

PLEASE BRING THIS AGENDA WITH YOU

1

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

This being the occasion  
of the Lord Mayor taking  
his seat for the first time,  
Members are requested to  
appear in their Gowns.



## COMMON COUNCIL

SIR/MADAM,

You are desired to be at a Court of Common Council, at **GUILDHALL**, on  
**THURSDAY** next, **the 9th day of December, 2021**.

Members of the public can observe the public part of this meeting at the below link:  
<https://youtu.be/-ltDGwDCbJ8>

JOHN BARRADELL,  
*Town Clerk & Chief Executive.*

*Guildhall,  
Wednesday 1st December 2021*

Sir David Wootton

Timothy Russell Hailes

}

*Aldermen on the Rota*

2

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 7 October 2021.

**For Decision**  
(Pages 9 - 22)

4 **Mayoral Visits**

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

5 **Policy Statement**

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

**For Information**

6 **Referral under Standing Order No.9(4) - 115-123 Houndsditch, London EC3A 7BU**

To consider a referral concerning a planning application in relation to 115-123 Houndsditch, London EC3A 7BU.

This report was approved by the Planning and Transportation Committee at its 16 November 2021 meeting; however, pursuant to Standing Order 9(4), it has now been referred by 20 Members to the Court of Common Council.

**For Decision**  
(Pages 23 - 24)

7 **Policy and Resources Committee**

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

- (A) **Governance Review** – to consider proposals relating to the outcomes of the Governance Review Process.

**For Decision**  
(Pages 25 - 68)

- (B) **Scheme of Delegation** – to consider proposals relating to the revised Scheme of Delegations.

**For Decision**  
(Pages 69 - 80)

- 8 **Policy & Resources Committee, Establishment Committee**  
To consider the adoption of a new charter relating to Member / Officer interaction.
- For Decision**  
(Pages 81 - 92)
- 9 **Hospitality Working Party of the Policy and Resources Committee**  
To consider recommendations concerning the provision of hospitality.
- For Decision**  
(Pages 93 - 96)
- 10 **Licensing Committee**  
To review the Statement of Licensing Policy.
- For Decision**  
(Pages 97 - 152)
- 11 **Bridge House Estates Board**  
To consider reports of the Bridge House Estates Board, as follows:-
- (A) **Target Operating Model** – to consider proposals relating to the creation of Grade I posts.
- For Decision**  
(Pages 153 - 160)
- (B) **Annual Accounts and Financial Statements** – to consider the Bridge House Estates Annual Accounts and Financial Statements 2020/21.
- For Decision**  
(Pages 161 - 232)
- 12 **The Freedom of the City**  
To consider a circulated list of applications for the Freedom of the City.
- For Decision**  
(Pages 233 - 238)
- 13 **Appointments**  
To consider the following appointments:
- 1 One Member on the **Policy & Resources Committee**, for the balance of a term expiring in April 2023.
- Nominations received:-**  
Randall Keith Anderson  
Mary Durcan  
John William Fletcher  
Paul Nicholas Martinelli  
Susan Jane Pearson  
James Richard Tumbridge

- 2 One Member on the **Community & Children’s Services Committee**, for the balance of a term expiring in April 2022.

**Nominations received:-**

Jason Paul Pritchard

- 3 One Member on the **Establishment Committee**, for the balance of a term expiring in April 2024.

**Nominations received:-**

James Richard Tumbridge

- 4 Four Members on the **Board of Governors of the Museum of London**, two for one-year terms expiring in December 2022 and two for four-year terms expiring in December 2025.

**Nominations received:-**

\*Paul Martinelli

\*Judith Pleasance

\*Deputy John Scott

- 5 One Member on the **St Andrew Holborn and Stafford’s Charity** for a four-year term expiring in December 2025. This vacancy is in the room of Jeremy Simons who is not seeking re-appointment.

**Nominations received:-**

Paul Martinelli

**For Decision**

- 14 **Vote of Thanks to the Late Lord Mayor**

To pass the Vote of Thanks, read informally at the last meeting of the Court, to the late Lord Mayor.

**For Decision**

(Pages 239 - 240)

- 15 **Motions**

- (A) **By Deputy Dr Giles Robert Evelyn Shilson**

“That the Resolution of Thanks to the late Lord Mayor, passed by Common Hall on 29 September last, be presented in a form agreeable to him?”

**For Decision**

(B) **By Deputy John George Stewart Scott, J.P.**

“That the Resolution of Thanks to Professor Michael Raymond Mainelli, Alderman and World Trader and Christopher Michael Hayward, Citizen and Pattenmaker, the late Sheriffs of the City, passed by Common Hall on 29 September last, be presented in a form agreeable to them?”

**For Decision**

16 **Questions**

17 **Resolutions on Retirements, Congratulatory Resolutions, Memorials.**

18 **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 241 - 242)

19 **Docquets for the Hospital Seal.**

20 **Awards and Prizes**

**MOTION**

21 **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 and 7 of Part 1 of Schedule 12A of the Local Government Act, 1972.

**For Decision**

22 **Non-Public Minutes**

To agree the non-public minutes of the meeting of the Court held on 7 October 2021.

**For Decision**  
(Pages 243 - 248)

23 **Bridge House Estates Board**

To consider proposals for the disposal of property.

**For Decision**  
(Pages 249 - 254)

24 **City of London Police Authority Board, Finance Committee**

To consider proposals relating to the increase in contract value of a framework agreement.

**For Decision**  
(Pages 255 - 258)

25 **Finance Committee**

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

- (A) **Change in Microsoft Office Licensing** – to consider proposals relating to IT provision and associated contractual items.

**For Decision**  
(Pages 259 - 262)

- (B) **Report of Urgent Action Taken: Property Insurance** – to note action taken under urgency procedures in relation to the award of a contract.

**For Information**  
(Pages 263 - 264)

- (C) **Report of Action Taken: Parking Services** – to note action taken under urgency procedures relating to the award of contracts.

**For Information**  
(Pages 265 - 268)

26 **Property Investment Board**

To note action taken under urgency procedures, as follows:-

- (A) **Report of Action Taken: Long-term leases, North Road** – to note action taken under urgency procedures in relation to the surrender and re-grant of two long-term leases.

**For Information**  
(Pages 269 - 272)

- (B) **Report of Action Taken: Property Disposal, Alie Street** – to note action taken under urgency procedures relating to the disposal of a property.

**For Information**  
(Pages 273 - 274)

27 **Policy and Resources Committee**

To note action taken under urgency procedures in relation to the Markets Co-location Programme, Private Bills.

**For Information**  
(Pages 275 - 276)

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**RUSSELL, MAYOR**

**LUDEK, LOCUM TENENS**

**COURT OF COMMON COUNCIL**

**7th October 2021**  
**MEMBERS PRESENT**

**ALDERMEN**

Sir Charles Edward Beck Bowman  
Professor Emma Edhem  
John Garbutt  
Sheriff Alison Gowman  
Prem Goyal OBE

David Andrew Graves  
Timothy Russell Hailes  
Robert Picton Seymour Howard  
Gregory Jones QC  
Susan Langley

Ian David Luder  
Sheriff Nicholas Stephen Leland Lyons  
Professor Michael Raymond Mainelli  
Sir Andrew Charles Parmley,  
Sir David Hugh Wootton

**COMMONERS**

John David Absalom, Deputy  
Caroline Kordai Addy  
Munsur Ali  
Rehana Banu Ameer  
Randall Keith Anderson  
Alexander Robertson Martin Barr  
Douglas Barrow  
Matthew Bell  
John Bennett  
Peter Gordon Bennett  
Nicholas Michael Bensted-Smith  
Christopher Paul Boden  
Mark Bostock  
Keith David Forbes Bottomley,  
Deputy  
David John Bradshaw, Deputy  
Tijs Broeke  
Michael John Cassidy, Deputy  
Roger Arthur Holden Chadwick,  
Deputy  
John Douglas Chapman  
Dominic Gerard Christian

Thomas Cowley Clementi  
Graeme Doshi-Smith  
Karina Dostalova  
Simon D'Olier Duckworth  
Peter Gerard Dunphy, Deputy  
Mary Durcan  
John Ernest Edwards  
Kevin Malcolm Everett, Deputy  
Helen Lesley Fentimen  
Sophie Anne Fernandes  
John William Fletcher  
Marianne Bernadette Fredericks  
Tracey Graham  
Caroline Wilma Haines  
The Revd Stephen Decatur  
Haines  
Graeme Harrower  
Christopher Michael Hayward  
Tom Hoffman, Deputy  
Ann Holmes  
Michael Hudson

Wendy Hyde, Deputy  
Jamie Ingham Clark, Deputy  
Clare James, Deputy  
Shravan Jashvantrai Joshi  
Vivienne Littlechild  
Oliver Arthur Wynlayne Lodge  
Edward Lord, Deputy  
Paul Nicholas Martinelli  
Andrew Paul Mayer  
Jeremy Mayhew  
Catherine McGuinness, Deputy  
Andrew Stratton McMurtrie  
Wendy Mead  
Robert Allan Merrett, Deputy  
Andrien Gereith Dominic Meyers,  
Deputy  
Brian Desmond Francis Mooney,  
Deputy  
Benjamin Daniel Murphy  
Barbara Patricia Newman,  
Deputy  
Graham Packham  
Susan Jane Pearson

John Petrie  
Judith Pleasance  
James Henry George Pollard,  
Deputy  
Stephen Douglas Quilter  
Deputy Richard David Regan  
Elizabeth Rogula, Deputy  
James de Sausmarez  
Ruby Sayed  
John George Stewart Scott,  
Deputy  
Ian Christopher Norman Seaton  
Oliver Sells QC  
Dr Giles Robert Evelyn Shilson,  
Deputy  
Jeremy Lewis Simons  
Tom Sleigh, Deputy  
John Tomlinson, Deputy  
Mark Raymond Peter Henry  
Delano Wheatley  
Dawn Linsey Wright

Locum Tenens

The Town Clerk reported that the Lord Mayor was unable to preside over this meeting of the Court as he was engaged on an official visit. Accordingly, this day was produced and read in Court a Warrant, signed by the Right Honourable The Lord Mayor, appointing Alderman Ian Luder as Locum Tenens to transact all the business appertaining to the Office of Mayoralty of this City during his absence.

