ‘Healthy homes; vibrant communities – Our housing strategy for 2019-23’ (Appendix 1) - identifies the priority outcomes sought by the City Corporation in this role and supports the allocation of resources to deliver them.
3. The strategy’s outcomes also deliver to those of the *Corporate Plan 2018-23*, and its duration is aligned to that overarching document.

Development

4. The strategy has been developed through wide stakeholder engagement, a needs analysis and an equalities impact assessment.
5. A consultation draft was approved by your Housing Management and Almshouses Sub-Committee and your Health and Wellbeing Board. This document was then shared with the Community and Children’s Services department’s “Housing User Board” – a 162 member consultative group of tenants and leaseholders. The comments of this group, and the findings of the Annual Survey of Tenants and Residents, have informed the final draft presented for approval. Members of your Housing Delivery Working Group also reviewed and commented on the draft.

6. At the conclusion of this process, your Community and Children's Services Committee was pleased to approve the final draft of the strategy, now presented to the Court for adoption. Your Policy and Resources Committee has also reviewed the strategy and supports its recommendation to the Court.

Strategy

7. The strategy provides Members, residents, partners and officers with a high-level summary of outcomes and activities as a focus for prioritisation, oversight and accountability. The detailed delivery of those outcomes will be driven by, and detailed in, related plans and policies such as the Major Works programme and the housing development programme.

8. The strategy sets out a vision for 'healthy homes, space to thrive and vibrant communities for Londoners' and an overarching aim:

'to use our expertise and resources to develop, maintain and manage quality homes on estates people are proud to live on, where our residents will flourish, and through which we support our communities and economy to thrive'.

9. Four priority outcomes are identified:

- quality homes that meet the changing needs of our residents and communities
- well-managed estates that people are happy and proud to live in
- thriving and connected communities where people feel at home and flourish
- new homes to meet the needs of Londoners, our communities and economy.

10. Each outcome is supported by identified activities to achieve their delivery, and the measures that will indicate success. Their contribution to the *Corporate Plan 2018-23* is also set out. Quotes from our engagement with residents are given alongside the outcomes to reflect the range of views expressed.

11. Key commitments in the strategy include:

- investment in a £55 million major works programme over five years
- a programme of fire safety and maintenance work
- community development activity to involve residents in service design on estates
- using design to enable residents to lead more active lifestyles
- developing the Community Builders programme and other initiatives to tackle social isolation
- increasing housing supply, with a long-term ambition to deliver 700 new social homes and a further 3,000 mixed tenure homes.

12. Significant funding has been budgeted against many of these commitments – most notably the Major Works Programme and current housing development projects. The strategy acts to focus future activity and to provide a framework

through which the allocation of budgets can be made and prioritised. Budgetary control will sit within individual workstreams and their governance structures.

13. Your Community and Children's Services Committee, in approving this strategy, was particularly keen to gain clarity in relation to the commitment to deliver affordable homes on our existing social estates. The term "affordable homes" describes a range of possible housing products and, therefore, the strategy has been amended to clarify that "our programme will maximise the number of new homes available at genuinely affordable social rents"
14. This commitment is consistent with the *Rents and Tenancy Policy* – agreed by members – which commits to offering tenancies at social rents as standard practice. However, this policy also acknowledges that the City may deliver new homes at rents above a target social rent "where homes are being developed to meet the needs of groups on low to middle incomes, or where in future the conditions of any grant received requires a mix of rent levels".
15. The diversification of tenure is also essential to the financing of new build - as is set out in the Corporation's 2015 housing policy (*Increasing the supply of homes – the role of the City of London Corporation*) which describes development on the City's housing estates being:

...supported by funding drawn from Section 106 receipts, grant funding from the Mayor of London's housing investment programme, borrowing within the Housing Revenue Account and cross subsidy from shared ownership and market sales. This approach will deliver a range of tenures to meet a variety of needs and incomes.

Governance and oversight

16. The implementation of the strategy will be by overseen the Community and Children's Services Committee, with the support of the Housing Management and Almshouses Sub-Committee and the Housing Delivery Working Group.

Corporate & Strategic Implications

17. The new housing strategy supports the *Corporate Plan* aims of a flourishing society, thriving economy and outstanding environments. It delivers specifically to the outcomes:
 - People are safe and feel safe.
 - People enjoy good health and wellbeing.
 - People have equal opportunities to enrich their lives and reach their full potential.
 - Communities are cohesive and have the facilities they need.
 - We have access to the skills and talent we need.
 - Our spaces are secure, resilient and well-maintained.
18. The housing strategy also delivers to the outcomes of the City Corporation's *Joint Health and Wellbeing Strategy, Local Plan, Social Mobility Strategy* and the

Homelessness Strategy and contributes to the *Mayor of London's Housing Strategy*.

Conclusion

19. The new housing strategy – 'Healthy homes; vibrant communities – Our housing strategy for 2019-23' – reinforces the City Corporation's commitment to its existing homes, its residents, and the vital contribution of new homes to London's communities and economy.

Appendix

- *Appendix 1 - Healthy homes; vibrant communities – Our housing strategy for 2019-23*

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

DATED this 11th day of January 2019.

SIGNED on behalf of the Committee.

Randall Keith Anderson

Chairman, Community and Children's Services Committee



HEALTHY HOMES; VIBRANT COMMUNITIES

Our Housing Strategy for 2019-23

CONTENTS

Housing Strategy 2019-23: <i>Executive Summary</i>	1
1. BACKGROUND AND CONTEXT	2
1.1 The purpose of this strategy	2
1.2 Our housing.....	2
1.3 Addressing challenges; recognising opportunities	3
1.4 Listening to our residents	5
2. OUR VISION.....	7
2.1 Vision and aims.....	7
2.2 Housing and our Corporate Plan	7
3. DELIVERING THE OUTCOMES	9
3.1 Quality homes that meet the needs of our residents and communities	9
3.2 Well-managed estates that people are happy and proud to live in	11
3.3 Thriving and connected communities where people feel at home and flourish	13
3.4 New homes to meet the needs of Londoners, our communities and economy	16
4. OVERSIGHT AND ACCOUNTABILITY	18

Housing Strategy 2019-23: Executive Summary

Our role: The City Corporation is the strategic housing authority for the Square Mile and a landlord responsible for 1,923 social tenanted properties and 936 leaseholder properties across London.

Vision: Our vision is healthy homes, space to thrive and vibrant communities for Londoners.

Our aim: To use our expertise and resources to develop, maintain and manage quality homes on estates people are proud to live on, where our residents will flourish, and through which we support our communities and economy to thrive.

Our Outcomes			
Quality homes that meet the changing needs of our residents and communities	Well-managed estates that people are happy and proud to live in	Thriving and connected communities where people feel at home and flourish	New homes to meet the needs of Londoners, our communities and economy
Our Activities			
<ul style="list-style-type: none"> Consistent, high quality design for our social housing A major works programme to renew our housing stock Installation of state-of-the-art fire safety technologies Ensuring the highest standards in private rented housing 	<ul style="list-style-type: none"> Maintaining high levels of resident satisfaction Involving residents in co-developing our estates together as partners Reviewing our model of estate management to deliver best value for money for our residents 	<ul style="list-style-type: none"> Designing in health, culture and security and designing out crime Supporting community development, and tackling social isolation Designing and adapting housing for residents with mobility, sensory or memory impairments Providing tenancy support for those in difficulty and preventing homelessness 	<ul style="list-style-type: none"> Building hundreds of new social and affordable homes for Londoners Preparing plans to create thousands of new mixed tenure homes on City Corporation owned Land Minimising disruption as we develop new housing and prioritising the needs of existing tenants
Success measures			
<p>We will monitor our progress in delivering this Housing Strategy using a high level 'dashboard' of 10 key measures, reporting on how satisfied residents are with their housing and estates, our investment in major works, quality of housing, progress in housing development and how we are doing on specific issues like fire safety and energy efficiency.</p>			

1. BACKGROUND AND CONTEXT

1.1 The purpose of this strategy

The City of London Corporation is the landlord and freeholder to 2,859 homes, the strategic housing authority for the Square Mile, and an organisation dedicated to a vibrant and thriving City, supporting a diverse and sustainable London.

This Housing Strategy sets out our housing priorities through to 2023. It explains how we intend to work with our residents and communities to improve homes, regenerate estates and increase the supply of housing for Londoners, including social and affordable housing.

It depends on and supports the implementation of a wide range of other strategies – nationally, regionally and in the City itself - and should be read alongside the *City Corporation's Local Plan (City Plan 2036)*, the *Homelessness and Rough Sleeping Strategy* and the *Housing Design Guide*. It also supports the City Corporation's *Joint Health and Wellbeing Strategy*, the *Social Wellbeing Strategy* and the *Social Mobility Strategy*.

Its purpose is to provide a clear and accessible high-level summary of outcomes and activities for elected Members, residents, partners and officers, and a focus for oversight and accountability. The 'nuts and bolts' of delivery are described in detail in other strategic documents (e.g. Allocation's Strategy, Housing Development plans).

The Housing Strategy – with these other documents - sets out our approach to supporting the five key priorities in the *Mayor of London's Housing Strategy* (2018):

- Building homes for Londoners;
- Delivering genuinely affordable homes for Londoners;
- High quality homes and inclusive neighbourhoods;
- A fairer deal for private renters and leaseholders; and
- Tackling homelessness and helping rough sleepers.

We will continue to work with central government, the Greater London Authority and London Boroughs to deliver our strategy and to engage with national initiatives, and with house builders, developers and other partners to deliver our ambitions.

1.2 Our housing

The City has a small but growing residential population of around 8,000.

Most residents within the Square Mile live on four estates at the Barbican, Golden Lane, Middlesex Street and Mansell Street, with the remainder living in smaller residential clusters at Smithfield, Queenhithe, Carter Lane and City West.

Sixty-three per cent of housing on the Barbican Estate is owner occupied and 30% is privately rented; by contrast, two thirds of housing in the East of the City is socially rented, including all the homes in Mansell Street, which is managed by the Guinness Partnership.

Three quarters of our social housing (over 1,500 homes) is situated outside the Square Mile on eleven estates that the City Corporation runs in the six London Boroughs of Southwark, Islington, Lewisham, Lambeth, Hackney and Tower Hamlets.

Within the Square Mile, 97% of residential properties are flats, the majority in purpose-built blocks. Over half (52%) of our housing is one-bedroom flats – significantly above the Inner London average; by comparison, only around 1 in 7 homes (13%) are larger family houses – compared to over a third in Inner London.

The Square Mile has a higher proportion of older residents than elsewhere in central London, and the number of older residents is growing faster than the general population. Only 1 in 10 of City households have dependent children, with single person households accounting for over half (56%) of Square Mile housing stock.

In October 2017 there were over 650 applicants on our housing register. Unusually, most will have established a local connection with the City through their place of employment. Nearly two thirds (62%) are registered for studio or one-bedroom sized accommodation. As noted above, most of the City Corporation's social housing stock is outside of the Square Mile itself.

1.3 Realising opportunities; recognising challenges

Our Housing Strategy will take advantage of fresh opportunities:

- To engage with *major policy initiatives*, including the affordable homes programme and Social Housing Green Paper and the Mayor of London's housing strategy and draft London Plan, and help to address London's housing crisis;
- To *mobilise our assets more effectively* to realise our ambitions, particularly the City Corporation's holdings as a major land owner and the potential for further housing development on our existing estates;
- To explore *new models for housing*, such as the potential of 'housing in multiple occupancy' as an accommodation option for single City workers, and other co-living and co-housing options;
- To use our *major housing renewal programme* to modernise our housing stock, including installing fire sprinklers and new assistive technologies to support older and disabled people to live independently;
- To implement the '*health in all policies*' approach to our role as a Strategic Housing Authority, taking advantage of our improved understanding of the links between housing and health and wellbeing, and the importance of strong communities and tackling social isolation.

- To work *with our partners* to support and develop our communities and to support vulnerable residents – for example, through the Health Integration Programme and by strengthening our links with the voluntary and community sector.
- We have a truly *exceptional heritage and environment in the City* to build from as we develop our homes, estates and communities.

These opportunities will help us to address our challenges:

- *We need to maintain and renew our homes*, with many built during the inter-war and post-war period and needing significant maintenance and renewal. We are also investing in state-of-the-art fire safety installation, particularly following the Grenfell tragedy.
- *The need for housing continues to grow*, with population growth and the changing needs of households. By 2036 the population in the Square Mile is projected to rise to 10,675, an increase of a third. Among our existing social tenants, 1 in 10 were registered to transfer to alternative accommodation in April 2017, with the main reason being overcrowding, others may welcome opportunities to 'downsize' as their circumstances change.
- *The make up of our resident population is shifting*. The number of people aged 60 to 74 is expected to rise by a half in the Square Mile by 2036, and those who are 75 or over by 70%. This has important implications for the development of our housing stock, namely the need to build and adapt homes to support people with age-related health problems (and other adults with disabilities).
- *Our most vulnerable tenants are managing significant changes in their lives*, such as the introduction of Universal Credit, with housing benefit paid directly to tenants, not landlords, which could increase the risk that they will accumulate rent arrears.
- *There are pressures on our housing budgets*, including a year-on-year reduction in social housing rents of 1% up to 2020 which is positive for tenants but means we must be innovative to maintain services with less revenue. There is also the challenge of managing competing demands on our Housing Revenue Account budget for social housing, including maintenance and repairs, fire safety measures and building new social housing.
- *House prices and rents in London are generally higher* than elsewhere in the country. In addition, there is a growing polarity in housing opportunity in central London between social rented accommodation and private housing at the high end of the market, with little opportunity for those on lower and middle incomes to secure housing. Half of Londoners aged 25 to 39 say that they would consider leaving London to work in a more affordable region, with three quarters of businesses in London saying that housing supply is a significant risk to their future growth. While many people commute into the City to work, this brings its own costs and challenges.

- *There are challenges in identifying land for development* within the City, where there is strong competition from the commercial sector and residential land values are the highest in the country, as well – of course – as the costs of building new houses. Some of our estates are listed buildings, and we must balance the demands for renewal and development with custodianship of the City’s architecture, history and environment.

1.4 Listening to our residents

This strategy reflects extensive engagement with our residents and has been developed to align with their priorities, as well as recognising the needs of our businesses and other employers. We conducted a targeted consultation with 162 City residents through the Housing Hub for residents, which has been developed by our Community Engagement Team, with residents’ comments reflected in the strategy. We also invited all the City Corporation’s Estate Managers and their teams to provide their feedback.

At the City Corporation’s Community and Children’s Services awayday on 25 September 2018, nearly 200 staff from across the Directorate took part in a facilitated exercise to design a (fictitious) new City Estate, considering this from the various perspectives of our diverse population. The insights from that day have also helped to shape the strategy.

We conduct a detailed Survey of Tenants and Residents (STAR) every year, which provides insight into their experience and views of our housing services, the quality of their homes, cleanliness, safety and security on their estates, community facilities, repairs and maintenance, our customer services, information and how we listen to and act on their concerns. We can identify what residents are thinking on an estate by estate basis and can compare their experiences with those of tenants from other authorities through *HouseMark*, a benchmarking tool for social housing.

We meet with representative resident groups on all our estates, and host an annual City-Wide Residents Meeting, with a focus on residents’ issues and concerns.

Current research that is helping us to understand our residents’ views and experiences includes a project with Goldsmith’s University to identify and engage with residents experiencing social marginalisation and isolation on our estates, which will be completed in 2019, and will inform the development of appropriate community services with residents.

We have also considered other surveys of residents, including our 2017 consultation on the City Corporation’s allocation scheme for social housing.

We listen to, record and assess feedback from the customers of our housing services, and are able to interact regularly with residents in and around the City and talk to them about their views, concerns and experiences – including, for example, those involved in the Community Builders project. Many of our elected Members are residents and play a leading role in the development and oversight of housing policy and strategy through the Corporation’s committees. These committees have

contributed to the development of the strategy (for example, the Housing Management and Almshouses Sub-Committee and the City's Health and Wellbeing Board). A Housing Development Working Group has been convened by the City Corporation's Policy and Resources Committee, and is providing guidance and leadership for our programme to expand our social and mixed tenure housing.

2. OUR VISION

‘Residents need to be aware of the City Corporation’s commitments and future plans. This provides reassurance that estates are being cared for and looked after well.’

‘The aims and ambitions are really exciting to read about’.

City Residents

2.1 Vision and aims

At the heart of our housing strategy is a simple **vision**:

Healthy homes, space to thrive and vibrant communities for Londoners.

In helping to deliver this vision, the City Corporation’s **aim** is:

To use our expertise and resources as a strategic housing authority to build, maintain and manage quality homes on estates people are proud to live in, where our residents will flourish, and through which we support our communities and economy to thrive.

Our strategy will support and deliver four **outcomes**:

- *Quality homes that meet the needs of our residents and communities;*
- *Well-managed estates that people are happy and proud to live in;*
- *Thriving and connected communities where people feel at home and flourish;*
- *New homes to meet the needs of Londoners, our communities and economy.*

2.2 Housing and our Corporate Plan

The Housing Strategy will make a key contribution to delivering the aims of the *City of London Corporate Plan 2018-23*, which are to:

- Contribute to a flourishing society;
- Support a thriving economy; and
- Shape outstanding environments.

It will contribute to the five priorities set out in the *Business Plan* of the Department of Community and Children’s Services within the City Corporation:

- **Safe** – people of all ages live in safe communities, our homes are well-maintained, and our estates are protected from harm;
- **Potential** – People of all ages can achieve their ambitions through education, training and lifelong learning;

- **Independence, involvement and choice** – People of all ages can live independently, play a role in their communities and exercise choice over their services;
- **Health and wellbeing** – people of all ages enjoy good health and wellbeing;
- **Community** – people of all ages feel part of, engaged with and are able to shape their community.

Housing has a critical role to play for each of these aims and priorities, as we explain in more detail below.

3. DELIVERING THE OUTCOMES

3.1 Quality homes that meet the needs of our residents and communities

'It will be great if you can improve building conditions – double glazing, painting and security CCTV cameras.'

Resident, Sydenham Hill Estate

'Repairs have been better recently – having waited eight years to have the kitchen and window sorted out, it was done very well.'

Resident, Golden Lane Estate

Why this outcome?

Providing homes that are safe, secure and offer a healthy living environment is the City Corporation's most important duty as a Strategic Housing Authority.

The quality of the homes and estates that we live in has a profound impact on our health, wellbeing, connectedness, leisure, education and employment. For children, growing up in a secure, healthy environment helps to reduce inequalities and improve educational, health, social and economic attainment. For older people, adaptable homes and well-designed estates help to prevent accidents and enable them to live independently.

Delivering this outcome

Working closely with our residents and communities, we will invest in a major programme of work to maintain, develop and improve our housing stock, while ensuring that new homes are of high quality, sustainable, responsive to the needs of residents and communities and respect our natural and built environment.

- **Quality design.** A new City of London Corporation Housing Design Guide will set out consistent design standards for our social housing programme. This will ensure quality and consistency in design and services for social housing projects; for example, space standards, energy efficiency, emissions, sustainability, finishes and fittings, materials and components, mechanical and engineering services, fire protection and how we create and work with digital models of buildings.
- **Renewal and modernisation of housing stock.** The Corporation is investing £55 million in a five-year major works programme, and we will commit further investment as we respond to the findings of an independent Stock Condition Review completed in 2018. The major works programme and Stock Condition Review are driving a pro-active approach to maintenance and renewal, so we are not waiting for things to go wrong before fixing them.

- **Fire safety.** The Corporation completed fire risk assessments for all our social housing in 2018, as part of our response to the issues that were raised by the Grenfell Tower tragedy. We are delivering a programme of fire safety and maintenance work, including upgrading entrance doors and frames in our social housing stock at an estimated cost of £4 million. In addition, we are planning to retro-fit sprinklers in City Corporation owned residential tower blocks.
- **Private rented sector.** The private-rented sector in the City is growing. While standards in the Square Mile are good and complaints are rare, as a Strategic Housing Authority we will remain vigilant in ensuring that the private rented sector is operating to the highest standards and private tenants are living in safe, secure and well-maintained accommodation. We will also help to ensure that private residents are aware of their rights and the avenues open to them where they have problems and concerns.

Monitoring our progress

Key Outcomes	Measures and indicators	Key Corporate Plan Outcomes
Consistent high-quality design for all our social housing	Implementation of and compliance with the City Corporation's Housing Design Guide	Communities are cohesive and have the facilities they need Our spaces are secure, resilient and well-maintained People enjoy good health and wellbeing
Well-maintained housing	Corporation properties meet the Government's Decent Home's Standard Resident satisfaction with repairs and maintenance More investment in pro-active work so there are less things to fix later	
High standards of private-rented housing	Low level of complaints Complaints are addressed and resolved	
Safe housing	Number of annual fire risk assessments Installation of fire doors and sprinklers Improved lighting and CCTV where identified as appropriate	People are safe and feel safe

3.2 Well-managed estates that people are happy and proud to live in

'Keeping residents fully informed is very important and builds trust between them and yourself ... regular flyers ... and open meetings ... are good ... more tailored e-mail updates and/or text messages would be excellent.'

'I feel very safe, people from the estate check on me and the staff check on me to see if I am ok.'

City Residents

Why this outcome?

Good management of estates is critical for residents' quality of life. Our rents and service charges must provide good value for money and be invested in visible improvements that address the priorities of our residents, with estates in good condition, clean and cared for. This means providing excellent estate services to all residents, whatever their tenure type or location, whether in the Square Mile or not.

Delivering this outcome

In delivering this outcome, we will be guided by the findings of our annual Estate Satisfaction Survey and leaseholder review. Where our residents are less satisfied we will target action on service areas and estates where there is a need for improvement, building this into Estate Plans.

Some residents have expressed concern about what they feel is a lack of renewal on their estates, such as window replacements. We are addressing this by progressing our major works programme – see above – and improving our communication and engagement with residents, so they understand what we are doing, when and why.

- **Resident voice and involvement.** Our Community Engagement Team will continue to work with estate staff to involve resident's in decisions and to provide opportunities for an active role on their estates. Our Housing User Board (HUB) provides valued scrutiny and comment on new and revised policies. We will be reviewing the HUB with a view to making sure it is fully representative of our estate demographics and to increase its effectiveness. Over 80% of residents at Mais House in Sydenham Hill said their views were listened to and acted on in our latest satisfaction survey at a time when they were being rehoused elsewhere as part of major redevelopment work. We will look to adapt and replicate the learning from this initiative on our other estates.
- **Effective, inclusive and accessible communication.** The Corporation will continue to improve the effectiveness with which it communicates with residents, developing clear and accessible policy statements for our residents, and ensuring these are accessible, inclusive and well understood, working with the residential engagement boards and structures across our estates. We will continue the work to upgrade IT systems and provide electronic communications to residents

wherever possible. By communicating our policies, what we have done, what we are doing and why more clearly, we will improve resident satisfaction.

- **Customer Services.** The Corporation will implement new Customer Service Standards to ensure that when residents approach our estate services they feel respected, welcomed and helped, with appropriate action and good communications maintained by motivated and engaged staff teams. All staff will receive customer service training to support best practice. We will involve residents in monitoring customer service (e.g., undertaking 'mystery shopping'). We will also continue our anti-fraud work to ensure that our homes are not occupied illegally to the detriment of tenants (e.g. through sub-letting) – this work also brings additional housing into supply for legitimate tenants.
- **Improving value for money.** We are proud of the high-quality estate service that we deliver, with each of our estates having its own Estate Office with responsibility for management, maintenance and engagement with residents. However, we are currently spending £150 more per property on housing management costs than comparable social landlords, and this reduces the money we have available for direct investment in the fabric of our housing and estates. With our residents, we will review our management model to make sure that we are giving them both high quality services and the best value for money.

Key outcomes	Measures and indicators	Key Corporate Plan Outcomes
Resident satisfaction Residents feeling that they are listened to and concerns are acted upon	Improvements in annual resident satisfaction survey Satisfaction levels that compare favourably with those in other authorities	People have equal opportunities to enrich their lives and reach their potential
Improved communication and engagement with residents	As above Residents engaging through meetings, surveys and events	Communities are cohesive and have the facilities they need
High Quality customer service in line with our new Customer Service Standards	Staff participation in training On-going monitoring and review against the Standards Reduction in complaints relating to customer service issues	
Best value for money from estate services	Reduced gap between our Housing Management Costs and those of others	Communities are cohesive and have the facilities they need Our spaces are secure, resilient and well-maintained

3.3 Thriving and connected communities where people feel at home and flourish

'I would love to have access to the communal gardens as a second-floor tenant with a nine-month old child.'

Resident, Middlesex Street Estate

'The playground seems well used by families and young children ... the grounds of York Way are kept beautifully and are a well-used place for relaxation.'

Resident, York Way Estate

Social isolation can be a problem for some residents – who would welcome information of activities available not only within the estate boundaries but also within a reasonable radius of the estate. For example, nearby adult education colleges, library HUB activities and other social events regularly organised by local external groups.

City resident

Why this outcome?

People's homes are vital for health and wellbeing and a safe and secure place to live is the cornerstone for a fulfilled life. The Marmot review (Fair Society, Healthy Lives) highlights the 'social determinants of health', and the importance of integrating planning, transport, housing, environmental and health systems. It recognises the need to strengthen communities and reduce social isolation.

Housing services have a key role in reducing pressures on health services by supporting people to live independently in their own homes who might otherwise end up in hospital and by supporting discharge from hospital where people are ready to go home. They are also vital for the prevention and alleviation of homelessness.

Delivering this outcome

We will design and adapt our homes and estates to maximise benefits to health and well-being, support social connectedness and enable those with health and mobility issues to live independently, while continuing to support vulnerable tenants, including helping to prevent homelessness.

- **Housing and health in all policies.** The Corporation will systematically and explicitly consider the health and wellbeing implications of decisions about housing stock and estates. For example, we will use design to enable residents to lead more active lifestyles and use open spaces, landscaped areas and the 'internal environment' in new homes (e.g. lighting and quiet space) to support health and wellbeing. We also recognise the importance of housing design for the protection of the environment.

- **Responding to the changing needs of residents.** The Corporation will develop housing that meets the needs of residents with mobility, sensory and memory impairments, including innovative use of adaptations and assistive technologies. We will work with health to support the discharge of residents who have spent time in hospital. In allocating new social housing stock, we will prioritise the needs of existing tenants in accommodation that is no longer suitable for them (e.g. because of overcrowding or a preference to downsize).
- **Strengthening communities.** The Corporation will develop the Community Builders programme, which supports resident volunteers to identify and engage with socially isolated people on our estates and involve them in community activities. Our Community Engagement Team will continue to work with community and resident groups to develop and build their capacity and help them to run sustainable events and activities that bring people together in and around our estates. Other initiatives will include our pilot programme with the Association of Adult Social Services to protect socially isolated older residents at risk of financial abuse. We will ensure that our residents are safe in their homes and neighbourhoods – for example, developing our existing Neighbourhood Patrols and ‘designing out’ crime on our estates.

We will also build on recent initiatives like the Aldgate Square Project to design cultural activity into our estates and residential spaces by facilitating public art, cultural events and community-led activities. Feedback from some of our residential communities has shown that residents who may feel alienated from formal cultural venues can be engaged in the community. We will continue to put culture at the heart of placemaking as we know this fosters pride in, engagement with and guardianship of the residential environment.

- **Supporting people experiencing vulnerability.** The allocation of social housing will continue to prioritise people experiencing vulnerability. The Corporation’s tenancy support team will support tenants who are vulnerable to navigate the welfare system (including the introduction of universal credit), manage their finances and avoid debt. Where tenancies are at risk of breaking down we will work with tenants as part of our duty to prevent homelessness. We will adapt our housing stock to support the old and disabled. We will develop housing solutions for other groups experiencing vulnerabilities or at risk, like care leavers and rough sleepers (for example, Housing First approaches to rough sleeping). Our Housing Strategy also has a vital role to play in the delivery of the City Corporation’s new *Social Mobility Strategy 2018-28 – Potential today, success tomorrow*. Good housing in strong, connected communities with the right facilities for residents is the cornerstone for social inclusion and mobility.

Key outcomes	Measures and indicators	Key Corporate Plan Outcomes
Homes and estates that support healthy lifestyles	Resident use and experience of open spaces, landscaped areas and recreational facilities Increase in energy efficiency of our housing stock	People enjoy good health and wellbeing Our spaces are secure, resilient and well-maintained People enjoy good health and wellbeing
Housing that better meets the needs of residents, particularly the old and disabled	Fewer residents in unsuitable accommodation Reduction in delayed transfers of care People require less support following a period of reablement	People have equal opportunities to enrich their lives and reach their full potential People are safe and feel safe
Strengthened communities and reduced social isolation	More residents involved in volunteering and reporting improved quality of life Involvement of residents who are new to volunteering Low rates of anti-Social Behaviour and crime	
Supporting vulnerable tenants	Low incidence of tenancy breakdown Low incidence of rent arrears Reduced homelessness	

3.4 New homes to meet the needs of Londoners, our communities and economy

'The on-going challenge of providing more social housing is crucial ... but all types of accommodation are needed'

City Resident

Why this outcome?

Housing shortage is one of the most pressing issues we face in London today. It contributes to worsening affordability, overcrowding and homelessness, as well as to the strains on our transport systems and other infrastructure. It threatens economic prosperity, with three quarters of London businesses saying that problems with housing supply are a significant risk to the capital's future growth. It threatens health, social, police, emergency and community services, if employees cannot find affordable homes in areas accessible for their work places.

Delivering this outcome

The Corporation has committed to play a leading role in tackling the housing shortage in London with an ambitious pledge to create hundreds of new social homes and thousands of additional mixed tenure homes. This work is being led by a Housing Delivery Working Group of City Corporation politicians and senior officers which sits under our Policy and Resources Committee. Recent development on our social housing estates has delivered 62 new homes, with seven current schemes expected to deliver a further 270 houses. We are actively considering options for developing mixed tenure housing on sites in the City Corporation's ownership, and the potential to work with other public and private sector partners to increase our housing stock.

- **Increasing housing supply.** Our current ambition is to deliver 700 new social homes – a 25% increase on our current stock – and a further 3,000 mixed tenure homes. We will increase our social housing stock in the lifetime of this strategy and make plans for delivering housing on City Corporation owned sites, while exploring options for increasing housing supply beyond the use of our own sites.
- **Delivering affordable homes.** Our programme will maximise the number of new social homes available at genuinely affordable social rents. In allocating new houses, we will consider the needs of existing tenants whose current house is not best suited to their family size and housing needs. We will explore innovative housing models to help meet the needs of City workers and businesses, such as multiple occupancy and co-living accommodation for young professionals and other key groups (e.g. older residents).
- **Minimising disruption.** The Corporation will carefully consider the potential impact of new housing developments on its existing residents. We will limit land costs by developing additional social housing on our existing estates. To minimise disruption and to build in the most efficient way, we will focus on a small

number of City estates with potential for renewal and expansion – and are already developing the Sydenham Hill estate. Elsewhere we will not develop on Corporation land without careful consideration of any current operational or investment uses, and then only following consultation.

- **Working with partners.** The Corporation's plans to build new homes have encouraged both public and private sector partners to propose development opportunities and potential joint ventures. Where we can work with others to house more Londoners we will carefully consider the options to increase the supply of new homes beyond our own sites. We will continue to review the potential for future regeneration of Corporation housing estates to deliver further social and affordable housing down the line.

Key outcomes	Measures and indicators	Key Corporate Plan Outcomes
More homes and more affordable homes	<p>Number of houses planned, started and completed</p> <p>Number of social houses planned, started and completed</p> <p>Time in which vacant dwellings are let or re-let</p>	<p>People enjoy good health and wellbeing</p> <p>People have equal opportunities to enrich their lives and reach their full potential</p> <p>We have access to the skills and talent we need</p>
New homes are of high quality	<p>Compliance with the Corporation's Housing Design Guide and the Mayor of London's Housing Strategy and Supplementary Planning Guidance</p> <p>Corporation properties meet the Government's Decent Home's Standard</p>	<p>Our spaces are resilient, secure and well-maintained.</p> <p>Communities are cohesive and have the facilities they need</p> <p>Our spaces are secure, resilient and well-maintained</p>
Our social housing meets the needs of tenants and prospective tenants	<p>Fewer tenants in overcrowded accommodation</p> <p>More applicants on the Housing Register moved into Corporation housing</p> <p>Housing for the most marginalised (e.g. homeless and rough sleepers)</p>	
Minimised disruption on estates where new building is taking place	<p>Residents on redeveloped estates say they have been listened to and concerns acted on</p>	

4. OVERSIGHT AND ACCOUNTABILITY

We will monitor and regularly report on our progress in delivering the Corporation's Housing Strategy including:

- Conducting the annual Survey of Tenants and Residents
- Collecting and analysing performance data
- Comparing and benchmarking our performance to that of other Strategic Housing Authorities using the Housemark tool
- Incorporating performance indicators in our Business Planning cycles
- Reporting to the Annual City-Wide Residents Meeting
- A dashboard measuring our progress on the City Corporation's website.

Progress in delivering the strategy will be overseen by the Corporation's Community and Children's Services Grand Committee, with scrutiny provided by its Housing Management and Almshouse Sub-Committee (as well as the Homelessness and Rough Sleepers Sub-Committee). The Barbican Residential Committee will continue to provide oversight on behalf of Barbican residents.

There will also be a regular progress report to the Health and Wellbeing Board, recognising the importance of housing for our health and wellbeing priorities, and those of partners, including the NHS.

Delivering our Housing Strategy is important for achieving the ambitions of our *Corporate Plan 2018-23*, and this will be reflected in the focus, pace and professionalism of our delivery and its 'visibility' for the Corporation, including members and senior officers.

Implementation and development will depend on the suite of related strategies and plans, particularly, the new Housing Design Guide currently in development, Allocations Strategy and Homelessness Strategy, as well as our Housing Assets Management Strategy and Housing Services Plan.

Housing Strategy Glossary

Affordable Homes	Affordable housing is social rented, affordable rented and intermediate housing, provided to eligible households whose needs are not met by the market. This is an umbrella term encompassing – for example – homes for social rent, intermediate rent, affordable rent and shared ownership.
Affordable rented housing	This is a specific housing product. Affordable rented housing is let by local authorities or housing associations to households who are eligible for social rented housing. Affordable Rent is subject to rent controls that require a rent of no more than 80% of the local market rent (including service charges, where applicable).
Assistive technology	Assistive technology is any product or system that is used to increase, maintain or improve the functional capabilities of a person with disabilities and support independent living.
Community Builders	Community builders are local volunteers who can build relationships with residents and link people up with groups, activities and events. This programme has been successfully piloted on the City Corporation's Golden Lane estate and is being rolled out to other estates.
Estate Management	The management of buildings and land, including renting of properties, upkeep of homes and management of the environment around properties and common areas, to provide a well-maintained, safe, healthy and vibrant place to live.
Housing First	Housing First provides stable housing to people with multiple needs as a platform to begin recovery and to move away from homelessness, with intensive support. The only condition is a willingness to maintain a tenancy agreement.
Health in all policies	An approach that systematically considers the health implications of policy decisions, including housing decisions.
Health Integration Programme	Local integration of the key organisations that commission (plan and purchase) health, social care and public health, bringing together NHS City and Hackney Clinical Commissioning Group (CCG), Hackney Council and the City of London Corporation.
Housing Revenue Account (HRA)	The HRA is the account in which a council's housing revenue (e.g. tenants' rent) and housing costs (e.g., property management and maintenance) are kept. By law

this account is separated from the 'General Fund' that is used by councils for other purposes.

HouseMark	A membership organisation and a platform for housing authorities to access intelligence to benchmark performance and inform housing management and development.
Intermediate housing	Intermediate housing is homes for sale and rent provided at a cost above social rent, but below market levels. These can include shared equity (shared ownership and equity loans), other low-cost homes for sale and intermediate rent, but not affordable rented housing.
Market homes	Market homes are those developed for sale or rent in the private sector.
Mixed tenure housing	Housing provision and development which includes at least two different forms of tenure. The four types of tenure are private rented, owner occupied, rented from housing associations and rented from local authorities.
Multi-occupancy housing	A home is in multiple occupation where at least three tenants live there, forming more than one household and they share toilet, bathroom or kitchen facilities with others.
Owner-occupied housing	Accommodation that is owned outright or is being bought with a mortgage.
Private rented housing	All non-owner-occupied property other than that rented from local authorities and housing associations plus that rented from private or public bodies by virtue of employment.
Shared ownership	Shared Ownership is a way of part-owning and part-renting a property that is designed for people who cannot afford to buy a home outright. It is available through housing associations and there are both government-backed and privately-operated schemes.
Social Housing	Low cost rental accommodation and home ownership for people whose needs are not met on the commercial market, and is provided by local authorities or housing associations.
Social Rent	Social rented housing is one form of social housing. Social rents are pegged to local incomes to improve affordability.
Tenancy Support	One-to-one housing related support targeted at vulnerable tenants, including support with finances, debts and benefits.

Survey of tenants and residents

Annual survey to assess resident satisfaction with and experience of housing, neighbourhoods and estate services. The survey results are submitted to HouseMark for comparison with other local areas.

Universal Credit

Universal Credit brings together six previous benefits – including housing benefit – in a single payment to support people on low income or out of work. Universal Credit is paid once a month in arrears, and includes an amount for housing, which the recipient then pays to the landlord. Universal Credit is being introduced in stages in the UK.

