

RESOURCE ALLOCATION SUB (POLICY AND RESOURCES) COMMITTEE

Friday, 18 September 2020

Minutes of the meeting of the Resource Allocation Sub (Policy and Resources) Committee held as a Virtual Meeting on Friday, 18 September 2020 at 11.00 am

Present

Members:

Deputy Catherine McGuinness (Chair)	Sheriff Christopher Hayward
Jeremy Mayhew (Deputy Chairman)	Alderman Vincent Keaveny
Deputy Keith Bottomley	Deputy Edward Lord
Tijs Broeke	Alderman Ian Luder
Deputy Jamie Ingham Clark	Deputy Tom Sleigh
Karina Dostalova	Sir Michael Snyder
Anne Fairweather	Alderman Sir David Wootton

In Attendance:

Randall Anderson
Alderman Alison Gowman
Graeme Harrower
Brian Mooney (Chief Commoner)
Deputy James Thomson
Oliver Sells
Jeremy Simons

Officers:

John Barradell	- Town Clerk and Chief Executive
Peter Lisle	- Assistant Town Clerk
Angela Roach	- Assistant Town Clerk
Lorraine Brook	- Town Clerk's Department
Gregory Moore	- Town Clerk's Department
Devika Persaud	- Town Clerk's Department
Alex Redman	- Town Clerk's Department
Simon Latham	- Town Clerk's Department
Peter Kane	- The Chamberlain
Caroline Al-Beyerty	- Chamberlain's Department
Dianne Merrifield	- Chamberlain's Department
Ellen Wentworth	- Chamberlain's Department
Michael Cogher	- Comptroller and City Solicitor
Paul Wright	- Remembrancer's Department
Carolyn Dwyer	- Director, Built Environment
Bob Roberts	- Director, Communications
Nicholas Gill	- City surveyor's Department
Peter Young	- City Surveyor's Department
Neil Robbie	- City Surveyor's Department
Andrew Cross	- City Surveyor's Department

Gerry Kiefer - Open Spaces Department
Laura Lawson - Open Spaces Department
Jacqueline Eggleston - Open Spaces Department

[The order of business for the meeting was amended following publication of the agenda, as set out below].

1. **APOLOGIES**

There were no apologies for absence.

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

Tijs Broeke declared a declaration in respect of item 6(a) due to his position as Chair of the CoLAT Board and its Standards and Accountability Committee, and his membership of the Finance Committee of the Museum of London.

3. **MINUTES**

The minutes of the meeting held on 7th September 2020 were approved as a correct record.

4. **RESETTING OF DEPARTMENTAL BUDGETS 2020/21**

The Sub-Committee considered a report of the Chamberlain outlining the approach taken by officers in response to this Sub-Committee's request in July, to undertake an in-year re-budgeting exercise to assist in repairing the impact on the City's budgets arising from the COVID-19 pandemic.

The Chamberlain introduced the report before Members and outlined the recommended budget adjustments totalling £15.6m to some departmental local risk budgets in order to address the deficit in lost income and set realistic budgets that Chief officers could be held to in the 2020/21 financial year. He stressed that there had been constructive and positive engagement on these issues to date through bi-lateral meetings held between the Chamberlain and Chief Officers and good progress had been made.

Reference was made to the significant impact on the Open Spaces budgets as a result of COVID-19 and the huge visitor numbers that were experienced at the height of the pandemic. Arising from this, some concern was expressed regarding income generation and the department's ability to increase funding. Clarification was sought in respect of the corporate approach to events related income generation. The Chamberlain responded that there had been a significant impact on the Remembrancer's Department in terms of loss of income due to limited private event hire and thus several adjustments had been suggested. Members were advised that, having considered the Open Spaces in the round, a slight adjustment had been made to the budget covering Epping Forest. The Chair noted the comments made and the Chamberlain undertook to follow up on the request for greater clarity, in due course, about the corporate approach to the loss of income as a result of a decline in events.

Members acknowledged the progress that had been made despite the remaining risks and uncertainties, the key ones being around rents and the Barbican where estimates on recovery remained very uncertain. The Deputy Chairman commented on the need for a greater degree of financial discipline than ever before and the importance of a collaborative approach to help close the deficit across the budget span; identify and make savings where possible; and control spending.

RESOLVED, that:-

- (i) Members note the steps already taken by officers to reduce the financial impact of the COVID-19 pandemic;
- (ii) endorse the adjusted departmental budgets totalling £15.6m for onward approval of the Court of Common Council;
- (iii) approve proposals to continue working with departments to identify further savings where possible; and
- (iv) approve continuation of recruitment controls aligned to the Target Operating Model (TOM) which may give further savings in the year.

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

There were none.

6. ANY OTHER BUSINESS THAT THE CHAIRMAN CONSIDERS URGENT

With the Chair's consent, the following items of urgent business were considered by the Sub-Committee.

6(a) 2020/21 Revenue Budget Setting Process

The Sub-Committee considered a report of the Chamberlain relative to the proposed high-level approach to setting the 2021/22 revenue budgets.

With reference to the report and when the decision had been made that a 12% reduction across the services be implemented, the Chamberlain confirmed, through the Chair, that Members had considered the matter at the Resource Allocation Away-Day and it was thereafter subsequently agreed by the Sub-Committee ahead of the recess.

A query was raised regarding how the views of institutions and bodies such as the Museum of London and COLAT, where their legal responsibilities were an important timetabling factor, would be taken into account. The Chamberlain responded that all institutions would be considered through the relevant governance forums and lead service committees as appropriate.