1. Apologies The apologies of those Members unable to attend this meeting of the Court were noted.
2. Declarations There were no additional declarations.
3. Minutes *Resolved* – That the Minutes of the last Court are correctly recorded, subject to an amendment to record the attendance of Alexander Barr, Nicholas Bensted-Smith, and Tracey Graham.

Urgent Action  
Taken: Live-  
streaming of  
Meetings

**Report of Action Taken: Live-streaming of Meetings**

At this point in the meeting, Members were advised that the Lord Mayor had given leave for urgent action taken to be reported to the Court, concerning the live-streaming of meetings.

Since the outset of the Covid-related lockdown, arrangements had been in place for the recording and live-streaming of public meetings, in the interests of transparency. As a question had been raised as to the plans for continued streaming of meetings post 7 October 2021, a decision had been taken under urgency procedures to confirm that such arrangements will continue for the time-being, with the Policy & Resources Committee to consider a report on the matter at its meeting the next week.

*Resolved* – That the action taken be noted.

4. Mayoral Engagements There was no report.
5. Election of Chief Commoner The Court proceeded to elect a Chief Commoner for 2022/23.  
Two valid nominations had been received in accordance with Standing Order No. 18; namely, Simon Duckworth and Ann Holmes.  
  
The Court therefore proceeded, in accordance with Standing Order No.10, to ballot.  
  
The Lord Mayor requested the Chief Commoner and the Chairman of the Finance Committee to be the scrutineers of the ballot.  
  
After the votes had been counted, the results were as follows:-  
  

Duckworth, S.D., O.B.E. D.L.	-	52 votes
Holmes, A.	-	33 votes

  
Whereupon the Lord Mayor declared Simon Duckworth to be elected to the office of Chief Commoner for 2022/23.  
  
Simon Duckworth spoke to thank Honourable Members for their support.
6. Policy Statement There was no statement.

## 7. STATUES WORKING GROUP

**(Douglas Gordon Fleming Barrow, M.B.E.)**

6 September 2021

### **The Future of Statues in the Guildhall**

On 21 January 2021, the Policy & Resources Committee had considered the recommendations of its Tackling Racism Taskforce, which had been tasked to consider what the City of London Corporation currently did to tackle racism in all its forms and to assess whether any further action could be undertaken. The Tackling Racism Taskforce recommended the removal of the statues of William Beckford and Sir John Cass from Guildhall.

Subsequently, it was agreed that a Working Group, reporting directly to the Court, should be established to consider the future of these two statues specifically, located within the Guildhall. The Court of Common Council considered and made appointments to the Statues Working Group at its meeting on 4 March 2021 and, following expressions of interest from the full Court, Policy & Resources did the same at its meeting on 11 March 2021.

The recommendations of the Working Group were now presented to the Court, following consideration of options open to the Corporation in relation to the statues of Sir John Cass and William Beckford, located within the Guildhall.

In reaching its recommendations, the Working Group had been particularly mindful of the need to consider past, present, and future in how it informed the approach to addressing the two items of contested heritage. It was necessary for the Corporation's past and the history of the statues to be fully acknowledged and understood, with present actions reflecting this and future actions to improve diversity and inclusion, in addition to providing educational opportunities, across the City of London and beyond be considered.

The Chair spoke to introduce the report, reflecting on the genesis of the Working Group and the way in which it had sought to fulfil its remit. In particular, he detailed the various options the Group had considered and the rationale or constraints which had impacted the decision in respect of each, culminating in the final proposals. He reiterated the City Corporation's commitment to equality, inclusivity and diversity, and to tackling slavery and racism in all its forms, and observed the fundamental importance of education to this end, which was reflected in the recommendation before the Court.

*Resolved – That:-*

1. The Working Group's proposal that the statues of Sir John Cass and William Beckford be retained in the Guildhall be endorsed, with explanatory plaques or notices being placed alongside them in order to provide contextual information.
2. To further support the above recommendation of the Statues Working Group, the educational activities as set out in paragraph 55 of the report be referred to the relevant committees for further consideration.

8. **POLICY & RESOURCES COMMITTEE  
CULTURE HERITAGE & LIBRARIES COMMITTEE**

**(Deputy Catherine McGuinness)  
(Deputy Wendy Hyde)**

22 September 2021

**Destination City: Strategic Review**

The *Destination City Strategic Review* was a proposed programme of work setting out a renewed vision for the Square Mile to become the world's most attractive destination for workers, residents and visitors.

The Policy and Resources and Culture, Heritage and Libraries Committees had considered that delivery of this renewed vision was vital for stimulating the City's post-Covid recovery. In order to achieve this expeditiously, the Committees presented proposals for streamlined governance of the work programme, identifying the primary Committees with responsibility for overseeing the review and suggestions for wider engagement. The governance proposal aimed to facilitate a fast-paced and agile project that could best equip the City Corporation to swiftly develop an ambitious and long-term plan.

*Resolved* – That proposed strategic review streamlined governance proposals (as outlined at paragraphs 11-15 of the report) be endorsed.

9. **BRIDGE HOUSE ESTATES BOARD**

**(Deputy Dr Giles Robert Evelyn Shilson)**

15 September 2021

**Request for Uplift to the Central Contingency Budget**

The Court considered proposals relating to an uplift to the central contingency budgets held by Bridge House Estates (BHE), so as to enable the BHE Board to meet unforeseen and/or exceptional items that may be identified during the year. This request had been scrutinised and endorsed by the Bridge House Estates Board.

*Resolved* – That the Court of Common Council, in discharge of functions for the City Corporation as Trustee of Bridge House Estates (charity reg. no. 1035628) and solely in the charity's best interests:-

1. Approves an uplift in central contingency budgets of £810,000.
2. Approves the use of currently held contingency budgets of £108,000 as set out within the report.

10. Motions

*Motion* - 'That this Honourable Court notes and supports:

- The United Nations Universal Declaration of Human Rights (UDHR), and related texts in UK law.
- The United Nations Paris Agreement, and related texts in UK law.

This Honourable Court notes that:

- Progress towards the latter cannot be at the expense of the former.

Wheatley,  
M.R.P.H.D.;  
Mayer, A.P.

- This denial of trade-offs in fundamental rights is clear in our Environmental, Social & Governance (ESG) strategy.
- Acts of genocide, slavery and forced labour are breaches of the UDHR.
- The UK Parliament has determined that the Government of the People's Republic of China has engaged in such breaches on the Uyghur people particularly in the province of Xinjiang.

This Honourable Court therefore resolves that the City of London Corporation will:

- Review all direct procurement activity (including our investment portfolio), in light of comprehensive consideration of our ESG strategy, and refrain from any further direct purchase of goods or services from companies located in Xinjiang province until this is concluded.
- Commission the Chair of Policy and Resources to report on these matters to the Common Council at our meeting in January 2022.'

Mark Wheatley spoke to introduce the Motion, urging colleagues to consider the treatment of the Uyghur people in Xinjiang province in the context of the City Corporation's ESG commitments. He reminded Members of the genesis of ESG as a concept, as well as the City's specific undertakings in relation to it, whilst stressing the fundamental indivisibility of the individual aspects of ESG. The relevance of that was particularly pertinent in the context of the Peoples' Republic of China, which he recognised did much good in relation to Environmental matters but, as highlighted by the UK Government amongst others, gave cause for significant concern in respect of the Social element of ESG. He urged support for his Motion that all procurement from Xinjiang province be halted, suggesting that this represented a measured step which spoke to the Corporation's values and allowed for a considered assessment of the position to inform further steps.

The Chair of Policy & Resources spoke to oppose the Motion, urging Members to think very carefully about the implications thereof. Whilst sharing a strong belief in the fundamental importance of the United Nations' Universal Declaration of Human Rights and condemning human rights abuses across the world, she cautioned that this Motion would single out a specific trading partner which UK Government policy prioritised by name for the deepening of financial services relationships, and with whom the world needed to engage on climate challenge, where the City's contribution and connection was already strong. She argued that this Motion could prejudice the City's ability to pursue that important work without any balancing improvement in human rights, adding that the Corporation had already conducted a review of its procurement system and could find no suppliers of goods and services in Xinjiang. The Chair encouraged Members to reject the Motion accordingly and seek to preserve the City Corporation's historic role in championing trade, business, and the City of London.

During the ensuing debate, a Member expressed deep concern at the singling out of one particular nation, commenting that, sadly, the list of countries in which human rights concerns were prevalent was extensive. They questioned the ability and appropriateness of the City Corporation to act as moral gatekeeper for the planet and called for a focus on problems in the City itself, particularly in responding

to the COVID crisis and its effects. Another Member countered that the steadfast refusal of the City Corporation to engage in this topic amounted to a policy of appeasement on behalf of private interests, echoing the words of John Stuart Mill that “bad men need nothing more to compass their ends than that good men should look on and do nothing”, and asked Members to consider their own actions in that context.