This page is intentionally left blank

Report – Establishment Committee

Draft Pay Policy Statement 2019/20

To be presented on Thursday, 7th March 2019

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

SUMMARY

The Localism Act 2011 requires the City of London Corporation to prepare and publish a Pay Policy Statement setting out its approach to pay for the most senior and junior members of staff. This must be agreed each year by the full Court of Common Council.

The Statement has now been updated for 2019/20 and has been considered and approved by your Establishment and Policy and Resources Committees under delegated authority procedures.

RECOMMENDATION

It is recommended that the Court considers and agrees the draft Pay Policy Statement for 2019/20 as set out in the Appendix to this report to ensure that the City Corporation meets its requirements under the Localism Act 2011.

MAIN REPORT

1. Under Section 38(1) of the Localism Act 2011 (the Act), all local authorities are required to produce and publish a Statement setting out their pay policies. The aim of the Act is that authorities should be open, transparent and accountable to local taxpayers on how pay decisions are made. Pay statements should set out the authority's approach to issues relating to the pay of its workforce, and in particular to the pay of its "Chief Officers" and the pay of its lowest paid employees.
2. The definition of "Chief Officers" given in the Localism Act is that of the Local Government and Housing Act 1989, and incorporates the latter Act's definitions of both "Chief Officers" and "Deputy Chief Officers". This is a much wider definition than the conventional definition of "Chief Officer" used in the City Corporation (generally denoting a head of department) and also wider than that which governs posts included in our Senior Management Group.
3. Under the Local Government and Housing Act, a "Chief Officer" is
 - the authority's head of the paid service (the Town Clerk & Chief Executive, in the City Corporation's case),
 - any person who in general answers directly to the head of the paid service, and

- any person (irrespective of whether they report directly to the head of the paid service) who in general is required to report directly to the authority itself or to any Committee or sub-Committee of the authority.

A “Deputy Chief Officer” under the Act is anyone who reports directly to any person defined as a Chief Officer.

4. The only employees who could be caught by any of these definitions who are excluded from them are those employees engaged principally in clerical or secretarial support, or who are responsible for other support services.
5. The 1989 Act applies to the City only in its capacities as a local authority, police authority and port health authority. However, in keeping with the commitment to wider transparency in our Pay Policy Statements, the basic definitions of “Chief Officer” and “Deputy Chief Officer” given in the 1989 Act have been applied in the draft Statement to all relevant employees of the City Corporation, irrespective of the capacity or capacities they work under, other than school teachers and employees working principally for the police authority, who are specifically excluded from the provisions of the Localism Act.
6. The Localism Act itself applies to the City Corporation only in its capacity as a local authority, but all previous Statements have provided information on all aspects of the organisation, other than those mentioned in the preceding paragraph
7. The Department for Communities and Local Government publishes guidance to the relevant parts of the Localism Act and a Code of Recommended Practice for Local Authorities on Data Transparency which is also of relevance in complying with the Act. The City Corporation must have regard to this guidance in formulating a Pay Policy Statement.
8. The Pay Policy Statement must be agreed and published by 31 March each year. The Statement must also be agreed, each year, by the full Court of Common Council in open session. Should any changes to the Pay Statement arise during the course of the year, a revised statement must come before the full Court.

Current Position

9. In addition to updating the Statement for the 2018-20 pay award, Members should note that the following amendments have been made:
 - a. An additional post (Chief Grants Officer & Director of the City Bridge Trust) has been added to the Senior Management Group staffing structure.
 - b. The bringing forward of the date from which the City Corporation pays the London Living Wage to its lowest-paid staff. This was previously the 1 April following the November announcement of the new rate and is now the actual date of its announcement.
 - c. Confirmation of the first report of the City Corporation in line with the legislation on the Gender Pay Gap.

- d. New information relevant to the position of “Chief Officers” and “Deputy Chief Officers” is provided at paragraphs 1, 17 and 26-30 of the Statement.
- 10. The Statement has not been amended to reflect changes that may arise from the Government’s intention to introduce restrictions on exit pay packages for employees leaving public-sector jobs. This is because the relevant Bill which would affect the regulations has not yet been read in Parliament.
- 11. Members should note that the Localism Act enables the Pay Policy Statement to be amended at any time when statute or internal policy requires it, and so any required revisions to the Statement will be put to Members when or if the requirement for them is clear.

Conclusion

- 13. It is **recommended** that the Court agrees the draft Pay Policy Statement for 2019/20, as set out in the Appendix to this report, to ensure that the City Corporation meets its requirements under the Localism Act 2011.

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

DATED this 27th day of February 2019.

SIGNED on behalf of the Committee.

Charles Edward Lord JP, Deputy
Chair, Establishment Committee

This page is intentionally left blank

CITY OF LONDON CORPORATION

PAY POLICY STATEMENT 2019/20

Introduction

1. Section 38(i) of the Localism Act 2011 (the Act) has required local authorities since the financial year 2012/13 to produce a Pay Policy Statement for each financial year. The Act requires local authorities to set out in their Statements their policies on a range of issues, particularly those relating to remuneration for their most senior and lowest-paid staff. This must include significant information on pay and reward for Chief officers (as defined in the Local Government and Housing Act 1989). The Statement must be reviewed annually and agreed by “*a resolution of the authority*”, in the City of London Corporation’s case by the Court of Common Council. This document meets the requirements of the Act for the City of London Corporation for the financial year 2019/20.
2. The provisions of the Act require that authorities are more open about their local policies, and how local decisions are made. The Code of Recommended Practice for Local Authorities on Data Transparency enshrines the principles of transparency and asks authorities to follow three principles when publishing data they hold: responding to public demand; releasing data in open formats available for re-use; and releasing data in a timely way. This includes data on senior salaries and the structure of the workforce.
3. The Act applies to the City of London Corporation only in its capacity as a local authority. It should be noted that not all of the pay and employment costs incurred by the City of London Corporation are carried out in this capacity, or even funded from public resources. As well as having statutory local authority functions, the Corporation undertakes other public functions, such as those of a police authority and of a port health authority. It also has private and charitable functions which receive funding through income from endowment and trust funds, and the pay and employment costs of these functions are met from these funds.
4. In general, and in keeping with the spirit of openness, this Statement does not try to distinguish between information which applies to the City Corporation as a local authority and that which applies to it in any of its other capacities. However, insofar as the Act specifically excludes police authorities from its remit, this Statement does not include information about Police Officers. Likewise, paragraph 7 of the Government Guidance for authorities on “*Openness and accountability in local pay*” (which has statutory effect under s40 of the Act for authorities in the preparation of their Pay Policy Statements) advises that “*The provisions in the Act do not apply to the staff of local authority schools and therefore teaching staff need not be brought within the scope of a pay policy statement*”. The City of London Corporation does not directly manage any local authority schools, but it does directly run three independent schools, and while some information about the remuneration of the teaching staff in these schools is provided in the Statement, in general the Statement follows the Government Guidance and leaves teaching staff outside of its scope.

5. The Act does not require authorities to publish specific numerical data on pay and reward in their pay policy document. However, information in this Statement should fit with any data on pay and reward which is published separately. The City Corporation operates consistent pay policies which are applied across all of our functions. Further details of the current Grade structures and associated pay scales can be seen below.

Salary Scales effective from 1 October 2018:

Grade	Min Salary (£)	Max Salary (£)	No. of employees
Grade A	£15,200	£16,150	184
Grade B	£17,090	£19,840	620
Grade C	£22,310	£25,890	832
Grade D	£28,140	£32,640	691
Grade E	£32,640	£37,810	546
Grade F	£41,320	£47,920	399
Grade G	£49,340	£57,240	177
Grade H	£57,240	£66,320	84
Grade I	£66,320	£76,870	25
Grade J	£79,190	£91,810	19
Senior Management Grade (SMG)	£80,770	£248,300	15
<p>The figures given are for Base pay only. Employee numbers are those at the time of the January 2019 pay roll. Any employee on Grades A-J who manages or supervises another employee on the same Grade has a separate pay scale paying up to 6.1% greater than the salary on the substantive Grade. Any employee on Grades A-J who is in a residential post has a separate pay scale paying 12.5% less than the salary on the substantive Grade. The figures for employees in each Grade in the table above include those on the relevant supervisory and residential scales. All employees on Grades A-J and in the SMG also receive a London Weighting allowance. The allowance does not differ between Grades of staff.</p>			
Teacher Grades	£29,200	£59,650	
Senior Teacher Grades	£69,650	£146,030	
<p>Figures for Teacher Grades exclude any additional responsibility allowances payable. Figures for Senior Teacher Grades include all payments.</p>			

This information is reviewed, updated and published on a regular basis in accordance with the guidance on data transparency and by the Accounts and Audit (England) Regulations 2011. It should be noted that all Police Officer pay scales are

nationally determined and as such do not form part of the City Corporation's Pay Policy.

6. A two-year Pay Award covering 2018-20 for staff in Grades A-J and the SMG was negotiated with the recognised Trade Unions and staff representatives for these employees in 2018, and agreed by the Court of Common Council in July 2018. The Pay Award provided for a 2.45% increase on all salaries in Grades A-C and a 2% increase on all Graded salaries in Grades D and above, including the SMG, and a 5% increase on London Weighting allowance rates for all staff. These increases would be applied in each of the two years of the agreement, from 1 July 2018 in the first year and from 1 July 2019 in the second. The Pay Award also provided for restructures of Grade A (the City of London Corporation's lowest pay Grade) from 1 October in each of the years covered by the Award. The bottom point of the scale will be removed in each year and the top point of the scale will move up one point. The Base pay scales for employees in Grades A-J and the SMG that will apply from 1 July 2019 are as given below:

Grade	Min Salary (£)	Max Salary (£)
Grade A (from 1 July 2019)	£15,570	£16,550
Grade A (from 1 Oct 2019)	£16,040	£17,020
Grade B	£17,510	£20,330
Grade C	£22,860	£26,520
Grade D	£28,700	£33,290
Grade E	£33,290	£38,570
Grade F	£42,150	£48,880
Grade G	£50,330	£58,380
Grade H	£58,380	£67,650
Grade I	£67,650	£78,410
Grade J	£80,770	£93,650
Senior Management Grade (SMG)	£82,390	£253,270
The figures given are again for Base pay only. Employees on Grades A-J who manage or supervise another employee on the same Grade will continue to have a separate pay scale paying up to 6.1% greater than the salary on the substantive Grade, and employees on Grades A-J in residential posts will continue to have a separate pay scale paying 12.5% less than the salary on the substantive Grade. All employees in Grades A-J and in the SMG will continue to receive a separate London Weighting allowance, not differing between Grades of staff.		

The two-year Pay Award does not cover Teachers and their pay scales will be subject to the usual negotiations with their recognised Trade Union and staff representatives this year.

7. The Act's provisions do not supersede the City Corporation's autonomy to make decisions on pay which are appropriate to local circumstances and deliver value for money for local taxpayers. We seek to be a fair employer and an employer of choice - recognising and rewarding the contributions of staff in an appropriate way. We set

pay fairly within published scales and, in doing so, have regard to changing conditions in differing occupational and geographic labour markets.

Background

8. All pay and terms and conditions of service are locally negotiated with our recognised trade unions or staff representatives. In 2006/07 extensive work was undertaken on a review of our pay and grading structures. As a result, the principles set out in the guidance to the Act have already generally been addressed although the Act sets out some additional requirements which are covered by this statement.
9. In 2007 we implemented a number of core principles, via collective agreement, to form the City Corporation's pay strategy. This moved the pay and reward strategy from one based entirely on time-served increments to one which focusses on a balance between incremental progression, individual performance and contribution to the success of the organisation. The Grades A-J and the Senior Management Grade retain incremental progression, but this is always determined by performance measured through appraisal over the year 1 April - 31 March the following year. The Grades D-J and the Senior Management Grade also have access to "Contribution Payments" for employees at the top of the Grades. Achievement of these is also determined by appraisal over the same time period. All increments and Contribution Payments earned by appraisal are implemented on 1 October following the ending of the appraisal year. A fundamental element of the strategy is that achievement of payments related to performance is more onerous and exacting the more senior the member of staff.
10. All non-teaching staff employed by the City Corporation below the Senior Management Grade are allocated to one of the 10 Grades (Grade A-J), other than in a very small number of exceptional cases, such as Apprentices. All such posts were reviewed under Job Evaluation, ranked in order and allocated to a Grade following the 2007 Review. The evaluation scheme was independently equalities-impact-assessed to ensure that it was inherently fair and unbiased. New posts and any existing posts that change their levels of responsibility etc. continue to be evaluated and ranked under the scheme. The scheme, how it is applied, the scoring mechanism and how scores relate to Grades are published on our Intranet, so staff can be assured that the process is fair and transparent. In addition, there is an appeal mechanism agreed with the recognised trade unions and staff representatives.
11. In addition to basic salary, all Graded staff are paid a London Weighting allowance which varies depending on where they are based and whether they are supplied by the employer with residential accommodation. This is to assist staff with the higher cost of living and working in London. Current levels of London Weighting for non-residential staff are £6,090 for those based in inner London and £3,650 for those based in outer London.

12. As most of the work of the organisation is undertaken in the City of London, there are some types of posts which are difficult to recruit to (e.g. lawyers, IT staff etc.). Accordingly, there is often the need to use market supplements to attract, recruit and retain highly sought-after skills. These, where used, can be applied to employees in Grades A-J. Any request for a market supplement must be supported by independent market data and is considered by a panel of senior officers and, where appropriate (depending on the amount proposed to be paid and the Grade of the post), by the Establishment Committee. All market supplement payments are kept under regular review, and regular reports on payments made are produced for the Establishment Committee.
13. The London Living Wage (LLW) is applied as a minimum rate for all directly employed staff, including Apprentices since April 2017. Casual staff and agency workers have also been paid the London Living Wage since 2014. Until 2018, LLW increases have been applied from 1 April each year in line with the most recently announced LLW increase. However, in October 2018, the City Corporation's Policy & Resources Committee agreed that LLW increases should be applied in this and future years to affected employees and other staff from the date of the increase's announcement, which in 2018 was on 5 November.
14. The Establishment Committee has specific authority to deal with or make recommendations to the Court of Common Council where appropriate on all matters relating to the employment of City of London Corporation employees where such matters are not specifically delegated to another Committee. These matters include the remuneration of senior officers. The Establishment Committee has delegated this to the Senior Remuneration Committee.

Employees below the Senior Management Grade

15. The lowest Graded employees are in Grade A as determined by the outcomes of the Job Evaluation process. In 2016, the bottom two incremental points of this Grade were removed and an additional point was added to the top of it, and the two-year Pay Award for 2018-20 further restructures Grade A to give it additional points at the top while removing points from the bottom. The current lowest point on Grade A is now £21,290, including a London Weighting allowance for working in Inner London. The current pay range for Grades A - J is £21,290 to £97,900 inclusive of Inner London Weighting of £6,090 for non-residential employees.
- Grades A-C are the lowest Grades in the City of London Corporation. Grade A has 4 increments and Grades B and C have 6 increments, and progression through each Grade can be achieved by annual incremental progression subject to satisfactory performance. There is no Contribution Pay assessment. However, employees at the top of these Grades have the opportunity if they have undertaken exceptional work to be considered for a Recognition Award up to a maximum level set corporately each year (this has been £500 in each year since 2010).
 - Grades D-J have 4 'core' increments and 2 'contribution' increments. Progression through the 4 'core' increments is subject to satisfactory performance.

Progression into and through the 2 'contribution' increments requires performance to be at a higher than satisfactory level. Once at the top of the scale, for those who achieve the highest standards of performance and contribution, it is possible to earn a one-off non-consolidated Contribution Payment of up to 3% or 6% of basic pay depending on the assessed level of contribution over the previous year.

16. For the appraisal year ending 31 March 2018 (i.e. for payments awarded on 1 October 2018), 62% of eligible employees were allowed to move into the two higher contribution increments and 62% of eligible staff received a one-off non-consolidated contribution payment.

Senior Management Grade

17. The Senior Management Grade comprises the most senior roles in the organisation, as determined by Job Evaluation. Posts on the Senior Management Grade (SMG) are those which are the professional lead for a significant area of City Corporation business, with the nature of the professional responsibility held being such that the postholders are not only directing the function for which they are responsible towards meeting corporate strategic goals but are required to determine from their professional point of view how these corporate goals should be constructed. As the SMG posts are distinct roles, they are individually evaluated and assessed independently against the external market allowing each post to be allocated an individual salary range within the Grade, which incorporates market factors as well as corporate importance. Any increase in salary (whether through incremental progression or a cost-of-living award) is entirely dependent on each individual being subject to a rigorous process of assessment and evaluation, based on the contribution of the individual to the success of the organisation. SMG posts are not necessarily the best-paid in the organisation, as other posts in Grades I and J may be better paid than some SMG posts, depending on the separate market supplements applied to the Graded posts.

18. The Senior Management Grade incorporates the following posts:

- Town Clerk & Chief Executive
- Chamberlain
- Comptroller & City Solicitor
- Remembrancer
- City Surveyor
- Director of the Built Environment
- Managing Director of the Barbican Centre
- Principal of the Guildhall School of Music & Drama
- Director of Community & Children's Services
- Director of the Economic Development Office
- Executive Director of Mansion House and the Central Criminal Court
- Director of HR
- Director of Markets & Consumer Protection
- Director of Open Spaces
- Chief Grants Officer & Director of the City Bridge Trust

19. The Head Teachers of the City of London School, City of London School for Girls and City of London Freeman's School are not part of the Senior Management Grade for the purposes of pay (their pay is governed by a separate senior teaching pay scale, as outlined in paragraph 5). The pay of the post of Remembrancer is aligned to Senior Civil Service pay scales.
20. Following the principles outlined above, the pay ranges for the Senior Management Grade were set with reference to both job evaluation and an independent external market assessment. The principles of this were agreed by the Court of Common Council in 2007 and, subsequently, the specific unique range for each senior management post was agreed by the Establishment Committee in October 2007, subject to alteration thereafter when the duties or responsibilities of posts or other external factors relevant to their pay and reward change. Current Senior Management salary scales are from £80,770 to £248,300, excluding London Weighting.
21. Each Senior Management Grade post is allocated a range around a datum point. There is a maximum and minimum (datum plus 9% and datum minus 6% respectively) above and below which no individual salary can fall. Where a pay increase for a member of staff would take them above the maximum in a given year, the excess amount above the maximum may be paid as a non-consolidated payment in that year. This does not form part of basic salary for the following year and will, therefore, have to be earned again by superior performance for it to be paid.
22. Each year the datum point advances by a percentage equivalent to any 'cost of living' pay award. Individual salaries would move according to the table below:

Contribution Level	Salary Change
A Outstanding	Datum % change + up to 6%
B Very Good	Datum % change + up to 4%
C Good	Datum % change
D Improvement Required	0.0%

23. The average payment based on contribution alone has been 3.06% for the appraisal year ending in March 2018. The payments have been largely non-consolidated i.e. they have to be re-earned each year based on superior performance.
24. The Town Clerk & Chief Executive determines all salary matters for SMG posts (other than in relation to himself) within the existing individual Grades and reward policies, in consultation with elected members and the Senior Remuneration Committee. The Director of HR coordinates any such matters in relation to the Town Clerk & Chief Executive, in consultation with elected members and the Senior Remuneration Committee.

25. Set out below are the broad pay ranges for the Senior Management Grade, excluding London Weighting payments, with the numbers in each band. Each member of staff will have an individual salary scale within these broad ranges.

£80,770 - £115,130	(4)
£111,800 - £150,220	(6)
£154,710 - £195,000	(4)
£214,170 - £248,300	(1)

Chief Officers and Deputy Chief Officers

26. The Act specifies that information should be given in Pay Policy Statements about the determination of remuneration for Chief Officers and Deputy Chief Officers as defined under the Local Government & Housing Act 1989, including approaches to the award of other elements of remuneration such as bonuses and performance-related pay as well as severance payments. This should include any policy to award additional fees paid to Chief Officers or Deputy Chief Officers for their local election duties. The 1989 Act applies to the City Corporation only in its capacities as a local authority, police authority and port health authority, but as with other parts of this Statement, details are given for all employees who would satisfy the basic definitions of Chief Officers and Deputy Chief Officers given in the 1989 Act, other than schoolteachers and those who work in general for the City Corporation in its capacity as a police authority.
27. According to the definitions given in the 1989 Act (but widened in their interpretation as described in the paragraph above), as of 25 February 2019, the City Corporation had 31 Chief Officer posts and 118 Deputy Chief Officer posts. The 31 Chief Officer posts comprised the 15 posts within the Senior Management Grade plus the following numbers of posts within the A-J Grades:

- Grade J 12
- Grade I 3
- Grade H 1.

The 118 Deputy Chief Officer posts were made up of posts at the following Grades:

- Grade J 8
- Grade I 20
- Grade H 54
- Grade G 18
- Grade F 15

plus three posts paid at spot salaries owing to the nature of their employment and/or funding.

28. The distinctions between SMG pay and payments made to employees on other Grades are outlined in the relevant sections of this Statement above. The most significant element of pay able to be received by employees in Grades A-J that is not available to SMG posts is market supplements. 12 Chief Officers in Grades H-J

receive these payments as do 40 Deputy Chief Officers in Grades G-J. 4 of the Deputy Chief Officers in Grade F receive additional payments for working contractual hours in addition to the standard 35 per week on most City Corporation contracts. One Grade G Deputy Chief Officer receives additional payments for taking part in a Standby rota to provide a 24-hour on-call service. One Deputy Chief Officer on Grade F receives occasional additional payments for participating in electoral activities.

29. In cash terms, the payments per annum made to Chief Officers (including those in the SMG) and Deputy Chief Officers fall into the following broad pay bands:

£ per annum	Chief Officers	Deputy Chief Officers
40,000 – 50,000	-	12
51,000 – 60,000	-	18
61,000 – 70,000	-	39
71,000 – 80,000	4	20
81,000 – 90,000	-	11
91,000 – 100,000	3	5
101,000 – 115,130	11	9
111,800 – 150,220	8	3
154,710 – 195,000	4	1
214,170 – 248,300	1	-
<u>Total employees</u>	<u>31</u>	<u>118</u>

All payments outlined in the table above exclude London Weighting payments.

30. The schemes for incremental pay increases and Contribution Payments for employees in Grades D-J and the Senior Management Grade are set out in the relevant sections of this Statement above. These apply to Chief Officers and Deputy Chief Officers, depending on whether they are in one of the D-J Grades or the SMG. No Chief Officer or Deputy Chief Officer has an element of their basic pay “at risk” to be earned back each year. Progression through Grades is, however, subject to successful performance assessed through the application of the performance-appraisal scheme. Contribution Payments for any Chief Officer or Deputy Chief Officer are only available to those at the top of their Grades. These must also be earned through performance appraisal, and all such payments are non-consolidated, meaning that any recurrence of the payment has again to be earned through performance in future years.
31. The Act requires authorities to set out their policies on remuneration for their highest-paid staff alongside their policies towards their lowest-paid staff, and to explain what they think the relationship should be between the remuneration of their highest-paid staff and other staff. The City Corporation’s pay multiple - the ratio between the highest paid and lowest paid staff - is approximately 1:12. The ratio between the pay of the highest paid member of staff and the median earnings figure for all staff in the authority is 1:7.

Transparency

32. The Government guidance to the Act (which has statutory effect) requires the pay policy statement to make reference to policies in relation to staff leaving the authority, senior staff moving posts within the public sector, senior staff recruitment, and re-employment of senior postholders who have left the authority, particularly in relation to arrangements which might be made in such an event that would appear to have the intention of minimising tax payments made by the re-engaged former employee.

Recruitment

33. New staff, including those in the Senior Management Grade, are normally appointed to the bottom of the particular pay scale applicable for the post. If the existing salary falls within the pay scale for the post, the new employee is normally appointed to the lowest point on the scale which is higher than their existing salary provided this gives them a pay increase commensurate with the additional higher-level duties. In cases where the existing salary is higher than all points on the pay scale for the new role, the member of staff is normally appointed to the top of the pay scale for the role.

For posts where the salary is £100,000 or more, the following approvals will be required:

- (i) in respect of all new posts, the Court of Common Council;
- (ii) in respect of all existing posts, the establishment Committee.

Payments on Ceasing Office

34. Staff who leave the City Corporation, including the Town Clerk & Chief Executive and staff on the Senior Management Grade, are not entitled to receive any payments from the authority, except in the case of redundancy or retirement as indicated below.

Retirement

35. Staff who contribute to the Local Government Pension Scheme who retire from age 55 onwards may elect to receive immediate payment of their pension benefits on a reduced basis in accordance with the Scheme. Unreduced benefits are payable if retirement is from Normal Pension Age, with normal pension age linked to the State Pension Age from 1 April 2014, unless protections in the Pension Scheme allow for an earlier date. Early retirement, with immediate payment of pension benefits, is also possible under the Pension Scheme following redundancy or business efficiency grounds from age 55 onwards and on grounds of permanent ill-health at any age.
36. Whilst the Local Government Pension Scheme allows applications for flexible retirement from staff aged 55 or over, where staff reduce their hours or Grade, it is the City Corporation's policy to agree to these only where there are clear financial or operational advantages to the organisation. Benefits are payable in accordance with Regulation 27 of the Local Government Pension Scheme Regulations 2013. Unless there are exceptional circumstances, the City does not make use of the discretion allowed by the LGPS Regulations to waive any actuarial reduction in pensions awarded under the flexible-retirement provisions.

Redundancy

37. Staff who are made redundant are entitled to receive statutory redundancy pay as set out in legislation calculated on a week's pay (currently a maximum of £508 per week). The City Corporation currently bases the calculation on 1.5 x actual salary. This scheme may be amended from time to time subject to Member approval, and has most recently been so amended for staff made redundant on or after 25 October 2017. The authority's policy on discretionary compensation for relevant staff under the Local Government (Early Termination of Employment) (Discretionary Compensation) (England and Wales) Regulations 2006 is published on our website.

Settlement of potential claims

38. Where a member of staff leaves the City Corporation's service in circumstances which would, or would be likely to, give rise to an action seeking redress through the courts from the organisation about the nature of the member of staff's departure from our employment, such claims may be settled by way of a settlement agreement where it is in the City Corporation's interests to do so based on advice from the Comptroller & City Solicitor. The amount to be paid in any such instance may include an amount of compensation, which is appropriate in all the circumstances of the individual case. Should such a matter involve the departure of a member of staff in the Senior Management Grade or the Town Clerk & Chief Executive, any such compensation payment will only be made following consultation with the Chairmen of Policy & Resources and Establishment Committees and legal advice that it would be legal, proper and reasonable to pay it.

Payment in lieu of notice

39. In exceptional circumstances, where it suits service needs, payments in lieu of notice are made to staff on the termination of their contracts.

Re-employment

40. Applications for employment from staff who have retired or been made redundant from the City Corporation or another authority will be considered in accordance with our normal recruitment policy. The City Corporation does not engage former staff on contracts that enable tax payments to be minimised.

Publication of information relating to remuneration

41. The City Corporation will seek to publish details of positions with remuneration of £50,000 or above in accordance with the Accounts and Audit Regulations 2015 and the Local Government Transparency Code issued by the Secretary of State for Communities and Local Government.
42. This Pay Policy Statement will be published on our public website. It may be amended at any time during 2019/20 by resolution of the Court of Common Council. Any amendments will also be published on our public website.
43. This statement meets the requirements of the: Localism Act 2011; the Department for Communities and Local Government (DCLG) guidance on "Openness and accountability in local pay: Guidance under section 40 of the Localism Act" (including

any supplementary Guidance issued); “The Local Government Transparency Code 2015”; and the Accounts and Audit Regulations 2015.

44. From 2018, the City of London Corporation is required under the Equality Act 2010 to publish information every year showing the pay gap between male and female employees. The organisation’s first such report was published in March 2018.

February 2019



Report of the Standards Committee

Appointment of Co-opted Members

To be presented on Thursday, 7th March 2019

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

Summary

The Standards Committee comprises sixteen Members, four of whom are co-opted and must not be members of the Court of Common Council or employees of the City Corporation. Whilst Co-opted Members are no longer a statutory requirement and have no formal vote, following the introduction of the Localism Act 2011, the City of London Corporation has agreed to the inclusion of Co-opted Members on the Committee to maximise the breadth of knowledge and experience available.

There is currently one co-opted vacancy on the Committee and, following a recruitment exercise, Nicholas Cooke Q.C. has been nominated by the Selection Panel to serve on the Standards Committee.

Recommendation

We **recommend** that the Selection Panel's recommendation that Nicholas Cooke Q.C. be appointed to serve as a Co-opted Member of the Standards Committee for an initial two-year term (in order to better regulate the terms of office of Co-opted Members of the Standards Committee) expiring in March 2021 be approved. It should be noted that, thereafter, Mr Cooke Q.C. would be eligible for re-appointment for a further, full, four-year term.

Main Report

1. The Standards Committee comprises sixteen Members, four of whom are Co-opted Members and must be independent from the City Corporation (i.e. must not be members of the Court of Common Council or employees of the City Corporation). Whilst Co-opted Members are no longer a statutory requirement and no longer have a formal vote, following the introduction of the Localism Act 2011, the City of London Corporation has approved the continued inclusion of Co-opted Members on the Standards Committee to maximise the breadth of knowledge and experience on the Committee. Co-opted Members are entirely separate from the three statutory “Independent Persons” appointed under the Localism Act 2011 who must be consulted in relation to any investigation but who are not formal members of the Committee.
2. A vacancy for a Co-opted Member of the Standards Committee first arose in July 2016 following the decision of Felicity Lusk to step down with immediate effect due to her departure from the UK to work abroad. The appointment process was commenced in Autumn 2016.
3. A total of six applications were received and reviewed by the Selection Panel. The Selection Panel consists of the Chairman and Deputy Chairman of the Standards Committee, the Chief Commoner and the Chairman of the General Purposes Committee of Aldermen (the composition of the Panel is as determined by the Court of Common Council on 1 May 2014). Two candidates were invited to interview but, unfortunately, neither was considered appropriate for appointment.
4. The Chairman of the Standards Committee sought the Standards Committee’s views as to how they wished to proceed at this stage. Members were of the view that the recruitment process should be paused, particularly given the fact that there was a degree of uncertainty around the future constitution of the Standards Committee whilst the review of the Standards framework was ongoing.
5. At the conclusion of the review of Standards framework and confirmation that the constitution of the Standards Committee, in terms of Co-opted Members, was to remain unchanged a second recruitment campaign commenced in late August 2018. The Selection Panel was reconvened in October 2018 to consider the eight valid applications received.
6. Applicants were asked to demonstrate:-
 - an understanding of the role and objectives of the City of London Corporation;
 - community or business experience (preferably, you will either have lived or worked in the City for a number of years);
 - an insight into and understanding of the demands and pressures placed on individuals in public service;
 - the ability to think logically and in an impartial manner;
 - an understanding of the Nolan Principles of Public Life: selflessness; integrity; objectivity; accountability; openness; honesty and leadership
 - good questioning skills;

- the ability to attend any meetings that are necessary for the conduct of business associated with the local Standards regime; and
 - experience of assessing people's conduct.
7. Following assessment by the Panel, three candidates were invited to attend interview in December 2018.
 8. The purpose of this report is to seek approval to the recommendation of the Selection Panel - that Nicholas Cooke Q.C. be appointed to fill the existing Co-opted Member vacancy. The recommendation of the Selection Panel was considered and approved for onward submission to the Court by the Standards Committee at their 25 January 2019 meeting.
 9. **Nicholas Cooke Q.C.** has not previously served as a Co-opted Member of the Standards Committee. Mr Cooke Q.C. has served as a Judge at the Central Criminal Court where he developed an affection for and interest in the City. He is a Freeman of the City and a Liveryman of the Worshipful Company of Fan Makers.

Mr Cooke has been involved in the law as a student, junior barrister, Queen's Counsel and Judge for 45 years. He has sat as a part time and full time judge for 25 years. At the bar, Mr Cooke dealt with many cases involving professional standards and standards in local government and other aspects of public life. He has lectured to bar students on professional ethics.

As a deputy High Court Judge, he has dealt with many cases of judicial review of a very wide variety of public bodies. Most recently, this year, he has dealt with cases in the Queen's Bench Division concerned with the disallowance of banker's discretionary bonuses for misconduct and investment fraud. Mr Cooke also sat for 10 years as an additional judge of the Court of Appeal (Criminal Division).

Mr Cooke was a member of the former Lord Mayor's Panel for his annual Gresham Lecture, concerned with restoring trust in business and has also recently delivered a Gresham Lecture on "Bribery and Corruption in the City".

10. The Standards Committee are pleased to endorse the Selection Panel's **recommendation** that Nicholas Cooke Q.C. be appointed to serve on the Standards Committee as Co-opted Member for an initial two-year term expiring in March 2021. It should be noted that, thereafter, Mr Cooke Q.C. would be eligible for re-appointment for a further, full, four-year term.

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

DATED this 25 January 2019.

SIGNED on behalf of the Committee.

Oliver Arthur Wynlayne Lodge,
Chairman of the Standards Committee

This page is intentionally left blank



Report of the Standards Committee

Dispensations – Policy and Guidance

To be presented on Thursday, 7th March 2019

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

Summary

In July 2018, the Town Clerk authorised the establishment of a Dispensations (Standards) Working Party under the urgency provisions of Standing Order No. 41(a). The Working Party has since met regularly to consider dispensation policy and associated issues. Feedback has been invited and facilitated in various ways from all Members and Co-opted Members throughout the very detailed drafting of this documentation.

This report sets out the final details of the future policy and guidance on dispensations, as well as the revised dispensation request application form, all of which come in to effect as of 1 March 2019.

The aim of the Working Party has been to provide members with an enhanced level of requisite information about disclosable pecuniary interests, of the regulations around such interests and dispensations. As a result there should be increased clarity on the matter and confidence both for Members and the general public about the ways in which the City of London Corporation is taking decisions in an appropriate and consistent way.

The documentation before Members today has been reviewed and restructured following Court resolution of December 2018 and other Member feedback. This, together with the additional category of Delegated Dispensations, the restructuring of the Policy and Application Form and the redesign of the guidance flowchart, has enhanced the policy. The Standards Committee, as well as the Working Party, has

been closely involved in consideration of the Policy Document and is grateful to everyone who has provided feedback throughout the consultation process.

Further measures, in addition to the articulation and publication of its dispensation policy, agreed by the Standards Committee to enhance consistency in decision-making in relation to dispensation requests are:

- That, wherever possible and subject to delegation for specified categories of dispensation, dispensation decisions be taken by the Dispensations Sub Committee;
- That Members be encouraged to make dispensation applications in sufficient time to allow the summoning of the Dispensation Sub Committee;
- That any meeting of the Dispensation Sub Committee be chaired by either the Chairman of the Dispensation Sub Committee or by one of its two Deputy Chairmen;
- That applicants be invited, and the Town Clerk be requested, to cite any related previous dispensation decisions.

Recommendation

We **recommend** that Members note the revised policy and guidance and the dispensation request application form as set out in appendices 1 and 2 which are now formally adopted as of 1 March 2019.

Main Report

1. In July 2018, the Town Clerk authorised the establishment of a Dispensations (Standards) Working Party under the urgency provisions of Standing Order No. 41(a) and with the following membership drawn from the Standards Committee :- Oliver Lodge (Chairman of the Standards Committee), Ann Holmes (Deputy Chairman of the Standards Committee), Deputy Jamie Ingham Clark, Deputy Edward Lord and Mark Greenburgh (Co-opted Member of the Standards Committee).
2. The Working Party has met regularly to consider dispensation policy and associated issues, with the intention of reporting its findings to the Standards Committee in October 2018.
3. The Standards Committee considered the findings and recommendations of the Working Party at its meeting in October 2018 as planned, in the form of a joint report of the Town Clerk and the Comptroller and City Solicitor setting out a draft policy and guidance on dispensations under the Localism Act 2011, revisions to the dispensation request form and proposed alterations to the terms of reference of the Dispensations Sub (Standards) Committee.
4. Detailed discussion took place at this meeting on the draft policy and guidance and other associated documentation, during which there were a number of comments made by Committee members. It was agreed that these comments be referred to the Dispensations Working Party for further consideration as part of the finalisation of the draft documents.

5. Consideration, at this stage, also turned to how best to ensure that all Members had the opportunity to consider and comment on the draft documentation prior to implementation and, after discussion, it was agreed that a public meeting of the Standards Committee should be convened with all members of the Court and Co-opted Members invited to attend and participate.
6. The all Member (including Co-opted Members) Standards Committee meeting took place on 15 November 2018 and generated useful input, which was supplemented by a series of workshops for Members (including co-opted Members) throughout December 2018 to further discuss the documentation. These workshops were facilitated by members of the Standards Committee.
7. The draft documentation was also the subject of two motions at the December 2018 Court of Common Council meeting. One of the motions was amended and carried with the substantive motion being a request from the Court that the Standards Committee “should, as part of the current review of its policy and guidance on dispensations, adopt a position where Members would generally be granted a dispensation to speak (but not vote) on all matters concerning their Ward where they have an engaged disclosable pecuniary interest other than when that disclosable pecuniary interest would be directly and materially impacted by a matter to be determined at a meeting of the Court or one of its committees or sub-committees, subject of course to the proper exercise of the statutory discretion in each case”. This wording is now included within the Dispensation Policy. The second motion was not carried.
8. The Standards Committee has noted the points raised in all forms since their last meeting in October 2018 (by the Court of Common Council, via email and at the various workshops that took place towards the end of 2018). A further meeting of the Dispensations (Standards) Working Party was convened on 9 January 2019 to take these into account in the finalising of the Policy and associated documents ahead of their presentation to the Standards Committee on 25 January 2019.
9. All feedback received has been noted and considered as part of the extensive consideration given to the documentation. While many points have been incorporated into the Policy and applied to the Application Form, it has not been possible to include those suggestions that are incompatible with the relevant legislation. Efforts have also been made around making the documents more user friendly, with some material now moved to the appendices. There is now also a clearer distinction between the format for applications for dispensations under delegated authority and other applications.
10. The new policy and guidance, which comes in to effect on 1 March 2019, is attached as **appendix 1**. In summary, this document explains the general policy on the granting of dispensations, including when it might be necessary to apply for one, the process for this, statutory grounds for granting a dispensation, factors to be taken into account in deciding whether one or more of the statutory grounds are satisfied, and other related matters.