With reference to the potential release of funding across the medium term for Build Back Better/ Climate Action Strategy purposes, it was noted that cash flows across the funds had been looked at closely and it was now clear that, in relation to the delivering the Climate Action Strategy, it would not be possible to

achieve this until 2027 rather than 2025. It was felt that this target date was now affordable and achievable.

RESOLVED, that:-

- (i) Members Note the extremely challenging financial context for 21/22 budget setting, as discussed at recent Resource Allocation Sub Committees and the transition period to a new target operating model (TOM);
- (ii) Approve the proposed approach to set financial envelopes for each Service Committee to prioritise their own service delivery through the business planning process later in the year; and
- (iii) Approve the proposed approach using bilateral meetings with service committee chairmen to inform the reduced budgetary envelopes in 21/22, together with a report back to the December meeting of RASC on proposed allocations.

6(b) GOVERNANCE REVIEW

[This item was previously marked on the agenda as a non-public item of business at Item 12 but moved into public session ahead of the meeting.]

The Sub-Committee considered a report of the Town Clerk relative to Lord Lisvane's Governance Review which was conducted at the request of the Court of Common Council as of autumn 2019.

The Chair reminded Members that the purpose of the Town Clerk's report was for the Sub-Committee to agree how, given the number of recommendations put forward by Lord Lisvane, this next phase of the Review could best be conducted in a structured, clear and methodical manner. Members agreed the proposal set out in the report, with a series of meetings scheduled between October and December to allow for detailed exploration of the recommendations and widespread Member consultation. Whilst noting that there may be some recommendations that could be implemented in a timely manner, such as the standards arrangements whereby there was widespread agreement across the Court that action on this matter should be a priority, the Sub-Committee did not wish this next phase of the Review to be unnecessarily rushed. Some Members stressed the importance of wider consultation on the recommendations with the Court's co-opted members and external representatives who served across a broad range of committees and sub-committees and whose expertise and understanding of specific areas could usefully inform any next steps.

In terms of timings and implementation of any recommendations, following extensive face-face consultation (as opposed to via further written feedback), it was agreed that implementation as of April 2021 was not viable but, where possible, recommendations would be implemented before April 2022. To ensure that all Members were clear about the next phase of the Review and how Members, co-optees and external representatives would be engaged in that process, it was agreed that the Town Clerk would liaise with Sheriff

Christopher Hayward (Deputy Chair, Policy & Resources Committee) to work up a clear road map of meetings and the issues that would be considered at each meeting. He suggested that, where necessary, additional virtual meetings be scheduled to allow for smaller groups of individuals to discuss the issues.

A view was expressed that Lord Lisvane's report was the culmination of Member consultation and, given the recommendations therein, the Court should look to be radical and implement significant changes to its operation and overall governance framework. Whilst there was agreement that the next phase of the Review should not be drawn out, given the complexity and diversity of the organisation, and its breadth of activities in different contexts, it was clear that some of the recommendations would not work and thus a careful exploration of each recommendation was required.

The Chair, in closing, thanked Lord Lisvane for the detailed work undertaken in respect of the Governance Review and the recommendations before Members.

RESOLVED, that:-

- (i) Lord Lisvane's Governance Review report be received;
- (ii) the next phase of the process be finalised by the Town Clerk in consultation with Sheriff Christopher Hayward (Deputy Chair, Policy and resources Committee) on the basis of the proposed approach as set out in paragraphs 8-18 of the report; with a clear timetable for consultation and widespread engagement and consultation with all Members of the Court and the Court's co-opted and external members between October and December 2020;
- (iii) the Sub-Committee's thanks to Lord Lisvane, for his efforts in conducting the Review, be placed on record.

6(C) FRASER REVIEW- UPDATE

The Chair advised Members that following an initial joint meeting of the Policy and Resources and Establishment Committees, which had resulted in a good discussion, a further meeting had been expected to take place in September. Members were advised that the date for that next meeting would be confirmed at the earliest opportunity.

7. EXCLUSION OF THE PUBLIC

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

Item No.
8-10

Paragraph No.
3

8. **NON-PUBLIC MINUTES**

The non-public minutes of the meeting of the Sub-Committee held on 7 September 2020 were approved as a correct record, subject to an amendment to the minute in relation to item 10: (Assistance to Tenants).

9. **(A) RE-PRIORITISATION OF 2020/21 APPROVED CAPITAL BIDS**

The Sub-Committee considered a report of the Chamberlain relative to a re-prioritisation of 2020/21 approved capital bids.

(B) ARTIFICIAL GRASS PITCH PROVISION: WANSTEAD FLATS (PROJECT 11966)

The Sub-Committee considered a report of the Director of Open Spaces, which was read in conjunction with item 9(a).

(C) MINUTE EXTRACT: Resource Allocation Sub-Committee held on 9 July 2020.

The Sub-Committee received the minute extract, which was read in conjunction with item 9(a).

10. **CITY FUND, CITY'S ESTATE AND BRIDGE HOUSE ESTATES - PROPOSAL TO ASSIST CITY OF LONDON INVESTMENT TENANTS FOR SEPTEMBER QUARTER RENTS**

The Sub-Committee considered a report of the City Surveyor relative to tenant support packages.

11. **LONDON WALL MASTERPLAN: FUNDING FOR PLANNING PERMISSION AND DEMOLITION OF BASTION HOUSE (CITY FUND)**

This item was withdrawn.

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

There were no non-public questions.

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

There was none.

The meeting ended at 12.57 pm

Chairman

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