Christopher Hayward proposed an Amendment to the Motion, seeking to reflect the range of views held by the Court and identify a solution which balanced the principles expressed by the Motion with the responsibilities of the City Corporation. He cautioned against the Court seeking to take on the responsibilities of the UK Government, as well as the singling out of an individual nation whilst ignoring others, reflecting on the damage that could be accrued through an incoherent approach which would achieve nothing, not least given the lack of procurement activity already identified.

*Amendment* – ‘That the Motion be altered as follows:-

- The addition of the words “wherever they occur” at the end of the fifth bullet point of the Motion, which relates to acts of genocide, slavery, and forced labour.
- The deletion of the sixth bullet point, relating to Parliament.
- The deletion of the subsequent resolution proposed through the seventh and eighth bullet points.
- The addition of a new section replacing those bullet points, which reads as follows:

This Honourable Court therefore believes that the City of London Corporation should continue to:

- Condemn all human rights abuses across the world; and
- Engage in direct and open dialogue with governments across the world to drive up standards of global regulation, leading to a significant improvement in ESG standards.’

During debate on the proposed Amendment, Members raised the following points:-

- Whilst accepting that foreign policy should be set by Westminster, there was a distinct difference in this case, given the recent Chinese sanctions placed on City professionals for undertaking their jobs in relation to investigations concerning China. Given the interests of the Corporation in supporting the Rule of Law and in protecting UK businesses and UK workers’ rights to do their jobs, this moved the issue of China into the remit of the Court and caused it to be a legitimate topic of discussion.
- Another Member reflected on similar sanctions to British Members of Parliament, arguing that the Peoples’ Republic of China would not respond to appeasement and nor would this approach aid the City’s relationship with it. They added that the treatment of the Uyghur people was an egregious human rights abuse which was not comparable to anything going on elsewhere in the

world; thus, singling out the particular instance was appropriate and action should be taken.

- Concern was expressed that there should be any suggestion of a willingness to accept censure, or to self-impose any such limitations, in respect of the freedom of individuals or organisations to criticise China or any other nation.
- A Member reflected on the existence of human rights and corruption concerns in many other nations with whom the City traded, adding that the City's success had always relied to some extent on dealing with other nations with whom it may not share the same morals. Continued engagement with China was clearly in the interests of businesses in the City and Members had a responsibility to their electors to promote City businesses and represent their interests, allowing them to pursue business opportunities.
- Several Members reflected on the lack of impact the Motion would have whilst damaging the ability to influence change, should it be pursued, whilst others urged the fundamental importance of taking a stand and speaking on behalf of the Uyghur people and reflecting commitments made in respect of ESG and Modern Slavery.

*Motion* – That, pursuant to Standing Order No.2, Standing Order No. 12(6) suspended for a period of thirty minutes to enable debate to continue.

Upon the Motion being put, the Lord Mayor declared it to be carried and debate permitted to continue.

Christopher Hayward and Mark Wheatley both then spoke to close debate on the Amendment, summing up their respective positions.

A Division being demanded and granted in respect of the Amendment, there appeared:-

*For the Affirmative – 53*

ALDERMEN

Bowman, Sir Charles  
Edhem, Prof. E.  
Garbutt, J.  
Gowman, A.J., Sheriff  
Goyal, P.B., O.B.E.

Graves, D.A.  
Hailes, T.R.  
Howard, R.P.S.  
Langley, S., O.B.E.

Lyons, N.S.L., Sheriff  
Luder, I.D.  
Parmley, Sir Andrew  
Wootton, Sir David

COMMONERS

Anderson, R.K.  
Barr, A.R.M.  
Barrow, D.G.F., M.B.E.

Edwards, J.E.  
Everett, K.M., Deputy  
Graham, T.

Merrett, R.A., Deputy  
Mooney, B.D.F., Deputy  
Newman, B.P., C.B.E.,  
Deputy  
Packham, G.D.  
Petrie, J., O.B.E.  
Pleasance, J.L.

Bennett, J.A.  
Bennett, P.G.  
Bensted-Smith, N.M., J.P.

Haines, C.W.  
Hayward, C.M.  
Hoffman, T.D.D., M.B.E.

Boden, C.P.	Deputy Hyde, W.M., Deputy	Regan, R.D., O.B.E., Deputy
Bottomley, K.D.F., Deputy	Ingham Clark, J., Deputy	Rogula, E., Deputy
Bradshaw, D.J., Deputy	Joshi, S.J., M.B.E.	de Sausmarez, H.J.
Cassidy, M.J., C.B.E., Deputy	Martinelli, P.N.	Scott, J.G.S., Deputy
Chadwick, R.A.H., O.B.E., Deputy	Mayhew, J.P.	Seaton, I.C.N., M.B.E.
Chapman, J.D.	McGuinness, C.S., Deputy	Wright, D.L.
Clementi, T. C.	McMurtrie, A.S., J.P.	
Duckworth, S.D., O.B.E., D.L.	Mead, W., O.B.E.	

Tellers for the affirmative – Caroline Addy (negative) and Deputy Keith Bottomley (affirmative).

*For the Negative – 23*

COMMONERS

Addy, C.K.	Fentimen, H.L., O.B.E.	Littlechild, V., M.B.E.
Ali, M.	Fernandes, S.A.	Lord, C.E., O.B.E., J.P., Deputy
Ameer, R.B.	Fletcher, J.	Mayer, A.P.
Bell, M.L.	Fredericks, M.B.	Quilter, S.D.
Bostock, M.	Haines, Revd. S.D.	Simons, J.L., O.B.E.
Dostalova, K.	Harrower, G.G.	Tomlinson, J., Deputy
Dunphy, P.G., Deputy	Holmes, A.	Wheatley, M.R.P.H.D.
Durcan, J.M.	Hudson, M.	

Tellers for the negative – Deputy Jamie Ingham Clark (affirmative) and Munsur Ali (negative).

Upon the results of the Division being announced, the Lord Mayor declared the Amendment to be carried.

Debate proceeded on the substantive Motion as amended.

Deputy Edward Lord spoke to suggest that one root cause of the Court's divisions on matters such as this was the lack of an agreed statement of ethical policy, adding that the existence of such a document would go some considerable way towards helping to resolve such tensions. Having consulted with the Mover of the substantive Motion before the Court this day, as well as the Mover of the Amendment just approved, they now proposed a further Amendment in relation to this.

*Amendment* – 'That the Policy and Resources Committee be invited to return to the Court in 2022 with a draft statement of the Corporation's Ethical Policy in respect of procurement, investment, and international engagement.'

Lord, C.E., O.B.E.,  
J.P., Deputy; Addy,  
C.K.

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



The twice-amended Motion now being before the Court, Members proceeded to vote.

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

*Resolved* – That this Honourable Court notes and supports:

- The United Nations Universal Declaration of Human Rights (UDHR), and related texts in UK law.
- The United Nations Paris Agreement, and related texts in UK law.

This Honourable Court notes that:

- Progress towards the latter cannot be at the expense of the former.
- This denial of trade-offs in fundamental rights is clear in our Environmental, Social & Governance (ESG) strategy.
- Acts of genocide, slavery and forced labour are breaches of the UDHR wherever they occur.

This Honourable Court therefore believes that the City of London Corporation should continue to:

- Condemn all human rights abuses across the world.
- Engage in direct and open dialogue with governments across the world to drive up standards of global regulation, leading to a significant improvement in ESG standards.

This Honourable Court therefore invites the Policy and Resources Committee to return to the Court in 2022 with a draft statement of the Corporation's Ethical Policy in respect of procurement, investment, and international engagement.

## 11. Questions

### **Barbican Renewal**

Bostock, M. to  
the Chair of the  
Barbican Centre  
Board

Mark Bostock asked a question of the Chair of the Barbican Centre Board concerning the Barbican renewal programme and engagement with the residential community.

Responding, the Chair emphasised that the Barbican Centre's location at the heart of the Barbican Estate was at the forefront of his mind as work on the Renewal project began, advising that Barbican officers had met with the Chair of the Barbican Residents' Association in advance of the publication of the brief and would be undertaking a significant programme of engagement with Barbican estate residents to ensure their views were taken into account. This would be essential to fulfilling the ambition of the brief to deliver 'a sustained programme of outreach and engagement to co-design spaces that meet the needs of local communities', which would naturally include Barbican estate residents.

The Chair added that the initial design brief also highlighted the ambition to 'preserve and respect the complex's architectural vision', alongside referencing the Barbican Centre's development as part of the Barbican Estate. The Centre viewed the consistency of design and relationship between the Barbican Centre and

Barbican Estate as essential to this architectural vision, and would be emphasising this to shortlisted teams in advance of their tender submissions.

In closing, the Chair expressed his belief that the Renewal project had the potential to significantly benefit all residents of the Barbican Estate, and he looked forward to discussing and consulting on plans with residents as the project developed. Responding to a supplementary question from Mark Bostock, the Chair reiterated his enthusiasm for engagement with residents on the matter.

Following an additional supplementary question from Deputy Edward Lord, the Chair made reference to the deeply concerning issues raised through the recent Barbican Stories publication. He outlined the significant activity being undertaken to address this, including a thorough review of all HR policies and procedures; however, he recognised that the Centre's actions had not been good enough historically and it was important to recognise this and do everything possible to rectify the position now.

### **India Engagement and Member Involvement**

Rehana Ameer asked a question of the Chair of Policy & Resources concerning the City Corporation's engagement with India and the opportunity for Member involvement.