11. The objective of the publication of our Dispensation Policy remains that of greater transparency and as a means of enhancing consistency in the process of consideration of applications for dispensations.
12. Significant revisions have been made to the draft dispensation request form, cross referencing with the policy and guidance document, and this is attached as **appendix 2**. The revisions aim to provide appropriate advice on matters that should be taken account of by the applicant and to capture the relevant and necessary information that is required to make an informed decision on the request.
13. Key revisions to the consultation draft that was issued at the time of the All Member meeting of the Standards Committee on 15 November 2018 include:
 - the insertion of the Court request of December 2018;
 - the restructuring of the Policy document to enhance accessibility;
 - the restructuring of the Application Form to reduce the necessary information required for delegated-decision applications;
 - the inclusion of an additional form of dispensation, relating to housing matters, that is available under the delegated decision process;
 - the removal of a consideration factor (relating to alternative means of ward representation).
14. The Standards Committee intend to monitor the new system and to carry out a post implementation review of this after a year.
15. Further measures, in addition to the articulation and publication of its dispensation policy, agreed by the Standards Committee to enhance consistency in decision-making in relation to dispensation requests are:
 - That, wherever possible and subject to delegation for specified categories of dispensation, dispensation decisions be taken by the Dispensations Sub Committee;
 - That Members be encouraged to make dispensation applications in sufficient time to allow the summoning of the Dispensation Sub Committee;
 - That any meeting of the Dispensation Sub Committee be chaired by either the Chairman of the Dispensation Sub Committee or by one of its two Deputy Chairmen;
 - That applicants be invited, and the Town Clerk be requested, to cite any related previous dispensation decisions.

Conclusion

16. The policy and guidance and associated documents have been further reviewed in the light of the feedback received. The documents seek to provide Members with an enhanced level of requisite information about disclosable pecuniary interests, and of the regulations around such interests and dispensations, and thereby , and through the further measures adopted, increase clarity and confidence both for Members and the general public that the City of London Corporation is taking decisions on them in an appropriate and consistent way. Members are now asked to **note** the revised policy and guidance and application form as appended.

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

DATED this 21 February 2019.

SIGNED on behalf of the Committee.

Oliver Arthur Wynlayne Lodge,
Chairman of the Standards Committee

This page is intentionally left blank

Standards Committee

Policy and guidance on the granting of dispensations under the Localism Act 2011 and the Members' Code of Conduct

Introduction

Purpose of this document

1. The purpose of this document is to explain:
 - (a) what a dispensation is, and when it might be necessary to apply for one in order to participate in an item of business;
 - (b) the process for applying for a dispensation;
 - (c) the statutory grounds for granting a dispensation;
 - (d) the agreed additional factors that will be taken into account in deciding whether one or more of the statutory grounds have been satisfied; and
 - (e) the general policy position on the granting of dispensations.
2. The aim is to provide as much guidance as possible to Members and Co-opted Members (referred to collectively here as "Members") about when it might be appropriate to apply for a dispensation, the information that should be provided in the application form in every case, and additional information that might usefully be provided in order to support a particular application. This document will also be used by the Standards Committee to ensure consistency in decision making.

Application

3. The Localism Act 2011 applies to the City Corporation in its capacity as a local authority or police authority. However, the City Corporation has chosen to apply the Members' Code of Conduct, including the rules on disclosable pecuniary interests, to all of its functions – not just its local authority and police authority functions. The Code of Conduct applies to any member of the City Corporation and any external or co-opted member of a committee of the City Corporation (collectively referred to as a "Member" in this document).

Statement of general policy

4. The default statutory position is that a Member who has a disclosable pecuniary interest in any matter being considered at a meeting cannot speak or vote on that matter. Members may apply for a dispensation from these restrictions on specified statutory grounds and all applications will be decided on their individual merits. The Standards Committee will exercise its discretionary power to grant dispensations subject to its general duty to promote high standards of conduct; in a way that is consistent with the Seven Principles of Public Life and helps to maintain public confidence in the conduct of the City Corporation's business. In considering

whether and how to exercise its discretion the Standards Committee will need to see good reasons why an application should succeed on one or more of the statutory grounds, with particular reference to the additional factors set out in this document. **The onus is on the Member making an application to demonstrate that a dispensation is justified in the circumstances.**

5. The Court of Common Council has requested that the Standards Committee "...adopt a position where Members would generally be granted a dispensation to speak (but not vote) on all matters concerning their Ward where they have an engaged disclosable pecuniary interest other than when that disclosable pecuniary interest would be directly and materially impacted by a matter to be determined at a meeting of the Court or one of its committees or sub-committees, subject of course to the proper exercise of the statutory discretion in each case." This is the guiding principle that underpins this policy.

Disclosable pecuniary interests

6. In order to consider dispensations it is first necessary to understand the rules around disclosable pecuniary interests – what they are, when they are engaged and their effect on participation. A summary of the position is therefore set out at Appendix 1. Members should also refer to the other guidance available on disclosable pecuniary interests and the Members' Code of Conduct, which can be accessed via the link in Appendix 1.

Granting dispensations

The process

7. A relevant authority may, on a written request made to the proper officer of the authority by a Member of the authority, grant a dispensation relieving the Member from either or both of the restrictions on speaking or voting in cases described in the dispensation. A dispensation must specify the period for which it has effect, which may not exceed four years. At the City Corporation the granting of such dispensations is a function of the Standards Committee and its Dispensations Sub-Committee (referred to collectively in this document as "the Standards Committee") although individual applications will normally be considered by the Dispensations Sub-Committee. The Standards Committee has decided to delegate authority to determine certain types of straightforward dispensation applications to the Town Clerk.
8. Dispensation applications, whether determined by the Standards Committee, or by the Town Clerk under delegated authority, are subject to the statutory rules on public access to information in the normal way. In most cases the public interest in disclosing this information will outweigh the public interest in maintaining any applicable exemption. This means that the detail of any application will normally be made public, even if it contains special category personal data, including information about a protected characteristic, that is relevant to the application.
9. As previously stated, the onus is on individual Members to decide whether they have a disclosable pecuniary interest in any given matter. Therefore the Standards Committee will generally assume that any dispensation being sought is required in

order to allow the Member concerned to participate in the relevant item of business and will not normally refuse a request simply on the basis that a dispensation is not thought to be necessary. The only exception to this is where the facts as disclosed in the application form could not possibly engage a disclosable pecuniary interest. **Any dispensation is entirely permissive in nature and does not impose any restrictions on speaking or voting where no such restrictions otherwise exist.**

10. The expectation is that the Town Clerk will read out any applicable dispensations at an appropriate point in the meeting, either under the agenda item on Members' declarations or at the start of the consideration of the item of business in question. However it is the responsibility of the Member concerned to make sure that the existence and nature of any dispensation being relied upon is made known at a meeting.
11. Any dispensation relates only to the disclosable pecuniary interest(s) cited in the application. If a Member has another engaged disclosable pecuniary interest, that was either omitted from the original application, or arose after the original application was made, then this will not be covered by the terms of the existing dispensation. A Member wishing to speak or vote on a relevant item of business in such circumstances would need to make a fresh application. The Standards Committee also reserves the right to review and revoke or amend any dispensation previously granted in appropriate circumstances.

Timeliness of applications

12. The Standards Committee requests that Members lodge any applications as soon as possible after becoming aware that a dispensation is required in order to participate in a particular item of business. A Member does not have to wait until they know the precise date of the meeting at which a matter will be considered before applying for a dispensation. If applications are submitted at short notice it may not be possible to consider them in time for the meeting in question.

The statutory grounds for granting a dispensation

13. The legislation provides that a relevant authority (which includes the City Corporation) may only grant a dispensation if, after having had regard to all relevant circumstances, the authority:
 - (a) considers that without the dispensation the number of persons prohibited from participating in any particular business would be so great a proportion of the body transacting the business as to impede the transaction of the business;
 - (b) considers that without the dispensation the representation of different political groups on the body transacting any particular business would be so upset as to alter the likely outcome of any vote relating to the business;*
 - (c) considers that granting the dispensation is in the interests of persons living in the authority's area;

- (d) if it is an authority operating executive arrangements, considers that without the dispensation each Member of the authority's executive would be prohibited from participating in any particular business to be transacted by the authority's executive;* or
- (e) considers that it is otherwise appropriate to grant a dispensation.

* Grounds (b) and (d) are not directly applicable to the City Corporation but are included for completeness and context.

Comments on the statutory grounds

- 14. The default position is that a Member with a disclosable pecuniary interest in any matter may not speak or vote on that matter. **The onus is on the Member making an application to demonstrate that at least one of the statutory grounds for granting a dispensation is satisfied.**
- 15. One obvious example of where it may be appropriate to grant a dispensation under statutory ground (a) is where the decision-making body would otherwise be inquorate.
- 16. In the Standards Committee's view the reference in statutory ground (c) to "persons living in the authority's area" is a reference to residents. A dispensation may also be granted where it is in the interests of other persons accessing the City, its facilities and services – such as City workers – but this would properly come under statutory ground (e). In both cases, the Standards Committee will consider whether not granting a dispensation would be to the disadvantage of that group. The Standards Committee will also take into account how many persons would be disadvantaged, and to what extent.

Dispensation decisions that are delegated to the Town Clerk

- 17. The Standards Committee has decided to delegate authority to determine certain types of straightforward dispensation applications to the Town Clerk. Whilst one or more of the statutory grounds for granting a dispensation must still be satisfied in each case, the Standards Committee considers that it will normally be possible to establish this in relation to the three types of application set out below. The Town Clerk may grant such dispensations for a term ending on or before the date of the next ordinary Common Council elections. Any Member who requires a dispensation that goes beyond these delegated arrangements must apply to the Standards Committee in the normal way. The matters delegated to the Town Clerk are as follows:

Council tax

- (a) The Department for Communities and Local Government guide for councillors entitled 'Openness and transparency on personal interests' states that, "...being a council tax payer does not mean that you need a dispensation to take part in the business of setting the council tax or precept or local arrangements for council tax support." Whilst this guidance will no doubt provide comfort to Members, it is not intended to be a definitive

statement of the legal position. Although the prosecution of a Member who participated in such circumstances is highly unlikely, this cannot be absolutely guaranteed. Members are therefore entitled to apply for a dispensation to speak and vote on the setting of council tax should they wish to have greater assurance on this point. As the Standards Committee considers the granting of a dispensation in these circumstances to be uncontroversial, authority has been delegated to the Town Clerk to determine applications for dispensations relating to council tax.

Speaking on planning and licensing applications

- (b) The Standards Committee is of the view that, subject to certain safeguards, Members should generally be permitted to speak with the same rights as a member of the public on planning and licensing applications. However, where a Member has a relevant disclosable pecuniary interest, the Localism Act 2011 prohibits this unless a dispensation is applied for and granted for the purpose. The Standards Committee considers that granting a dispensation in these circumstances will normally be in the interests of persons living in the City and/or will be otherwise appropriate. Therefore, authority has been delegated to the Town Clerk to grant dispensations in appropriate circumstances, to Members who are not members of the Committee in question, for the purpose of making oral representations, answering questions, or giving evidence, relating to planning and licensing applications where the public are also allowed to attend the meeting for the same purpose. This is dependent on the Member in question having submitted written representations on a particular application, or otherwise having satisfied the criteria to speak as a member of the public in the normal way. Any Member relying on such a dispensation should then be treated as a member of the public when making oral representations on that matter. These dispensations are not available to Members of the Planning Committee or the Licensing Committee in relation to the business of their own Committee, and any dispensation granted under delegated powers for this purpose will lapse if a Member is subsequently appointed to the Committee in question. Members of the Planning Committee and the Licensing Committee may still apply for a dispensation to participate in relation to the business of their own Committee, where they have a relevant disclosable pecuniary interest, but must do so on a case by case basis to the Standards Committee.

Speaking on general housing matters

- (c) The Standards Committee is of the view that Members should normally be permitted to speak on general housing matters¹ even where they have one or more of the following types of disclosable pecuniary interest relating to a residential property in the City:
 - (i) A lease or tenancy from the City Corporation.
 - (ii) A licence from the City Corporation to occupy land for a month or longer.
 - (iii) A corporate tenancy from the City Corporation, where the tenant is a company in which the Member has a beneficial interest.

N.B. Under the Localism Act 2011 this includes any disclosable pecuniary interest belonging to a spouse, civil partner, or person with whom the Member is living as husband or wife, or as if they were civil partners.

The Standards Committee considers that granting a dispensation in these circumstances will generally be in the interests of persons living in the City. Therefore, authority has been delegated to the Town Clerk to grant such dispensations, so long as the item of business does not relate particularly to the Member's own disclosable pecuniary interest. What this means in practice is that a Member with such a dispensation will be able to speak on housing matters that affect all of the City Corporation's tenants or leaseholders on a particular estate equally. This would include, for example, speaking on the appropriate level of service charge. However, such a dispensation will not permit a Member to speak on an item of business that relates solely or particularly to their own lease or tenancy. This would include, for example, rent arrears or repairs relating to the Member's own property. If a Member is unsure whether an item of business relates particularly to their own disclosable pecuniary interest, they are encouraged to seek advice from the Monitoring Officer or the Town Clerk, or apply for a specific dispensation from the Standards Committee.

¹ For these purposes "general housing matters" means the exercise of the City Corporation's functions as a housing authority in relation to:-

- Housing governance i.e. decision making, scrutiny and consultation arrangements together with any proposals for stock transfer.
- General housing management i.e. arrangements for the proper management of the City Corporation's housing stock and housing estates including management of common parts, estate amenities and community facilities, and commercial properties which are an integral part of housing estates, together with the procurement of services to carry out such activities.
- General repairs and maintenance including arrangements for procuring repairs and maintenance.
- General rent and service charge setting.
- Strategic housing policy including allocations, homelessness and the provision of new homes.

For these purposes "general housing matters" does not include:

- The provision of parking spaces, and private storage spaces separate from a dwelling.

Factors to be taken into consideration by the Standards Committee

18. In deciding whether to grant a dispensation under one or more of the specific statutory grounds, the Standards Committee will take into account the (non-exhaustive) list of factors set out in Appendix 3, as well as any other relevant circumstances, as appropriate. However, the Standards Committee will look at the

merits of each application in the round, and simply addressing one or more of the factors in Appendix 3 does **not** mean that a dispensation will be granted.

Other related matters

Multiple applications from a particular ward

19. Applications to participate in a particular item of business may be received from more than one Member of the same ward. The Standards Committee would prefer to consider the respective merits of all applications from a single ward on a particular item of business at the same time, rather than on a 'first come, first served' basis. To assist with this process, Members are reminded of the request to lodge any applications as soon as possible after becoming aware that a dispensation is required. The Members of each ward are encouraged to work together in deciding whether an application for a dispensation should be made and, if so, in considering which Member or Members would be in the strongest position to apply. This could potentially be organised through the ward deputy.

Section 618 of the Housing Act 1985

20. Under section 618 of the Housing Act 1985, a Member of the City Corporation may not vote on a resolution or question which is proposed or arises in pursuance of the Housing Act 1985 or the Housing Associations Act 1985 (concerning various housing management issues) and relates to land in which they are beneficially interested. This restriction is separate from, and runs parallel to, the relevant provisions of the Localism Act 2011. **It is not possible to grant a dispensation from the restriction on voting contained in this section.**
21. What this means in practice is that if a housing matter is being considered at a meeting that relates to land in which a Member has a beneficial interest, that Member may not vote, by virtue of section 618 of the Housing Act 1985. Even were the Standards Committee to grant a dispensation to vote under the provisions of the Localism Act 2011, that Member would still be prohibited from voting under section 618 of the Housing Act 1985. In addition, they may only speak on the matter if they have obtained a dispensation to do so under the Localism Act 2011.

Conclusion

22. Requests for dispensations will be determined on their own merits and any dispensation granted must be justified on one or more of the statutory grounds. Dispensations to speak and vote on council tax, to speak on general housing matters, and to speak on planning and licensing applications as a member of the public, may be granted by the Town Clerk under delegated authority. All other applications will be considered by the Standards Committee, which will need to be presented with a clear case and will be guided by the principles set out in this document in making its decision. Any Member applying for a dispensation to the Standards Committee should thoroughly address the factors set out at Appendix 3. Applications should be submitted in good time where possible and Members are requested to liaise with the other Members of their ward where appropriate.

Approved by the Standards Committee and in force from 1 March 2019.

Appendix 1 – Disclosable pecuniary interests

What is a disclosable pecuniary interest?

1. Under the Localism Act 2011 and The Relevant Local Authorities (Disclosable Pecuniary Interests) Regulations 2012 there are a number of disclosable pecuniary interests that prevent a Member from participating in any discussion or vote on a connected item of business under the following headings:

(a) Employment;

Any employment, office, trade, profession or vocation carried on for profit or gain.

(b) Sponsorship;

Any payment, etc. towards the election expenses of a Member, or the expenses incurred in carrying out their official duties (other than from the City Corporation). This would include any payment from a trade union.

(c) Contracts;

Any contract with the City Corporation for goods, services or works. This will include any Member with one or more children at any of the City Corporation's independent schools.

(d) Land;

Any beneficial interest in land which is within the City. This includes any freehold or leasehold interest in land, as well as any tenancy.

(e) Licences;

Any licence to occupy land in the City for a month or longer.

(f) Corporate tenancies;

Any tenancy where the City Corporation is the landlord and the tenant is a company or other body in which the Member or another relevant person has a beneficial interest.

(g) Securities.

Any shares, debentures, debenture stock, loan stock, bonds, unit trusts and similar investments in a body that has a place of business or land in the City and the total nominal value exceeds £25,000 or 1/100th of the total issued share capital.

2. The disclosable pecuniary interest that is most commonly engaged in relation to planning, licensing and housing matters is (d) Land.

When is a disclosable pecuniary interest engaged?

3. The Localism Act 2011 does not provide any additional guidance on judging whether a disclosable pecuniary interest should impact on a Member's participation in a particular item of business or not. It simply states that the prohibition on speaking or voting on a matter applies where a Member:

- (a) is present at a meeting;
- (b) has a disclosable pecuniary interest in any matter to be considered, or being considered, at the meeting; and
- (c) is aware that the condition in paragraph (b) is met.

It is not possible to simply substitute the different descriptions of a disclosable pecuniary interest, such as 'land' or 'employment', into (b) above. Therefore some additional form of wording has to be read into this provision, whether that refers to a disclosable pecuniary interest being 'engaged' in any matter, or 'relating to' any matter, or being 'affected by' any matter. There isn't a definitive test – whether a Member has a disclosable pecuniary interest in a particular item of business is a matter of fact and degree to be determined in each individual case.

4. It is therefore up to individual Members to make a judgement as to whether any disclosable pecuniary interest that they possess relates to a particular item of business, drawing on their experience and taking any advice as appropriate. As a starting point, a Member should consider:

- (a) whether the matter before the meeting could reasonably be said to appear to be likely to affect their disclosable pecuniary interest; or
- (b) whether a member of the public would consider that the Member might be influenced by their disclosable pecuniary interest.

If the answer to either of these questions is in the affirmative, then the Member is likely to have a disclosable pecuniary interest in the matter being considered. This will be the case, for example, where a decision would materially affect a Member's interest in land, either by affecting the value of that land, the prospects of selling that land, or the use and enjoyment of that land. It should be apparent from the above examples that there does not have to be a financial impact on a Member in order for that Member to be prohibited from participating in a particular item of business.

5. Speaking in general terms, a Member is highly likely to have an engaged disclosable pecuniary interest in a planning or licensing application for a property adjacent to their home. A Member is less likely to have a disclosable pecuniary interest in a planning or licensing application for a property several streets away from their home. However, any decision on whether a Member does have a disclosable pecuniary interest in a particular matter will always depend on the particular circumstances.
6. It may be helpful to give some specific examples of scenarios where a disclosable pecuniary interest will not normally be engaged. In the Standards Committee's view, no Member will have a disclosable pecuniary interest in general matters such as City-wide refuse collection, street cleaning or air quality, even if they do live and/or work

in the City (unless, for example, they are contractually involved in the delivery of the service).

Relationship between the Localism Act 2011 and the Members' Code of Conduct

7. The provisions of the Localism Act 2011 in relation to disclosable pecuniary interests are reflected in the Members' Code of Conduct. Paragraph 13 provides that, "Unless dispensation has been granted, you may not participate in any discussion of, vote on, or discharge any function related to any matter in which you have a pecuniary interest as defined by regulations made by the Secretary of State". **The Members' Code of Conduct applies to all of the City Corporation's functions, not just local authority and police authority functions.**

Effect on participation and possible sanctions

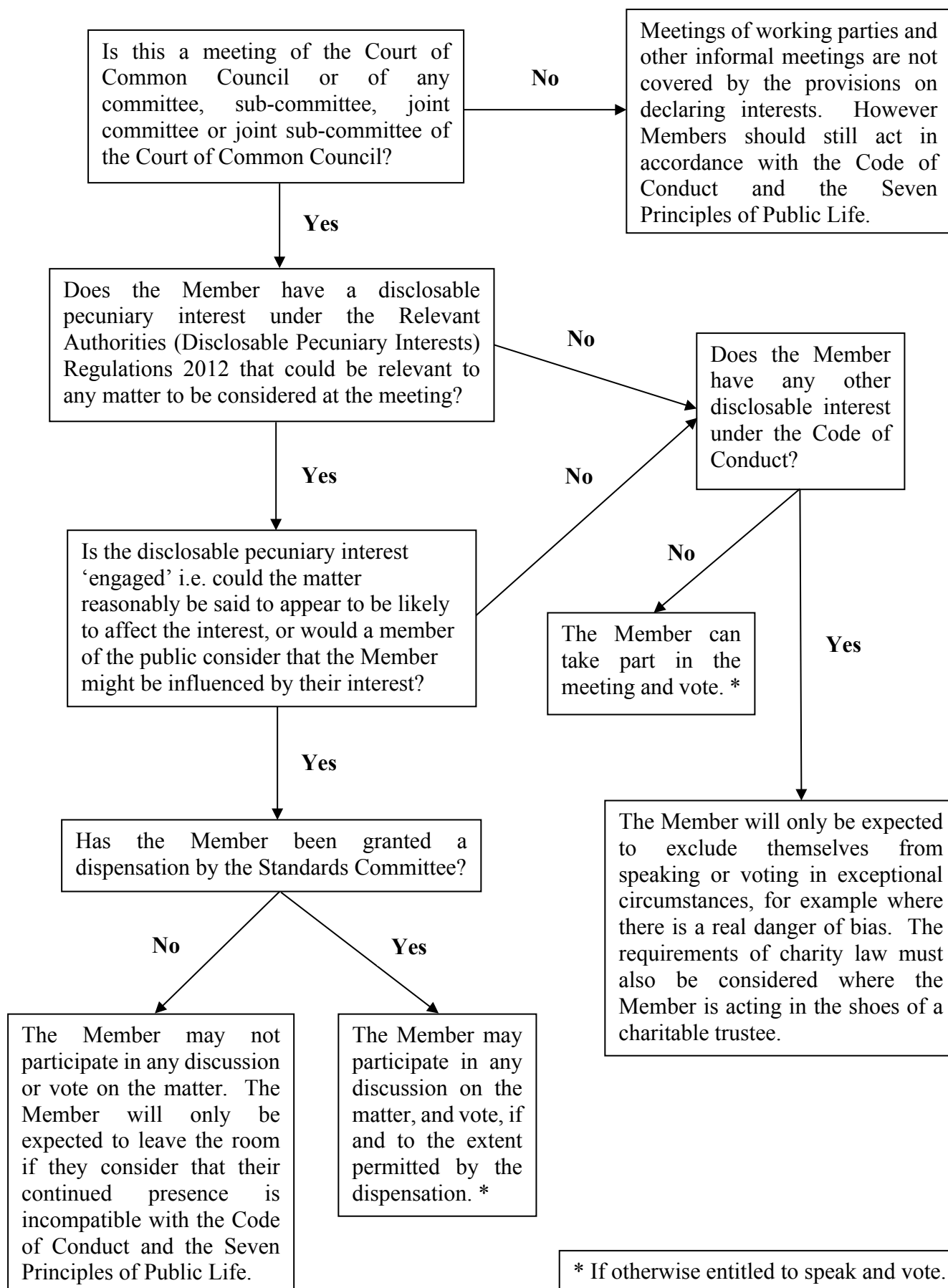
8. A Member who is present at a meeting of the City Corporation, and who has a disclosable pecuniary interest relating to any business being considered, must not participate in any discussion of the business at the meeting, or participate in any vote taken on the matter at the meeting. If a Member becomes aware of their disclosable pecuniary interest during the meeting, they should not participate further from that point. **The prohibition on speaking includes speaking as a member of the public.** In certain circumstances, Members can request a dispensation from these prohibitions. The City Corporation's standing orders do not require a Member with a disclosable pecuniary interest in an item of business to automatically leave the room. The Member should however leave the room if they consider that their continued presence is incompatible with the Members' Code of Conduct or the Seven Principles of Public Life. A flowchart illustrating these principles is attached at Appendix 2.
9. A Member commits a criminal offence if, without reasonable excuse, they participate in any discussion or vote on any City Fund matter (e.g. a local authority or police authority matter) in which they have a disclosable pecuniary interest. For this reason Members are advised to err on the side of caution. A Member who is found guilty of such an offence can be fined up to £5,000 and disqualified from holding office for up to five years. A prosecution may only be instigated by or on behalf of the Director of Public Prosecutions (DPP). In all cases, whether an item of business falls under the City Fund or not, a Member who participates in any discussion or vote despite having a disclosable pecuniary interest will be committing a breach of the Members' Code of Conduct. A breach of the Code of Conduct may also occur whether a Member is aware that they have a disclosable pecuniary interest or not.
10. Where a Member has an engaged disclosable pecuniary interest, there are other mechanisms through which the views of their constituents can be communicated, without the need for a dispensation. The Member could for example submit written representations, or brief another Member to speak on their behalf.

Further information

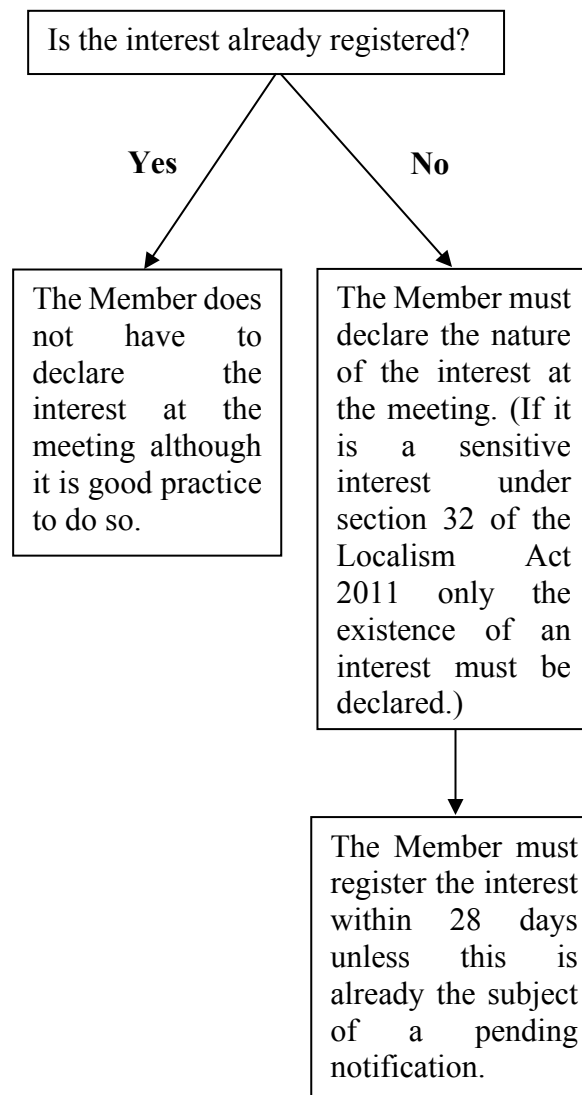
11. The full text of the Members' Code of Conduct and additional guidance can be found at the following link: <https://www.cityoflondon.gov.uk/about-the-city/how-we-make-decisions/Pages/corporate-governance.aspx>. Members are advised to seek advice from the Monitoring Officer or the Town Clerk if they are unsure about whether they have a disclosable pecuniary interest in a particular matter.

Appendix 2 – Interests at meetings

Part I: Participation at meetings where an interest may be engaged



Part II: Declaring interests at meetings and subsequent registration



Appendix 3 – Factors to be taken into consideration by the Standards Committee

Maintaining public confidence

- (a) Is the nature of the Member's interest such that allowing them to participate would risk damage to public confidence in the conduct of the City Corporation's business?

Applications to vote

- (b) Granting a dispensation to vote has a more direct influence over the decision-making process than a dispensation to speak, goes beyond simply representing the views of constituents and carries more risk of damaging public confidence. **Therefore, a dispensation to vote will only be granted in exceptional circumstances.**

Equivalent public rights

- (c) The default position under the Localism Act 2011 is that a Member with a disclosable pecuniary interest in a matter being considered at a meeting loses any right to speak that they would otherwise have had – **even as a member of the public**. However, in the Standards Committee's view the existence of such public speaking rights are a relevant consideration. Therefore, a dispensation to speak is more likely to be granted for the purpose of making representations, answering questions or giving evidence relating to the business where the public are also allowed to attend the meeting for the same purpose, whether under a statutory right or some other reasonable expectation. This is most likely to arise in relation to planning and licensing matters (see paragraph 17(b) of the main document) but may arise in other areas. Any Member granted a dispensation to speak in such circumstances should then be treated as a member of the public when making oral representations on that matter. The onus though is still on the Member concerned to demonstrate that it is appropriate to grant a dispensation.

Expectation of ward representation

- (d) Is there a reasonable expectation that the Member's ward will be directly represented? For example, is the item of business to be considered at a ward committee? Does the item of business directly affect the Member's ward?

Widely held interests

- (e) Is the interest common to the Member and a significant proportion of the general public? If so, a Member may be less likely to be influenced by that interest, and granting a dispensation may carry less risk of damaging public confidence. An obvious example would be the setting of council tax.

Directly impacted interests

- (f) How directly or materially impacted is the disclosable pecuniary interest? For example, whilst arrangements have been put in place for allowing a Member with a lease or tenancy from the City Corporation to participate in general housing discussions, the Standards Committee will only grant a dispensation to a Member to participate in business relating to their particular lease or tenancy in very exceptional circumstances.

Personal knowledge, etc.

- (g) Is the participation of the Member in the business that the interest relates to justified by their particular knowledge, role or expertise? Would the potential contribution be of especial value to the decision making process and provide a perspective that would not otherwise be available? Should the knowledge or expertise in question be provided by a Member or by a disinterested official adviser? Would the Member's participation assist or potentially distort the debate?

Diversity and inclusion

- (h) Does the Member have a particular viewpoint that might not otherwise be represented and might assist the debate in relation to that particular matter – whether this relates to age, race, disability, gender, sexual orientation, religion or belief, or any other protected characteristic?

Manifesto promises

- (i) Was the Member elected on a public platform that they would specifically address the item or items of business for which the dispensation is sought? Did this appear as a commitment in their election material?

Scope and duration

- (j) Some requests for dispensations that are received are general in nature and for a lengthy time period. Others are much more specific in relation to a particular matter at a particular meeting. **A focussed application is more likely to be successful** as this enables the Standards Committee to consider a specific set of circumstances. However, to avoid unnecessary bureaucracy arising from delays and adjournments, it is generally acceptable to apply for a dispensation in relation to a specific matter at a specific meeting, and/or such later meetings of that committee during the municipal year at which the matter may be considered.

Previous dispensation decisions

- (k) The Standards Committee cannot fetter its own discretion and must consider each application on its own merits. However, it is beneficial for all concerned for there to be a consistent approach to applications made in similar circumstances, and the Standards Committee will therefore have due regard to its own previous decisions, always acknowledging that the consensus can change over time.



REQUEST FOR A DISPENSATION TO SPEAK AND/OR VOTE WHERE A MEMBER / CO-OPTED MEMBER HAS A DISCLOSABLE PECUNIARY INTEREST

The City of London Corporation may, following a written request, grant a dispensation for a Member (including a Co-opted Member) to take part in any discussion and vote on a matter in which they have a disclosable pecuniary interest, in some circumstances. The granting of dispensations is a function of the Standards Committee and its Dispensations Sub-Committee (referred to collectively in this form as “the Standards Committee”). You are strongly advised to read the accompanying ‘Policy and guidance on the granting of dispensations’ (“the Policy”) issued by the Standards Committee before completing this form and particular paragraphs of that document are cross-referenced at appropriate points below.

The information you provide in this form will be considered by the Standards Committee in reaching a decision. **The onus is on you to justify your application and the omission of any relevant information may affect the outcome.** You are requested to complete this form electronically and email it to declarations@cityoflondon.gov.uk. Electronic applications will only be accepted from your official City of London Corporation email address. Alternatively, paper forms can be submitted to the Committee and Member Services Team in the Town Clerk’s Department, but typed forms should be provided if at all possible.

Name:

Date:

☐ I confirm that I am the person named above and that I have personally completed this form or reviewed its contents. The details provided in this form are true and accurate and all material facts have been disclosed.

If submitting a paper form, please also sign in the box below.

Signature:

Relevant disclosable pecuniary interests (Appendix 1 of the Policy)

Please describe the nature of the disclosable pecuniary interest(s) that would otherwise prohibit you from speaking and/or voting:

Details of dispensation sought (paragraphs 7-12 of the Policy)

A. Complete this section if you are applying for a dispensation from the Town Clerk under delegated authority (paragraph 17 of the Policy)

I request a dispensation until the Ward elections in 2021 to enable me:

- ☐ to speak and vote on the setting of council tax
- ☐ to speak as a member of the public on planning applications
(I confirm that I am not a member of the Planning Committee)
- ☐ to speak as a member of the public on licensing applications
(I confirm that I am not a member of the Licensing Committee)
- ☐ where I have a lease or tenancy, corporate tenancy or licence to occupy a residential property from the City of London Corporation, to speak on general housing matters, so long as the item of business does not relate particularly to my own disclosable pecuniary interest
(This includes any lease or tenancy, corporate tenancy or licence belonging to a spouse, civil partner, or person with whom I am living as husband or wife, or as if we were civil partners)

B. Complete this section if you are applying for a dispensation from the Standards Committee (paragraphs (b), (c) and (j) in Appendix 3 of the Policy)

I request a dispensation to enable me to:

- ☐ speak as a member of the public
- ☐ speak as a Member
- ☐ vote

on the following matter(s):

for a specific committee meeting or meetings, or for a specific period, as follows:

If your request is urgent or at short notice please explain why the application is being made now:

Page 226

Statutory grounds (paragraphs 13-16 of the Policy)

A dispensation may only be granted where one of the statutory grounds is met. The grounds that are relevant to the City of London Corporation are set out below. Please tick the statutory ground(s) that you consider to be met in this instance and then explain in more detail why you believe this to be the case in the relevant text box.

- ☐ **Without the dispensation the proportion of Members and Co-opted Members prohibited from participating in any particular business would be so great as to impede the transaction of the business**

- ☐ **Granting the dispensation is in the interests of persons living in the City**

- ☐ **It is otherwise appropriate to grant a dispensation**

Please note that if you are only applying for one or more of the dispensations that the Town Clerk is able to grant under delegated authority then you do not need to fill in or submit the remaining sections of this form. The remainder of this form only needs to be completed if you are applying for a dispensation to the Standards Committee.

Factors to be taken into consideration by the Standards Committee

In deciding whether or not to grant a dispensation under one or more of the specific statutory grounds, the Standards Committee will take into account the following list of factors, as well as any other relevant circumstances as appropriate. Please address as many of these factors as you can by providing the requested information where applicable in the relevant text box.

A. Maintaining public confidence (paragraph (a) in Appendix 3 of the Policy)

If you believe that granting a dispensation in this case would not risk damaging public confidence in the conduct of the City Corporation's business then please explain why in the box below.

B. Applications to vote (paragraph (b) in Appendix 3 of the Policy)

Dispensations to vote will only be granted in exceptional circumstances. If you are seeking such a dispensation then please explain in the box below why such exceptional circumstances apply in this case.

C. Equivalent public rights (paragraph (c) in Appendix 3 of the Policy)

If you expect that members of the public will be allowed to speak at the meeting in question, whether under a statutory right or some other reasonable expectation, then please provide details in the box below. Where such speaking rights arise from the submission of a written representation please confirm whether you have submitted such a representation. Please also confirm whether you are willing to be treated as a member of the public when making oral representations on this matter.

D. Expectation of ward representation (paragraph (d) in Appendix 3 of the Policy)

If you believe that there is a reasonable expectation that your ward should be directly represented in relation to this item of business then please explain why in the box below.

