

## Report – Policy and Resources Committee and Finance Committee

### Report of Urgent Action Taken: Phase 1 of the Freemen's School Masterplan project – Loan

*To be presented on Thursday, 18<sup>th</sup> July 2019*

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

#### **SUMMARY OF ACTION TAKEN**

1. The Chamberlain requested the Court of Common Council approve, under urgency procedures, additional budgetary provisions of up to £18.818m to provide internal loan funding for Phase 1 of the Freemen's School Masterplan project.
2. This request followed on from Members of your Policy & Resources Committee and Resource Allocation Sub-Committee agreeing that a loan should be approved so phase 1 works could commence during the school's summer holidays.
3. Following that decision, your Finance Committee was required to approve a revision to the Corporation's budget of up to £18.818m to facilitate the loan. In-year budget adjustments of this nature are required to be considered by the Finance Committee, which is responsible for making subsequent recommendations concerning budget adjustments to the Court.
4. The loan is to be repaid over a period of 11 years and it is intended that any shortfall in the general reserves of City's Cash will be supplemented by external borrowing through private placement.
5. Upon Court approval, release of the funds was to be subject to the relevant gateway approvals and will be available from 2019/20 over the life of the relevant projects.
6. Approval was, therefore, granted under urgency procedures for the following:
  - i) An additional budgetary provision of up to £18.818m to provide internal loan funding, to be drawn from the general reserves of City Fund and City's Cash.
  - ii) That this loan facility would be available from 2019/20 onwards, to be drawn down as required over the life of the project, subject to other relevant approvals.

**RECOMMENDATION**

7. We **recommend** that the action taken be noted.

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

DATED this 21<sup>st</sup> day of May 2019.

SIGNED on behalf of the Committees.

**Jeremy Paul Mayhew**  
Chairman, Finance Committee

**Catherine McGuinness, Deputy**  
Chair, Policy and Resources Committee