In reply, the Chair made reference to the Corporation's international market strategy, which itself was a key component of the Competitiveness Strategy. This had been approved in July 2021 and India was one of two high-growth markets where the Corporation operated a significant programme of activity. The Corporation's India engagements were led by the Lord Mayor and the Policy Chair, primarily, with Members are kept up to date via the monthly Member' Briefing and through readouts of the Lord Mayor's visits programme. The last visit by the Lord Mayor visit took place virtually in November 2020, while the Chair herself had last conducted a virtual visit to India in July 2021. The Chair also touched on recent efforts such the CFLI-India partnership with Bloomberg, Tata Group, Macquarie Group, and the Global Infrastructure Facility, to catalyse investment into India's green infrastructure sector.

Reference was also made to the regular Member deep-dives on sectors and markets, which were ideal opportunities to extract Member input into these strategies. The Chair strongly encouraged participation at these sessions and also urged any interested Member to relay any insight or idea to her directly in between sessions.

Following a supplementary question from Rehana Ameer, the Chair observed that it was a matter for the Policy & Resources Committee to consider how best it managed engagement with particular markets through its relevant strategies. She encouraged the Honourable Member to raise suggestions at meetings of that Committee so that they might be looked into in more detail with the assistance of officers, who could add further detail and insight.

12. 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: -

<b>His Excellency Khaldoon Khalifa Al Mubarak</b> <i>The Rt. Hon The Lord Mayor</i> <i>Ald. Vincent Keaveny</i>	a Chief Executive Officer  <i>Citizen and Solicitor</i>	Abu Dhabi, United Arab Emirates
<b>Stephen Voyager Beresford</b> <i>The Rt. Hon The Lord Mayor</i> <i>Hilary Ann Russell</i>	a Writer  <i>Citizen and Farmer</i>	Battersea, London
<b>Ann Christine Bessey</b> <i>Ann-Marie Jeffreys</i> <i>Anne Elizabeth Holden</i>	a Principal Quality Engineer, retired <i>Citizen and Glover</i> <i>Citizen and Basketmaker</i>	Bilton, Warwickshire
<b>Mark Christopher Bowden</b> <i>Steven George Pennell</i> <i>Graham John Peacock</i>	a Bank Manager, retired <i>Citizen and Carmen</i> <i>Citizen and Loriner</i>	Paddock Wood, Kent
<b>Roderick Keith Ogilvy Bremner</b>  <i>The Rt. Hon The Lord Mayor</i> <i>Christopher Michael Hayward, CC</i>	a Comedian and Impressionist  <i>Citizen and Pattenmaker</i>	Faringdon, Oxfordshire
<b>Katherine Jane Bygrave</b>  <i>Norman Edward Chapman</i> <i>Tony Gabriel Willens</i>	a Learning Project Officer  <i>Citizen and Glover</i> <i>Citizen and Poulter</i>	Milton Keynes, Buckinghamshire
<b>Daniel Francis Dwyer</b> <i>Vincent Dignam</i> <i>John Paul Tobin</i>	a Company Director <i>Citizen and Carman</i> <i>Citizen and Carman</i>	Uxbridge, Middlesex
<b>Charles Richard Edwards</b> <i>Peter Hubert William Ruddy</i> <i>Melvyn Stuart Davis</i>	a Compliance Officer <i>Citizen and Bowyer</i> <i>Citizen and Bowyer</i>	Maldon, Essex
<b>Robert William Mumford Flavin</b>  <i>Victoria Elizabeth Russell</i> <i>Deputy Philip Woodhouse</i>	a Communications Company Managing Director <i>Citizen and Arbitrator</i> <i>Citizen and Grocer</i>	Bere Ferrers, Devon
<b>Jack William Alexander Francois</b> <i>Brian Derek Francois</i> <i>Christopher Thomas Albrow</i>	a Police Officer  <i>Citizen and Wheelwright</i> <i>Citizen and Wheelwright</i>	Swanley, Kent
<b>Emma Mevagh Glyn</b> <i>The Rt. Hon The Lord Mayor</i> <i>Ald. Sir Charles Edward Beck</i> <i>Bowman</i>	a Private Equity Officer  <i>Citizen and Grocer</i>	Wandsworth, London
<b>George Edward Godfrey</b>  <i>Shravan Joshi</i> <i>Ald. Prof. Michael Raymond</i> <i>Mainelli</i>	a Chartered Accountant and Civil Servant <i>Citizen and Fueller</i> <i>Citizen and World Trader</i>	Hammersmith, London

<b>Ethan Gorsuch-Browne</b> <i>Felipe Gorsuch-Browne</i> <i>Melvyn Helia Gorsuch-Browne</i>	an Accounts Assistant <i>Citizen and Cooper</i> <i>Citizen and Cooper</i>	Brentwood, Essex
<b>Olga Romana Harper</b> <i>Roger Alan Harper, MBE</i> <i>Judy Senta Tayler-Smith</i>	an Employment Judge, retired <i>Citizen and Basketmaker</i> <i>Citizen and Upholder</i>	Portishead, Somerset
<b>Thomas Hedley Fairfax Harwood</b> <i>Deputy Thomas Sleigh</i> <i>Andrew Paul Mayer</i>	a Journalist and Political Commentator <i>Citizen and Common Councilman</i> <i>Citizen and Common Councilman</i>	Vauxhall, London
<b>Jennifer Ann Hastings</b> <i>Ann Marie Blackburn</i> <i>Graham Williams</i>	a Headteacher, retired <i>Citizen and Apothecary</i> <i>Citizen and Painter Stainer</i>	Bromley, Kent
<b>Mujibul Islam</b>  <i>Ald. Sir David Wootton, Kt.</i> <i>Ald. Vincent Keaveny</i>	a School Teacher  <i>Citizen and Fletcher</i> <i>Citizen and Solicitor</i>	Bromley-by-Bow, London
<b>Ann Kenrick, OBE</b>  <i>The Rt. Hon The Lord Mayor</i> <i>Hilary Ann Russell</i>	The Master of the Charterhouse  <i>Citizen and Farmer</i>	Charterhouse Square, City of London
<b>Meher Taj Khan</b> <i>Frederick Joseph Trowman</i> <i>David Robert Boston</i>	a Charity Worker (retired) <i>Citizen and Loriner</i> <i>Citizen and Gold &amp; Silver Wyre Drawer</i>	Barkingside, London
<b>Richard Matthew Killmister</b>  <i>Ann-Marie Jeffreys</i> <i>Anne Elizabeth Holden</i>	a Technical Account Manager  <i>Citizen and Glover</i> <i>Citizen and Basketmaker</i>	Farnborough, Hampshire
<b>Jeremy Richard Bruce King, OBE</b>  <i>The Rt. Hon The Lord Mayor</i> <i>Hilary Ann Russell</i>	a Restaurant Group Chief Executive Officer  <i>Citizen and Farmer</i>	Westminster, London
<b>Marcus Andrew Le Grice</b> <i>The Rt. Hon The Lord Mayor</i> <i>Hilary Ann Russell</i>	an Investment Banker  <i>Citizen and Farmer</i>	Putney, London
<b>Hugo Richard Shaw</b> <i>Ann-Marie Jeffreys</i> <i>Jeremy Christopher Charles Cross</i>	an Operations Director <i>Citizen and Glover</i> <i>Citizen and Insurer</i>	Brighton, Sussex
<b>John James Moore St John</b>  <i>The Rt. Hon The Lord Mayor</i> <i>Hilary Ann Russell</i>	a Financial Advisor  <i>Citizen and Farmer</i>	Hildenborough, Kent
<b>Paul Dominic Vail</b> <i>The Rt. Hon The Lord Mayor</i>	a Banker	Wixoe, Suffolk

*Hilary Ann Russell**Citizen and Farmer***Lt. Col. Desiree Wineland**

a Chief Executive Officer

Dallas, Texas, USA

*Teresa Wickham**Citizen and Farmer**Richard Tuffon**Citizen and Butcher*

Read.

*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.

13. Letter A letter of the Lord Mayor Elect, declaring his assent to take upon himself the Office of Lord Mayor, was received.
14. Draft Vote of Thanks, outgoing Lord Mayor Deputy Giles Shilson, for the Ward of Bread Street, read the draft terms of a vote of thanks to the Right Honourable The Lord Mayor, which was intended to be Moved formally at the next meeting of the Court.
15. 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 Coronavirus Act 2020 (Residential Tenancies and Notices) (Amendment and Suspension) (England) Regulations 2021 No. 994**

30 September 2021

In order to protect tenants during the pandemic, the Coronavirus Act 2020 provided that during the “relevant period” landlords are, in some circumstances, required to provide a longer period of notice of intention to claim possession of housing let under various specified types of tenancy. These Regulations extend the “relevant period” by amending the end date of 30th September 2021 to 25th March 2022. The Regulations also suspend the operation of some provisions of the Act, with the effect that the required periods of notice in respect of relevant tenancies revert, from 1st October 2021, to the pre-pandemic periods of notice, whilst the flexibility to impose longer periods of notice, if necessary, is retained until 25th March 2022.

**The Alcohol Licensing (Coronavirus) (Regulatory Easements) (Amendment) Regulations 2021 No 1049**

16 September 2021

These Regulations amend the Business and Planning Act 2020, which made temporary modifications to the Licensing Act 2003 in response to the Coronavirus pandemic. The modifications provide automatic extensions of premises licences that only permit sales of alcohol for consumption on

the premises (“on-sales”) to allow sales of alcohol for consumption off the premises (“off-sales”). They also apply temporary conditions to licences where there is a pre-existing permission for off-sales, to enable those premises to operate in the same ways as those granted the new permission. These Regulations extend the end of the period of application of these modifications from 30 September 2021 to 30 September 2022.