E. Widely held interests (paragraph (e) in Appendix 3 of the Policy)

If you consider that you share the disclosable pecuniary interest in question with a significant proportion of the general public then please provide details in the box below.

F. Directly impacted interests (paragraph (f) in Appendix 3 of the Policy)

If the item of business for which you are seeking a dispensation relates specifically to your disclosable pecuniary interest (e.g. your particular lease or tenancy) then please provide details in the box below. By contrast, if you consider that you have a disclosable pecuniary interest in this matter but that any potential advantage arising is minor or remote then please also provide details below.

G. Personal knowledge, etc. (paragraph (g) in Appendix 3 of the Policy)

If you consider that your particular knowledge, role or expertise would be of especial value to the decision making process and provide a perspective that would not otherwise be available then please provide details in the box below.

H. Diversity and inclusion (paragraph (h) in Appendix 3 of the Policy)

If you have a particular viewpoint arising from a protected characteristic that might not otherwise be represented and might assist the debate in relation to the particular item of business in question then please provide details in the box below.

I. Manifesto promises (paragraph (i) in Appendix 3 of the Policy)

If you were elected on a public platform that you would specifically address the item or items of business for which the dispensation is sought then please provide details in the box below. If this appeared as a commitment in your election material then please quote the relevant text.

J. Scope and duration (paragraph (j) in Appendix 3 of the Policy)

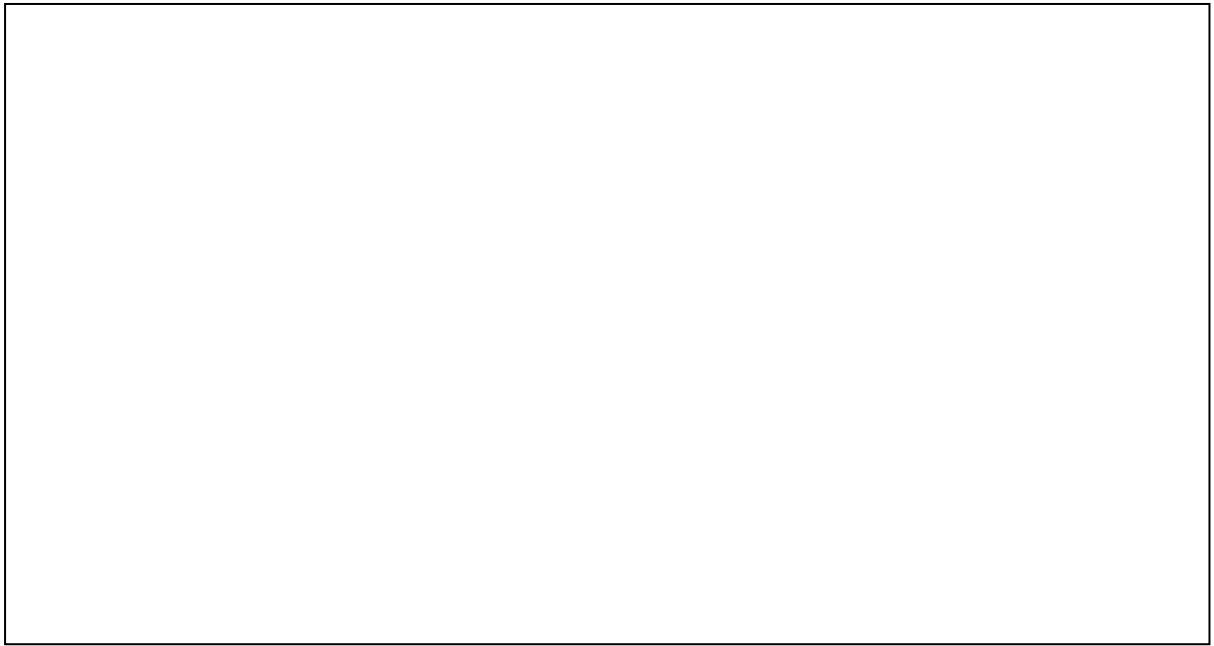
A focussed dispensation request that relates to a specific matter and is of short duration is more likely to be successful as this enables the Standards Committee to consider a particular set of circumstances. However there will be occasions when a more general dispensation for a longer term may be appropriate. If you are applying for such a dispensation then please explain your reasons in the box below.

K. Previous dispensation decisions (paragraph (k) in Appendix 3 of the Policy)

Each application will be considered on its own merits. However for the sake of consistency the Standards Committee will have due regard to its own previous decisions. If there is a recent decision that you wish to draw to the attention of the Standards Committee then please provide details in the box below.

L. Other relevant considerations

If you consider that there are any other circumstances relating to your particular application that support your request for a dispensation on one or more of the statutory grounds or that should otherwise be disclosed to the Standards Committee then please provide details in the box below.



Report – Education Board

Education, Culture and Skills Strategies

To be presented on Thursday, 7th March 2019

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

SUMMARY

This report outlines the background to the City of London Corporation's proposed Education, Skills and Cultural and Creative Learning Strategies 2019-2023. It describes the process through which the suite of strategies has been developed by the Education Board and briefly highlights key priorities within the strategies, namely: excellence and exceptionality; broad and balanced curriculum; fusion learning; aspiration and links to the world of work; and accessibility and social mobility.

RECOMMENDATION

That the Court of Common Council endorse the City of London Corporation Education Strategy; Culture and Creative Learning Strategy and Skills Strategy 2019-2023.

MAIN REPORT

Background

In April 2016 the Court of Common Council endorsed the Education Strategy 2016-2019. At a strategic away day in January 2018 your Education Board reflected on the Education Strategy 2016-2019, which included outcomes for culture and skills and considered its key outcomes which had either been met or were moving towards being met. The Board then determined priority areas for the development of coherent Education, Skills and Culture strategies going forward.

Following this discussion, in May 2018 three distinct draft strategies were developed and distributed widely; more than 70 individual and group consultations responses were received. Taking consideration of comments made, the final suite of three strategies was developed to establish overall direction, goals and key performance indications for the period 2019-2023.

Current Position

1. Members and City Corporation officers at the strategic away day noted that the three areas of policy (education, culture and skills) must work in a joined-up manner and promote a continuous pathway of lifelong learning. It was also emphasised that there needed to be a clear strategy that defined the scope and scale of activities.
2. Members and officers noted that there were key overarching principles that should be evident across the proposed strategies, resulting policies and activities.

These included safeguarding, employability, social mobility, creative placemaking, digital/fusion skills and aspiration and the pursuit of excellence. It was acknowledged that there were complementary links in these areas between education, skill development and cultural and creative learning and that it was possible to have significant influence with combined working between the three strategies. The table below summarises the way each of the areas contribute to the delivery of the key overarching principles:

Key Focus	Education	Skills	Cultural and Creative Learning
Excellence and exceptionality	Harness talent by enabling people to learn and to flourish as innovative, confident and creative individuals.	Improve the prestige of adult education and apprenticeships so apprenticeships are a high quality and prestigious pathway to successful careers, and are available across all sectors of the economy and at all levels, up to and beyond first degree level.	Nurture talent enabling children and young people to find their creative and artistic voice.
Broad and balanced curriculum	Ensure that the City Corporation's outstanding cultural and historical resources enrich the creative experience of London's learners.	Every apprenticeship will be a high-quality opportunity that delivers the skills, knowledge and behaviours that employers are looking for including cultural and historical resources enrich the creative experience of London's.	Every cultural institution in the City is a learning institution and every educational institution in the City family of schools is a cultural institution.
Fusion learning	A pilot scheme has introduced fusion skills into the curriculum at all key stages in the City Schools.	Broad-based digital and technical literacy combined with 'fusion skills' embedded in lifelong learning and our apprenticeship programme.	Enhance capacity and leadership around fusion skills including the delivery of a distinctive City Corporation education and skills offer where all learners receive

			systematic development of fusions skills.
Aspiration building and links to the world of work	Ensure a more comprehensive strategy for skills development and careers support in the City Family of Schools.	Every apprenticeship will be a high-quality opportunity that delivers the skills, knowledge and behaviours that employers are looking for.	Equip young people with the knowledge, skills and networks to prepare them for careers and training in the arts, cultural, creative and hybrid sectors.
Accessibility and social mobility	Continue to improve the choices, learning experience and learning outcomes for pupils impacted by disadvantage.	Improve the learning experience and learning outcomes for learners impacted by disadvantage.	Stimulate an accessible cultural offer that reaches a range of people and promotes social mobility.

3. In addition to the links across the three strategies, each strategy also includes direct reference to the City of London's Corporate Plan for 2018-2023:

Education Strategy	Skills Strategy	Culture & Creative Learning Strategy
<p>Outcome 1: People are safe and feel safe</p> <p>Outcome 3: People have equal opportunities to enrich their lives and reach their full potential</p> <p>Outcome 8: We have access to the skills and talent we need</p> <p>Outcome 10: We inspire enterprise, excellence, creativity and collaboration</p>	<p>Outcome 3: People have equal opportunities to enrich their lives and reach their full potential</p> <p>Outcome 8: We have access to the skills and talent we need</p>	<p>Outcome 1: People are safe and feel safe</p> <p>Outcome 3: People have equal opportunities to enrich their lives and reach their full potential</p> <p>Outcome 8: We have access to the skills and talent we need</p> <p>Outcome 10: We inspire enterprise, excellence, creativity and collaboration</p>

4. Proposed outcomes also feature links to other Departments and strategies including Economic Development Office (EDO), City Bridge Trust and philanthropic funding, Human Resources, Open Spaces and Culture, Heritage and Libraries.
5. Within Department of Community and Children's Services, these strategies have also been aligned to other areas of the Departmental business plan including with health, Special Educational Needs and Disabilities (SEND), early years, social care and community services.

6. The City Corporation has limited resources and therefore should have clear spending priorities. The new strategies would need to focus on partnerships, working at the local level and then influencing at the London-wide, national and international levels. The impact of Education Board initiatives/programmes/events must be measured and reported. It is intended for this to be done each year, at the September Education Board meeting at which a detailed annual action plan and budget aligned to the Key Performance Indicators and activities will be presented to Board Members.

Conclusion

7. Your Education Board can influence and inspire the strategic direction of education for the City Family of Schools and for the broader educational landscape. It has a dedicated role in resourcing, guiding implementation, and monitoring the outcomes and impact of the strategies. Your Education Board therefore seeks the endorsement of its three strategies from the Court of Common Council, with implementation to start immediately.

Appendices

1. Appendix 1 – Strategy Summary
2. Appendix 2 – Education Strategy
3. Appendix 3 – Skills Strategy
4. Appendix 4 – Cultural and Creative Learning Strategy
5. Appendix 5 – Strategy Impact Diagram

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

DATED this 19th July 2018

SIGNED on behalf of the Committee.

Henry Colthurst
Chairman, Education Board

Education Strategy 2019-2023
Department of Community and Children’s Services (DCCS)

Contents

1. Vision 2

2. Introduction..... 2

3. Corporate mission 4

4. Target learners 4

5. Teacher recruitment and retention..... 6

6. Working with others..... 6

7. Goals, aims and key performance indicators (KPI’s) 7

8. Financial Projections..... 13

9. Evaluation and Impact measurement 14

Appendix One: Glossary of terms..... 15

Appendix Two: Current strategies and policies in the City of London Corporation that are relevant to the Skills Strategy 2018-202316

Appendix Three: Accountability Framework..... 16

Appendix Four: City Corporation Family of Schools Governance Structure.....19

1. Vision

Preparing people to flourish in a rapidly changing world through exceptional education, cultural and creative learning, and skills which link to the world of work.

2. Introduction

Every young person deserves an outstanding education which enables them to flourish and to achieve the best academic results that they can. The City of London Corporation (City Corporation) is committed to supporting the delivery of world-class education. This education is based on a broad and balanced approach aimed at developing the whole child, with an emphasis on creating a lifelong love of learning.

The Education Strategy 2019-2023 establishes the City Corporation's vision for education. It encompasses the City Corporation Family of Schools, and the Square Mile's cultural, heritage and environmental assets, and has a strong focus on employability and skills. The Education Strategy 2019-2023 is overseen by the Education Board, which is part of the City Corporation. The Education Board has an ambitious vision for the future of education in London. The City Corporation and its schools should be thought leaders and influencers, sharing knowledge and experience locally, nationally and internationally encouraging innovation and prosperity for all.

The Education Strategy 2019-2023 aligns with the City Corporation's Employability Strategy that emphasises that better prepared Londoners secure more jobs.

The City of London Corporation is a major provider of education. As a Local Authority, the City Corporation has one voluntary aided school, Sir John Cass's Foundation Primary School (Est. 1748). Sir John Cass's Foundation Primary School is the one state-maintained school within the City. The City Corporation is the co-sponsor of two secondary school academies, The City of London Academy, Hackney (TCAH, co-sponsored with KPMG, Est. 2009) and City of London Academy Islington (CoLAI, co-sponsored with City University, Est. 2008). The City of London Academy Trust (CoLAT) is a multi-academy trust and it has eight academies - four secondary schools, three primary schools and one Sixth Form College. The three primary schools in CoLAT are Galleywall (Est. 2016), Redriff Primary (Est. 2014) and Primary Academy Islington (CoLPAI, Est. 2017). The Secondary schools in CoLAT are City of London Academy Southwark (CoLAS, Est. 2003), Shoreditch Park (Est. 2017), Highbury Grove (Est. 2017) and Highgate Hill (Est. 2017). The Sixth Form College in CoLAT is Newham Collegiate Sixth Form (NCS, Est. 2018). The City Corporation is the proprietor of the following independent schools: City of London School (Est. 1442); City of London School for Girls (Est. 1894); City of London Freeman's School (Est. 1854). The City Corporation is responsible for academic performance, premises management and personnel in these three schools. In its entirety, this group of schools is called the "City Corporation Family of Schools" and will henceforth be referred to in this strategy as the "Family of Schools". Collectively, they work in close partnership with each other, enabling staff to share best practice and expertise, and provide new opportunities for pupils. Each school is a unique entity yet together share a common purpose and aims.

The City Corporation provides bursary support to pupils at its independent schools and to pupils at King Edward's School, Witley (Est. 1553) and, Christ's Hospital School (Est. 1552). Additionally, it has the right to nominate governors to several other schools and educational bodies, including Emanuel School (part of the United

Westminster Schools Foundation group of schools) and Central Foundation Boys School. In addition to this Family of Schools, the City Corporation maintains connections with several other educational institutions, generally ones with which it has had historic links, for example, St Paul's Cathedral School, Prior Western School, Emanuel School in Wandsworth Local Authority, Treloars (Special Education School) in Alton and Central Foundation Boys' School in Islington. For example, Emanuel School has an old association with the City and falls within the remit of the Court of Aldermen. Treloars was established by the Lord Mayor in 1907 and it still has strong links with the City of London which bring the school tremendous benefits in terms of profile and fundraising. Each Lord Mayor of the City of London automatically becomes a trustee of Treloar Trust. There is also a rich tradition of the Livery Companies in the City supporting education and operating schools. The Livery Movement is justifiably proud of its many and varied contributions to all forms and levels of education. Its bursaries are generous, support for schools and academies in time and donations is well publicised. The main connection to this broader group of schools is through governors and events. Throughout the year, the Education Unit offers a series of events and training opportunities for pupils, school leaders, teachers, bursars and governors. All these events are offered to participants across the broader group of schools and they are all free of charge to the attendees.

The Guildhall School of Music & Drama (GSMD) is jointly funded by the Higher Education Funding Council for England (HEFCE) and City's Cash and reports to its board as well as the City Corporation's Education Board

There are clear benefits of having both independent and state schools, and specialist and general provisions at all levels of education. The Family of Schools are committed to: developing partnerships; sharing best practice; learning from each other; and exploring opportunities to become more efficient through greater collaboration. There is a wealth of experience and practice across the Family of Schools. There is great potential in further developing partnership working between schools to establish mutually beneficial relationships and to share learning. Therefore, Education Strategy 2019-2023 promotes supporting and working with colleagues, both within the City Corporation and outside, to ensure alignment of objectives and mutual benefits for all the Family of Schools.

The City of London Corporation also offers educational programmes through its cultural institutions and its open spaces programmes such as at Epping Forest and Hampstead Heath. The Department for Community and Children's Services uses Early Years' funding to provide grants to improve outcomes at early years and foundation stage and to support all the City Corporation's Early Years provision. This is overseen by the Community and Children's Services Committee. The Education Board has supported the establishment of Culture Mile, which is a partnership between the City of London Corporation and four leading art, culture and learning institutions – The Barbican Centre, the Museum of London, Guildhall School of Music and Drama, and the London Symphony Orchestra. Culture Mile Learning aims to ensure that the pupils of London schools all gain the opportunity to participate in high quality arts and cultural experiences and learning. Culture Mile Learning capitalises on Culture Mile's profile, visitor experiences, and collaboration so that the area is recognised as a world-leading learning destination, aims to specialise in the fusion of creative, technical, educational and emotional skills needed for 21st Century success.

Young people deserve high quality and reliable careers advice and information to ensure that their future working lives are not determined by chance and personal circumstances. The City Corporation is committed to providing opportunities that can lead to employment for young people in the City, in neighbouring boroughs and across London by understanding their goals and supporting them to develop the skills they need. The Family of Schools has a strong career focus and challenge conventional ideas about the world of work. From Reception through to post school age, City Corporation schools provide the pupils with sustained vocational education throughout the school day, building core behaviours and fusion skills that businesses want. The City Corporation supports a range of skills and employability programmes for young people in schools linking them to City businesses and through having link governors for enterprise. When the Apprenticeship Levy was introduced in April 2017, the City Corporation made a commitment to establish 100 apprenticeships and support young Londoners into the work force. There are also successful programmes and activities in place to support transition from education to employment, including working with businesses and livery companies.

3. Corporate mission

The commitment to education is rightly at the centre of the City Corporation's Corporate Plan for 2018-23 (The Plan). It sets out the vision which is dedicated to creating a vibrant and thriving City, supporting a diverse and sustainable London, within a globally-successful UK. The Plan sets out three aims, which this strategy fulfils, namely to: contribute to a flourishing society, support a thriving economy and shape outstanding environments. The Plan lists 12 outcomes, and this strategy contributes to the following outcomes:

- Outcome 1: People are safe and feel safe
- Outcome 3: People have equal opportunities to enrich their lives and reach their full potential
- Outcome 8: We have access to the skills and talent we need
- Outcome 10: We inspire enterprise, excellence, creativity and collaboration

We will be able to do this locally, regionally, nationally and internationally through collaboration and innovation.

Appendix One contains a glossary of useful terms

Appendix Two contains a list of current strategies and policies that are relevant to the Education Strategy 2019-2023

Appendix Three contains the education accountability framework for City Corporation Family of Schools

Appendix Four contains an organogram of the City Corporation Family of Schools

4. Target learners

The Family of Schools has a positive impact on issues of social disadvantage and skills development. The Education Strategy 2019-2023 targets all the children and young people in the Family of Schools. The Education Strategy 2019-2023 also supports broader initiatives that encourage London schools, especially in disadvantaged

areas, to engage with the full economic and cultural life of the Square Mile. We recognise and embrace the diversity within the Family of Schools and champion the excellence and innovation that this brings. The Education Strategy 2019-2023 focuses on inclusive and equitable practice to encourage individual and community empowerment. The Family of Schools are required to track the progress and attainment of different groups of pupils who may be at educational disadvantage.

Formally this includes pupils who may identify with one or more of the following groups:

- Ethnic groups
- Gender groups
- Pupils with Special Education needs and/or Disabilities (SEND)
- Pupils with English as an Additional Language (EAL)
- Looked After Children (LAC)
- Pupil Premium pupils (PP)
- Children of Service personnel
- 'Summer born' pupils
- Young carers
- Learners with low levels of literacy and/or numeracy

Disadvantaged groups within schools may also be children and young people who experience a higher risk of poverty, social exclusion, discrimination and violence than the general population. The Family of Schools has a good historical record of making exceptional progress for disadvantaged pupils experiencing disadvantage.

Many of the practices which benefit all pupils also have a benefit for learners experiencing disadvantage, including:

- Exciting and engaging teaching and learning to encourage curiosity and wonder
- Challenging targets which encourage diligence and persistency
- A learning climate which encourages risk taking and sees failure as an essential part of the learning process
- Effective scaffolding that ensures that new knowledge fits with what the learner already knows
- An openness to questioning as good learners are never satisfied with how much they know about anything
- Opportunities to share and perform learning - to write about it, talk about it, translate it, paraphrase it, and find examples

5. Teacher recruitment and retention

There are serious shortages of teachers nationally and in London. The capacity to attract and retain high quality teachers is crucial for the ongoing success of the Family of Schools. There are difficulties recruiting to initial teacher education and poor retention rates within the teaching profession. There are low levels of job satisfaction in the profession¹.

A key aspect of teacher retention is the provision of training and resourcing support. Teacher development and continued up-skilling in all areas is vital, providing teachers with the skills and the tools they need to excel. The Family of Schools could work more closely and collaboratively to provide opportunities for teachers, including developing Continuing Professional Development across the Family of Schools. Some initiatives currently being developed include:

- A combined Teaching School initiative with Islington to include initial teacher education and preparation for newly qualified teachers
- An investigation of the potential for teachers' housing plans
- Subject Leader conferencing across the Independent and Academy schools
- Masters in Teaching and Learning Programme with Kings College

6. Working with others

The City Corporation will be responsive to, and influence, the changing education landscape, welcoming appropriate opportunities to work in partnership with neighbouring boroughs, businesses, livery companies and interested parties to realise excellent educational opportunities. The Education Strategy 2019-2023 supports open and collaborative working and provides a space for joined-up thinking and sharing with both internal and external stakeholders. There are already a range of partnerships including in:

- Leadership development
- Building a strong shared vision and aligned action plans
- Resource sharing
- Sharing practice
- Peer support, including 'critical friends', forum and peer mentors
- Developing skills and sharing opportunities for action research and professional development

Comprehensive training for governors is generally provided by Local Authorities. In addition, *Governors for Schools* and the *National Association for School Governors* provide excellent resource for Chairmen. As there are also other providers in this field, the Education Unit does not wish to duplicate the comprehensive services provided elsewhere and encourages schools to buy into the local offer. However, the Education Unit will provide training sessions on critical issues as required by the

¹ Menter et al. 2010; Zgaga 2013

Family of Schools. Chairmen of governing bodies have been asked to identify areas most in need and to advise the strengths of their governing body. An audit of governing bodies will identify training needs as the basis of the central training programme. The following topics are examples of areas that are critical for governors that could be centrally offered - for example, safeguarding, school finance, and school standards.

Through the Headteachers' Forum and a Chairmen of Governors' Forum, the City Corporation has increased information sharing and accountability. In addition, the work of the Education Unit has enabled the City Corporation's schools to increase the exchange of best practice, partnership working, and school-to-school support. Activities include a programme of A-Level subject workshops, governor training, and termly Directors of Sixth Form meetings.

Many of the actions to achieve this vision will be delivered in close working with, or through, our partners. The Education Strategy 2019-2023 will be owned by all stakeholders and we will work across agencies to learn from each other, maximise our resources and create a joined-up system that can be easily navigated. As far as possible, rather than the Education Unit delivering events and activities, it will partner with the Family of Schools or other providers to deliver these activities. An audit has begun to determine the lead schools and participants from across the schools. It is the intention that better use can be made of social and mobile media and digital tools to spread messages and connect with schools and the broader stakeholder community.

This is an overarching plan that provides a summary of intentions and the strategic framework to guide thinking and decision-making for all services affecting children and young people in the Family of Schools over the next five years. We have kept this plan simple and focused, concentrating on six priorities and setting out manageable actions and key performance indicators (KPIs) for each one.

7. Goals, aims and key performance indicators (KPI's)

Goals	Aims	KPI's	Responsibility
Pupils in the Family of Schools have access to and enjoy transformative education, enabling them to achieve their potential, flourish and thrive.	Deliver a "Step-change" in the development of skills, knowledge and competencies to provide the necessary skills to meet the challenges of the rapidly changing world.	Provocative and dynamic learning environments exist.	School and system leaders, Family of Schools Teachers
	Harness talent by enabling pupils in the Family of Schools to learn and to flourish as innovative, confident and creative individuals.	Classroom lessons inspire and challenge pupils.	Family of Schools, teachers
		High levels of lifelong learning are evidenced by both teachers and pupils.	Education unit, Family of Schools
		Learning experiences promote the development of 21st century 'fusion skills', through programmes that are a mix of academic, creative, technical and emotional learning.	

	<p>Encourage the Family of Schools to work together to deliver a shared ethos and commitment to excellence.</p> <p>Model educational exceptionality beyond Ofsted outstanding including providing the same level of a rich curriculum in academies as in the independent schools and ensuring accessibility and progress for all pupils.</p>		
<p>Deliver exceptional quality education that meets the challenges and skills requirements now and in the future.</p>	<p>Continue to improve the learning experience engendering success of pupils.</p> <p>Deliver academic excellence in learning and teaching to improve academic attainment and progress.</p> <p>Develop innovative approaches to learning and teaching to ensure learning is engaging, fun and challenging.</p> <p>Our pupils and their families are partners in learning through the provision of effective communication and feedback.</p>	<p>The Family of Schools are recognised locally, nationally and internationally as outstanding.</p> <p>Pupils are stretched so that they build on their prior achievement by studying at higher levels.</p> <p>A framework of clear accountability, challenge and support exists for the Family of Schools and standards are reported to the Education Board.</p> <p>Pupils educated in the City Family of Schools are widely recognised and respected as being highly skilled.</p> <p>Data collection is used to ensure exceptional progress for all pupils.</p> <p>An outstanding 6th Form offer has been developed across the Family of Schools</p> <p>Effective use is made of ICT in teaching, learning and assessment.</p>	<p>Education unit, Family of Schools, School and system leaders</p> <p>School and system leaders, Teachers</p> <p>Education unit, Family of Schools</p> <p>Education unit, Family of Schools, School and system leaders</p> <p>Education unit, Family of Schools, School and system leaders</p> <p>School and system leaders, Teachers</p>
<p>We will work in partnership to deliver education that is safe, inclusive, supportive and empowering for all – regardless of age,</p>	<p>Drive and celebrate equality of opportunity through a proactive approach to promote social mobility and inclusion.</p>	<p>Annual monitoring and reporting of school exclusions with desired performance indicate to always be zero.</p> <p>Annual monitoring of local authority place planning to ensure that school places are being provided in areas of need.</p>	<p>Family of Schools, School and system leaders</p> <p>Education unit, Family of Schools</p>

background or circumstance.	<p>Protect the rights of children to protection, regardless of age, gender, race, culture, background or disability.</p> <p>Continue to improve the choices, learning experience and learning outcomes for pupils impacted by disadvantage.</p> <p>Ensure that the health, safety and welfare of pupils are of paramount importance to all the adults who work in the Family of Schools.</p> <p>Provide a safe environment for children to learn in.</p> <p>Work in core partnership with schools, parents and carers, and community and youth groups to build a commitment to the principles of safeguarding all our children.</p> <p>Promote healthy, active lifestyles in the City Family of Schools including healthy eating, participation in sport and social activities to enable pupils to live healthily, have positive mental wellbeing and develop resilience.</p>	<p>Improvement in the progress of pupils at risk of educational disadvantage so that it exceeds the progress of those pupils not at risk and surpasses national and local averages.</p> <p>Continued provision of enhanced and efficient learning support services, to support pupils and improve social mobility.</p> <p>Annual monitoring and reporting of school admission arrangements to ensure our schools are reaching the target communities.</p> <p>A time-limited position/contract to audit, map, review and quality assure the safeguarding strategy across all DCCS policy areas and ensure that the implementation and reporting processes are fit for purpose, compliant and thorough in terms of legal and ethical responsibilities.</p> <p>Appoint a link governor for safeguarding at all our schools.</p> <p>Improve services and resources to promote wellbeing amongst pupils, including counselling services.</p> <p>Participate in a pilot project of the Mental Health and Schools Link Programme² to improve the mental health of young people.</p>	<p>School and system leaders, Teachers</p> <p>School and system leaders, Teachers</p> <p>Education unit, Family of Schools</p> <p>DCCS, Education unit</p> <p>Family of Schools</p> <p>Education unit, Family of Schools</p> <p>Education unit, Family of Schools</p>
	<p>High quality exposure to the world of work at all stages of education to enable pupils to make informed career choices</p> <p>Ensure a more comprehensive strategy for skills development and careers support in the City Family of Schools to excel in providing employment pathways and support, and to improve the transition of learners at critical stages in the education</p>	<p>A comprehensive careers strategy has been written for all Key Stages.</p> <p>Enhanced school completion and retention rates to achieve a 100% destination and progression pathway for pupils (i.e. No NEET pupils).</p>	<p>Family of schools, Education unit</p> <p>Family of Schools</p>

² Anna Freud National Centre for Children and Families This opportunity supports the mental health and wellbeing of children and young people by improving the way that mental health services and schools and colleges work together.

	and training system and from education to employment.	Work with the Livery Companies and businesses to build on the work they are doing in the skills area to establish an education to business hub to deliver a coordinated programme of work placements for pupils and teachers in the Family of Schools.	Education unit, EDO, ASES, HR
	Link learning at all stages with real-world application to connect the pupils in the Family of Schools to innovators, professionals and practitioners at the cutting edge and to exploit interconnectivity and collaboration between industry, schools and business.	All pupils at City schools can hear from, and be inspired by, employers and apprentices to promote apprenticeship opportunities and can give well-informed and impartial advice about apprenticeship options.	Family of Schools, ASES, EDO
	Ensure that young Londoners in the City's schools and beyond have access to the information, advice and experiences that will help them progress into fulfilling careers.	Clear progression routes are mapped through technical and professional education and into skilled employment, including apprenticeships.	Family of Schools, ASES
	Ensure that technical and employability skills, including digital, future, and fusion skills are integral to the City Corporation's educational offer.	Destination data is used to improve outcomes for young people, mapping the different destinations of young people from the City academies – for example: Schools promote and support access to higher education, further education, apprenticeships, employment and that impact is reported annually.	Family of Schools, Education unit, EDO
		Appoint a link governor for skills and employability at each of the Family of School to ensure that they have a published careers policy and curriculum and regularly scrutinise implementation and impact.	Family of Schools, Education unit
		A pilot project has introduced fusion skills into the curriculum at all key stages in the Family of Schools so that pupils exhibit the skills, knowledge and behaviours that employers are looking for.	Family of Schools, Education unit
		Pupils are exposed to professionals working in the creative and cultural industries including dancers, musicians, writers, makers, designers, and the range of production and post production entrepreneurs and creatives.	Culture Mile Learning/Education unit, Family of Schools

		There is a direct link between school education, IAG and the apprenticeship programme.	Education unit, EDO
Provide an educational experience that enriches and inspires through access to the learning opportunities that the City's cultural, heritage and environmental assets offer, combining creativity, innovation and enterprise alongside tradition and continuity.	<p>Ensure that the Square Mile's outstanding cultural and historical resources to enrich the creative experience of London's learners.</p> <p>A high quality cultural and creative offer is provided for all pupils at the Family of School from early years through to post 16, to deliver sustained education in and through the arts and culture.</p> <p>Every cultural institution in the City is a learning institution and every school in the Family of Schools is a cultural institution.</p> <p>Digital and creative ideas are integrated into the Family of Schools to create more connected routes for pupils and teachers to access the cultural and heritage offer.</p>	<p>A high quality cultural and creative offer for exists for all pupils in the Family of Schools from early years through to post 16, with sustained education in and through the arts and culture, including strengthening the role of music and the performing arts across the Family of Schools.</p> <p>Co-creation is core to creating more inclusive and participatory communities, including co-creation with children and young people in the Family of Schools to ensure that the cultural offer provides experiences at a range of levels and is accessible, interesting and relevant.</p> <p>An online portal has been developed to create a 'one-stop shop' to more readily access the outstanding cultural and historical resources to enrich the creative experience of London's learners and to maximise the availability and impact of learning assets being developed.</p> <p>Opportunities occur at least three times per year for pupils in the Family of Schools to perform in professional quality venues, encouraging sharing with families.</p> <p>A formalised Culture Forum meets three times per year - including the appointment in each school of both a cultural link governor and a dedicated school liaison officer (member of the teaching staff) for cultural work and engagement in each of the Family of Schools.</p> <p>Maximise access to the City Corporation's cultural venues by London's pupils through a School Visits Fund³ with improved</p>	<p>Culture Mile Learning, Culture Mile, Education team</p> <p>Family of Schools, Culture Mile Learning, Education team</p> <p>Family of Schools, Culture Mile Learning, Education team</p> <p>Culture Mile Learning, Education team, Family of Schools School and system leaders, Teachers</p> <p>Education team, Family of Schools</p> <p>Culture Mile Learning, Education unit</p>

³ Schools, especially those in disadvantaged areas and the outer boroughs, face financial barriers to visiting the cultural venues supported by the City Corporation, including the cost of transport, staff cover and admission/session fees. Established in November 2015, the School Visits Fund (www.cityschoolvisitsfund.org.uk) offers schools with at least 30% of pupils in receipt of Pupil Premium, who have not visited their chosen venue in the last three years, with grants of up to £300 to help with the cost of visiting any of our venues. The fund is managed by the Museum of London.

		<p>publicity, staff development and targeting of schools who have not used the fund previously. Including that at least 100 schools per year use the fund; and that 90% of schools using the School Visits Fund have not visited their chosen venue in the last 3 years.</p> <p>Review and develop talent pathways for pupils in the Family of Schools, ensuring that there are clear and delineated access routes into further opportunities and no examples of talented pupils not having the 'next steps' to develop their interests and skills.</p> <p>Expand the young musical leaders programme to promote further outreach to Primary Schools.</p>	<p>Culture Mile Learning, Education unit, Family of Schools, School and system leaders, Teachers</p> <p>City of London School for Girls, Education unit</p>
Strengthen strategic oversight and focus on impact of the Education Strategy 2019-2023.	<p>Continue to assure and enhance the standards and quality of our schools to achieve academic excellence in delivery.</p> <p>Explore opportunities to expand the City's education portfolio and its influence on education throughout London, nationally and internationally.</p> <p>Review education funding to ensure impact against the agreed goals.</p> <p>Ensure that the City Family of Schools have the buildings, resources, space and teaching models to deliver exceptional education.</p> <p>Build an applied research and knowledge exchange culture that drives change, prioritises collaboration, and underpins learning and teaching.</p>	<p>Improve approaches to income generation within the City Family of Schools.</p> <p>Investigate the potential for sharing the model and expertise of City schools.</p> <p>More sharing of the combined diverse assets of the wider family of schools, including schools with livery links.</p> <p>A clearer focus of vision in terms of being in the City Corporation's Family of Schools, both in relation to mission and processes.</p> <p>Benchmarking of best practice across London to improve the City School education offer and ensure quality.</p> <p>Evidence influence in the field through partnerships, and reporting participation in key committees and networks.</p> <p>Clarity of roles and training for governors through the further integration of the governance network and support governors'</p>	<p>Family of Schools, Education unit, School and system leaders</p> <p>Family of Schools, Education unit</p> <p>Family of Schools, Education unit</p> <p>Family of Schools, Education unit</p> <p>Education unit</p> <p>Family of Schools, Education unit</p> <p>Education unit</p>

	Respond with agility and inventiveness to policy and funding changes to be open to emerging opportunities.	capacity, including clarifying the role of governors in capital building projects.	
		A regular forum occurs for the Chairs of Governors and co-sponsors to meet to share information and develop working practice and expectations across the family of schools.	Education unit
		Governors are up to date with latest statutory requirements and good practice and advice and training is provided for Governors to ensure that our schools are compliant with the arrangements necessary for good governance and accountability within our schools	Education unit
		Strong governance frameworks and appointment processes are in place	Education unit
		Monitoring of schools ensures transparency and an honest relationship with schools' practice and policy alignment.	Family of Schools, Education unit

8. Financial Projections

A detailed annual action plan (in the form of a Gantt chart) will identify each of the individual projects that achieve these larger goals outline in Section 7 and describe how these projects will be completed. Each project will have a champion and a lead. A detailed annual budget will be aligned to the action plan.

The City of London Corporation is a major funder of education. It provides both money and in-kind support directly and through a range of partnership initiatives, research, pilot projects, events, and training and learning opportunities. Money is provided directly to educational institutions while in-kind support is available to all the Family of Schools and often to schools and education providers across London, nationally and even internationally. Finance and budgets should serve the Education, Culture and Skills strategies, enabling the vision of the City Corporation to be enacted. At the heart of the City Corporation's mission in education is the commitment to disadvantaged children and young people. Historically, funds have been used, and are still being used, to boost social mobility, equality and inclusivity.

The Family of Schools promote a culture of aspiration and achievement. To that end, additional educational grant making is designed to provide an exceptional provision, based on the needs of the children. This includes enrichment to enable a broad and balanced curriculum, including culture and education in and through the arts for all pupils. Additional funding is also made available to ensure careers and enterprise education occurs at all levels of the school from early years to post-

school age. This includes the development of 'fusion' skills - the so-called higher order, 'soft' skills needed for future world of work and society more generally. Moreover, the City Corporation acknowledges that to be innovative and inspiring, schools need to be research informed, to take risks and to pilot new and original approaches. Funding is provided to stimulate innovative ways of working and to encourage good partnership working, which is at the heart of being part of the Family of Schools.

Schools in London are currently experiencing considerable financial pressure. Funding for education is an ongoing concern for school management, parents and the general community. In 2019, the 'Fairer Funding Formula' is likely to be fully implemented. This impacts on the per pupil funding which is available to schools. While there have been slight increases in the per pupil funding to schools, the rate of increase has not kept pace with several areas of rising expenditure, including: Pension contributions; the apprenticeship levy; salary creep; and inflation. This means that many schools are experiencing a real terms reduction in school funding. Concurrently, there has been a general move to reallocate a higher percentage increase in funds to outer London boroughs and to more regional, 'challenge' areas. The City Corporation academies have not been immune to the more general pressures on school finance. This will mean that the implementation of the Education Strategy 2019-2023 will need to occur largely within the current financial projections for the City schools.

9. Evaluation and Impact measurement

The impact of Education Board initiatives, programmes and events must be measured. In delivering the objectives of the Education Strategy 2019-2023 the focus will be on the impact of what is achieved over the short and long term, by collecting real-time feedback and high-quality data from the people we work with showing their personal characteristics and their views on the quality of the interventions and activities they have been involved in. We will ask these individuals to assess the impact of the City of London Corporation's role in reaching their full potential, and the reasons for this.

Assessment data, evaluation, performance management and evidence are presented to Education Board on a regular basis throughout the year to enable Board members to monitor activity and to increase the likelihood that the actions achieve the desired outcome and that the positive impact of activities is experienced by all. A framework has developed for overseeing the City Corporation's education offering⁴. Part of the role the Education Board is to scrutinise the performance of the co- sponsored City academies and to oversee the performance of CoLAT, as well as influencing the City Corporation – and its partners – more widely to support the strategic objectives. The Education Board, along with officers, staff, governors and school leaders, ensure that there is the capacity to sustain excellence, with the correct accountability procedures in place to support excellent educational standards, high levels of probity, and the development of schools and colleges that reflect the interests and values of the City Corporation.

⁴ See Accountability Framework in Appendix Two.

Appendix One: Glossary of terms

Digital skills: Digital skills, sometimes referred to as cyber skills, and a key element of fusion skills and 'DQ™', are the set of skills, attitudes and values which enable people to thrive and flourish in future technologically mediated environments.

Fusion: Fusion is a person-centric approach, equipping future and current workers with technical expertise that is necessary for success. Fusion brings together different industries and technologies to spark innovation and create economic growth. Fusions skills use interdisciplinary work as a driver for creativity and innovation. Fusion skills are about the so-called 'soft skills' as well as the technical skills. Fusion is not just a set of qualities or outcomes but is importantly process led. It relies on close cooperation between schools (education), businesses, the creative and cultural sectors, and further and higher education.

Looked After Children (LAC): A child who is being looked after by their local authority is known as a child in care. They might be living: with foster parents, at home with their parents under the supervision of social services, or in residential children's homes. Under Department for Education definitions, this also includes children who have ever been in care for example, children who have been adopted or those who are no longer in care.

Not in Education, Employment or Training (NEET): A young person who is no longer in the education system and who is not working or being trained for work.

Pupils with English as an Additional Language (EAL): A pupil whose first language is other than English.

Pupil Premium (PP): The pupil premium is additional funding for publicly funded schools in England to raise the attainment of disadvantaged pupils of all abilities and to close the gaps between them and their peers. Pupil premium funding is available to:

- schools maintained by the local authority, including, special schools, for children with special educational needs or disabilities, pupil referral units (PRUs), and for children who can't go to a mainstream school
- academies and free schools, including special academies, for children with special educational needs or disabilities and alternative provision (AP) academies, for children who can't go to a mainstream school
- voluntary-sector AP, with local authority agreement
- non-maintained special schools (NMSS), for children with special educational needs as approved by the Secretary of State for Education under section 342 of the Education Act 1992

Social mobility: The ability and opportunity for individuals, families or groups to move in a society and harness and reach their full potential – in terms of income, education, employment, general social standing, housing and/or postcode.

Special Educational Needs and Disability (SEND): A child or young person with special or additional educational needs and/or any health and social care needs.

Appendix Two: Current strategies and policies in the City of London Corporation that are relevant to the Skills Strategy 2018-2023

There are several strategies and policy documents in the City of London Corporation that are relevant to the Skills Strategy 2018-2023:

- Adult Skills and Learning
- Children and Families Threshold of Needs
- Children and Young People's Plan 2018– 2021
- Corporate Plan 2018 – 23
- Cultural and Creative Learning Strategy 2019-2023
- Cultural Strategy 2018-2022
- Department of Community and Children's Service's Business Plan
- Digital Skills Strategy 2018-2023 (Currently in draft)
- Early Help Strategy
- Early Years Strategy 2015-2018
- Employability Strategy 2017-2020
- Joint Health and Wellbeing Strategy: All children have the best start in life
- Mental Health Strategy
- SEND Joint Strategy
- Skills strategy 2018-2023
- Social Mobility Strategy, 2018 – 43: Potential today, success tomorrow (Currently in draft)

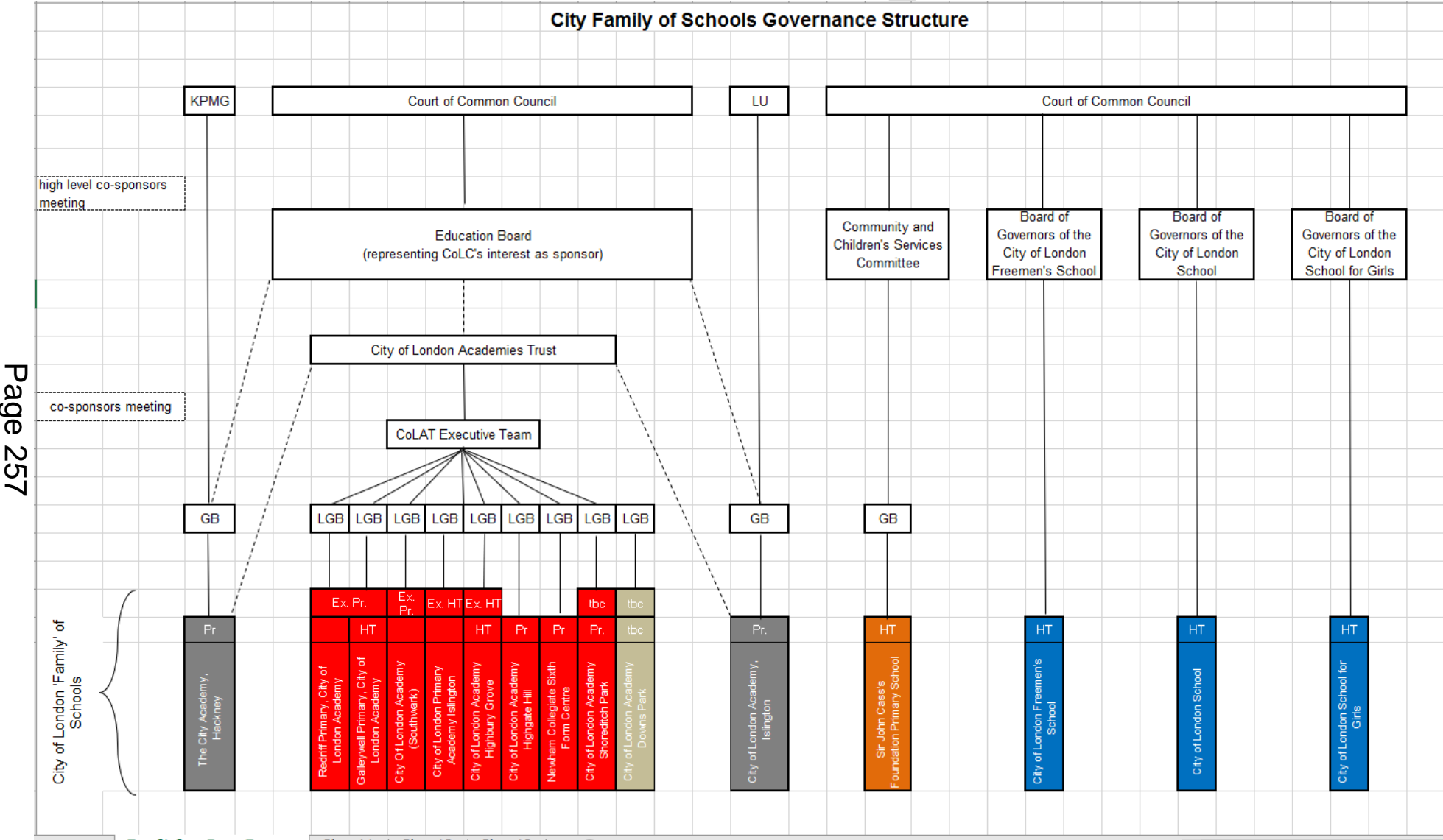
Appendix Three: Accountability Framework

The tables below set out the reporting requirements and timetable for the Family of Schools to provide data about their academic performance.

CoLAT Schools	Results/Performance	Scrutiny Meetings	Monitoring	Safeguarding	Progress	Monitoring
	Autumn 1	Autumn 2	Spring 1	Spring 2	Summer 1	Summer 2
Trust Requirements	Timely reporting of unvalidated results	Principal and CoG present exam analysis at CoL scrutiny meeting. (Partner sponsor to attend for Co-Sponsored Academies)	Academy performance monitoring	Annual Safeguarding Audit Report	Progress to target grades with any adjustments	Academy performance monitoring
Executive Function	Central collation of results against targets CEO/Principal /Headteacher performance review with CoGs	Organisation of scrutiny meetings Collation of work related learning and destination data	CEO / Executive monitoring visit	Annual Safeguarding Audit Report	Collation of report showing final predictions, adjustments to targets	CEO / Executive monitoring visit
Reporting Arrangements	Test/exam results report to the Trust Board and then to the Education Board	Outcomes of scrutiny meetings reported to Trust and Education Board	CEO monitoring report to governors submitted to CoLAT and then Education Board	Annual Safeguarding Audit Report	Report to the Trust Board and then to the Education Board	CEO monitoring report to governors submitted to CoLAT and then Education Board
Accountability Framework for co-sponsored academies						
Co-sponsored academies	Results	Scrutiny Meetings	Monitoring	Safeguarding	Progress	Monitoring
	Autumn 1	Autumn 2	Spring 1	Spring 2	Summer 1	Summer 2

Sponsor Requirements	Timely reporting of unvalidated results	Principal and CoG present exam analysis at CoL scrutiny meeting. (Partner sponsor to attend for Co-Sponsored Academies)	Academy performance monitoring	Annual Safeguarding Audit Report	Progress to target grades with any adjustments	Academy performance monitoring
Education Unit	Central collation of results against targets	Organisation of scrutiny meetings Collation of work related learning and destination data	ESD monitoring visit	Annual Safeguarding Audit Report	Collation of report showing final predictions, adjustments to targets	ESD monitoring visit
Reporting Arrangements	Test/exam results report to the Education Board	Outcomes of scrutiny meetings reported to Education Board	ESD monitoring report to the Education Board	Annual Safeguarding Audit Report	Report to the Education Board	ESD monitoring report to governors submitted to Education Board
Data Collection and Information Sharing - Independent and maintained schools						
Independent Schools	Results	Targets	Keeping in Touch	Safeguarding	Progress	Keeping in Touch
	Autumn 1	Autumn 2	Spring 1	Spring 2	Summer 1	Summer 2
Information Sharing	Timely reporting of unvalidated results	Examination Targets		Annual Safeguarding Audit Report	Progress to target grades with any adjustments	
Education Unit	Collation of results against targets	Collation of work related learning and destination data	ESD KIT visit	Annual Safeguarding Audit Report	Collation of report showing final predictions, adjustments to targets	ESD KIT visit
Reporting Arrangements	Exam results report to the Education Board			Annual Safeguarding Audit Report	Report to the Education Board	

Appendix Four: City Corporation Family of Schools Governance Structure



This page is intentionally left blank

Skills Strategy 2018-2023

Department of Community and Children’s Services (DCCS)

Contents

1.	Vision	2
2.	Introduction.....	2
3.	Corporate mission	2
4.	Target learners	4
5.	Industry analysis	5
6.	Competitive analysis and marketing	5
7.	Goals, aims and key performance indicators (KPI’s)	6
8.	Our approach.....	12
9.	Financial Projections.....	15
10.	Evaluation and Impact measurement	15
	Appendix One: Current strategies and policies in the City of London Corporation that are directly relevant to the Skills Strategy 2018-2023.....	16
	Appendix Two: Background information and contextual analysis	17
	Appendix Three: Glossary of useful terms	20
	Appendix Four: Working with others	21

1. Vision

Preparing people to flourish in a rapidly changing world through exceptional education, cultural and creative learning, and skills which link to the world of work.

2. Introduction

A nation prospers when it realises the full potential of its people. The development of the skills needed for the 21st century economy is the result of a process of lifelong learning. Lifelong learning enables people to realise their potential and to participate in high value employment opportunities, creating an environment where innovation, creativity and enterprise flourish.

3. Corporate mission

The commitment to skills development is rightly at the centre of the City of London Corporation's (City Corporation) vision. The City Corporation is dedicated to creating a vibrant and thriving City, supporting a diverse and sustainable London, within a globally-successful United Kingdom. The Skills Strategy 2018-2023 contributes to a flourishing society and supports a thriving economy by meeting the following outcomes of the Corporate Plan 2018-23:

- Outcome 3: People have equal opportunities to enrich their lives and reach their full potential
- Outcome 8: We have access to the skills and talent we need

The impact of the Skills strategy will:

- Promote and champion inclusion, diversity and social mobility
- Provide world class education and learning opportunities
- Promote effective transitions through education and into fulfilling employment
- Persuade more employers to open opportunities to a more diverse talent pool
- Advocate for the removal of institutional barriers and structural inequalities
- Cultivate excellence in achievement
- Champion business growth, diversity and sustainability
- Strengthen local, regional, national and international collaboration and innovation
- Nurture a relevant and sustainable skills pipeline

The development of skills is not a responsibility that rests solely with one department, service or area of work within the City of London Corporation. The Economic Development Office (EDO) has a crucial role to play in identifying demand and working with businesses to understand skills shortages in the Financial and Professional Services sectors. The Skills Strategy 2018-2023 is both informed by and linked to the *Enterprise Strategy 2017*. Similarly, *Culture Mile* and its partners have a vital part

to play in identifying new and emerging creative skills and fusion skills and the way these might inform future employment patterns. The Human Resources (HR) department is responsible for the skills development of the City Corporation 's employees and has instigated a major strategic drive to attract and maintain 100 apprentices across the organisation. Therefore, it has a key role as an industry partner, but also as an exemplar model of the impact of apprenticeships on the talent pipeline. The Skills Strategy 2018-2023 also has connections with the *Volunteering Strategy* and the philanthropy Strategy.

The skills offer within the City Corporation is well placed to take advantage of these opportunities and to provide a valuable hub of service skills development in the City and beyond. Within the Department of Community and Children's Services (DCCS), the Skills Strategy 2018-2023 links specifically to the *Education Strategy* (including the City Corporation Family of Schools) and to the *Culture Strategy* (including Culture Mile and Culture Mile Learning) and is more broadly grounded in the statutory and more general functions of DCCS to support both the local and wider population. Within DCCS, the Adult Skills and Education Services (ASES) is both a learning and apprenticeship provider and an assessor and a promoter of lifelong learning pathways. Social mobility underpins all areas of ASES's delivery. The work of ASES is directly linked to the work of the local authority functions and its external business and social needs. It is the need for the delivery of a skills, lifelong learning and education agenda that forms the main areas of ASES's work. The ASES areas of responsibility are legitimately involved with many different aspects of the local authority's functions, including education, early years, schools, apprenticeships and skills. This is not simply an approach that is taken by ASES, it is a sectoral approach for the delivery of this type of service.

ASES has two main functions:

- 1) The Adult Skills and Community Learning (ACL) which focuses on:
 - Community-based skills and lifelong learning activities
 - Inclusive activity with low-waged, low-skilled, educational and socially disadvantaged people, the low-skilled and those with little or no English language.
 - Family Learning
 - Working with local businesses to reduce their 'non-apprenticeship' skills gaps.
- 2) The delivery of both Levy and Non-Levy Apprenticeships and Traineeships including:
 - Delivery of national apprenticeship and trainee contracts
 - The provision of professional apprenticeship advice
 - Apprenticeship services to businesses.

Appendix One contains a list of current strategies and policies that are directly relevant to and helped to influence the Skills Strategy 2018-2023.

Appendix Two contains an overview of the major policy drivers impacting upon the Skills Strategy 2018-2023.

Appendix Three contains a glossary of useful terms.

Appendix Four contains a list of partner organisations.

4. Target learners

Through the Skills Strategy all pupils at City Family of Schools will have access to the skills they need for the future. The Skills Strategy will also continue to target those people furthest away from work; those people in low paid employment; people without basic skills; and/or with health or wellbeing issues. Under the remit of DCCS, we will continue to make apprenticeships accessible to the widest possible range of people. Many apprenticeships are being taken up by middle range learners who see ‘earning and learning’ as an attractive option. Not only will this benefit many individuals, but it will help to grow apprenticeships in a way that helps businesses draw on diverse skills and talents. Some people will need additional support during their apprenticeship and we will identify and, where possible, remove barriers that stop people from accessing and starting apprenticeships. We particularly want to address any barriers faced by groups including women, care leavers, people from Black, Asian and Minority Ethnic (BAME) backgrounds and people with Special Educational Needs and Disability (SEND). Care leavers may face additional challenges, and government support is available to care leavers to improve their life chances through apprenticeships.

Page 262

The community-based skills and learning activities of ASES focus on working with low-waged, educational and socially disadvantaged people and those learners with little or no English language communication. We also provide learning for children and families. Family Learning is an integral part of Community learning. Recently arrived migrant communities and their educational and skills needs are a key focus of adult and community learning. The ASES team will continue to focus on language and other learning support for migrant families.

The ASES adult education offer will continue to provide an accredited pathway for 16-24-year olds with Education, Health and Care plans. These pathway courses provide the necessary skills and experience for people to progress into an apprenticeship or other paid employment, through an extended work placement and further study. ASES will support more young people who are unemployed or at risk of not being in employment, education or training (NEET) into apprenticeships. Similarly, most young people with SEND¹ can be given the right support to undertake and successfully complete pathways of learning, including apprenticeships. The marketing of adult education and skills will be designed to target diverse learners. Similarly, training is already underway to support managers to recruit diverse learners. The skills development programme will focus on “those not yet in work”, “those out of work” and “those who have left work”. Some programmes are also directed “those in work”. Different programmes will target and prioritise different groups of learners.

¹ To support this wider access, people aged 16 and over can apply for *Access to Work* funding for adjustments to the workplace.

5. Industry analysis

Raising productivity and workforce training requires a concerted effort across all occupations and all sectors of business. Higher level apprenticeships will be offered By ASES as part of the more general pathways into lifelong learning. There will be around five million new and replacement openings for high-skilled jobs (including management and professional roles) and 3.6 million openings for medium-skilled jobs (including skilled trades and associate professional/technical roles).² Nobody understands the skills that employers need better than the employers themselves. The City Corporation is uniquely placed to design apprenticeships that focus on the skills, knowledge and behaviours that are required of the workforce of the future. The City Corporation already has many well-developed partnerships with businesses. We will continue to work with City businesses to provide direct support to address skills gaps, but also to provide information, support and a hub to enable access to high quality education and training providers, or to provide assessment, planning and accreditation support services to support businesses who want to train their apprentices themselves. We value a rich and sustained engagement with our industry partners. This drives our practice-based approach to learning and teaching.

We will continue to target the sectors facing skills shortages and where apprenticeships produce the highest wage returns. Regular analysis of skills requirements is conducted in close partnership with EDO (for the financial and professional services sectors) and with Culture Mile and Culture Mile Learning in terms of the creative, cultural and innovation sectors. HR are developing its own strategy and offers to support organisational skills development for the City Corporation.

Apprenticeships represent an excellent investment for employers. It is likely that if the Government's reforms prove successful, far more employers will offer apprenticeships. It is important that they all have the knowledge and capacity to support and mentor these apprentices in the workplace. Currently, most businesses with apprentices are small³. Employers say that they plan to start offering apprenticeships, but then appear to not take this step.⁴ By addressing the barriers reported by those who say they do not plan to start offering apprenticeships, we should be able to further grow the programme.

6. Competitive analysis and marketing

Changes to the apprenticeship programme and the introduction of devolved adult education functions to the Mayor of London's office provides a significant opportunity for ASES to position itself as a crucial support function for employers navigating the system, alongside seeking to sell their services. The Government has introduced an apprenticeship target⁵ for the public sector. To take advantage of these opportunities, it is important to focus on quality, not just quantity, and to ensure that programmes are linked to areas of skills shortage. To achieve this, there will be a continued focus on improving the quality of training, addressing the

² OECD Skills Outlook 2013: First results from the survey of adult skills, Figure 0.3 (OECD 2013). Data is for England and Northern Ireland.

³ Apprenticeship Evaluation: Survey of Employers (2014)

⁴ UKCES Employer Perspective Survey (2014)

⁵ Apprentices must make up 2.3% of the headcount of most public-sector bodies with 250 or more employees, averaged over a four-year period beginning in April 2017.

needs of employers and making apprenticeships a prestigious alternative to the traditional academic route. Once again, the City Corporation is well placed to take advantage of these new opportunities. Not only does the City Corporation have strong links to the business and creative assets of London, it also is a direct provider of schools, providing pathways and progression routes for young people into apprenticeships.

A comprehensive marketing plan will be developed that uses an integrated communications campaign to promote the benefits of apprenticeships and traineeships to young people, their influencers and employers. Models will be developed to show how apprenticeships can lead to various chosen careers and we will work with learners and potential learners as co-producers to navigate their education and training accordingly.

7. Goals, aims and key performance indicators (KPI's)

Goals	Aims	KPI's	Responsibility
Transform the lives of our diverse adult learners, through a unique educational experience.	Deliver a “Step-change” in the development of critical skills, knowledge and competencies to provide the necessary skills to meet the challenges of the rapidly changing world of work.	Effective use labour market intelligence to increase the subject choice for learners including development of post-digital/hybrid cross-disciplinary portfolios.	Family of Schools/ASES
	Enhance our capacity to meet national and regional skills needs.	Provocative, dynamic learning environments where learners are challenged.	ASES, Family of Schools, HR (for CoL employees)
	Harness talent by delivering the skills that enable people to flourish as innovative, self-sustaining practitioners.	High levels of lifelong learning are evidenced.	ASES, Family of Schools, HR (for CoL employees)
	Improve the prestige of adult education and apprenticeships so people see apprenticeships as a high quality and prestigious pathway to successful careers, and for these opportunities to be available across all sectors of the economy and at all levels, up to and beyond first degree level.	An increased number of learners 1,000 people by 2022.	ASES
		Drive and celebrate equality of opportunity through a proactive approach to promoting social mobility and inclusion.	ASES
		Develop a Marketing and Communication strategy and measure its impact in attracting	ASES, HR (for CoL employees)

		<p>more learners through the number and quality of apprenticeship applications.</p> <p>Ensure that the marketing campaign includes targeted material for BAME audiences.</p> <p>Pilot test a supply chain strategy model within one industry group.</p>	<p>ASES, HR (for CoL employees)</p> <p>ASES</p>
Deliver high quality adult education, training and apprenticeships.	<p>Continue to improve the learning experience and the success of learners.</p> <p>Continue to improve services and resources to promote wellbeing amongst learners.</p> <p>Deliver academic excellence in learning, teaching and knowledge exchange.</p> <p>Develop innovative approaches to learning and teaching for industry-relevant courses including work-based learning and apprenticeships.</p> <p>Ensure that our learners are partners and co-creators in academic activity and governance and to continue to develop and enhance mechanisms that enable effective response to feedback.</p> <p>Enhance the apprenticeship and adult learning experience by creating a sense of belonging through collaborative learning and social interaction.</p>	<p>ASES is an outstanding adult education, training and apprenticeships provider.</p> <p>Increase in the uptake of courses by City of London residents and their location.</p> <p>Increase the effective use of ICT in teaching, learning and assessment.</p> <p>People from all backgrounds get the preparation they need to be high quality candidates for apprenticeships.</p> <p>Increase the proportion of apprentices from Black, Asian and Minority Ethnic (BAME) backgrounds by 20%.</p> <p>Develop a model of learner-led peer-to-peer mentoring and collaboration.</p> <p>Widen the spread of areas that take apprentices and increase the Level of apprentices undertaken including Levels 4, 5, 6 and 7.</p>	<p>ASES</p> <p>ASES/ Family of Schools</p> <p>ASES, HR (for CoL employees)</p> <p>ASES, HR (for CoL employees)</p> <p>ASES</p> <p>ASES, HR (for CoL employees)</p> <p>ASES</p>

	<p>Continue to excel in providing progression routes covering informal and formal learning opportunities and across all Levels of qualifications from Levels 2 to 7.</p> <p>Every apprenticeship will be a high-quality opportunity that delivers the skills, knowledge and behaviours that employers are looking for.</p>	<p>Learners are stretched so that they build on prior achievement and study at higher levels.</p> <p>Continue the outstanding apprenticeship completion rates, remaining above 95%.</p> <p>Achieve a 100% destination and progression pathway for apprentices.</p> <p>Apprentices educated through ASES are widely recognised and respected as being highly skilled.</p> <p>Apprentices recommend becoming an apprentice.</p>	<p>ASES</p> <p>ASES</p> <p>ASES</p> <p>ASES</p> <p>ASES</p>
Continue working towards the achievement of a diverse workforce so that it mirrors the diversity of our community.	Improve the learning experience and learning outcomes for learners impacted by disadvantage.	<p>Improve the progress of learners at risk of educational disadvantage.</p> <p>Continue to provide enhanced and efficient learning support services, to support all our learners and maintain our strong social mobility profile.</p> <p>Our apprenticeships are completed by people from backgrounds as diverse as London is.</p>	<p>ASES/ Family of Schools</p> <p>ASES</p> <p>ASES, HR (for CoL employees)</p>
High quality exposure to the world of work at all stages of education to enable pupils and learners to make informed career choices	<p>Create a stronger focus on entrepreneurship, creativity and innovation.</p> <p>Bridge gaps and move with agility between industry and education.</p>	<p>A comprehensive careers strategy for all ages.</p> <p>All pupils at City Family of Schools will hear from, and be inspired by, employers and apprentices.</p>	<p>ASES/ Family of Schools</p> <p>Family of Schools</p>

	Link learning at all stages with real-world application.	There will be clear progression routes through technical and professional education and into skilled employment, including apprenticeships.	ASES/ Family of Schools
	Continue to excel in providing employment pathways and support.	Good quality work experience placements will be open to all pupils, regardless of their background or personal connections to businesses.	Family of Schools
	Improve the transition of learners at critical stages in the education and training system.	Work placements are well-planned and ensure pupils are engaged in interesting tasks and get experience that they can apply when they start looking for employment.	Family of Schools
		Work experience is a sequential induction to the world of work from Early Years, becoming more formalised as pupils get older.	Family of Schools
		Self-employment and 'solopreneurs' trends are reflected in work experience offers.	Family of Schools
		All pupils at City Family of Schools are supported to make the right career choices, including apprenticeships.	ASES/ Family of Schools
		City Family of Schools promote apprenticeship opportunities and can give well-informed and impartial advice about apprenticeship options.	Family of Schools
		All pupils at City Family of Schools will have access to a coordinated programme of work placements.	Family of Schools

		<p>Skill development is seen as integral to pursuing the outcome of becoming outstanding schools in the City Family of Schools.</p> <p>There is a direct link between school education, IAG and the Apprenticeship programme.</p>	<p>Family of Schools</p> <p>Family of Schools</p>
Strengthen strategic oversight and focus on impact	<p>Continue to assure and enhance the standards and quality of our provision to achieve academic excellence in delivery.</p> <p>Review planning and resource allocation so that ASES continues to provide exceptional value for money while ensuring a closer alignment to strategic priorities.</p> <p>Ensure that the staff voice (ASES) continues to play an active part in the implementation of our strategy and the evolution of our offers.</p> <p>Ensure that the Strategy is fully embedded in DCCS and the Corporation's operational, business and academic planning.</p> <p>Ensure we have the resources, space and teaching models to deliver our distinctive portfolio of courses and teaching styles.</p>	<p>Improved approaches to commerciality.</p> <p>The adult education offer is re-aligned towards pre-apprenticeship courses.</p> <p>Data collection is used to evidence wage increases as the result of apprenticeships and other training.</p> <p>Long-term economic sustainability of ASES through less reliance on single grants or on project funds.</p>	<p>ASES</p> <p>ASES/ Family of Schools</p> <p>ASES</p> <p>ASES</p>
Build an applied research and knowledge exchange culture that drives change, prioritises industry collaboration, and	To continue to respond with agility and inventiveness to policy and funding changes and to be open to opportunities in our specialist industries, and ensure our innovation work is sustainable, affordable and realisable.	Engage large corporates, SME's, micro-businesses and start-ups in the design and delivery of a course or courses to increase the influence of the employer voice in course development.	ASES/HR (for City of London Corporation employees)

underpins learning and teaching.			
Create a world-leading environment that allows us and our partners to exploit interconnectivity and collaboration between industry, schools and business.	<p>To forge and maintain dynamic relationships with our City, UK and international partners in industry, in higher education, further education and in the cultural sector and with the locality and our alumni.</p> <p>To strengthen our external facing functions, enabling us to maximise opportunities around partnerships, commercial activity, marketing, public relations, fundraising through philanthropic sources and alumni, careers and industry liaison.</p> <p>To strengthen our internal and external facing functions, enabling us to share our successes and have a higher profile within the skills development arena in London, nationally and internationally.</p> <p>To work with our locality and local authorities, securing effective partnerships.</p> <p>To connect our learners to innovators, professionals and practitioners at the cutting edge.</p>	<p>A completed cross-departmental review of all our partnerships, the objective of which is to develop a more strategic, professional and proactive approach to the development, due diligence and management of our partnerships.</p> <p>Evidence influence in the field through partnerships and participation in key committees and networks.</p>	<p>DCCS/HR/Culture and other departments</p> <p>ASES</p>

8. Our approach

Our approach is based on lifelong learning. This strategic choice brings all the key contributors together – education and training providers, teachers, employers, careers professionals and parents – so that every person, no matter where they live or what school they go to, has access to top quality careers advice, guidance and

inspiration. It is essential that, from early on in their school career, all young people have access to quality advice and guidance on the full range of career routes and are inspired by the prospect of an apprenticeship. Schools now have a statutory duty to ensure that all their Year 8-13 pupils have access to independent careers guidance, including on apprenticeships. That means that the concept of skills development for work occurs in different ways across different stages as is outlined in the following table:

Stage	Outline of offers
Key Stage One	<ul style="list-style-type: none"> Introduction to the world of work Visiting workplaces Talks from/activities with various workers Fusion and digital skills programme Early enterprise exposure Enterprise governor in all schools Parent information and development programmes Family learning opportunities
Key Stage Two	<ul style="list-style-type: none"> Entrepreneurial training Orientation to future pathways Fusion and digital skills programme Early enterprise exposure Enterprise governor in all schools Parent information and development programmes
Key Stage Three and Four	<ul style="list-style-type: none"> Unpaid work experience (200-hour commitment) Fusion and digital skills programme Livery Schools Link Enterprise governor in all schools Communicate the benefits of apprenticeships Parent information and development programmes Taster sessions to introduce pupils to different careers Leaders of Tomorrow mentoring
GCSE-Level	<ul style="list-style-type: none"> Level 2 and 3 apprenticeships Fusion and digital skills programme Careers fair Work finder app

	<p>Traineeships</p> <p>Apprenticeships advice and support tailored at a local level.</p> <p>High quality careers advice</p> <p>Enterprise governor in all schools</p> <p>Communicate the benefits of apprenticeships</p> <p>Parent information and development programmes</p> <p>Work placements</p>
A-Level	<p>Paid post school work internships</p> <p>Fusion and digital skills programme</p> <p>Level 3 and 4 apprenticeships</p> <p>Careers fair</p> <p>Work finder app</p> <p>Apprenticeships advice and support tailored at a local level.</p> <p>High quality careers advice</p> <p>Enterprise governor in all schools</p> <p>Work placements</p> <p>Communicate the benefits of apprenticeships</p> <p>Encouraging employers to advertise their degree apprenticeships in advance so young people can plan as they would for university</p> <p>Parent information and development programmes</p>
Graduate level	<p>University internships</p> <p>Fusion and digital skills programme</p> <p>Higher level apprenticeships</p> <p>Graduate placements</p> <p>Adult education</p> <p>Graduate tracking</p> <p>Apprenticeships advice and support tailored at a local level</p> <p>International apprenticeships</p> <p>Apprenticeship competitions</p> <p>Communicate the benefits of apprenticeships</p>
Adult learner	<p>Level 2-7 apprenticeships become increasingly offered</p> <p>Fusion and digital skills programme</p>

	<p>Adult education</p> <p>Piloting of accredited, funded short courses (e.g. food hygiene and first aid) to establish a model for location, communication with residents, and language challenges</p> <p>Roll out of more courses (e.g. cleaning supervision, security and other catering offers).</p> <p>Expand the offer of courses for home and micro-businesses</p> <p>Package of work preparation training</p> <p>Transform the career prospects of young people most in need of support</p> <p>Academic and professional mentorship support</p> <p>Apprenticeships advice and support tailored at a local level</p> <p>International apprenticeships</p> <p>Apprenticeship competitions</p> <p>Widen access to the professions</p> <p>Develop higher level digital and technical skills</p> <p>Research the links between apprentices and productivity</p> <p>Drive up the supply of higher and degree apprenticeships</p> <p>Support the Apprenticeship Ambassadors Network to promote apprenticeships</p> <p>Spread the apprenticeship model through supply chains and networks</p> <p>Provide advice and support to smaller businesses starting apprenticeships</p> <p>Provide front-line support to employers working with ASES as they prepare for and hire apprentices</p> <p>Develop innovative solutions to engaging small employers in the apprenticeship programme</p> <p>Communicate the benefits of apprenticeships</p> <p>Back to work programmes</p> <p>Basic skills training</p> <p>Engagement with small & micro business in specialist areas where no qualifications exist</p> <p>Implement craft apprenticeships – enabling Host Trainers to take on apprentices and reconnecting Livery Companies with their trade</p>
--	---

A detailed action plan (in the form of a Gantt chart) will identify each of the individual projects that achieve these larger goals and describe how these projects will be completed. Each project will have a champion and a lead. The budget will be aligned to the strategic plan and there will be business plan for ASES on its delivery of elements of this strategic plan. The following section provides an overview of the financial projections in terms of general funding sources to deliver the strategy.

9. Financial Projections

The current systems for funding skills development, including apprenticeships are complex and changing. At the time of writing this strategy there are uncertainties in several areas, including:

- Allocating individual apprenticeship standards to funding bands, both for new standards and in the context of Technical Education (T-Level) route reviews
- Additional support payments, including additional payments for English and maths training and apprentices requiring greater learner support, such as those for younger apprentices; and those with SEND or other high needs
- How the allocation of apprenticeship standards to funding bands might be undertaken in the future
- Different funding rates depending on the age of the apprentice
- Funding for STEM framework pathways
- Possible waiving of the co-investment rate for small companies (those with fewer than 50 employers) “for apprentices aged 16–18 years of age, 19–24-year-old care leavers and those who have an Education, Health and Care Plan”

Currently, there are 15 funding bands, with the upper limit of these bands ranging from £1,500 to £27,000 per learner. The bands set the maximum amount of apprenticeship levy a levy-paying employer can use towards an individual apprenticeship and the maximum level to which the Government will co-invest. Flexibility going forward will be key. As greater clarity emerges, it will be necessary to use the annual action plans and budgets to reassess the affordability of certain strands of work and to adjust to new funding systems. Also, as it is strongly discouraged that services make a profit by delivering services. Careful consideration will need to be given to the financial modelling for the Service and long-term sustainability through greater levels of recurrent funding and diversification of the funding base. This is particularly the case as employers have up to two years to use funding in their voucher accounts. There is also a current discussion that levy-paying employers should be allowed to transfer unused funds to other firms within their supply chain or sector. Similarly, although not currently possible, there have been moves from some businesses to use their levy contribution to pay for apprenticeship training for apprentices that are not their employees. This is encouraging as it shows that these employers recognise that they have a collective responsibility for creating the apprenticeship training that the economy needs to grow and prosper.

However, this also adds a further potential complication to an already complex funding model.