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

Read.

16. Hospital Seal There were no docquets for the Seal.
17. Awards & Prizes There was no report.
18. Resolutions There were no resolutions.
19. *Resolved* – That the public be excluded from the meeting for the following item of business below on the grounds that it involves the likely disclosure of exempt information as defined in Paragraph 3 of Part 1 of Schedule 12A of the Local Government Act, 1972.

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

20. **Policy and Resources Committee**  
The Court approved proposals relating to the Markets Co-location Programme and the deposit of a Private Bill.
21. **Finance Committee**  
The Court approved proposals relating to the annual pay award for Museum of London staff.
22. **City of London Police Authority Board and Establishment Committee**  
The Court approved the creation of a Grade I post.

**The meeting commenced at 1.00 pm and ended at 3.18 pm**

**BARRADELL.**

## Referral to the Court of Common Council pursuant to Standing Order 9(4)(a)

115-123 Houndsditch, London EC3A 7BU

*To be presented on Thursday, 9<sup>th</sup> December 2021*

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

### **BACKGROUND TO REFERRAL**

1. On 16 November 2021, your Planning and Transportation Committee agreed, by eleven votes to six, to grant planning permission for proposals for 115-123 Houndsditch – specifically, the demolition of existing buildings and construction of a new building comprising four basement levels (plus one basement mezzanine), ground floor plus 23 upper storeys, including office use (Class E), flexible retail/café use (Class E); community space (Sui Generis), ancillary basement cycle parking, servicing and plant; new public realm and highway works; and other works associated with the development.
2. Subsequently, the provisions of Standing Order No.9(4) were invoked. This involved 28 Members of the Court of Common Council requesting that the report of the Planning and Transportation Committee be referred to the Court. No action will be taken to implement the Committee’s decision until such time as the Court has considered the matter.

### **The terms of the referral are as follows: -**

3. *"In accordance with Standing Order 9(4)(a), we the undersigned members give notice of the referral to the Court of Common Council, for decision at its meeting on 9 December 2021, of the report under agenda item 4 (115-123 Houndsditch, London EC3A 7BU) of the meeting of the Planning and Transportation Committee on 16 November 2021."*

### *Signatories to the Referral, pursuant to Standing Order 9 (4) (a):-*

Munsur Ali	Christopher Hill
Rehana Ameer	Deputy Henry Jones
Randall Anderson	Vivienne Littlechild
Adrian Bastow	Natasha Lloyd-Owen
Matthew Bell	Jeremy Mayhew
Mark Bostock	Wendy Mead
Deputy David Bradshaw	Deputy Barbara Newman
John Chapman	Susan Pearson
Helen Fentimen	William Pimlott
John Fletcher	Henrika Priest

Marianne Fredericks  
Alderman Prem Goyal  
Revd. Stephen Haines  
Graeme Harrower

Jason Pritchard  
Stephen Quilter  
Deputy John Tomlinson  
Mark Wheatley

### **Appendices**

1. Report and Background Papers of the Chief Planning Officer and Development Director to the 16 November 2021 meeting of the Planning and Transportation Committee : [Published Here \(see Agenda Item 4 - pages 25 - 250\)](#)
2. Addendum to Report: [Published Here](#)
3. Second Addendum to Report: [Published Here](#)
4. Officer Presentation Slides: [Published Here](#)
5. Objector Presentation Slides:
  - a) Mr Mark Lemanski – Resident, Petticoat Square: [Published Here](#)
  - b) Mr Roger Way – Chairman of the Middlesex Street Resident’s Association: [Published Here](#)
6. Draft Minutes of the 16 November 2021 meeting of the Planning and Transportation Committee: [Published Here](#)

*Hard copies of the appendices are available on request.*



# Report – Policy & Resources Committee

## Governance Review: Committee Structure

*To be presented on Thursday, 9<sup>th</sup> December 2021*

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

### **SUMMARY**

In late 2019, the City Corporation commissioned a comprehensive Governance Review. This was to be undertaken independently and Robert Rodgers, The Lord Lisvane, was appointed to conduct the Review. The Review's findings indicated that the Corporation's structures were too complex, with its decision-making too slow; questions of corporate endeavour were also raised.

In response to the Review, an informal engagement process has been undertaken, through which Members have been consulted extensively in relation to all the recommendations therein. Through the debate and consideration emerging, a number of immediate changes have already been made, such as the introduction of a new Standards Regime. This report now presents proposals emerging on the overall structure and business cycle for the committees of the Court of Common Council, for Members' consideration.

Should all the proposals within the report be adopted, the overall number of bodies within the formal committee structure would be decreased from the 135 identified by the initial Governance Review down to 78. Further efficiencies are also intended thereafter, as annual review processes (coupled with limitations on the establishment of new bodies) lead to continuous options for greater rationalisation; equally, a number of the existing bodies are time-limited or proposed for review at future points.

The proposed changes to the committee processes and structure are anticipated to result in significant organisational efficiencies, not least due to the removal of duplication of process and the realigned focus of committee decisions. However, this needs to be accompanied by appropriate delegations, to ensure that the balance of reporting to committees is correct and allows for the optimal level of Member scrutiny and decision-making. A separate report proposing amendments to the Scheme of Delegations has been prepared as a consequence, and further reviews of the Projects Procedure and Procurement thresholds are also underway.

In keeping with good practice, it is also strongly recommended that a Post-Implementation Review take place at a suitable point after any new arrangements are implemented. Inevitably, there will be changes which work well and which Members may wish to extend, or changes which have not worked as intended and need to be revisited or amended. Consequently, an opportunity to revisit the arrangements in a relatively light-touch yet methodical fashion will provide an important step in ensuring any arrangements are right for the longer-term.

## **Recommendations**

That Members:-

1. Note the proposals made in relation to the Committee structure through the initial Review of the City Corporation's Governance (Appendix 4).
2. Consider the proposed responses to the initial Governance review recommendations as summarised in Appendix 2 and detailed within the body of this report.
3. Consider the proposed Committee Structure and amendments to governance processes as set out in this report.

## **MAIN REPORT**

### **Background**

1. In September 2019, the Policy and Resources Committee proposed the undertaking of a comprehensive Governance Review of the City Corporation. Robert Rodgers, The Lord Lisvane, was appointed to conduct the Review.
2. The Committee received the Review in September 2020 and determined that the many proposals should be considered in a structured way in the coming period, with Members afforded sufficient time to read and consider the content and implications. It was noted that the recommendations were far-reaching and wide-ranging and it would be for Members to consider how far they were appropriate and which should be taken forward. It was also agreed that it would be of the utmost importance to ensure that the process provided for all Members of the Court to continue to have the opportunity to input and comment on the Review. To that end, a series of informal Member engagement sessions were arranged to afford all Members opportunities to express their views on the various aspects of the Review.
3. Members considered the section of the Review concerning the Standards Regime (Section 8) first, resulting in the Court ultimately agreeing to a new set of arrangements in January 2021 and an Independent Panel being appointed. Similarly, the Court has already come to conclusions in respect of the Competitiveness agenda (Section 5) and, separately, Bridge House Estates. Planning arrangements are also under discussion elsewhere, and are due to come back to Planning & Transportation Committee in the first instance in the coming weeks.
4. Whilst the various areas of the Committee Structure were also broken down into more manageable sections for the purposes of consultation and engagement, Members were mindful that consideration of the whole should be taken together, given the interdependencies and interconnected nature. To that end, the Policy & Resources Committee considered first a number of overarching principles (as recommended in the Review) and has now asked for the outcomes of the various engagement sessions on the wider committee structure piece to be drawn together, for consideration in the round. In the interests of digestibility, the

breakdowns used during the Member Engagement process are replicated in the format below:-

- General Principles
  - Corporate Committees
  - Service Committees
  - Statutory Committees
  - Educational and Cultural Institutions
  - Open Spaces
5. Given the volume of recommendations made, this paper does not address each in turn directly in the interests of readability. However, two summary tables are set out at Appendix 2 for the sake of completeness, clarity, and reference. The first collates the individual recommendations for consideration set out in this report, whilst the second lists each of the recommendations made by Lord Lisvane in his initial Review (in summary form), with corresponding paragraph reference, and a summary of the emerging response to each (or alternative arrangements put forward).

### **General Principles**

6. Throughout his submission, Lord Lisvane set out his view that the current committee system is not fit for purpose, having noted a significant amount of criticism relating to this during his review. He cites, in particular, three previously identified issues, the addressing of which will be vital in any new approach:
- the number of committees
  - the practice of multiple committees' involvement in a single issue, and
  - the sequencing of these meetings, resulting in unnecessary delays.
7. Through Members' discussions and submissions, the following proposals have emerged by way of addressing these issues:-
- **Number of Committees:** Whilst the Review will bring overall numbers down, the function and performance of the various bodies should be more the focus than the number thereof. Notwithstanding this, once restructured, robust mechanisms are required to prevent the future proliferation of new bodies.

It is proposed, therefore, that the creation of any sub-committee or working party shall, in future, be subject to the submission of a business case to the Policy & Resources Committee, outlining the justification, resourcing requirements, life expectancy / sunseting arrangements, and clear terms of reference.