10. Evaluation and Impact measurement

The benefits of a strategic approach to the development of skills will only be realised if we can ensure high quality. ASES is currently rated as “good” by Ofsted and so the aim must be that the service becomes outstanding. We will continue to implement a process of continuous improvement and publish performance information. We will focus on the holistic success of each learner, from entry into the skills programme through to career success and personal and collective flourishing. The

strategy will include new outcome-based success measures, focusing on progression, employment and learning destinations. External evaluations are also reflecting this greater level of rigour. For example:

- Apprenticeships results for 16-18-year olds will also be published as part of schools' performance tables
- Ofsted inspects and reports on apprenticeship training provision up to Level 3
- Ofqual regulates any qualifications included in higher level apprenticeships
- Apprenticeships delivered with higher education (HE) institutions will be covered by the HE quality regime
- Apprentices must demonstrate professional skills and attributes, as signalled by their completion certificate

In addition to these regulatory measures, there will be a range of other external measures of quality and impact including:

- The active support of professional bodies and other partners
- Apprentices are recognised for the quality preparation to operate in each sector
- Professional recognition for ASES and its learners such as technical or chartered status
- Membership of professional bodies
- Businesses who are working with ASES include apprenticeships as a key part of their workforce development strategies.
- The system proposed via the strategy is recognised as providing an effective service for learners and employers
- Outcome data robustly verifies learner success measures
- Businesses who are working with ASES advocate for apprenticeships among their partners, peers and supply chain
- Young people and parents are aware of the benefits that apprenticeships bring and are willing to consider a range of skill development options post-school
- Apprentices are successful in achieving awards and signs of recognition
- Strong data reports on progression into employment, employment promotion and earnings

Appendix One: Current strategies and policies in the City of London Corporation that are directly relevant to the Skills Strategy 2018-2023

Education Strategy 2018-2023

Cultural and Creative Learning Strategy 2018-2023

Employability Strategy 2017-2020

Cultural Strategy 2018-2022

Social Mobility Strategy (Currently in draft)

Digital Skills Strategy 2018-2023

Corporate Plan 2018-2023

Appendix Two: Background information and contextual analysis

The areas of lifelong learning including both formal and informal adult education, training and development, and apprenticeships have changed considerably in recent years. The benefits of adult education and training and apprenticeships are becoming increasingly broad - beyond providing a solid basis for moving into work but also promoting social mobility, lifelong learning, progressing careers and plugging key skills gaps. Increasingly, people's journeys into employment can be along many pathways. While school provides an outstanding basis for beginning the journey, volunteering, work experience, adult education, informal learning, traineeships, work placements, apprenticeships, "direct into employment" programmes and university pathways may all play a valuable part in enhancing a person's employability and lifelong learning and development. Concurrently, work-based training and continuing professional development programmes can enhance skills leading to higher skilled jobs, greater skills transferability, higher wages, and personal and professional satisfaction. This enhances both recruitment and retention of staff.

Page 275

Successive governments have acknowledged the need to enhance skills and productivity and to proactively promote a variety of pathways into employment. In recent years, apprenticeship pathways have become an area of focus. For example, the *Richard Review* (2012) into apprenticeships emphasised the importance of employers, both large and small, playing a major role in improving the quality of apprenticeships. In 2015, the Government set a target of three million new apprenticeship starts by 2020 and announced that a new Apprenticeship Levy on large employers would be introduced in April 2017. Approximately 20,000 businesses across the United Kingdom (UK) now pay the levy. This has dramatically increased the amount of funding for apprenticeships. It is expected that by 2020, the levy will raise more than £2.8 billion a year across the UK which is more than twice what was spent in 2010 in cash terms. The levy also signalled a fundamental change in the positioning of the employers and the providers, with the new levy putting employers in the driving seat and providers needing to be responsive to the demands of employers.

In June 2016, the UK voted to leave the European Union. The nature of the UK's future relationship with the EU is unclear, but possible restrictions on the ability of UK employers to recruit skilled employees from European Union member states may further increase the importance of high quality digital, technical and professional education to the country's future economic success.

The Enterprise Act 2016⁶ introduced legal protection for the term ‘apprenticeship’ and established the *Institute for Apprenticeships* (the Institute) which is an employer-led, independent body to support the integrity of the reformed apprenticeships system, with a mandate to assure quality and to provide objective advice. It is the intention that the Institute will publish an annual ‘strategic guidance’ document which will outline the policy parameters. The Institute has a set of core functions established through legislation⁷, including:

- Setting, reviewing, approving or rejecting quality criteria on all apprenticeship standards and assessment plans at all levels
- Ensuring all end-point assessments are quality assured
- Advising on the maximum level of Government funding available for individual standards
- Assume responsibility for all technical education – whether work-based or classroom-based – to sit within to the framework of 15 routes to skilled employment

The Institute has also published a series of frameworks covering the requirements for apprentices including that qualifications must:

- Contain substantial and sustained training for a minimum of 12 months, involving at least 20% off the job training
- Develop transferable skills, including maths and English
- Lead to full competency and capability in an occupation, demonstrated by the successful achievement of an apprenticeship standard
- Train the apprentice to the level required to apply for professional recognition where that recognition exists, including up to Level 7
- Be co-designed by employers to meet their needs and the needs of their organisations
- Be assessed through a single end-point assessment after the apprentice has completed their training

Furthermore, there is a requirement on providers to ensure that the assessment methods are interesting, varied and engaging and that the learner possesses the knowledge, skills and behaviours to be fully competent in the occupation. Assessment must be externally moderated. For degree level apprenticeships, assessment is embedded within the degree qualification because the curriculum is based on the standard, which is designed to achieve occupational competence. This applies to bachelor’s and master’s degrees specifically.

The Government is conducting a programme of Area Reviews of post-16 education and training. The London Area Review⁸ ran from February to November 2016 and was an opportunity for London to take a strategic view across post-16 provision and begin establishing the infrastructure needed in London to commission skills under a future devolved system. The report made several recommendations including:

⁶ Enterprise Act 2016, section 22 and 25

⁷ Strategic Guidance for the Institute for Apprenticeships – 2017/18

⁸ London Adult Community Learning Review Final Report March 2017

- Greater connection to needs and priorities identified by sub-regional skills and employment boards
- Enhanced community delivered adult education and skills
- Developing a set of pan-London policies for adult education
- The establishment of an overarching post-16 education and skills board, which should liaise with sub-regional skills and employment boards
- The establishment of a centralised data portal to improve understanding of Londoners' needs and Labour Market Intelligence
- Providers should develop their skills and education plans to ensure identified need is met
- The curriculum offer should concentrate on Basic English including ESOL, maths and digital skills programmes, health and wellbeing, family learning, and retraining and enrichment programmes
- To fund providers through an agreed plan underpinned by a block grant.
- To create an innovation fund for new developments.
- to support the development of sub-regional community education hubs

Over the last two decades there has been a large increase in the number of people undertaking apprenticeships. While figures are not directly comparable due to changes in how the term 'apprenticeship' is defined, apprenticeship starts rose from 65,000 in 1996/97 to 509,400 in 2015/16⁹ There was also an emphasis on the need for colleges and providers to increase apprenticeship delivery. Providers, including The City Corporation's ASES, are at the forefront of these changes. They are using innovative approaches to meet the challenges and in doing so, exploiting opportunities to benefit learners and apprentices, the businesses that they support and the nation. ASES has been delivering high quality adult education and apprenticeships for a long time. They have strong relationships with employers and the community and are invested in training and widening opportunities. ASES thinks holistically about how they support employers and learners and this has helped ASES to be successful over a sustainable period.

Despite the increased focus on lifelong learning and apprenticeships and the excellent positioning of ASES to meet these needs, several challenges remain. For example, there is a lack of broad industry take-up of apprenticeships. Some of the innovative and emerging industries are not currently offering apprenticeship options. In 2015/16 more than two thirds of apprenticeship starts were in three sectors: Health, Public Services and Care; Business, Administration and Law; and, Retail and Commercial Enterprise. By contrast, the number of starts in the Construction, Planning and the Built Environment and Engineering and Manufacturing Technologies was much lower, less than a fifth of all starts. Some emerging employment areas, especially those in the creative and cultural sector are distinctly underrepresented. There is also currently a disproportionate number of lower level apprenticeships compared to higher level apprenticeships, although the greatest increase in growth is coming in the higher-level offers. For example, over half of all apprenticeships were Level 2 programmes and a third at Level 3. While there has

⁹ Cabinet Office, Queen's Speech 2015: background briefing notes, May 2015. There were 509,400 Apprenticeship starts in the 2015/16 academic year.

been a dramatic increase in the number of higher level starts over the last five years, this was from a very low base and they remain a fraction of total starts.¹⁰ Amongst learners and businesses alike there is an increasing interest in higher and degree apprenticeships. The Government's vision is for apprenticeships "to be available across all sectors of the economy, in all parts of the country and at all levels".¹¹ Strong professional and technical lifelong learning systems are critical elements in increasing productivity. Quality of apprenticeships is crucial, both in terms of filling current skills gaps and by supporting greater social mobility through a ladder of opportunity based on quality apprenticeships. It is important that there is a broad provision of high-quality apprenticeships, ranging from Level 2 through to Level 7.

In 2018, the London Mayor's office announced that London will shift its adult education budget payment model away from funding qualifications towards wider outcomes such as progression into work. When it replaces the national funding formula, it will be the first time any FE funding, except for the traineeship programme, has been dependent on positive progressions. The Mayor's strategy suggests that, "London should be at the cutting edge of innovation in adult education and skills, particularly in enabling improved social mobility for adults from low-income backgrounds." There is also a move, over time, towards outcome-based commissioning to ensure that our focus is on effective skills provision in London that supports adults to gain the relevant skills they need to enter in to and progress in employment.

While the past few years have seen unprecedented change in the governance of apprenticeships, there have also been significant structural changes in the economy. Changes to the economy have reduced the number of large firms, many of whom had traditionally supported extensive apprenticeship programmes. There has been a rapid growth in SME's, microbusinesses and 'solopreneurs'. This provides an opportunity for the City Corporation's apprenticeship service as small and medium sized businesses may lack the capacity—in facilities, staff time or institutional memory—to sustain independent schemes and may seek external partners. They may also operate to shorter time horizons making the long-term investment required to train an apprentice less attractive. Collaboration could help to address these challenges. Moreover, advances in technology are changing the way the world works. Broad-based digital and technical literacy (referred to as 'DQ') combined with 'fusion skills' are integral to future employment and the success of businesses. To this end, DQ, fusion skills and technical literacy must be embedded in lifelong learning and our apprenticeship programme. To address these changes, the government has proposed up to 20 new technical and professional learning routes, which will lead young people from compulsory schooling into employment and the highest levels of digital and technical competence (*T-Levels*).

Appendix Three: Glossary of useful terms

Apprenticeship agreement: The contract of service between the apprentice and employer confirming the apprentice is undertaking an apprenticeship and the standard they are following.

¹⁰ DfE, FE data library: apprenticeships, January 2017

¹¹ HM Government, English Apprenticeships: Our 2020 Vision, December 2015, foreword

Apprenticeship framework: The agreed work-based training programme that employees can follow to become competent at a job. It includes time learning at work and studying for a relevant qualification outside of work.

Apprenticeship standard: Sets out in simple terms the knowledge, skills and behaviours needed for an apprentice to be competent and capable in their role, as determined by employers.

Assessment plan: Describes the end-point assessment for an apprenticeship standard: What will be assessed and how, who will carry out the assessment, who will make the final decision on competency and grading, and quality assurance arrangements to ensure reliability and consistency.

Digital Apprenticeship Service: The online end-to-end service which enables employers to find an apprentice candidate, choose a training provider and pay for apprenticeship training and assessment.

End-point assessment: The assessment at the end of the apprenticeship to test that the apprentice is fully occupationally competent in that role.

Fusion: Fusion are a range of skills which include academic, emotional, digital, creative and practical skills.

Statement of Commitment: This supplements the apprenticeship agreement and sets out the expectations, roles and responsibilities of each party involved in the apprenticeship and is signed by the employer, provider and apprentice.

T-Level: T levels are new technical study programmes that will sit alongside apprenticeships and A Levels within a reformed skills training system. The introduction of T levels aims to streamline technical education and focus on developing skills that sit within 15 industry routes. The first T levels will be introduced in September 2020 with full roll-out intended from September 2023. A 45-day minimum work placement component is a mandatory requirement for the achievement of a T level programme. English and maths GCSE or functional skills achievement is also a requirement of a T level programme.

Appendix Four: Working with others

Both within the City Corporation and with our many partners, we will work collaboratively and purposefully - approaching our endeavours with a mind-set that is open and receptive. We value and promote co-production and working in partnership to create the future. These partnerships both drive and reflect the professional and collaborative nature of our staff and the employability of our learners. The following list includes just some of the many partners who currently work with us to design, deliver and evaluate our skills programmes:

- Apprenticeship Diversity Champions Network
- Apprenticeship Delivery Board
- Association of Colleges
- Association of Employment and Learning Providers
- Association of School and College Leaders
- Barclays

- British Chambers of Commerce
- British Film Institute
- Businesses (local and international)
- Careers and Enterprise Company
- Centre for Vocational Education Research, London School of Economics
- Charities
- Chartered Insurance Institute
- City and Guilds
- Creative Industries Federation
- Creative Skillset
- Crossrail
- Cultural organisations
- Deloitte LLP
- Department for Business, Innovation and Skills
- Department for Education
- Digital sectors
- Education and Training Foundation
- Education and Skills Funding Agency (ESFA)
- EY
- Federation of Small Businesses
- Fintech sectors
- Greater London Authority
- Institute of Chartered Accountants in England and Wales
- Jobcentre Plus
- Leaders of Tomorrow
- Livery Companies Skills Council
- Livery Companies Apprenticeship Scheme
- Livery Companies' Employer Ownership of Skills Pilot Scheme

- Local Authorities
- Local Enterprise Partnerships
- London collaborative partnerships
- Microsoft
- Ofqual
- Open University
- Other skills providers
- Pearson Education
- Queen Mary University of London
- Tech Partnership
- TechUK
- The 5% Club
- The National Careers Service
- The Prince's Trust
- The Worshipful Company of Goldsmiths
- University Vocational Awards Council

This page is intentionally left blank

Cultural and Creative Learning Strategy 2018-2023

Department for Community and Children’s Services (DCCS)

Contents

Page 283

1. Vision	2
2. Introduction.....	2
3. Corporate mission	4
4. Target learners	7
5. Goals, aims and key performance indicators (KPI’s)	7
6. Our approach.....	12
7. Working with others.....	17
8. Creative Learning.....	20
9. Fusion	21
10. Culture Mile.....	23
11. Culture Mile Learning (CML).....	23
12. School Visits Fund.....	25
13. Competitive analysis and marketing	25
14. Evaluation and Impact measurement	26
Appendix One: Related strategies and policies	27
Appendix Two: Glossary of terms.....	28
Appendix Three: Information on outcomes of school visit fund 2017-18.....	29
Appendix Four: Current partners and activities	34

1. Vision

Preparing people to flourish in a rapidly changing world through exceptional education, cultural and creative learning, and skills which link to the world of work.

2. Introduction

Culture is at the heart of a thriving community and it is a vital element in the daily life of London, enriching experiences, improving personal wellbeing, providing outstanding learning opportunities, and helping us gain a better understanding of the world in which we live. The City of London Corporation (City Corporation) is committed to providing access to world-class education and learning opportunities. This includes the educational opportunities that its cultural, heritage and environmental assets offer. The City Corporation provides educational experiences that combine creativity, innovation and enterprise, alongside tradition and continuity. These activities develop the talent of Londoners to reinforce the City's competitiveness and to support London's communities.

The City is a centre of world class culture with millions of people enjoying performances, events and opportunities every year. However equally important, it is the site of possibly the largest collection of cultural learning opportunities for people of all ages. The Square Mile's cultural institutions are building audiences, artists and creative experiences. As a network, the Square Mile's cultural partners reach millions of people through school visits, large-scale off-site participatory events, learning resources, on-site classes and workshops, and world-class conservatoire education. Our School Visits Fund provides travel grants to enable schools and not-for-profit educational organisations in London to visit cultural organisations venues supported by the City Corporation. The Museum of London and Barbican-Guildhall Creative Learning have well-respected schools' programmes, outreach events and concerts, the Guildhall School for Music and Drama has the largest under-18s offer for specialist music training of any organisation in the United Kingdom, and the LSO has pioneered high quality music education in the ten east London boroughs, setting the standard for music hubs around the country. These organisations work with the "City Corporation Family of Schools" (henceforth be referred to in this strategy as the "Family of Schools") and with schools in the surrounding boroughs, spreading their professional excellence and expertise.

Cultural and Creative Learning Strategy 2018-2023 supports the City of London Corporation's (City Corporation) Education Strategy, encouraging deeper collaboration and developing shared programmes and digital resources for greater impact. The strategy enhances the delivery of the City Corporation's Education Strategy by nurturing an exemplary cultural education partnership, Culture Mile Learning, and enabling our world-leading institutions to cultivate the creativity, skills and knowledge of the next generation. Heritage and cultural and creative learning is at the heart of enabling children and young people to flourish. It is important that they have access to education both in and through the arts and that creative teaching and learning enables everyone to realise their potential. This strategy supports

the delivery of an exemplary Cultural Education Partnership, Culture Mile Learning, and enable our world-leading institutions to cultivate the creativity, skills and knowledge of the next generation.

Cultural and Creative Learning Strategy 2018-2023 provides clarity around vision and, in conjunction with the annual action plan, a framework for shared values and approaches and for the provision of activities, including the scope and scale of cultural learning provisions. This strategy covers the broad curriculum content related to culture and creativity and the range of formal and informal learning opportunities beyond the curriculum. The strategy is designed to be responsive and is reviewed and reported annually. Based on this cycle of evaluation, modifications are incorporated.

London is a global, flexible and cosmopolitan city with a strong sense of pride in its place, history, neighbourhoods and identity. The City of London is unique in being home to such a wide range of high-quality cultural venues within such a small and historically significant geographical area. This provides a powerful opportunity to make a real impact on the lives of learners, not only those living in or visiting the City of London, but also people across London and beyond through outreach programmes, online resources and our inspiring green spaces. By maximising access to our cultural venues and bringing together their internationally important collections and expertise, we will create engaged, active and creative citizens of the future who wish to make London a better place to live.

Investing over £100m every year, the City Corporation is the fourth largest funder of culture in the UK. The City Corporation supports 19 diverse cultural venues, including the Museum of London, The Barbican Centre, Guildhall Art Gallery, Guildhall School of Music and Drama, the Monument, London Metropolitan Archives, and five public libraries, including three of regional importance¹. Beyond the Square Mile, City Corporation also supports other inspiring destinations for learning such as Tower Bridge, Keats House, Hampstead Heath and Epping Forest. Collectively, these venues represent a remarkable educational resource that can enrich the learning of children and adults, whether in families, early years settings, schools, universities or colleges. The venues provide safe, supportive environments for families and intergenerational groups to learn together; contribute to attainment and creativity across the full spectrum of the National Curriculum at all Key Stages; and equip young people with the motivation, skills, knowledge and confidence to move into further study or employment.

Alongside the cultural opportunities, Cultural and Creative Learning Strategy 2018-2023 focuses on an ambitious programme of lifelong learning, highlighting the development of fusion skills. Fusion combines the creative, technical, educational and emotional skills needed for success in the 21st century. Arts and cultural activity can serve as inspiration where the most interesting and progressive work is already taking place (including innovation, different mind-sets and behaviours, new relationships). Sustained cultural and creative learning equips people to participate in high-value employment opportunities, creating an environment where innovation, creativity and enterprise flourish.

¹ See full list of partner organisations in Appendix Two

A broad definition of culture has been applied to this strategy and it includes art, music, literature, drama, dance, design, heritage, open spaces, architecture and film and technology. It also involves creative processes and the development of fusion skills². The embedding of fusion learning aims to make the pupils in the Family of Schools more open, creative, resilient and entrepreneurial. We will work collaboratively with cultural partners to drive social and economic change and contribute to a thriving city, acknowledging that culture and heritage are the enablers of innovation, nurturing and inspiring creative talent and entrepreneurial ideas. The creative industries make a major contribution to the London economy, but the development of creative talent requires high quality learning experiences. At the heart of this strategy is the knowledge that innovation and creativity can generate both financial and social wealth for people and communities in a long term, sustained way. This is evidenced in the City Corporation's history where the Livery Companies and businesses have shown that commerce and culture are intertwined. The Square Mile is rapidly becoming a leading centre of the digital and creative economy and to continue to nurture talent, we need to unlock the creative potential and resilience of individuals and businesses.

Above all, we want to champion excellence and innovation in all that we do. To achieve the aims of the Cultural and Creative Learning Strategy 2018-2023, there is an exemplary partnership, Culture Mile Learning, which enables our world-leading institutions to cultivate the creativity, skills and knowledge of the next generation. With the unique creative, educational, and business expertise based in the area, Culture Mile Learning is well placed to support improved pathways for disadvantaged young Londoners to benefit from arts and cultural activities, training, development and employment opportunities. Culture Mile Learning engages with headteachers and provide simple and effective routes for support. Through this unique partnership offer, the schools have access to cultural partners which are open, flexible, communicative, responsive and welcoming. It is also a priority to offer world-leading higher education and training to future performers, creative professionals, technicians, leaders and teachers, fulfilling their potential as creative citizens and enabling them to have the confidence, freedom and agency to discover their possibilities and potential.

3. Corporate mission

The City Corporation is dedicated to a creative, vibrant and thriving City, supporting a diverse and sustainable London within a globally-successful United Kingdom. It recognises the power of innovation and creativity to generate wealth for people and communities in a long-term, sustainable way. The City Corporation's Corporate Plan for 2018-23 (The Plan) sets out the vision which is dedicated to creating a vibrant and thriving City, supporting a diverse and sustainable London, within a globally-successful United Kingdom. The Plan sets out three aims, which this strategy fulfils, namely to: contribute to a flourishing society, support a thriving economy and shape outstanding environments. The Plan lists 12 outcomes, and this strategy contributes to the following outcomes:

- Outcome 1: People are safe and feel safe

² See Appendix Two: Glossary of terms, for more detail.

- Outcome 3: People have equal opportunities to enrich their lives and reach their full potential
- Outcome 8: We have access to the skills and talent we need
- Outcome 10: We inspire enterprise, excellence, creativity and collaboration

The impact of the Cultural and Creative Learning strategy will particularly:

- Contribute to a flourishing society
- Support a thriving economy
- Provide access to world-class heritage, culture and learning to people of all ages, abilities and backgrounds
- Promote effective progression through fulfilling education and employment
- Cultivate excellence in academia, sport and creative and performing arts
- Promote London for its creative energy and competitive strengths
- Promote the Square Mile, London and the United Kingdom as attractive and accessible places to live, learn, work and visit
- Protect, curate and promote world-class heritage assets, cultural experiences and events
- Promote and champion inclusion, diversity and social mobility
- Provide world class cultural education and learning opportunities
- Promote effective transitions through education and into fulfilling employment in the creative industries and in all industries looking for innovative talent
- Develop fusion skills for future working and employability
- Advocate for the removal of institutional barriers and structural inequalities in participation in arts and cultural activity
- Cultivate excellence through models of practice
- Champion new and emerging artforms and hybrid arts, while continuing to provide talent pathways into more traditional art forms
- Strengthen local, regional, national and international collaboration and innovation in arts, cultural and creative learning
- Nurture a relevant and sustainable cultural and creative learning pipeline
- Maximise the opportunity for all children and young people to have age appropriate, high quality participation in the arts and culture
- Develop the teachers to enable them to continue to expand creative teaching and learning methods in schools

The development of cultural and creative learning is not a responsibility that rests solely with one department, service or area of work. The cultural and creative learning offer within the City Corporation is well placed to take advantage of integrated departmental working. The City Corporation has a broad Cultural Strategy 2018/22 which aims “at repositioning the City as a world capital for commerce and culture, harnessing the power of arts, heritage, learning and libraries to make the Square Mile far more open, creative, resilient and entrepreneurial.”. Through Culture Mile and Culture Mile Learning, the collaboration of the world leading cultural institutions in the City of London and beyond, is ensuring that the cultural offer provided is relevant and far reaching, in both scope and scale. The richness of the

Square Mile’s cultural heritage is available to all and can be easily accessed to ensure it enriches education. Through the City’s Open Spaces, children and young people can experience a multitude of offers. The City’s libraries are rich in cultural and creative learning activities. The City Corporation continues to proactively promote local and community arts through a range of participatory events, activities, spaces, initiatives and opportunities and is investing in infrastructure to boost the provision of spaces for creative activity. The Square Mile is already rich in architecture, sculptures and art works. A regular programme of musical events is offered in a range of places, beyond the excellent programmes at our major theatres and cultural venues. The Barbican Centre and the Guildhall School of Music & Drama are both actively committed to cultural and creative learning and have highly experienced and innovative learning units. Furthermore, these cultural institutions have secured five years of funding from the City Corporation to develop links with the new cultural occupants of the Olympic Park especially in the education and creative learning area.

The Cultural and Creative Learning Strategy 2018-2023 is both informed by, and linked to, the *Enterprise Strategy 2017*. Similarly, *Culture Mile* and its partners have a vital part to play in identifying new and emerging creative and cultural opportunities and the way these might inform future employment patterns. Within the Department for Community and Children’s Services (DCCS), the Cultural and Creative Learning Strategy 2018-2023 links specifically to the *Education Strategy* (across the Family of Schools) and to the *Skills Strategy* (including adult education, community learning, apprenticeships and training) and is more broadly grounded in the number of functions the DCCS perform in both its statutory and more general functions to support both the local and wider population.

The Cultural and Creative Learning Strategy 2018-2023 also has connections with the *Volunteering Strategy* and the City’s *Philanthropy Strategy*. Importantly, the Cultural and Creative Learnings Strategy 2018-2023 should support open and collaborative working and provide a space for joined-up thinking and sharing with both internal and external stakeholders.

Appendix One contains current strategies and policies that are directly relevant to the Cultural and Creative Learning Strategy 2018-2023.

Appendix Two contains a glossary of terms used in this strategy.

Appendix Three contains information on the outcomes of the 2017/18 School Visits Fund.

Appendix Four contains a full list of partner organisations in Culture Mile Learning and outlines some of the existing activity.

4. Target learners

The Cultural and Creative Learning Strategy will continue to target those people with the least access to arts and culture. Through a focus on social mobility and engendering a sense of community, the Cultural and Creative Learning Strategy 2018-2023 continues to support initiatives that encourage London schools, especially in disadvantaged areas, to engage with the cultural life of the City; for example, through the Schools Visits Fund. We recognise and embrace the diversity of London’s culture and champion the excellence and innovation that this brings. The cultural offer is inclusive providing opportunities for pupils experiencing disadvantage,

building social and cultural capital and contributing positively to wellbeing, health, social cohesion and lifelong learning. To achieve these aims a partnership approach will be used to promote open, communicative, responsive processes which are welcoming to a diverse range of people, businesses and visitors. Through co-production processes, the cultural partners will continue to work with residents experiencing social or other disadvantage, addressing issues of mental health, wellbeing, social cohesion and lifelong learning. The aim of the learning and engagement programmes is to bring together people from all walks of life and help support social mobility as well as engender a sense of community. The Cultural and Creative Learning Strategy focuses on inclusive and equitable practice to encourage individual and community empowerment.

5. Goals, aims and key performance indicators (KPI's)

Goals	Aims	KPI's	Responsibility
Every cultural institution in the City is a learning institution and every educational institution in the Family of Schools is a cultural institution.	Integrating digital and creative ideas into the schools to create more connected routes for pupils and teachers to access the cultural and heritage offer.	An online portal creates a 'one-stop shop' to more readily access the outstanding cultural and historical resources to enrich the creative experience of London's learners and to maximise the availability and impact of learning assets.	Culture Mile Learning/Culture Mile/Education unit
	Create a unified digital strategy that amplifies and enhances the world-class offer available to schools and families across the City's cultural organisations and programmes	Children and young people perform in professional quality venues at least three times per year to encourage sharing with families.	Family of schools/ Culture Mile Learning/Education unit
	Deepen and enrich the artistic experience as audience and as participant and co-producer to deliver high levels of participation and relevance	Review and develop the relationship between Culture Mile Learning and the Family of Schools through a formalised Culture Forum and the appointment in each school of both cultural governor and a cultural lead teacher/adviser.	Family of Schools/ Culture Mile Learning/Education unit
	Provide both formal and informal (in school and out of school) pathways for creative and cultural experiences to enrich the lives of children and young people	Maximise access to the City Corporation's cultural venues by London's pupils to the School Visits Fund through improved publicity, staff development and targeting of those schools and other learners who have not used the fund previously. Including that at least 100 schools per year use the fund; all schools have over 35% pupil premium; and, that 90% of schools using the school visits fund have not visited their chosen venue in the last three years. Non-school educational organisations that work with school-age children can also apply to the fund.	Family of Schools/ Culture Mile Learning/Education unit

		Convene opportunities for Culture Mile Learning partners to meet with other London, national and international cultural venues and cities of innovation to work together to benchmark and enhance learning programmes and resources that benefit learners across London and beyond.	Culture Mile Learning/Education unit
Empowering children and young people to realise their full potential through the arts.	<p>Deliver a distinctive City Corporation education and skills offer that ensures that all learners receive a high quality and continuous education both in and through the arts.</p> <p>Inspire children and young people and their teachers to discover and love the arts.</p> <p>Develop children and young people as artistic and cultural citizens enriching their lives and the lives of others.</p> <p>Nurture talent enabling children and young people to find their creative and artistic voice.</p> <p>Deepen and enrich cultural experiences for children and young people inspiring them to discover their creative potential and to love the arts and culture of others.</p>	<p>To ensure that pupils have a voice in arts and cultural decision making including the participation of the Family of Schools' pupils in Youth panels (e.g. the Barbican Youth Panel, Museum of London Youth Panel, City of London Youth Board).</p> <p>Review and develop talent pathways for pupils in the Family of Schools ensuring that there are clear and delineated access routes into further opportunities and no examples of talented pupils not having the 'next steps' to develop their interests and skills.</p> <p>The policy acknowledges that creative and cultural learning begins in the early years so that there is joined - up working with the City's early years providers and families.</p> <p>Re-aligning the classroom offer towards sequential and 'curated' arts and cultural offers which delivers a sequential, high quality cultural and creative offer for all pupils in the Family of Schools from early years through to post 16, with sustained education in and through the arts and culture, including strengthening the role of music and the performing arts.</p> <p>Create an ambitious programme for progressive music education in all our schools, and performing arts education programme, to support London's Music Hubs and local Cultural Education Partnerships, in preparing the</p>	<p>Culture Mile Learning/Education unit/Family of Schools</p> <p>Family of Schools/ Education unit</p> <p>Early years team/ Family of Schools / Education unit</p> <p>Family of Schools/ Education unit</p> <p>Family of schools/Culture Mile Learning/Education team/ Guildhall School</p>

		<p>ground for the proposed Centre for Music, Museum of London and wider Culture Mile Learning ambitions.</p> <p>Develop relationships with other local Cultural Education Partnerships and cultural destinations to join-up resources, deliver shared ambitions, and maximise the cultural and heritage assets of the City of London.</p>	Culture Mile Learning/Culture Mile / Education Team
To provide accessible opportunities for those pupils at risk of not having access to the full range of cultural experiences, included activity with SEND, EAL and Ever 6 (pupil premium) pupils.	Support our cultural organisations to appeal to a wider audience base through outreach and learning initiatives and working outdoors.	Annual tracking demonstrates that experiences are equitable across the identified groups of pupils and across age ranges and gender, in the Family of Schools.	Culture Mile Learning/Education unit
	Strengthen skills in working with disadvantaged learners to ensure they receive quality arts education and to ensure the offer provides experiences at a range of levels and is accessible to a variety of communities, interesting and relevant.	Targeted professional development improves the skills of teachers and cultural institutions in working with learners experiencing disadvantage.	Culture Mile Learning/Education unit
	Stimulate an accessible cultural offer that reaches a range of people and promotes social mobility where co-creation is at the core, creating more inclusive and participatory communities, including co-creation with children and young people, communities and Family of Schools.	<p>Culture Mile Learning is communicated in an inclusive manner, so it is well known, relevant and accessible</p> <p>Local arts, cultural and creative learning offers link with community and adult learning and Culture Mile Learning.</p> <p>Evidence the effective delivery of initiatives that encourage London schools, especially in disadvantaged areas, to engage with the cultural life of the Square Mile; for instance, the Schools Visits Fund.</p>	<p>Culture Mile/Culture Mile Learning</p> <p>Culture Mile/Culture Mile Learning/ASES</p> <p>Culture Mile Learning/Education unit</p>
Cultural and creative experience develops and enhances the fusion skills needed for employability in the 21 st Century and arts, culture and creativity are at the forefront of economic success.	<p>Deliver a distinctive City Corporation education and skills offer where all learners in the Family of Schools receive systematic development of fusions skills.</p> <p>Empower teachers to enhance learning by delivering an integrated approach where culture and creativity are used to enhance learning across the curriculum including in language learning, STEAM subjects, IT and technology learning.</p>	<p>A high-level audit conducted of the current skills, expertise, existing practice around fusion skills to understand needs and alignment, and to use this knowledge to create CPD for teachers, artists, and cultural practitioners to improve leadership across Culture Mile Learning partners in fusion skills and to deliver a learning programme across the Family of Schools for fusion skills development.</p> <p>CPD training ensures that teachers of non-arts subjects have approaches and methods for including the arts and</p>	<p>Culture Mile/ Culture Mile Learning/Education unit/ ASES</p> <p>Culture Mile Learning/Education unit</p>

		<p>culture in lessons to enhance innovation, interest, practical learning, enjoyment to boost the pupils' enjoyment of learning and success.</p> <p>Establish a digital hub of learning and communication to enable knowledge and skills exchange and the development of a change community of peer learning.</p>	Culture Mile/Culture Mile Learning/Education unit
High quality exposure to the creative industries at all stages of education to enable learners to make informed career choices, including within the arts and cultural sector and emerging hybrid practices.	<p>Pupils within the Family of Schools have access to pathways into the world class training programmes offered by the cultural institutions in the Square Mile and beyond and into creative apprenticeships, higher education and employment routes.</p> <p>Young people have the knowledge, skills and networks to prepare them for careers in the arts, cultural, creative and hybrid sectors.</p> <p>Robust links exist between the Family of Schools and artists and cultural workers for the mutual benefit and growth of both sectors.</p> <p>Career guidance meets the needs for skilled and talented people for the creative and cultural industries now and in the future by providing employment pathways and creating a stronger focus on entrepreneurship, creativity and innovation.</p>	<p>A comprehensive creative careers strategy is delivered to all pupils in the Family of Schools.</p> <p>Young Londoners in the Family of Schools and beyond have access to the information, advice and experiences to progress into fulfilling careers, including in the creative industries and City sectors requiring the development of Fusion Skills.</p> <p>All pupils in the Family of Schools will be able to hear from and be inspired by artists and creative professionals across a range of fields in each year of their schooling</p> <p>There will be clear progression routes for talented arts pupils in the Family of Schools into cultural and creative employment, including apprenticeships.</p> <p>Exposure to professional working in the creative and cultural industries including dancers, musicians, writers, designers, makers and the range of production and post production entrepreneurs and creatives, inspires and raises aspirations for the pupils in the Family of Schools</p> <p>Research into feasibility of Creative Enterprise Zone provides opportunities for local creative industry jobs for the pupils in the Family of Schools and beyond.</p>	<p>Culture Mile Learning/Education unit</p> <p>Culture Mile Learning/Education unit/Family of Schools</p> <p>Family of Schools/ Education unit/ Culture Mile Learning/ASES</p> <p>Family of Schools/ Education unit/ Culture Mile Learning/ASES</p> <p>Family of Schools/ Education unit/ Culture Mile</p> <p>Culture Mile/Education Unit</p>

		<p>A single 'front door' business hub provides access to work experience and vocational training, including across creative skills and performing arts areas.</p> <p>Targeted talent pathways deliver opportunities for young people aged 14-25 years, especially for groups under-represented in all sectors including the creative and cultural sectors from within the Family of Schools and beyond.</p>	<p>Education unit/ Culture Mile Learning/ASES</p> <p>Family of Schools/ Education unit/ Culture Mile Learning/ASES</p>
Strengthen strategic oversight of cultural learning with a specific focus on impact.	<p>Continue to assure and enhance the standards and quality of our cultural provision to achieve excellence in delivery and impact.</p> <p>Review planning and resource allocation so that cultural experiences are accessible and provide exceptional value for money while ensuring a closer alignment between priorities.</p> <p>Ensure that the Cultural and Creative Learning Strategy is fully embedded in DCCS and Corporation operational, business and academic planning.</p>	<p>Ensure more long-term economic sustainability is achieved through less reliance on single grants or on project funds in Culture Mile Learning.</p> <p>The City Corporation's investment in cultural learning initiatives enables at least the same level of funding to be secured from other sources, including trusts, foundations and the Liveries.</p> <p>Culture Mile is regarded as a successful learning destination.</p> <p>Clearer lines of governance, accountability and business planning for Culture Mile Learning ensure more robust and regular impact measurement and reporting.</p>	<p>Family of Schools/ Education unit</p> <p>Culture Mile Learning</p> <p>Culture Mile/Culture Learning Mile</p> <p>Open Spaces/Education unit/Culture Mile Learning/ Culture Mile</p>
Build applied research and knowledge exchange that drives quality practice in arts and culture learning and teaching.	We are open to opportunities for cultural and creative experiences which are sustainable, affordable and realisable and continue to respond with agility and inventiveness to change.	Opportunities exist to support and enhance STEAM education for schools in London at the cultural venues within the Square Mile, celebrating the breadth of education and stimulus provided.	Culture Mile Learning/Education unit

6. Our approach

The Cultural and Creative Learning Strategy is based on the approach that pupils in the Family of Schools will progressively be exposed to a wide range of art forms throughout their time in school and be encouraged and enabled to develop advanced skills and knowledge in at least one chosen artform. This involves both taking culture to the pupils in the school (e.g. visits, events, career talks) and taking the pupils to cultural experiences including galleries, museums, theatres, cinemas and studios. The annual programmes will be joined-up to provide a consistency of experiences and encourage exposure to, and participation in, high quality arts and

including exposure to the 'backstage' and associated creative industries including those using technology as the medium. As part of this approach, the pupils and their teachers are exposed to the full extent of the creative industries which flourish in London. This includes, and is not limited to the fashion industry, film industry, production industry, advertising, design, architecture, and crafts. We know that pupils in our London schools have a strong preference for engagement in the arts both in school and out of school as a recent study (2017³) shows:

FAVOURITE SUBJECTS AT SCHOOL

❖ 'What are your favourite subjects at school?
(Please select as many as apply)'

❖ Survey completed by 88 students, 11 – 13
years old.