- **Multiple involvement of Committees:** A consistent cause for concern has been the number of bodies from which approval must be sought for some items, particularly where they are cross-cutting or new areas of work. This can add considerable confusion, delay, and contradiction in approvals, as

Members strive to offer comment from different perspectives / areas of responsibility and officers seek to serve several masters. It is a significant contributor to the assessment of the Corporation's decision-making processes as slow or sclerotic, whilst also meaning accountability becomes diffuse and workstreams are not grasped firmly on occasion.

Members' observations have identified that there are several actions needed in concert to address this problem, viz.:-

- **Greater control over Terms of Reference:** Greater control and oversight is needed in respect of committee and sub-committee terms of reference, as changes can often be subject to political compromise, or arise through discussion without sufficient thought able to be given as to implications. The current cycle and process by which changes are proposed and submitted means Policy & Resources either receives very little time to consider them, or takes them in isolation and is unable to assess contextual implications of proposed changes. Similarly, changes to sub-committee ToRs are often undertaken in isolation and this can lead to a lack of corporate awareness and unexpected implications for the sequencing of business. It is, therefore, proposed that revising the annual cycle of the review of Terms of Reference to provide more time will go some distance towards addressing this, as will requiring written submissions making the case for the change. This will be vital to improving clarity and minimising overlap of responsibility – the latter being one reason why papers often go to so many bodies and decision-making can be slowed. The process will also allow for existing areas of overlap to be addressed as they become apparent, providing for an annual process of review and improvement as the new structure embeds.
- **Limits on numbers of Committees considering items:** Even with greater control of Terms of Reference, there will undoubtedly continue to be many cases where items cut across many areas of responsibility. One example is the Sport Engagement Strategy, which went to some eleven committees in sequence: this cannot be conducive to either good or efficient governance.

Several Members have proposed a hard limit on the number of Committees which might consider an item, as a way to obviate this difficulty. However, it is clear that an alternative mechanism of wider Member engagement would be fundamental to any such approach being effective and facilitating sufficient scrutiny.

One proven approach could be that adopted by the European Parliament whereby a specific committee(s) is identified as holding primary responsibility for decision-making and then other committees with interest are circulated the paper and asked to submit their opinion ahead of the primary committee considering the matter. This would need some tweaking to fit the Corporation's arrangements – one committee would be inappropriate in many cases, given the need to take on board both service and corporate committee views – but the principle of having a designated approving committee, whilst others with a lesser stake play a key role in scrutinising and offering opinion in advance (albeit on a more informal basis) is sound.

It is, therefore, proposed that – other than in exceptional circumstances – all reports be subject to approval by a maximum of one ‘corporate’ committee, one ‘service’ or ‘institutional’ committee, and one relevant sub-committee (together with the Court of Common Council if the matter is of significance enough to breach the thresholds specified by Standing Orders). For instance, a project seeking to take a loan to extend the Freeman’s School Main House would go to that Board as the service committee, the Projects Sub-Committee to consider the project mechanics, and Policy & Resources to approve the loan.

The most appropriate committee in each instance shall be identified by the Town Clerk and the Chairs of the relevant committees notified to provide an opportunity for any objection and reappraisal, in which case the final judgment of the Lord Mayor and Chief Commoner shall be sought. The relevant report shall then be circulated to those affected committees where opinion is sought, with a period provided for responses. These will then be collated and submitted to the decision-making committees, to inform their ultimate deliberations. The Chairs of those committees would also invited to attend the decision-making meeting(s) to represent their committee’s views.

This will both require and foster greater discipline in the planning and preparation of cross-cutting reports, which provides a further benefit in raising corporate awareness of emerging strategies and initiatives.

The provisions of Standing Order No.9(4) will also remain as a safeguard, thereby providing an opportunity for Members to bring the relevant item before the Court for consideration, should it be felt that the process is insufficient on any occasion.

- **Sub-Committees:** one potentially complicating factor in both sequencing and the multiplicity of committees involved in decision-making is the role played by sub-committees. In many cases, Grand Committees have created dedicated subs to facilitate greater and more focused consideration of particular items, which is to be welcomed. However, it is also true that, in many cases, these sub-committees are then provided with limited (if any) power to act and so represent an additional stage in the approvals process; the sub-committee having been established to consider in detail, recommendations are normally then simply “rubber-stamped” in practice by the Grand Committee, resulting in unnecessary delay in approvals. Notwithstanding this, though, there is a welcome opportunity for additional scrutiny and sense-check provided, so some sort of similar arrangement would remain welcome. If committees were encouraged to delegate power to act to their sub-committees in certain areas, this could speed up the decision-making process significantly, whilst providing a call-in facility within Standing Orders for the grand committee to revisit decisions within a specified timeframe would also provide a safeguard. An additional benefit is that, as the grand committee can make decisions on behalf of the sub-committee (as the parent body), it provides a secondary opportunity for formal Member decision-making in the event of sequencing issues. (By way of example, RASC items which miss deadlines often go direct to P&R, rather than urgency).

- **Sequencing:** A related problem in decision-making pace is the sequencing of meetings, whereby the timing of meetings falls such that there can be several weeks between a service committee, corporate committee, or a relevant sub-committee, thereby adding a significant window to approval periods. Having every committee meet more frequently to provide greater opportunities cannot be the answer; therefore, alternatives must be explored.

Part of the problem with current sequencing arrangements is that they are predicated on long-standing arrangements or precedence, or have had changes to cycles made at particular points in time which mean they are obliged to “fit in” with other arrangements, rather than a fresh view being taken of the overall arrangements and adjustments made accordingly.

A more fixed committee cycle, set several years ahead and with firmer rules on meeting dates, would allow for a clearer flightpath on submission dates. By way of example, it is almost always the case under the current system that Policy & Resources meets on a date that facilitates the latest possible submission of reports on to the Court, so as to allow for any delay in approval of major items to be minimised. Sequencing other corporate committees in the same window, with service committees in the window immediately prior, would allow for a natural progression of items; equally, officers looking ahead at submission timescales would have absolute clarity on process and find it exceedingly difficult to justify operating outside of those arrangements.

The downside of this arrangement would be that it would provide decreased latitude for Chairs to change meeting dates to accommodate their schedules (although that is not to say there would be no flexibility within available windows, of course). However, the greater advance notice of dates would, it is hoped, off-set this to a large degree.

- **Delegated Authority arrangements:** Where sequencing issues cannot be avoided, there is greater scope for the use of the delegated authority mechanisms in a more inclusive and transparent fashion. If the Committee is aware of an imminent report which cannot await the next meeting, there should be a greater use of e-mail to provide sight of such items to Committee Members and seek comments, so as to inform the Chair and Deputy Chair’s final view via the consultation arrangements (and the subsequent decision). The comments received, where a public report, can be collated and fed into the usual public report of action taken, so as to provide as much transparency as possible.

8. The above proposals aside, emerging from Members’ views on other recommendations on general restructuring principles are the following key proposals:-

- **Agendas and “information” items** – On almost every agenda there are, at present, large numbers of “for information” items. This is particularly acute for Grand Committees such as Policy & Resources, where the minutes of multiple sub-committees are received for information alongside reports for information, resulting in an accumulation a significant volume of additional pages and items for Members to process but where no decision or discussion, is required.

At the same time, many of the “for information” items are matters where strategic input or guidance is sought but, due to the labelling system for reports, can be missed or it is not immediately apparent where this is the case. During the Governance Review engagement process, it was often observed that this resulted in a lack of focus on relevant items and means that Members are not provided with sufficient aid to help identify quickly where the Committee’s time should be focused.

To that end, and in-line with Members’ suggestions emerging through the engagement process, it is proposed that committees move to a three-tiered arrangement for reports: *For Decision*, *For Discussion* (i.e. those information items where debate should be focused), and *For Information* (i.e. those which are simply to be noted or received in accordance with requirements and where there is to be no discussion at the meeting unless prior notice is provided or the leave of the committee is sought).

Allied to this, all strictly “for information” items should be removed from the primary agenda pack and created as a supplementary agenda. This pack would continue to be published online and received by the committee, but could be considered “*en bloc*” by the committee in session, without discussion. This builds on the good practice adopted at various points by the Barbican Centre and Guildhall School Boards, where information items are so marked. There may, of course, be occasions where a specific information item merits further discussion due to emerging or unforeseen issues, so there will be the provision Members to provide prior notice to open an item for wider discussion within the meeting, or to seek the leave of the Committee at the meeting itself should something occur at a late stage.

- **Workplans** - It is also suggested that workplans (i.e., forward agenda plans) should be implemented as a matter of course for every Grand Committee, so as to provide greater visibility not just to the Committee but also to other Members and officers across the organisation as to what issues are anticipated to be under consideration in the coming period. This will allow for improved awareness and co-ordination across the organisation as to emerging issues and considerations, which will go towards addressing issues of silo working and corporate endeavour identified in the Review.
- **Minutes and reports** - Whilst a suggestion that committee minutes should become more condensed or streamlined (compared to current arrangements) received general support, it was felt there still needed to be a reflection of the broad differences of opinion expressed, representing the balance of views sensibly (rather than simply recording decisions). For certain areas, minutes would also need to remain fuller to comply with various inspection regimes. Court minutes should continue in their current format. Similarly, renewed efforts should be made to improve the quality of report writing, making them more concise and with clearly identified decisions and options for Members.
- **Scheme of Delegations** – There was widespread support for a review of the Scheme of Delegations and the thresholds therein, as the balance was not optimal in many cases. This resulted either in issues of minor import taking up significant officer and committee time and routine business being delayed, or, conversely, major items not being afforded sufficient scope for review and

discussion at committee. In view of the scale of activity required to present proposals on recalibration of the Scheme, all Chief Officers are currently contributing to revised proposals to be brought forward for Member engagement and consideration. Dependent on the decisions taken, these may well allow for further efficiencies within the committee structure as the business presented to existing sub-committees can be re-absorbed by grand committees, when pitched at a more appropriate level. A suitable mechanism to ensure reporting to committees on actions taken under these increased delegations should also be introduced, to ensure Member oversight. Such mechanisms already exist in some committees, so could be replicated.

One of the key elements of this is likely to be the thresholds set in the separate but related Projects Procedure and Procurement Strategy. In several cases, thresholds have not been adjusted for several years and so do not reflect changes in the value of money, nor constitute an appropriate setting of thresholds, given the usual costs of regular low-level projects. Work is underway to present more appropriate arrangements, including the removal of routine procurement from the Gateway Process.

- **Standing Orders** – Equally, it was recognised that Standing Orders in their current format have suffered from accretion and piecemeal review over the years, with inconsistencies or areas where clarity is lacking. Self-evidently, many of the changes required will be dependent on decisions made around the committee structure and the scheme of delegations; therefore, it is proposed that a thorough review be undertaken to present a new and refreshed document. This process will also consider the various recommendations set out in paragraphs 147 to 174 of the Review.
- **Term Limits** - On the question of term limits, there were a range of views, with it ultimately felt that they were clearly essential in those areas where there was a statutory or regulatory expectation to have them, or where there was a lack of obvious turnover in membership; however, they were not necessarily always appropriate for all committees.

Through subsequent discussion at the informal Court meeting on 11 November, a majority of those present indicated a desire to revisit this issue and supported the imposition of term limits across the board (with terms frozen during service as Chair). The Policy & Resources Committee considered this on 18 November but felt that, on balance, the requirement for regular re-election by the Court served a similar purpose and that body's ultimate sovereignty in the matter should be retained.

- **Multiple Memberships** - Similarly, whilst there was in-principle support for reducing the numbers of committees one might serve on, this would need to be handled carefully so as not result in an abundance of vacancies, as well as facilitating the clear benefits of cross-pollination of service on various committees.

Continued use of the ability to waive service limitations once a vacancy has been open for a certain period was suggested as being prudent. To that end, it is proposed that the limit on memberships be decreased from 8 to 6; however, the existing practice whereby this limit be waived when a vacancy is advertised more than twice should continue.



Whilst some consideration was given to whether service on some committees should automatically disqualify a Member from service on another, it was felt on balance that the benefits of cross-pollination, together with the clear responsibilities on Members around the disclosure of interests and managements of conflicts, meant that this was neither necessary nor appropriate.

- **Chair and Deputy Chair arrangements** – Regarding the automatic right for outgoing Chairs to take up the Deputy Chair role, Members felt on balance that this should be a matter for the committee to determine in each instance. In some cases there was a clear value to this handover process and continuity, whereas in others, it could be seen differently; ultimately, Members felt that the democratic approach would be preferable and the outgoing Chair should be eligible to stand as Deputy Chair, but be required to be elected. There was no support for making all Chair's terms a consistent length, as there were logical reasons for differences in particular cases.

## **COMMITTEE STRUCTURE: SUMMARY**

9. The sections below outline the emerging views or consideration in relation to the various proposals advanced by the initial Governance Review. However, by way of summary, an overarching analysis of the proposals and implications on the various current committees is as follows:-

- *Audit and Risk Management Committee*: No change.
- *Barbican Centre Board*: No change.
- *Barbican Residential Committee*: Abolition, with creation of new Housing Committee, with dedicated regular meetings for BRC matters. (This would also be supplemented by the establishment of a Barbican Consultation Group for enhanced and dedicated consultation.
- *Board of Governors of the City of London Freeman's School*: Review of composition with reduction in the number of Common Council representatives (with suitable financial control / veto powers worked into the terms of reference).
- *Board of Governors of the City of London School*: Review of composition with reduction in the number of Common Council representatives (with suitable financial control / veto powers worked into the terms of reference).
- *Board of Governors of the City of London School for Girls*: Review of composition with reduction in the number of Common Council representatives (with suitable financial control / veto powers worked into the terms of reference).
- *Board of Governors of the Guildhall School of Music and Drama*: Review of composition with reduction in the number of Common Council representatives

(with suitable financial control / veto powers worked into the terms of reference).

- *Bridge House Estates Board*: This was established as part of a parallel piece of work and follows the abolition of the City Bridge Trust Committee.
- *Capital Buildings Committee*: To cease being a Grand Committee and become a sub-committee of Policy & Resources, with delegated powers to act.
- *City of London Police Authority Board*: No change.
- *Community & Children's Services Committee*: Removal of Housing function to create new Housing Committee.
- *Crime and Disorder Scrutiny Committee*: No change, although a review of composition and commencement of annual meeting cycle required.
- *Culture, Heritage and Libraries Committee*: No change, other than Benefices Sub to be removed and form part of new Civic Affairs Sub-Committee.
- *Education Board*: No change to main Board, although Charity Sub-Committee to be abolished (pending formal submission of proposals).
- *Epping Forest & Commons Committee*: No change bar arrangements for local administration of consultative committees.
- *Establishment Committee*: Prospective name change to "Corporate Services Committee"; proposed joint new Equity, Diversity & Inclusion Sub-Committee (with P&R).
- *Finance Committee*: Transfer of Digital Services to new Grand Committee; merger of Corporate Asset Sub-Committee (and potentially Procurement Sub-Committee) with Projects Sub-Committee to create a new joint Sub-Committee for Operational Property, Projects, and Procurement; abolition of Finance Grants Oversight and Performance Sub-Committee.
- *Freedom Applications Committee*: To cease being a Grand Committee and become a Sub-Committee of Policy & Resources.
- *Gresham (City Side) Committee*: No change.
- *Hampstead Heath, Highgate Wood and Queen's Park Committee*: No change bar arrangements for local administration of consultative committees.
- *Health and Social Care Scrutiny Committee*: No change.
- *Health and Wellbeing Board*: No change at this stage, although the White Paper currently progressing through Parliament is likely to require further consideration in due course.

- *Investment Committee*: Abolished, with joint meetings of relevant committees to replace and enhance investment strategy development and monitoring process. PIB and FIB to become joint sub-committees of P&R, Finance, and BHE Board, allowing for greater co-ordination and transparency across the three funds and a more coherent overall approach.
  - *Licensing Committee*: No change.
  - *Local Government Pensions Board*: No change.
  - *Markets Committee*: To cease being a Ward Committee, with commensurate reduction in size to 12-15 Members. Review of continued operation to take place once new consolidated Markets Site delivered.
  - *Open Spaces and City Gardens / West Ham Park Committees*: No change to Grand Committees; local consultative bodies to be removed from formal centrally-administered structures and granted greater autonomy to be run locally.
  - *Planning and Transportation Committee*: Subject to separate consideration.
  - *Policy and Resources Committee*: No change to the Grand Committee, but various mergers or reallocations of sub-committee activities to provide a reduction in sub-committees, and review of ex-officio membership.
  - *Port Health & Environmental Services Committee*: No change.
  - *Standards Committee*: Already abolished (replaced with Independent Appeals Panel, outside of the normal Committee structure).
  - *Standards Appeals Committee*: Already abolished (replaced with Independent Appeals Panel, outside of the normal Committee structure).
10. Specific proposals relating to Sub-Committees and Working Parties are set out in this report; however, it should be noted that efforts have been made throughout the lifetime of the Review process to identify and remove Working Parties which are either dormant / being held in abeyance, are outside of the formal committee structure and so incorrectly listed, or have been determined by the parent committee as no longer being required. In each of these cases, permanent abolition (or removal from the listings where incorrectly identified) is proposed; should they be required again in future, the parent committee in each instance would be required to make an application to re-establish it.
11. In producing his Review, Lord Lisvane identified some 32 Grand Committees, 63 Sub-Committees, 16 overview and scrutiny or consultative committees, and 24 Working Parties or “other” similar bodies – i.e., a total of 135 bodies. Through a combination of the internal review process mentioned above and the proposals outlined here, the new structure (if approved in its entirety) would result a decrease to 78 Committees, Sub-Committees, and working parties within the formal committee structure of the Court of Common Council.

12. It should be noted that the proposed adjustments do not necessarily result in the removal of the relevant bodies altogether. Rather, a number of bodies were incorporated within the Review's accounting which are not City Corporation functions (for instance, the City of London Academies Trust, which is an external body to which the City Corporation provides clerking support and is not answerable to the Court of Common Council) and so should be removed from such accounting, as they add to misunderstandings around process and lines of accountability. Similarly, some proposals posit the removal of bodies from the formal committee process (thereby reducing central administrative burdens or bureaucracy) but do not abolish the bodies themselves, which would be administered in a different fashion (and distinct from the formal decision-making process).
13. In reading the various proposals which emerge from Members' discussions, please note the following:-
- A recommendation to abolish all standing **Reference Sub-Committees** as a matter of course was supported by the majority of Members in the engagement process. They have, therefore, been removed from the committee structure and to avoid duplication this is not mentioned further under each committee below.
  - Whilst Members were not supportive of the move to abolish **consultative committees** in general, there was support for the management of many of them being devolved to local areas and removing them from the central bureaucracy. This is outlined further in the "Open Spaces" section later in this report.
  - Members were, in general, supportive of the recommendation **to reduce all (non-Ward) Committees in size**, noting the recommendation that they be 12-15. However, it was agreed that a "one size fits all" approach would not be appropriate and each case would need to be assessed on its merits. Consequently, it is proposed that each affected committee be asked to consider its composition with a view to reducing numbers. Such reductions could be arranged such that they achieved through natural wastage as vacancies occur each year, minimising disruption.
  - Members have already expressed their strong support for the retention of **Ward Committees**; with the exception of the Markets Committee, this continuation is assumed within the below proposals and previous recommendations to change the status of such committees is discounted.