SUBJECT	
Art	69%
Food Technology	65%
Maths	64%
PE (Physical Education)	63%
DT (Design & Technology)	45%
Music	42%
Chemistry	41%
History	39%
IT (Information Technology)	35%
English	32%
Biology	28%

ACTIVITIES AT SCHOOL

❖ Which of the following activities have
you taken part in during the past two
weeks? [At school?]

❖ Survey completed by 88 students, 11 –
13 years old.

ACTIVITY	YES	NO
Drawing	84%	16%
Painting	76%	24%
Participating in sport	75%	25%
Cooking	70%	30%
Reading a book (not for school work)	62%	38%
Practicing a musical instrument, or playing just for fun	60%	40%
Listening to recorded music (on the radio, CD, iPod or online)	59%	41%
Taking a photograph	55%	45%
Crafts (e.g. knitting, sewing; making birthday cards; decorating a room for a party)	52%	48%
Watching a music video	51%	49%
Looking at paintings, sculptures, drawings, or historical objects / artefacts	49%	51%
Writing a story	49%	51%
Writing a poem	45%	55%
Making a film / video	38%	62%
Dancing	37%	63%
Playing a game you made up / a friend made up	37%	63%
Singing on your own	37%	63%

³ Wilson N and Gross, J (2017) *Caring for Cultural Freedom: An ecological Approach to supporting young people's cultural learning*. Barbican Centre, November.

ACTIVITIES AT HOME

❖ Which of the following activities have you taken part in during the past two weeks? [At Home?]

❖ Survey completed by 88 students, 11 – 13 years old.

Watching a film	92%
Listening to recorded music (on the radio, CD, iPod or online)	86%
Watching a music video	86%
Playing a computer game / video game	85%
Taking a photograph	83%
Watching a TV programme	83%
Reading a book (not for school work)	80%
Cooking	76%
Drawing	74%
Participating in sport	63%
Singing on your own	63%
Watching sport on TV	60%
Crafts (e.g. knitting, sewing; making birthday cards; decorating a room for a party)	55%

The approach for the delivery of this strategy is to work in partnership to develop the capacity of teachers and senior leadership team's capacity for cultural leadership including in partnership with the New Direction's Cultural Leaders Programme and through subsidised places on Guildhall's new MA programme for socially engaged and cross-disciplinary arts practice and leadership. Through promoting and developing the Cultural Forum, selected teachers from each of the Family of Schools will be encouraged to meet, network and receive advance communication about the range of cultural and creative offers. To encourage each school, governing bodies will have a nominated governor for culture who will monitor arts, cultural and creative programmes across the school. The culture governor will receive annual training, so they have a detailed understanding of the evaluation of high quality arts, cultural and creative offers.

While quality is always the focus, opportunities will be available for the development of more radical artistic practice and for ground-breaking creative and cultural experiences. The cultural partners will enable 'supported autonomy', creating safe spaces for creative exploration, new collaborations, playful experimentation and exchanging of ideas. Alongside this more experimental and developmental space, the cultural partners will review and explore potentials for digitalisation of collections and experiences, and for online learning activities to be developed. Based on consultation and co-design, the anticipated virtual systems would need to offer multiple engagement opportunities for group-based learning, remote access and 'on-demand' cultural experiences.

This strategic approach brings all the key contributors together – education and training providers, teachers, employers, careers professionals and parents – so that every single person, no matter where they live or what school they go to, has access to top quality careers advice, guidance and inspiration. The approaches promote sharing of information, co-produced knowledge, and the development of local leadership. The focus is on the development of creative citizenship and enabling the

development of social, creative and cultural capital to boost young people's social mobility. Our approach is based on a whole of life, lifelong learning approach. That means that the concept of cultural and creative learnings development for work occurs in different ways across different stages as is outlined in the following table:

Stage	Outline of offers
Key Stage One	<ul style="list-style-type: none"> Introduction to the world of arts and culture through play-based arts learning Pre-musicianship and early music programme Talks from/activities with various creative industry workers Fusion cultural and creative learning programmes Visits to museums and specially produced children's theatre and dance (minimum of three per year) Cultural governor in all schools Parent information on creativity at home Family learning opportunities Performance opportunities with family and friends (minimum of three per year) Early years creative learning programme (Reggio Emilian approach) Curriculum arts
Key Stage Two	<ul style="list-style-type: none"> Instrumental music lessons Specialist visual arts and dance lessons Fusion cultural and creative learning programme Extra-curriculum 'arts' clubs Broad exposure to a range of art making experiences Cultural governor in all schools Pupil-led arts and cultural groups in schools Singing with young choral leader programme Visits to Culture Mile partners (minimum of three per year) Integrated creative learning programme Family learning opportunities Introduction to Creative Industries (studio visits, HEI partners, apprenticeships, meet the artist) 'Professional' performance opportunity (minimum of three per year) Art exhibition Curriculum arts
Key Stage Three and Four	<ul style="list-style-type: none"> Unpaid work experience (200-hour commitment) – encourage creative and cultural placements Fusion cultural and creative learning programme

	<p>Livery cultural and creative learning Link</p> <p>Young Cultural Leaders programme</p> <p>Summer schools for talented musicians</p> <p>Creative careers information and development programmes</p> <p>Taster sessions to introduce pupils to different creative and cultural careers</p> <p>Instrumental music lessons</p> <p>Specialist dance lessons (Step into dance)</p> <p>Fusion cultural and creative learning programme</p> <p>Extra-curriculum 'arts' clubs, including connection to holiday programmes</p> <p>Talent development programme in the arts</p> <p>Cultural governor in all schools</p> <p>Pupil-led arts and cultural groups in schools</p> <p>Young choral leader programme</p> <p>Visits to Culture Mile partners (minimum of three per year)</p> <p>Integrated creative learning programme, special focus on language learning, mathematics and science</p> <p>Youth arts events/arts festivals</p> <p>Curriculum arts</p>
GCSE level	<p>Level 2 and 3 apprenticeships</p> <p>Fusion cultural and creative learning programme</p> <p>Creative careers fair</p> <p>Work finder app</p> <p>Livery cultural and creative learning Link</p> <p>Young Cultural Leaders programme</p> <p>Summer schools for talented musicians and other artists</p> <p>Creative careers induction programmes (including portfolio development)</p> <p>Elective arts intensive 'summer' schools</p> <p>Instrumental music lessons</p> <p>Specialist dance lessons (Step into dance)</p> <p>Extra-curriculum 'arts' clubs, including connection to holiday programmes</p> <p>Talent development programme in the arts</p> <p>Cultural governor in all schools</p> <p>Pupil-led arts and cultural groups in schools</p>

	Young culture leader programme Arts and cultural student councils Visits to Culture Mile partners (minimum of three per year) Integrated creative learning programme, special focus on improving subject attainment and progress through the arts Youth arts events/arts festivals Creative learning and boys programme
A-Level	Paid post-school work internships in creative and cultural institutions and industries (especially for under-represented groups) Fusion cultural and creative learning programme Level 3 and 4 creative and cultural apprenticeships Careers fair with Arts HEI's and creative industries Arts mentor programme Livery cultural and creative learning Link Young Cultural Leaders programme Summer schools for talented artists Creative careers induction programmes (including portfolio development) Elective arts intensive 'summer' schools Talent development programme in the arts Cultural governor in all schools Pupil-led arts and cultural groups in schools Young culture leader programme Arts and cultural student councils Integrated creative learning programme, special focus on improving subject attainment and progress through the arts Youth arts events/arts festivals
Graduate level	University internships in creative and cultural institutions and industries (especially for under-represented groups) Higher level apprenticeships with HEI partners Graduate placements in creative and cultural institutions and industries Creative and cultural learning adult and community education offers Graduate tracking Cultural Leadership Master's Degree
Adult learner	Level 2-7 apprenticeships in creative and cultural institutions and industries Package of work preparation training including Fusion cultural and creative learning programme

	Academic cultural and creative mentorship support Widen access to the creative professions Creative Enterprise Zone
--	---

A detailed action plan (in the form of a Gantt chart) will identify each of the individual projects that achieve these larger goals and how these projects will be completed. Each project will have a champion and a lead. A detailed budget will be aligned to the strategic plan and there will be business plan for delivery of elements of this strategic plan.

7. Working with others

The Cultural and Creative Learning Strategy aligns with the other City Corporation strategies (see Appendix One) to promote a range of deep collaborations including partnerships around:

- Leadership development
- A strong shared vision and aligned action plans
- Resource maximisation and sharing
- Collective action and influence
- Communication
- Organisational agendas and capacity
- Language - particularly across sectors, as the lack of shared language can be a barrier to building a truly collaborative vision
- Collective advocacy
- Creating space (both physical and digital)
- Sharing practice
- Peer support, including 'critical friends', forum and peer mentors
- Develop skills and shared opportunities for action research and professional development

Joined-up thinking increases the capacity to influence the future and expand our lifelong learning cultural and creative offers (early years, through schools, to work experience, apprenticeship, adult education, HEIs and so on). The City Corporation has number of enthusiastic partners. Both within the City Corporation and with our many partners, we work collaboratively and purposefully - approaching our endeavours with an open and receptive mind-set. We promote co-production and working in partnership which both drive and reflect the professional and collaborative nature of our schools and cultural organisations. Appendix Four includes just

some of the many partners who currently work with us to design, deliver and evaluate our cultural and creative learning programmes and some samples of the activities which are already occurring to build and strengthen partnerships between schools and cultural organisations.

Through Culture Mile and Culture Mile Learning there is a strong strategic vision and an existing record of collaboration. At its most successful, partnership working is about collaborative change and a desire to address complex problems, develop innovative solutions, find new ways of working, put competition aside, work more strategically and deliver deeper impacts than we could alone. The City Corporation's cultural venues and partners are now working together to develop several educational initiatives that are helping to lay the foundation for even closer collaboration in the future. This collaborative process has already led to meaningful activity which no single organisation could have developed alone and is an active demonstration of the rich potential of CML to make a major contribution to cultural education in London and nationally. CML can facilitate joint working and new programming ideas to capitalise on the potential of Culture Mile and other opportunities. The following list outlines just a few of the current benefits of working more collaboratively:

- Sharing resources and working together to create an internationally renowned, distinct, welcoming and vibrant centre for arts, heritage and learning
- Collaborative Learning workshops
- Termly partnership meetings
- Building our capacity to be more than the sum of our parts
- Knowledge-sharing and cross-organisational learning
- Closer links between the Culture Mile partners and the Family of Schools
- Programme of Collaborative Learning in Action - a distinctive, blended programme of action-learning to develop collaborative practice and enable CML partners to create strategic change across their organisations
- A framework of support ranging from tried and tested change models, tools, methodologies and other resources to surgeries with consultants and an online hub of learning and digital collaboration tools
- Positive dialogue looking for opportunities and growth
- The development and delivery of an action plan, ensuring all existing and planned cultural activity aligns with strategy objectives
- Identification of opportunities for collaboration and joint working across a range of functions (marketing, HR, programming, non-learning roles)
- Alignment with other partnership projects (including Culture Mile Challenge consultations)

The partners within Culture Mile are reaching beyond school programmes to provide a range of cultural experiences and events to inspire parents and families to engage as partners in a child's artistic and cultural development. The City Corporation's Culture Strategy, Education Strategies and Open Spaces Strategy, alongside the City's libraries are active in communicating to families and carers upcoming events and to provide low-threshold ways for families to engage. Through a range of approaches across almost all the City Corporation's departments, activities are occurring to promote local community arts projects as an access point for the arts for families and children. The Cultural and Creative Learning Strategy also specifically aims to incentivise youth led arts projects in both the primary and secondary

schools. The City Corporation's cultural departments interface with a range of wider partners including, Arts Council England (ACE), Bridge Organisations, the GLA, as well as other initiatives and strategies through the CLA.

It is also important to strive for meaningful partnerships with a range of other external stakeholders. Currently, CML has good partnerships with other cultural organisations and providers but could further develop its partnerships with the various agencies involved with supporting young people and its partnerships with the business and commercial sector. Better use could be made of our collective convening power to encourage more networking and collaboration between cultural organisations and businesses, including engaging with local, national and international stakeholders such as the Mayor of London's Office, the Arts Council and DCMS on existing support and opportunities for potential future collaboration. It is important to continue to reinforce the partnership of cultural, creative and corporate organisations within and outside Culture Mile. While prioritising areas under our direct control, we should be mindful of our responsibility to work with others to support the wider needs of the capital and beyond and to break down traditional barriers (such as, us/them, London/Non-London, art sector/non-arts sector, high art/crafts, amateur/professional).

We are currently exploring a range of more formal partnerships, including with the London Borough of Islington, to build capacity and to combine resources to create greater impact. A review is being conducted to ensure there is clear alignment with the Culture Strategy, Culture Mile and CML and the developing partnerships with Islington and with the Mayor of London's culture strategy for London.

CML also needs to learn from other sectors and engage with existing networks (i.e. Livery Companies, Housing Associations, health and social care, adult and community education, Open Spaces, and so on). The Livery Companies have a special place in encouraging awareness of the creative industries and crafts. Such a multi-factorial method is likely to increase the scope and scale of the work around cultural and creative learning and bring capacity, resources, and innovative future partnerships to enrich the cultural offer to our schools and broader audiences. The following is a list of some of the external partners currently involved in aspects of the Cultural and Creative Learning Strategy:

- Nesta
- Mercers
- Goldsmiths
- A New Direction (AND)
- Greater London Authority
- Centre for London
- RSA
- Virgin Start-up

- Tech City
- Amazon
- UAL Agency 2030
- Innovation Warehouse
- Saatchi & Saatchi

8. Creative Learning

Page 302

Creative learning is sometimes termed as education **through** the arts, where aesthetic and multi-sensory methods are used to improve learning for all pupils and to develop fusion skills. Creative learning can include using drama to teach languages, sculpture and visual literacy to teach mathematics and science, and so on. It is not about another 'thing for schools to do', but rather using creative, collaborative and artistic processes to improve approaches to classroom learning and to enhance the general functioning of schools. Creative learning in schools builds resilience and promotes transformation in pupils. Schools can be reinvigorated through creative educational regeneration. Creative learning is about opening-up the school and working in partnerships. It requires clear vision, careful and planned involvement of the cultural partners, and systems of support and advocacy. The arts become the medium for encouraging an exchange of ideas, solutions and forging new relationships with local communities, businesses, artists, cultural organisations and sector actors with the aim of rapidly boosting achievement. Performances, events and 'pop-ups' are crucial aspects of creative learning. Fusion learning becomes both a medium for school transformation and a by-product of the transformation process. Creative learning also increases the engagement of pupils in and out of school. A rich offer of creative opportunities can assist in reaching disengaged pupils and providing opportunities for character development and social learning. Creative learning is most effective when it is treated as a school-wide approach, occurring at all levels in a school, and both in curriculum programmes and in extracurricular and cross-curricular programmes. Adopting creative learning processes also takes time and it is therefore important that there is staff training and that programmes are embedded in the schools. The City Corporation is uniquely placed to exploit the potential of creative learning, having a wealth of existing Cultural Assets that are well places to establish a global destination for Creative Learning. Given its outstanding cultural assets, the City is uniquely placed to exploit the potential of creative learning and several of the City's schools, including especially the City's independent schools, already have well developed, embedded creative learning models. Furthermore, through Culture Mile partnerships with *A New Direction* and other agencies, the Family of Schools has unprecedented access to artists and creative businesses who can assist in developing and supporting creative learning programmes. The focus of creative learning development within this strategy is centred on upskilling teachers in the Family of Schools with the cross-curricular tools that can make teaching and learning more creative. Specific attention will be on the role of teaching assistants to support creative learning. The Culture Forum will also be an opportunity to share good practice and tools between teachers within the Family of Schools and beyond.

Creative learning will also be crucial in the development of fusion skills. In the latter Key Stages in the Family of Schools, this will include direct links to the Skills Strategy through creative work experience and employability training. Regular analysis of cultural and creative learning requirements is conducted in close partnership

with Economic Development Office (especially in terms of the financial and professional services sectors) and with Culture Mile and Culture Mile Learning in terms of the creative, cultural and innovation sectors.

9. Fusion

Our research and consultation with stakeholders has identified Fusion Skills (a combination of creative, technical, educational and emotional skills) as increasingly important in the workplace of the 21st Century. Many of London's learners lack access to these fusion skills or the means to develop them, particularly those living in London's most disadvantaged communities. Fusion is a person-centric approach, equipping future and current workers with technical expertise that is necessary for success. Fusion brings together different industries and technologies to spark innovation and create economic growth. Fusions skills use interdisciplinary work as a driver for creativity and innovation. Fusion skills are about the so-called 'soft skills' as well as the technical, creative, and academic skills needed for success. Our working definition of Fusion Skills are a mix of technical and creative skills which goes beyond STEAM classifications to encompass a broader 'bundle' of skills categories including digital, creative, social, interpersonal competencies as well as a range of cognitive skills such as judgement and decision making, critical thinking and problem-solving.

Fusion is not just a set of qualities or outcomes but is importantly process led. It relies on close cooperation between schools (education), businesses, the creative and cultural sectors, and further and higher education. Fusion itself means different things to different people and the creative media industries are often defined by differing terms. Fusion skills combine arts, design, technology and business, reflecting how future life is transformed by the fusion of these disciplines, generating opportunities for new businesses, products and services. It is the fusion of creative invention and technological innovation which is so distinctive of the UK's Creative and Digital Industries, and which underpins its competitive advantage.

Fusion skills include:

- Collaboration, cooperation and teamwork
- Development of multi-modal communication
- Fusing together business and educational institutions, for mutual benefit
- Innovation and problem solving
- Combining arts and science
- Inter-personal skills: The ability to communicate and listen well; being a good coach; possessing insights into others; having empathy toward others
- Higher-order cognitive skills including: Deductive and inductive reasoning; critical thinking; problem-solving; making connections across complex ideas; and, the ability to learn actively
- Analysis and evaluation skills, the ability and flexibility to learn new technologies quickly
- Creativity and imagination
- Flexibility and adaptability
- Global and cultural awareness

- Information literacy
- Leadership, trust, civic literacy and citizenship
- Oral, visual and written communication skills
- Social responsibility, perceptiveness and ethics
- Technological literacy
- Initiative
- Fluency of ideas, responsiveness, agility and adaptability
- Curiosity, ability to question and to research
- The ability to connect and develop own networks
- Designing and making
- Understanding and use of data
- Entrepreneurship/social entrepreneurship, leadership, ability to explore/let others explore new ideas,
- Coping with and learning from failure
- Autonomy, learning to learn, and lifelong learning

Culture Mile Learning is developing a programme of collaborative practice and cross-organisational learning centring on fusion skills leadership to increase shared capacity and expertise in the delivery of fusion.

10. Culture Mile

The Square Mile has a unique collection of arts, cultural and educational organisations and assets that compliments its world class business sector. Culture Mile is an ambitious initiative stretching over the next decade and beyond to create a major destination for culture, creativity and learning in the heart of the Square Mile (www.culturemile.london). Stretching from Farringdon to Moorgate, Culture Mile will support its extraordinary range of creative businesses to flourish, as a global leader in creativity as well as commerce. Culture Mile will transform the area into a vibrant and welcoming destination for all, maximising the benefits for residents, workers and visitors to the City, London and beyond. As part of this, we aim to ensure that the area continues to attract and retain creative businesses, enabling enterprise to thrive. A Creative Enterprise Working Group has therefore been established to further explore this, consisting of representatives across the City Corporation, The Barbican Centre, Guildhall School of Music and Drama, Museum of London and London Symphony Orchestra.

The aim is that over time Culture Mile develops into a major learning destination and that the creative sector fully harnesses its assets - specifically the experience and expertise across our organisations - for greater collective impact on London's learners. Moreover, Culture Mile is about harnessing the value from arts activity so there is a dividend, to individuals in terms of happiness, health and wellbeing and to communities in terms of social cohesion, community spirit and creating stimulating and pleasurable places to live and work. Culture Mile Learning takes this forward by maximising the benefits from joining together and enhancing the world class education and learning capacity in the City's cultural institutions. This remit extends beyond the Culture Mile to impact London more widely.

11. Culture Mile Learning (CML)

Culture Mile Learning (CML) establishes a world-leading learning destination in the heart of the City of London, bringing together skills and expertise across 26 organisations. Culture Mile Learning aims to capitalise on Culture Mile's profile, visitor experiences and collaboration so that the area is recognised as a world-leading learning destination, specialising in the fusion of creative, technical, educational and emotional skills needed for 21st Century success. Culture Mile Learning provides further opportunities for the City Corporation's cultural venues to work together to offer innovative programmes and resources that benefit learners across London and beyond. Culture Mile Learning will build on the extensive relationships and programmes established for example by Barbican/Guildhall Creative Learning and LSO Discovery with the East London boroughs. A key aspect of this will be through the agreement between the City Corporation and Foundation for Future London to develop the shared ambitions and priorities of Culture Mile and the East Bank.

Since cultural organisations supported by the City of London began working together more closely as a Learning & Engagement Forum, there has been an increasing collaborative effort to provide inspirational cultural learning for Londoners and visitors from the youngest to the oldest. Joint initiatives, such as the Schools Visit Fund, City Stories, the Young City Poets and the Great Fire of London Project, as well as ongoing organisational programmes, have more than demonstrated the breadth and depth of the collaborative programmes we already have. To consolidate and build on its work to date, Culture Mile Learning is planning to focus on three key priorities – enabling social mobility, supporting the development of fusion skills and creating a world class learning destination. Activities will include:

- Embedding new partnership infrastructure and capacity
- Establishing a structured programme of Collaborative Learning to
- Launching the flagship Culture Mile Challenge Prize to drive skills development, innovation and collaboration working across sectors
- Supporting opportunities for families, students and staff within the Family of Schools to benefit from the City's culture and heritage offer
- Establishing a learning destination offer that tests new joined up approaches, and enables better access to opportunities for all of London's learner's
- Developing relationships with key audiences and places to enhance the impact of the City of London's cultural and heritage assets

The depth of commitment to learning amongst Culture Mile Learning partners is clear in their organisational missions, well-established learning programmes and in the wealth of expertise and skills within their teams. Building on existing practice and the achievements of the Learning Engagement Forum, the Culture Mile is uniquely placed to take a strategic lead on fusion skills development as a cultural education partnership and through their cross-sector networks. The following organisations are members of Culture Mile Learning:

- The Barbican Centre
- Barbican and Community Libraries
- Billingsgate Roman Bath House
- City of London Police Museum
- Guildhall Art Gallery and London's Roman Amphitheatre
- Guildhall Library

- Guildhall School of Music and Drama
- Keats House
- London Metropolitan Archives
- London Symphony Orchestra
- Museum of London
- Open Spaces Department
- St Paul's Cathedral
- The Charterhouse
- The City Centre
- The Monument
- Tower Bridge

In the 2017/18 academic year, the learning of over 383,000 children and young people was enhanced by the cultural organisations that are supported by the City Corporation and comprise CML. CML will deliver in fulfilment of the Cultural and Creative Learning Strategy and aspects of the Education and the Skills strategies.

Against the Education Strategy, Culture Mile Learning will work to encourage deeper collaboration and develop shared programmes and digital resources for greater impact. In terms of the Skills Strategy, Culture Mile Learning will be directly involved in the development of fusion skills, creative employment pathways and creative and cultural apprenticeships programme.

12. School Visits Fund

Schools and community groups, especially those in disadvantaged areas and the outer boroughs, face financial barriers in visiting the cultural venues supported by the City Corporation, including the cost of transport, staff cover and admission/session fees. Established in November 2015, the School Visits Fund (www.cityschoolvisitsfund.org.uk) offers schools with at least 35% of pupils in receipt of Pupil Premium with grants of up to £300 to help with the cost of visiting any of our venues. Schools must be within Greater London (within M25). The fund is managed by the Museum of London.

Appendix Three contains details of the outcomes and distribution of the School Visits Fund for the 2017/18 academic year.

13. Competitive analysis and marketing

The City of London is a long-term custodian of heritage but also a facilitator of innovation, creative talent and new entrepreneurial ideas. The report of the Warwick Commission on the future of cultural value, *Enriching Britain: Culture, Creativity and Growth* (2015), highlights the success of the creative and cultural industries sector in creating jobs, economic investment and profile. The City Corporation research carried out by *BOP Consulting* (2013) found that the City's culture cluster generated £291m Gross Value Added for the London economy and supported more than 6,700 FTE jobs. Culture Mile is home to a significant proportion of this cluster with a wealth of extraordinary cultural and creative industries. In addition to this, Culture Mile is increasingly attracting businesses seeking innovation, creative

thinking and the new hybrids of industry – many because of the disruption caused by advances in technology. Co-working spaces are increasingly prevalent within Culture Mile, and research tells us that businesses within these are often attracted by the collision of sectors that these spaces enable; encouraging creative thinking and innovation. Creative thinking is also increasingly critical within a broad range of sectors, for example financial and professional services businesses within Culture Mile are known to employ curators, in-house staff to encourage creative thinking in the workforce and explore CPD teachers, artists, and cultural practitioners around creative leadership and skills. The City Corporation is well placed to take advantage of these new creative and cultural opportunities. Not only does the City Corporation have strong links to the business and creative assets of London, it also is a direct provider of schools, providing pathways and progression routes for young people into apprenticeships.

Initial research is underway to create and expand Creative Enterprise Zones (CEZ) within the City. CEZ can act as a geographic magnet where businesses are creative and innovative. CEZ can be an incubator for creativity and a zone where artistic endeavours are legitimised as viable career paths. As a focal point, CEZ prioritises and imbues the fusion skills imperative for future employability.

Culture Mile has a wealth of culture and artistic excellence which is shared for the benefit of its local communities and wider London. Collectively, our venues represent the full scope of cultural education and are ideally placed to ensure that all children can and should benefit from receiving a wide-ranging, adventurous and creative cultural education. To strengthen our external facing functions, enabling us to maximise opportunities around partnerships, a comprehensive marketing plan will be developed that uses an integrated communications campaign to promote the benefits of cultural and creative learning. Culture Mile will forge and maintain dynamic relationships in the cultural sector and continue to build a world-leading cultural and creative environment that promotes collaboration with each other and across schools, businesses and communities.

14. Evaluation and Impact measurement

Arts development is about harnessing the value from arts activity so there is a dividend, to individuals in terms of happiness, health and wellbeing and to communities in terms of social cohesion, community spirit and creating stimulating and pleasurable places to live. The activities outlined in the Cultural and Creative Learning Strategy 2018-2023 promote a future where businesses are creative and innovative and where artistic endeavours are legitimised as viable career paths. Moreover, the wealth of culture is shared for the benefit of its local communities and wider London, making the Culture Mile and the Family of Schools places which act as incubators for creativity and which prioritises and imbues children and young people with the fusion skills needed for future success. The impacts of this strategy are ambitious and are likely to result in London-wide, national and international impact, beyond the immediate impact within the Square Mile and the Family of Schools. While the focus is initially on the Family of Schools, the approach being adopted is one of pilot testing ideas, rolling out new cultural learning models through the Family of Schools, and then communicating these ways of working to ensure that there is wider benefit across London and more broadly.

The benefits of a strategic approach to the development of cultural and creative learning will only be realised if we can ensure high quality. The Cultural and Creative Learning Strategy 2018-2023 is underpinned by a strong commitment to excellence and impact. A refreshed and shared central toolkit and framework will be

developed for evaluation and impact measurement across the cultural and creative offer. This will provide both quantitative and qualitative information and enable clarity of analysis, reflection and exploration. Evaluation will measure the impact through a tracking matrix that focuses on personal, social, educational, cultural, economic and ethical impact. It will also track negative loss impact in terms of opportunity costs. A focus for evaluation will be the needs of the community, improved access, and increased impact. Outcomes and objectives will be reviewed and reported on an annual basis. There will be other external measures of quality and impact including:

- Teachers in the Family of Schools and beyond make active use of creative approaches and culture to improve teaching and learning
- The policy of an arts-rich, holistic education for all pupils is evident in the practices in the Family of Schools
- The Family of Schools has sequential and high quality offers for education in and through the arts including both curriculum and extra-curriculum offers
- The active support of professional bodies and other partners
- Artists are recognised for their quality by the sector
- National and international recognition
- Keenness of major cultural institutions to join the Culture Mile Learning partnership
- Culture Mile Learning is recognised as providing an effective service in the Family of Schools
- Outcome data robustly verifies KPI's
- Businesses support for arts and cultural learning increases
- Young people of talent in the Family of Schools can develop fully through a supportive system
- Diverse young people in the Family of Schools can access robust career advice and support to become successful in the creative and cultural industries and develop the Fusion skills needed for 20th Century success
- Arts and cultural apprentices are successful in achieving awards and signs of recognition -
- Strong data reports on progression into cultural and creative employment, employment promotion and earnings and progression into a diverse range of sectors that require creativity to succeed

Appendix One: Related strategies and policies

- Adult Skills and Learning
- The Barbican Guildhall Creative Learning strategic plan
- Children and Families Threshold of Needs
- Children and Young People's Plan 2018– 2021
- City of London Cultural Strategy 2018-2022

- City of London Local Plan 2015
- Corporate Plan 2018 – 23
- Cultural and Creative Learning Strategy 2019-2023
- Cultural Hub Brand and Identity Strategy
- Cultural Hub Property Strategy
- Culture Mile Look and Feel Strategy
- Cultural Strategy 2018-2022
- Department of Community and Children's Service's Business Plan 2015-2017
- Digital Skills Strategy 2018-2023 (Currently in draft)
- Early Help Strategy
- Early Years Strategy 2015-2018
- Employability Strategy 2017-2020
- Joint Health and Wellbeing Strategy: All children have the best start in life
- Mental Health Strategy
- Open Spaces Strategy 2015
- SEND Joint Strategy
- Skills strategy 2018-2023
- Social Mobility Strategy, 2018 – 43: Potential today, success tomorrow (Currently in draft)
- Visitor Strategy 2018-2022

Appendix Two: Glossary of terms

Aesthetics: The philosophy of the idea of beauty.

Art: Art has the capacity to release imaginations, to model and experiment with new ideas, and to instigate and exemplify social change.

Collaboration: The action of working with someone to produce something. Collaboration does not mean individuals negate their own area of experience or expertise but rather it means finding ways to work that celebrate the history, knowledge and skills everyone brings to the table.

Creative Enterprise: includes creative employment in creative industries businesses (those sectors defined by DCMS); other employment in 'support roles' (e.g. admin/finance/sales) in creative industries; and, creative employment in other sectors of the economy (including financial and professional services) where creative services are managed 'in-house' rather than outsourced to specialist agencies.

Cultural Capital: The knowledge, skills and experiences that serves as a currency that alters the opportunities available to us, in our education, lives and work.

Cultural competence may be acquired through family socialisation and formal schooling which ensures access to resources, including verbal capacity, aesthetic preferences, educational credentials, social class attributes...and so on and so forth that are denied to others.⁴

Culture: Culture is the practices and objects through which we express and understand ourselves and others. Our definition of culture is broad and inclusive; it exists in both the buildings and heritage of our great institutions as well as our streets and the informal cultural spaces in between. It is for everyone, not just a narrow elite, and is a powerful driver of social mobility.

Fusion: Cyber skills, digital literacy, DQ and fusion skills are all terms frequently used to describe the sets of qualities, attitudes and values which enable people to thrive and flourish in future technologically mediated environments. Fusion skills combine arts, design, technology and business, reflecting how future life is transformed by the fusion of these disciplines, generating opportunities for new businesses, products and services. It is the fusion of creative invention and technological innovation which is so distinctive of the UK's Creative and Digital Industries, and which underpins its competitive advantage – particularly with regards to the digital media industries and business.

Participation: The act of taking part.

Values: The principles or standards we hold to and act in accordance with.

Under-represented groups/disadvantaged groups: Those individuals or groups who are inadequately represented in a cultural activity. If a type of person is under-represented in a group (e.g. people who attend galleries) or an organization (e.g. people on the youth board) and/or where there are not enough of a type of person (e.g. not enough children from outer London attend theatre events) they may be described as belonging for that activity or at that point of time, in an under-represented group. Disadvantaged groups are groups of persons that experience a higher risk of poverty, social exclusion, discrimination and violence than the general population. Disadvantaged groups include, but are not limited to, ethnic minorities, migrants, people with disabilities, isolated elderly people and children.

Appendix Three: Information on outcomes of school visit fund 2017-18

There has been a total of 238 successful applications to the fund since its launch in 2015, which are set to benefit 12,196 pupils. £50,624 of funding has been committed to date. Of the schools attending, there was a pupil premium rate of 51%. Only 7% of all applications have had a Pupil Premium rate of between 30-35% (17 applications).

School types

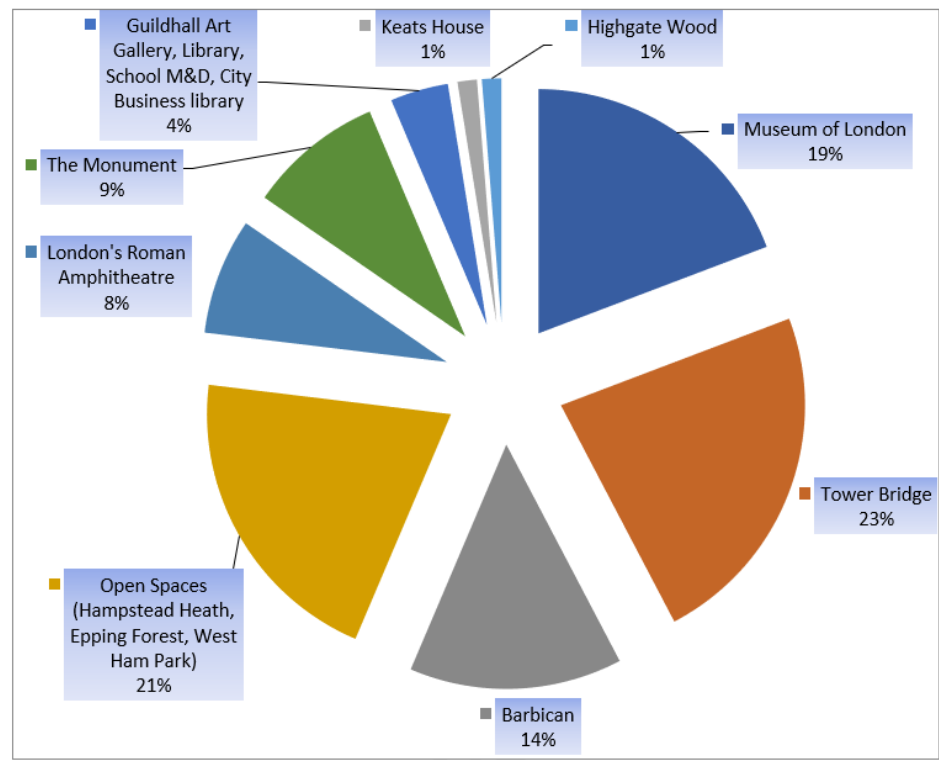
	Local authority	Academy	Free	Other
Applications	172	37	10	17

	Primary	Middle	Secondary	Special
--	---------	--------	-----------	---------

⁴ Kawashima, Nobuko (2000) Beyond the division of attenders vs. non-attenders: a study into audience development in policy and practice.

Applications	166	1	56	13

Where are schools visiting?

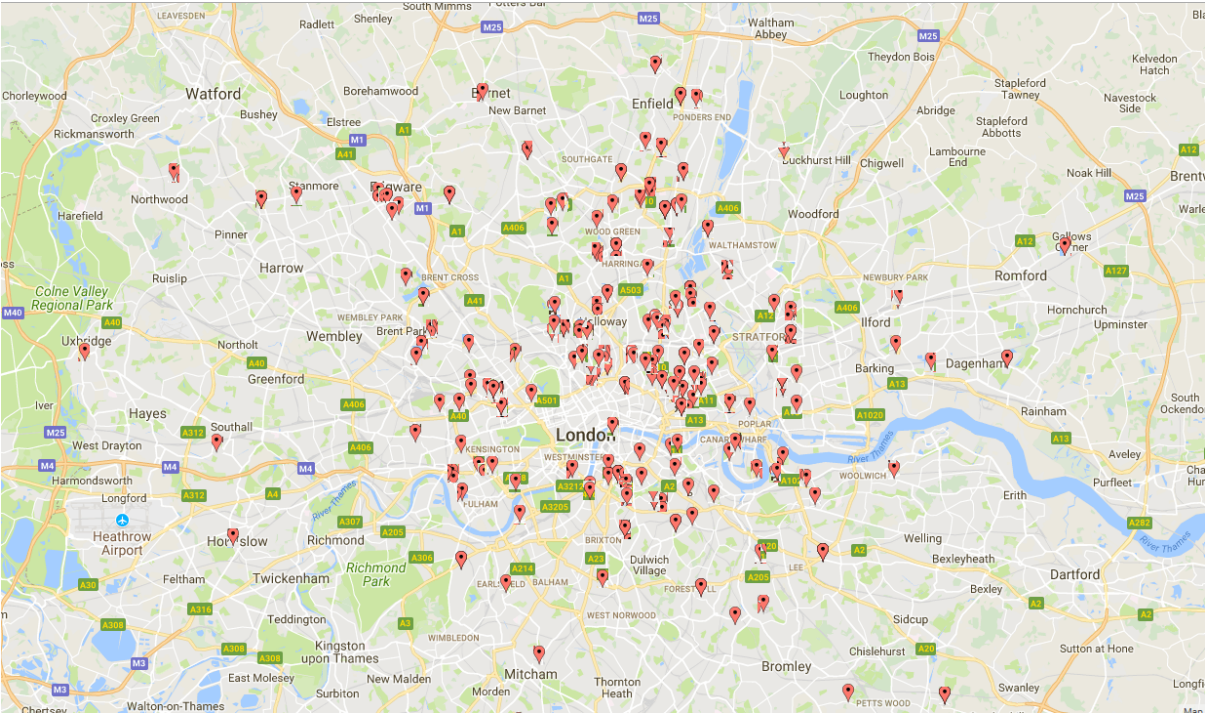


Applications by venue

The table below shows the total number of times each venue has appeared on the original application form. Schools may choose up to 3 venues to visit in one trip - often listing multiple venues and then completing a single venue visit. Certain venues lend themselves to inclusion on a trip to another venue because of proximity (e.g. The Monument is stated in 19 applications but is the sole venue just twice). Conversely Hampstead Heath, is usually the sole intended venue for a visit.

Venue	Applications (including multiple venues listed)	Where venue is only one stated on form	
1	Museum of London	68	35
2	Tower Bridge	47	35
3	Barbican	40	33
4	Hampstead Heath	24	20
5	London's Roman Amphitheatre	21	15
6	The Monument	19	2
7	Epping Forest	17	13
8	Museum of London Docklands	9	8
9	Guildhall School of Music and Drama	9	1
10	Guildhall Art Gallery	8	4
11	City Gardens	8	3
12	Museum of London Archaeological Archives	7	1
13	Keats House	5	4
14	The City Centre	5	4
15	Highgate Wood	4	2
16	Guildhall Library	4	2
17	Barbican Library	3	1
18	London Metropolitan Archives	2	2
19	West Ham Park	1	0
20	City of London Police Museum	1	1
21	City Business Library	0	0

Location of schools that have applied to the School Visits Fund



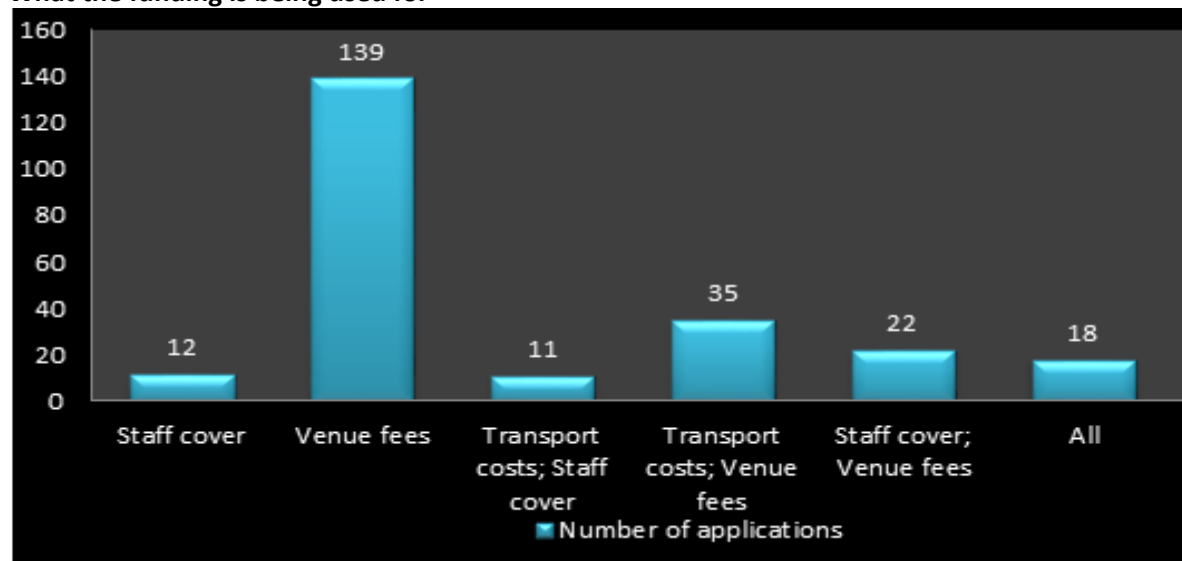
Breakdown of applications by London borough

Borough	Applications	Borough	Applications
Hackney	25	Kensington and Chelsea	5
Tower Hamlets	25	Lewisham	5
Southwark	22	Harrow	3
Barnet	19	Bromley	2
Haringey	19	Hounslow	2
Enfield	13	Sutton	2
Camden	12	Croydon	1

Islington	11	Ealing	1
Westminster	10	Havering	1
Greenwich	9	Merton	1
Lambeth	9	Redbridge	1
Waltham Forest	8	Richmond upon Thames	1
Brent	6	Bexley	0
Hammersmith and Fulham	6	City of London	0
Newham	6	Hillingdon	0
Wandsworth	6	Kingston upon Thames	0
Barking and Dagenham	5	TOTAL	236
		Inner Boroughs 75%	178
		Outer Boroughs 25%	58

What the funding is being used for

Page 314



What are the usual barriers for your school in relation to conducting school trips?

Overall cost (transport, venue, staff cover etc.)	96%
Having enough adult help	35%
Transport costs	34%
Arranging staff cover	34%

Appendix Four: Current partners and activities

The Culture Mile Learning partners aim to maximise access to the City Corporation's cultural venues by London's pupils through the School Visits Fund. Programmes also exist for the public and for families including open-access of curated, facilitated talks and events. It also provides for further opportunities for the City Corporation's cultural venues to work together to offer innovative learning programmes and resources that benefit learners across London and beyond. The following sections provide insight into a sample of the cultural learning opportunities that are available to our children, families and schools in the City of London.

Aldgate Square Crowdfunded Animation Project

To deliver a crowdfunding platform specifically to bring forward a range of community-led projects in the Aldgate area that may be adapted and developed to the benefit of all City communities in later years. The project aims to explore new funding and community-led methods to support and encourage cultural and arts events which add to the cultural offer of the Square Mile and link with the creation of the Cultural Mile and other major cultural programmes. It is hoped that a crowdfunding approach will forge stronger links to community groups operating within the City and foster positive relationships and build capacity and knowledge within the voluntary and community sector, including a diversification of fundraising strategies.

Collaborative Learning workshops

There will be a series of collaborative learning workshop events for Culture Mile Learning partners. The first series is exploring definitions of fusion skills.

Barbican Box programme

Barbican Box launched in 2011 as a theatre education programme for secondary schools and FE colleges in east London. Barbican Box has expanded to work in music, theatre and the visual arts across 40 secondary, SEN schools and FE colleges in east London. Inspired by Barbican's world-class arts programme, the Barbican Box is, literally, a portable box filled with the ingredients for making and creating original theatre, photography or music. Participating schools receive the box and accompanying resources, CPD and mentoring for teachers, visits to the Barbican to see performances/exhibitions and opportunities to showcase their work at the end of the process.

Barbican and Community Libraries

The Barbican Library is the City of London's leading public lending library with books, spoken word recordings, DVDs, CDs, and scores and a wide digital offering available for loan. There are strengths in music (including listening facilities and practice pianos), arts, children's and financial sections. The library has an active events programme which includes literature events, Music Library exhibitions, monthly art exhibitions, activities for children, young people and families and reader development promotions. Barbican Children's Library runs a weekly, term time Code Club in partnership with the national Code Club organisation. Professionals from firms based in the City volunteer their time to teach children coding languages.

Billingsgate Bath House

The remain of Billingsgate Roman Bath House offers a rare insight into Roman London. It is the only private building of Londinium that has been found and preserved. The Bath House is planning to develop a school's programme focusing on archaeology and Roman life. At present, the Billingsgate Roman Bath House is not available for school visits. The aim is to develop a programme for schools based on the archaeological remains that can be seen in situ and could be tied in with a visit to London's Roman Amphitheatre, or several other Museums and City Learning venues. The venue itself is perfectly set up for school visits. It is a concealed and safe environment. It has necessary facilities. There is space for activities and the original Roman Bath House and domestic building is on show to inspire children and young people.

Challenge Prize

Challenge prizes are an effective way of addressing real-life problems. They operate successfully at different levels from global to very local and across different sectors. We are working with NESTA to develop the prize and their initial feedback is very positive regarding the subject of the prize and the City's unique potential to create something exciting and impactful. The Culture Mile Challenge would focus on how to better develop fusion skills, particularly by disadvantaged learners. The working theme for the challenge is:

“Given the high levels of long term unemployment amongst young Londoners, create a new solution, product, technology or service that will measurably improve the ability of 16-24-year-old Londoners - targeting those from disadvantaged groups - to develop the fusion of skills (creative, technical, educational and emotional skills) required for success in London's future workforce.”

The Challenge Prize is a flagship programme of Culture Mile Learning. The Challenge has four main objectives:

- 1) To engage London's learners from a variety of backgrounds and stimulate their creativity and innovation to drive change.
- 2) To develop new solutions for how the related sectors can contribute to fusion skills delivery that will have practical relevance to CML partners and City businesses, encouraging collaboration across normal boundaries.
- 3) To better connect City business, cultural and learning sectors.
- 4) To promote Culture Mile as a place of innovation in learning.

The Charterhouse

The Charterhouse has been living the nation's history since 1348. Founded as a medieval monastery of the Carthusian order, the site became a Tudor mansion, a boys' school, and an alms-house, which it remains to this day. Working in partnership with the Museum of London, this remarkable site now houses a brand-new museum, public square and the Sir John Cass's Foundation Learning Centre. The Charterhouse offers a dedicated programme for families which runs during school holidays and in connection with larger, family festivals. The learning programme aims to inspire creativity through the stories of the Charterhouse and to inspire curiosity about the people who have lived, worked and studied here.

The City Centre

The learning programme is a pioneering new collaboration between New London Architecture (NLA) and The City Centre to inspire the next generation about London's built environment, promote the huge range of careers available, and empower young people by giving them a voice in the future shape of their city.

City of London Police Museum

The City of London Police Museum tells the story of policing the Square Mile from its early days of the Watch, through to present day cybercrime. It looks at how the City Police have developed working practices and dealt with major cases over the past 175 years. Highlights include: the story of Catherine Eddowes (the fourth victim of Jack the Ripper), the police response to the Blitz, and the use of technology to counter terrorism. The museum offers a flexible programme of workshops for schools, colleges, universities and youth groups and has run a programme for schools and universities since its inception late 2016. The museum offers a flexible programme of workshops around the history of policing, policing today and society. The programme mainly attracts secondary schools, colleges and universities.

Collaborative Learning

There will be a series of collaborative learning workshop events for Culture Mile Learning partners. The first series is exploring definitions of fusion skills, partnership priorities around social mobility, learning destination and fusion skills. An 18-month programme of structured learning opportunities will enable Culture Mile Learning partners to:

- 1) Enhance capacity and leadership around Fusion Skills;
- 2) Strengthen skills in working with disadvantaged learners;
- 3) Maximise the joint impact of learning assets.

The Collaborative Learning programme is being developed and delivered in consultation with all Culture Mile Learning organisations, with the first phase focusing on developing a shared language and understanding of current assets, strengths, needs and opportunities to collectively develop Culture Mile as a creative learning centre.

Culture Forum Meetings

These are termly meetings involving school staff 'culture lead', school culture governors and the Culture Mile Learning partners. This is an opportunity to communicate about upcoming opportunities, determine current and future professional development needs, feed into the development of the Culture Mile

Learning programme and to be a monitoring meeting to determine the implementation and impact of the Cultural and Creative Learning Strategy in schools. This group will also be supported and resourced to coordinate performance and cultural events and exhibitions throughout the year and will allocate resource to the pupil-led projects and report on their impact.

Guildhall Art Gallery and London's Roman Amphitheatre

Established in 1886 as 'a Collection of Art Treasures worthy of the capital city,' the Guildhall Art Gallery holds works dating from 1670 to the present, including 17th-century portraits, Pre-Raphaelite masterpieces and a range of paintings documenting London's dramatic history, as well as the ruins of London's 2,000-year-old Roman Amphitheatre. The learning programmes at the Guildhall Art Gallery and Roman Amphitheatre covers regular events and workshops with family activities, schools, higher education, adults. The programme is relatively new, but demand is strong, and feedback is positive. The staff are keen to develop new work-streams and there is an opportunity to do this alongside this strategy. The programmes embed Fusion skills within the workshops and activities. For example, discovery and creative thinking along with gaining historical knowledge and facts. An active learning programme is in place that encompasses primary schools to lifelong learners."

Guildhall Library

Guildhall Library is the Library of London History with the largest collection in the world devoted to the history of a single city. Originally founded in the 1420s, Guildhall Library is now a public library open to everyone without formality and offering unrivalled resources on the history of London, its people and its trade. The library has an active events programme offering weekly free lectures on aspects of London history and evening events, including talks, performances, book launches and walks. The library engages with school pupils at key stages 1–4 and at sixth form level and offers workshops to undergraduate and post graduate students as well as family history related workshops.

Guildhall School for Music & Drama (GSMD)

Over 12,500 young people are reached each year via GSMD's Creative Learning, Junior Guildhall, Centre for Young Musicians, and short courses. GSMD is committed to ensuring access for all, offers over £2million in scholarships each year, and works with 250 schools in East London to encourage a wider range of applications to the School's programmes. The Centre for Young Musicians (CYM) provides high quality progression in music training for children under 18 years of age across the country. Over 800 young musicians aged 7 to 18 attend the centres for 32 weeks of the school year, each following an individual programme of study across a range of styles and genres. Still more children benefit from CYM holiday courses, ranging from junior and intermediate courses to participation in ensembles such as the internationally renowned London Schools Symphony Orchestra and the London Youth Wind Band. The CYM London Saturday provision is a Centre for Advanced Training within the Department for Education's Music and Dance Scheme.

Jolly Music

Jolly Music is a creative, well-planned and inspiring music curriculum that promotes musicianship through teaching singing in a fun way. It provides a comprehensive system of music education which enables young children to become active and instant music makers, developing self-confidence and self-esteem. It is designed for Key Stage One and Two pupils and puts the spirit of singing at the heart of music education. It is a resource of teaching tools and a CPD programme for teachers which

uses tried and tested principles with easy-to-follow lesson plans and accessible content to build singing ability and simple rhythmical understandings in a fun and engaging manner. The programme emphasises the ‘inner hearing’ of children and helps them to pitch accurately.

Keats House

Keats House provides a wonderful setting for a range of educational visits for ages 3-21 to explore the written and spoken word, art, history and the natural surroundings. Most activities focus on poetry study and creative writing, but it also runs workshops on local history, citizenship, art, and a garden study session for Key Stages 1 and 2.

London Metropolitan Archives

London Metropolitan Archives (LMA) is the largest local authority archive in Britain and works flexibly and creatively with teachers to provide exciting and enriching learning experiences. The free programme for schools covers many areas of the National Curriculum, particularly history, literacy, humanities, science, citizenship and art. LMA currently holds the Sandford and Crest Awards for excellence in heritage education and science activities.

London Symphony Orchestra

Page 319 LSO Discovery, the London Symphony Orchestra’s education and community programme, is one of the world’s leading music education programmes. Founded in 1990, it brings people of all ages and backgrounds into inspiring contact with the Members of the Orchestra. Family and school concerts at the Barbican Centre are designed to engage and excite young people and open the door to the diverse music performed by the LSO. Community activities, a choral programme and family concerts take place at LSO St Luke’s, the LSO’s music and education centre; complemented by outreach visits to special needs schools, adult day centres, children’s centres and hospitals. *LSO On Track* is a partnership with the music services in 10 East London boroughs which works with young instrumentalists and offers teacher CPD. The orchestra’s artist development programme supports and trains young composers, instrumentalists and conductors emerging into the music profession.

The Monument

Every year over 230,000 visitors climb the 311 spiral steps to The Monument’s observation gallery, 160 feet (48.7 metres) above the ground, to enjoy unique and exhilarating views of the capital. The Monument’s learning programme enables schools to dig deeper into the story of the Great Fire, its commemoration, and the history of The Monument itself. A character-led facilitated session, ‘Meet Robert Hooke’, allows pupils to interrogate the structure’s co-designer to find out more about the Fire and the memorial which commemorates it, whilst a self-guided school resource available to download from the website highlights the learning opportunities the site can offer.

Museum of London

With over 1 million visitors each year to its London Wall and Docklands sites and more than 2.7 million objects in its collections, the museum is uniquely placed to tell the remarkable story of London and its people. The learning programmes aim to connect learners with their city and the experiences of others, developing a deeper sense of identity as Londoners. One of the museum’s five strategic objectives is to engage every school pupil in London, through a cross-curricular schools programme consisting of over 140 different workshops and study days for all key stages and abilities, delivered at the Museum and in schools. The programme is particularly

suitable for history, geography, English, citizenship and STEM subjects. The Museum has dedicated programmes for special schools and supplementary schools. There are over 2,500 members of the Museum's Teachers' Network. The museum runs a programme of creative weekend and holiday events and festivals for families that are often developed and delivered in partnership with communities and London organisations and have become recognised as a sector leader in early years provision and recently won a Family Arts Festival award for one of its 'baby raves'.

Open Spaces Programmes

Under the Open Spaces programme, 23 million people visit the 11,000 acres of green space in and beyond the City of London each year, including Hampstead Heath, Epping Forest and Burnham Beeches. The Open Spaces programme provides engaging opportunities to connect people, particularly from deprived and urban communities. The Open Spaces education programmes are concerned that London's children are becoming increasingly disconnected from the natural world, and that children in deprived areas of London face more barriers than most to accessing nature. Open Spaces offer a range of school visits, play programmes, community engagement projects and volunteer opportunities. The Open Spaces Learning programme was reviewed and restructured to deliver its 'Green Spaces, Learning Places' learning programme. The 'Green Spaces, Learning Places' programme supports more Londoners to explore nature, learn about the environment and increase their wellbeing through using their local green spaces regularly. It works with schools, residents and communities that surround our green spaces including some of London's most deprived communities. The programme is a great success and has reached 950 school classes, nearly 10,000 children who are eligible for pupil premium and in total over 82,000 people (65,000 children) in the first two years of delivery.

St Paul's Schools and Family Learning Department

St Paul's Schools and Family Learning Department seeks to tell its story in ways that are creative, accessible, engaging, and inspiring. Its aim is to be collaborative and connected, offering curriculum-based learning opportunities for schools both on-site and through online resources, and delivering engaging and value for money activities and workshops through its innovative Family Learning Programme. The Learning Department's goal through its Outreach Programme is to extend its reach to schools, families, and young people who have not visited St Paul's before, whilst maintaining the high quality of its existing core programme.

Sculpture in the City

Sculpture in the City offers exciting opportunities for young people to engage with the City of London through Open City's education programme. This extensive educational programme is a significant element of the overall Sculpture in the City project, and benefits students aged 10-14 years old from neighbouring borough schools. These schools have students from under-represented communities, many of whom have never visited the City and/or are unlikely to consider the City, art or the built environment as career and cultural pathways. Sculpture in the City creates multiple learning opportunities for pupils, based on developing an understanding of public spaces and the impact that public art can have on them. By visiting and analysing existing sculptures made by professional artists, local architecture and spaces without public art and then installing their own artwork within areas, pupils learn about the impact that sculptures have on public spaces and surrounding architecture through practical, and first-hand experience. The programme also enables pupils to test public reactions of their creative responses to the sculptures in location, and to showcase their artwork at the Sculpture in the City Launch. The sculpture workshop series encourages pupils to explore an area of the City of London that they would not otherwise have had the opportunity to experience.

Spitalfields Music

Spitalfields Music aims to change lives and aspirations through music. Spitalfields Music brings together world class artists and local people in one of the most unusual and creative corners of London. Drawing inspiration from the area, Spitalfields Music produces an annual festival and runs creative music projects throughout the year in the local community. In an area often seen to be full of challenges, Spitalfields Music runs an extensive programme in Tower Hamlets offering around 250 workshops. The Learning and Participation Programme focuses activities working with pupils, teachers and parents to put music at the heart of school life.

Tower Bridge

The Tower Bridge learning programme, established in 2014, encompasses programmes for schools, families and communities. The schools programme, including provision for Key Stages 1-5 and SEN, offers cross-curricular enquiry-based learning opportunities covering STEAM, local history, human geography, careers and literacy. Its monthly family learning programme provides fun, accessible activities designed to engage the whole family with the Bridge's stories, engineering and architecture. Tower Bridge's community programme builds connections within the local community, in particular in, Southwark, Tower Hamlets and the City. We do this through targeted projects with schools and cultural organisations; participation in local festivals; community ticket schemes and special projects, such as our Artist in Residence programme.

Other offers

Change Makers: Increasing the diversity of senior leadership in art and culture by helping to develop a cohort of leaders who are Black, minority ethnic and/or disabled by means of a targeted senior leadership training and development programme funded by Arts Council England.

City Stories: A day of creative activities for the City Family of Schools, delivered by a range of Culture Mile Learning partners at the Museum of London, Barbican and other venues, introducing year 7 pupils to the rich history and culture of the City.

Celebrating the City Festival: A weekend of inspiring poetry, craft, music, drama, storytelling and other activities for children and families, at the Museum of London, delivered by the London Symphony Orchestra, Barbican, Barbican Library, Tower Bridge, London Metropolitan Archives, the City of London's Open Spaces Department, and other venues.

Create Jobs: Is an employability programme for young Londoners. It aims to transform London's workforce by supporting and developing individuals who are underrepresented in the creative and digital industries. Although London's creative sector is booming, it has reached a critical tipping point where access to opportunity is impenetrable to those that don't have experience, skill-sets and connections. Since 2011, Create Jobs has been responding to aspiring creatives and employer needs by co-designing training programmes, brokering job opportunities and developing networks.

Sky Arts Art 50: Sky Arts launched Art 50 to invite artists of all kinds, from all walks of life, from all artistic genres, to create a piece of work which says something important about what it will mean to be British after we leave the European Union.

Step into Dance: Step into Dance is the largest on-going, inclusive secondary school dance programme in the UK. Through the delivery of regular classes, performances, creative and professional development, Step into Dance provides the opportunity and structure for young dancers to progress and excel. Step into Dance is a Royal Academy of Dance programme in partnership with the Jack Petchey Foundation.

Young City Poets: A project in partnership with the National Literacy Trust for up to 35 primary and secondary schools across London each year, offering creative poetry workshops for pupils and teacher training programmes inspired by our cultural venues.

Youth Manifesto: To expand the definition of poetry so that it is open to everyone living in London and everyone who needs it. Inspiring young people's passion for poetry and spreading knowledge around poetry and pathways into poetry as we can.

EDUCATION, CULTURAL & CREATIVE LEARNING AND SKILLS STRATEGIES 2019-2023

OUR VISION

The Education Strategy, the Cultural and Creative Learning Strategy and the Skills Strategy represent a tripartite of strategies overseen by the City of London Corporation's Education Board. Whilst standing alone as three distinct strategic areas, these strategies overlap and interconnect to deliver one vision for the City Corporation:

Preparing people to flourish in a rapidly changing world through exceptional education, cultural and creative learning and skills which link to the world of work.

THESE STRATEGIES ARE FOR:

THESE STRATEGIES WILL BE DELIVERED BY:

- | | |
|--|---|
| <ul style="list-style-type: none"> ▪ Lifelong learners in the City of London (residents, workers, visitors) ▪ Leaders, teachers and all learners in the Family of Schools ▪ Culture Mile and Culture Mile Learning Partners ▪ ASES and Apprenticeships Team ▪ Staff in the City of London Corporation | <ul style="list-style-type: none"> ▪ The City of London Corporation (City Corporation) is a major provider and funder of education. We have local authority education duties in the Square Mile, are a proprietor of independent schools, a co-sponsor of academies, and a sole sponsor of academies managed by the City of London Academies Trust (CoLAT). In its entirety, this group of schools is called the 'Family of Schools'. ▪ We are a founding partner of 'Culture Mile': An initiative to create a major destination for culture, creativity and learning in the heart of the Square Mile. 'Culture Mile Learning' is the education and family learning focus of the Culture Mile partnership, bringing together skills and expertise from over 26 organisations to ensure cultural activities are accessible to all pupils and lifelong learners, and that culture enriches learning through pupil visits, workshops, classroom visits, and training for teachers. ▪ The Square Mile is home to a growing hub of creative industry workers at the cutting edge. ▪ The Adult Skills and Education Service (ASES) delivers the City Corporation's statutory Adult Community Learning (ACL) services, as well as the Apprentice Programme which recruits apprentices at the City Corporation and brokers apprenticeships for local businesses and residents in the City of London and beyond. The Square Mile is also the proud home to 24,000 businesses and 483,000 workers as well as further and higher education institutions and training providers. ▪ Delivery of these strategies is a cross-Corporation endeavour. Strategic oversight, including monitoring and evaluation of the strategies will be conducted by the Education Board, with day-to-day operational oversight delivered by the Education Unit. |
|--|---|

OUR GOALS

Education In 2023, we want to say:	Cultural & Creative Learning In 2023, we want to say:	Skills In 2023, we want to say:
<ol style="list-style-type: none"> 1) Pupils in the Family of Schools have access to transformative education, enabling them to achieve their potential, flourish and thrive. 2) The Family of Schools deliver exceptional quality education and academic excellence. 3) Education is safe, inclusive, supportive and empowering for all. 4) Pupils receive high quality exposure to the world of work at all stages of education to make informed career choices. 5) Education is enriched through access to the learning opportunities that the City's cultural, heritage and environmental assets offer. 	<ol style="list-style-type: none"> 1) Every cultural institution in the City is a learning institution and every educational institution in the Family of Schools is a cultural institution. 2) Pupils are empowered to realise their full potential both in the arts and through creative learning. 3) There are accessible and inclusive opportunities for everyone to access the full range of cultural experiences in the Square Mile. 4) Cultural and creative experiences develop and enhance the Fusion Skills needed for employability in the 21st Century. 5) Learners at all stages have high quality exposure to industries in arts, cultural, and hybrid sectors. 	<ol style="list-style-type: none"> 1) The lives of our diverse adult learners are transformed through a unique educational experience. 2) ASES deliver high quality adult education, training and apprenticeships. 3) All partners continue to work towards the achievement of a diverse workforce which mirrors the diversity of our community. 4) Learners at all stages have high quality exposure to the world of work. 5) The City of London is home to a world-leading environment where there is interconnectivity and collaboration between education and industry.

OUR AIMS

Education We will:

- Deliver a changed focus and approach to developing skills, knowledge, and competencies, based on harnessing talent and developing skills for 21st Century success.
- Deliver academic excellence in teaching and learning to improve academic attainment and progress.
- Drive equality of opportunity through a proactive approach to promoting social mobility and inclusion, as well as good health and wellbeing.
- Deliver a comprehensive strategy for skills and careers development in the Family of Schools.
- Provide a high quality cultural and creative offer for all pupils from early years to post-16, delivering sustained education in and through the arts and culture.

Cultural & Creative Learning We will:

- Create connected routes for pupils and teachers to access the cultural and heritage offer in the City, providing opportunities for creative and cultural experiences to enrich learning.
- Deliver a distinctive City Corporation education and skills offer where all learners receive education both in and through the arts.
- Support our cultural organisations to appeal to wider audiences through outreach and learning initiatives and working outdoors.
- Deliver a distinctive education and skills offer based on the development of Fusion Skills, in part developed through creative learning and participating in arts and culture.
- Ensure young people have the knowledge, skills and networks to prepare them for careers in the arts, cultural, creative and hybrid sectors.

Skills We will:

- Deliver a changed focus and approach for adult learners, which develops critical skills, knowledge and competencies to meet the challenges of the rapidly changing world of work.
- Continue to improve the quality of teaching and learning in adult education, training and apprenticeships.
- Improve the learning experience and learning outcomes for adult learners impacted by educational and social disadvantage.
- Link learning at all stages with real-world application, improving the transition of learners at critical stages in education and training.
- Forge and maintain dynamic relationships with our City, United Kingdom and international partners in industry, higher education, further education, the cultural sector and local communities.

OUR OUTCOMES

Education

We know we're on the right track if:

- Classroom learning is a mix of academic, creative, technical and emotional learning.
- The Family of Schools are recognised locally, nationally and internationally as outstanding.
- There is continued improvement in the progress of pupils at risk of educational disadvantage, exceeding the progress of those pupils not at risk, and surpassing national and local averages.
- Enhanced completion and retention rates achieve a 100% destination and progression pathway for pupils (i.e. No NEET pupils).
- Pupils are exposed to a wide range of art forms throughout their time in school.

Cultural & Creative Learning

We know we're on the right track if:

- Increased access of pupils to the cultural and historical resources in the City including performances at professional quality venues.
- Improved progress and attainment in arts and non-arts subjects from creative teaching and learning.
- Pupils access culture and heritage in the City which is equitable across the identified groups of pupils and across age ranges and gender.
- Annual tracking of pupils' Fusion Skills shows significant improvements.
- Pupils in the Family of Schools access work experience, apprenticeships, and employment in arts, cultural and hybrid sectors.

Skills

We know we're on the right track if:

- There is increased subject choice for adult learners based on labour market intelligence resulting in an increased take-up of adult learning and apprenticeships.
- ASES is an 'outstanding' education provider, with increased take-up, and apprenticeship completion rates remaining above 95%.
- There is improved progress of adult learners at risk of educational disadvantage, and a 20% increase in the proportion of apprentices from Black, Asian and Minority Ethnic (BAME) backgrounds.
- Learners at all stages hear from professionals across industries, access work experience, and receive industry-led careers advice and guidance.

OUR PRINCIPLES

Excellence and exceptionality

Our aim is to ensure quality in all that we do. These strategies include clear accountability frameworks and reporting requirements to the Education Board to monitor and evaluate quality and impact. We will work closely with our partners to drive quality and impact based on performance, data and evidence (e.g. exam results, progression data, Ofsted ratings, qualitative feedback).

Broad and balanced curriculum

Our approach is based on enriching learning at all stages of education. We will ensure that the learning offer delivers the skills, knowledge and behaviours that employers are looking for. We will also ensure that the cultural, heritage and environmental assets of the Square Mile enrich the educational and creative experience of the pupils in the Family of Schools and our lifelong learners.

Fusion Skills

Our research and consultation with stakeholders have identified that 'Fusion Skills' are increasingly important in the workplace of the 21st Century. Fusion Skills are a mix of technical and creative skills which go beyond STEAM classifications to encompass a broader 'bundle' of skills categories including digital, creative, social, interpersonal competencies as well as a range of cognitive skills such as judgement and decision making, critical thinking and problem-solving.

Aspiration building and links to the world of work

The City of London is home to 24,000 businesses and 483,000 workers from across a diverse range of sectors as well as a unique collection of arts, cultural and educational organisations. The Family of Schools, ASES and Culture Mile Learning and are well-placed to ensure that learning at all stages is linked to the world of work, and that opportunities exist to access quality work experience and industry-led careers guidance across a range of sectors and industries.

Accessibility and social mobility

We want the Family of Schools, ASES, apprenticeships and our cultural organisations to be a positive force for addressing issues of social disadvantage. Our strategies focus on inclusive and equitable practice. This includes learning and support packages to improve the experience and learning outcomes of people impacted by educational disadvantage and stimulating an accessible cultural offer that reaches a range of people and promotes social mobility.

OUR OFFER

Lifelong Learning



OUR PRIORITIES

Educational excellence; Safety and Wellbeing; Employability; Social mobility; Creative placemaking; Digital/Fusion Skills; Aspiration and the pursuit of excellence

Impact on learners from other Corporation Strategies e.g. Social Mobility Strategy, Employability strategy, Culture Strategy

Impact on learners from Skills Strategy actions

Learners at different stages:

Early Years

KS1

KS2

KS3&4

GCSE

A Level

Graduate Level

Adult Learner

Impact on learners from Cultural and Creative Learning Strategy actions

Impact on learners from Education Strategy actions

This page is intentionally left blank

Report – Local Government Pensions Board

Insurance and Indemnities

To be presented on Thursday, 7th March 2019

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

SUMMARY

Members of Local Government Pensions Board (LGPB) and Police Pensions Board (PPB) have recognised that there would be certain circumstances where the City Corporation's various insurance policies would not offer appropriate personal liability insurance cover for them in the event of breaches of data protection legislation.

It is now proposed that the Court of Common Council agrees to the City Corporation indemnifying Members of the Boards against any such personal liability as defined in the report.

The Information Commissioner has power to impose civil penalties under various provisions of the Data Protection Act 2018 (DPA). Penalties lie against the relevant Data Controller responsible for the breach, but Members of the Boards are concerned that they could have personal liability owing to the nature of the Boards.

The Boards are creatures of the Public Service Pensions Act 2013 (the PSPA 2013) and they are not committees established under the Local Government Acts.

The City Corporation's existing insurance policies have been extended to include all Members of the Board's but they do not cover civil penalties under the DPA.

RECOMMENDATION

The Court of Common Council is recommended to:

Approve utilising powers in the [Local Authorities \(Indemnities for Members and Officers\) Order 2004](#) and in the Localism Act 2011, and utilising City's Cash where necessary, and that the City Corporation resolves to indemnify Members and officers, including former officers, and serving and former police officers, who sit as members of the Boards against any personal liability that may arise to pay a civil penalty under the Data Protection Act 2018, to the extent that the City Corporation's insurance policies do not fully cover such liability, and subject to the exclusions and restrictions contained in the 2004 Order.

MAIN REPORT

Background

1. The PSPA requires administering authorities of public sector pensions schemes to establish committees or boards to oversee the administration of the scheme

and assist the Scheme Manager. The City Corporation is administering authority for the local government pension scheme and the police pension scheme.

2. Accordingly, the Local Government Pensions Board and the Police Pensions Board were established in 2015. Their membership comprises Common Councilors and, at present, one Alderman, as well as current and retired employees and police officers respectively.
3. Advice of James Gouldie QC to the Local Government Association in 2015 highlighted that committees established under the PSPA 2013 have an anomalous legal status. The Boards are not committees of the City Corporation within its local authority capacity and Mr Gouldie also advised that in some unspecified circumstances Board Members could incur personal legal liability, and that the local authority should ensure that its insurance policies are extended to specifically cover Members of the Boards.

Current Position

4. The City Corporation's insurers have confirmed that the indemnity under the Employers', Public and Professional indemnity insurance policies has been extended to the Boards and the Members of the Boards as a business activity. However, there are important exclusions. These being:
 - The Data Protection Act 2018 empowers the Information Commissioner to impose civil penalties in the event of certain breaches, such as unauthorised and unjustified disclosure of personal data. The City Corporation's policies do not cover civil claims as a result of the breach.
 - There are general market exclusions for what might be termed "cyber liability", for example, arising from computer systems and viruses, malicious or otherwise inappropriate use of software or emails. There is a specific insurance market for cyber security related products, but this has not been pursued on a corporate basis and would require a significant corporate wide project requiring wide consultation and committee approval as a change of insurance strategy.
5. Therefore, the specific circumstance of a data breach and the effect of the breach would determine the extent of cover or the application of any policy exclusions. Members of the Boards are concerned therefore that the existing insurance policies will not necessarily cover against all potential liabilities arising from data breaches.
6. Local authority Members and officers benefit from certain immunities through section 265 of the Public Health Act 1875 (extended by s. 29 of the Local Government (Miscellaneous Provisions) Act 1976, but the limitations of this protection are that it only applies to local authority functions, and does not apply to Members or officers sitting on outside bodies, which the Boards are considered to be given their anomalous legal status already referred to. The immunity also does not extend to former officers of the local authority nor to current or former police officers.
7. The Local Authorities (Indemnities for Members and Officers) Order 2004 clarified the power of local authorities to indemnify Members and officers. The order permits indemnities and or insurance to be provided in relation to any action or failure to act by a Member or officer providing the Member or officer is carrying out a function at the request of, with the approval of, or for the purposes of, the authority. The power extends to cases where Members or officers exercises the function in a capacity other than that of a Member or officer of the authority, for example as a member of an outside body.
8. The Order would enable an indemnity to be granted to Members and current City

Corporation officers sitting on the Boards but would not apply to enable an indemnity to be granted to former local authority officers sitting on the LGPB, nor serving or former police officers who are members of the PPB.

9. The general power of competence in Part I of the Local Act 2011 enables the City Corporation to grant an indemnity for the benefit of former City Corporation employees sitting as members of the LGPB. However, the 2011 Act only applies to the City Corporation in its capacity as a local authority, and therefore serving and former police officers sitting as members of the PPB would have to be indemnified through City's Cash.

Proposal

10. The Court of Common Council on 9th June 2011 exercised the power in the 2004 Order to indemnify Members and officers sitting on outside bodies. In cases where the outside body was not related to a local authority or police authority function the indemnity was to fall on City's Cash. If the Boards are understood to be outside bodies then there is a degree of protection already in place for Members and officers sitting on the Boards by virtue of this decision of the Court. However, serving and former police officers sitting as members of the PPB do not fall within this decision.

Corporate & Strategic Implications

11. The Boards have strategic oversight roles in relation to the administration of the Pension Funds and in securing compliance with the scheme regulations and other legislation relating to the governance of the scheme and any statutory pension scheme that is connected to it.

Conclusion

12. The Court is asked to give approval to utilising powers in the 2004 Order and in the Localism Act 2011, and utilising City's Cash where necessary to indemnify Members and Officers, including former officers and serving and former police officers, who sit as members of the Boards against any personal liability that may arise to pay a civil penalty under the data protection act.

Appendices

13. There are no appendices.

DATED this 7th day of February 2019.

SIGNED on behalf of the Board.

James Tumbridge
Chairman, Local Government Pensions Board

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

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

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