#### **Governance & Nominations (Making best use of talent)**

14. In considering the Committee Structure initially proposed through the externally-conducted Review, it was noted that an integral constituent element was the Governance & Nominations Committee, the establishment of which would have significant implications for all other committees (together with the appointments processes and related matters).
15. Members were near-unanimous in their opposition to the creation of such a body; consequently, the proposals around the Committee Structure are set out in that

context and the associated recommendations (when cross-referenced) should be read accordingly.

16. With reference to the question of making greater use of talent on the Court, instead of this new committee being established, Members were supportive of a greater use of skills matrices, together with more intelligent advertising and use of data, to help inform Members' voting when appointing to committees. Such arrangements are, in part, already employed to good effect by a small number of the Court's committees.
17. To that end, it is proposed that a central skills and experience register be created, which would be available for Members to review in advance of any committee election; further, each committee shall be asked to provide the Court with an indication of any particular skills, expertise, or background where expressions of interest from applicants would be particularly welcome, informed by such skills audits as deemed appropriate by the relevant committee.

## **CORPORATE COMMITTEES**

### **Policy & Resources (paragraphs 288-297 of the Lisvane report)**

18. Although the subject of much discussion, there was no significant sentiment supporting radical changes to the Policy & Resources Committee, which plays a vital role as a 'co-ordinating committee' pursuing the Corporation's corporate aims, as the Governance Review report notes.
19. Equally, whilst a review of ex-officio Members of the Committee would be welcome (and the Committee should be encouraged to undertake such a review), there was minimal appetite for substantial composition changes, particularly where this would reduce the number of Members elected directly by the Court.
20. There was broad consensus that the current arrangement, whereby there are three Deputy Chairs, should be dispensed with and the Committee should revert to having one designated Deputy Chair, and this is recommended accordingly (although the election of the Deputy Chair should not be seen as confirmation of successor until the final year of that term, when confirmed by P&R as at present). Notwithstanding this, there should be a greater use of Lead Members (or 'rapporteurs') to help spread the burden of office amongst the wider committee whilst also making best use of talent. This would also give a wide array of Members the opportunity to develop in-depth knowledge of certain areas and prepare them for potentially standing as Chair. Other Committees should also be encouraged to adopt the "lead Member" approach as fits their needs.
21. The Committee currently has the following sub-committees and working parties:-
  - Resource Allocation Sub-Committee (RASC)
  - Public Relations Sub-Committee
  - Projects Sub-Committee

- Outside Bodies Sub-Committee
- Members' Privileges Sub-Committee;
- Hospitality Working Party (HWP)
- Ceremonial Working Party (CWP)
- Culture Mile Working Party (CMWP)
- Members' Diversity Working Party (MDWP)
- Members' Financial Assistance Working Party (MFAWP)
- Tackling Racism Task Force (TRT)
- Competitiveness Advisory Board (CAB)

22. A rationalisation, therefore, of the various bodies (many of which meet intermittently, or which have very limited remits) was widely felt to be sensible. Within this, there may also be scope to absorb sensibly some other areas of committee activities, thereby reducing the number of committees or areas of overlap across the board. Finally, the sub-committees often have limited (if any) power to act and so represent an additional stage in the approvals process; delegating power to act would speed up the decision-making process significantly, whilst providing a call-in facility within Standing Orders for the Grand Committee to revisit decisions within a specified timeframe will provide a safeguard. A proposed re-structured arrangement might be as follows:-

- **Resource Allocation Sub-Committee:** Retain as is, but with greater power to act (currently, many items go to RASC and are then simply rubber-stamped by P&R, thereby slowing approval processes without adding greatly to scrutiny).
- **Capital Buildings Board (replacing Capital Buildings Committee):** Given the strategic importance of the work of Capital Buildings, together with the significant resource allocation matters, there is an argument for bringing it closer to Policy & Resources to ensure greater alignment and shared understanding of ongoing activity. By granting it delegated power to act, Capital Buildings can also continue to act decisively and utilising streamlined governance arrangements, thereby ensuring these major projects can continue to be delivered at pace but with greater corporate visibility. The existing composition could also be continued.

As the breadth of activity overseen by this Sub-Committee grows, given various new major projects potentially coming on-stream, it would also have the ability to establish small dedicated task and finish groups, as it deems appropriate, to allow for more detailed and responsive consideration relating to individual projects, and acting as a rapid-response reference group for project officers to consult with lead Members, providing greater Member involvement and oversight at crucial moments in the project delivery.

- **Competitiveness Advisory Board:** No change.
- **Public Relations Sub-Committee:** Members may wish to consider a change of name to Communications Sub-Committee.

- **Civic Affairs Sub-Committee:** This could be, in effect, a merger of HWP, Members' Privileges Sub, Outside Bodies Sub, CWP, and the MFAWP. Each of these have fairly limited yet related remits and could be accommodated within the existing HWP meeting cycle, thereby reducing the overall number of meetings and sub-committees with no detriment to the consideration of business. The Benefices Sub-Committee's remit was also felt to be suitable for absorption within this new body's activity, given its very specific role and the link to the Corporation's ceremonial roles and activities. Members did consider whether the Freedom Applications Committee should be brought within this, given the relatively niche remit of that Committee and the link with hospitality; however, on balance, it was felt that it should be a standalone sub-committee of Policy & Resources.
- **Operational Property and Projects Sub-Committee:** Whilst operational property previously fell under the remit of Policy & Resources, it currently sits with Finance. However, the bulk of items constitute project reports and, given the use of corporate assets, often have a corporate angle which merits a view from a Policy perspective. There may, therefore, be merit in combining the two sub-committees as a joint sub-committee of Finance and Policy & Resources, so that items can avoid going to both the Projects and Corporate Asset Sub Committees (CASC) for duplicate consideration.

Equally, the arrangements around the corporate control of operational property need to be strengthened, to encourage greater corporate endeavour and collaboration in the use of corporate assets for opportunities (and discourage perceived reluctance across service areas in relinquishing under-used resources for the corporate benefit). Whilst this will be achieved through changes to Standing Orders, this joint sub-committee would give greater weight to corporate control and oversights of projects and assets, whilst also minimising duplication.

Several suggestions were also made that the remit of the Procurement Sub-Committee could be absorbed into this joint body; given the possible changes to approval thresholds through the Scheme of Delegations review and related Projects and Procurement thresholds reviews, it is likely that the workload of the existing Sub-Committee would be reduced and so could be absorbed within this new body; however, there are questions of appropriateness of fit which Members may wish to consider.

- **Equity, Diversity & Inclusion Sub-Committee:** This new formal Sub-Committee would replace both the MDWP and TRT. At present, the former is being held in abeyance; the latter has a relatively limited scope and the informal nature of the group means it has limited teeth, and there might be benefit in drawing together associated strands of activity to provide a more dedicated focus. In view of the close relationship with the staff remit of the Establishment Committee, a joint sub-committee might also be considered beneficial.
- **Culture Mile Working Party:** No specific proposal was made in relation to this body, although the continued need for it was queried. Given the synergies and potential for overlap with the wider Culture Committee, as well as its non-decision making status, it is recommended that this Working Party be dissolved, with the Culture Committee taking on its areas of focus.

23. In total, these changes (if accepted) would result in a decrease of up to two grand committees (Capital Buildings and Freedom Applications) and the removal of additional P&R sub-committees / working parties, plus up to a further three non P&R sub-committees through mergers (Benefices Sub, Corporate Asset Sub, Procurement Sub).
24. In the interests of clarity and greater co-ordination, it is also proposed that each sub-committee shall be chaired either by the Policy Chair directly, or by their nominee, subject to the Committee's endorsement in the usual way. This will replace the highly-varied arrangements currently in place across the different bodies, which can lead to some confusion and mean that the Policy Chair does not necessarily enjoy appropriate co-ordination or oversight of important areas under their remit.

### **Finance Committee**

25. The continuation of the Finance Committee in its current form was supported across the board, including remaining as a Ward Committee. Of its five sub-committees,

- **Corporate Asset Sub-Committee** – As set out above, a merger is proposed with the Projects Sub-Committee. This could also potentially include Procurement Sub.
- **Digital Services Sub-Committee** – Whilst Members were broadly supportive of this area of activity no longer resting with the Finance Committee, there was a lack of consensus as to whether it should be moved to the remit of another Committee or, instead, be established as its own Grand Committee, given the ever-increasing reliance on IT and various changes expected to come through the Target Operating Model (TOM), which were anticipated to remove the IT function from the Chamberlain's department (although it should be noted that future arrangements are currently under review through the TOM process and no firm decision has yet been taken as to the shape of such future arrangements). A number of Members also proposed it be moved to sit with the Establishment Committee (with the new body potentially renamed "Corporate Services Committee"), given the significant and integral impact of IT services on staff.

Ultimately, the prevailing view is felt to have been for it to become a standalone service committee, given the fundamental significance and impact of digital services on the organisation (the role of which will only grow over time), and the need to have the capacity to engage effectively with the various stakeholders across the organisation and beyond, providing the requisite coordination in approach and purpose. The Committee would also take on board responsibility for information governance, giving it a more robust and cohesive remit.

- **Efficiency and Performance** – Whilst a proposal had been mooted for this Sub-Committee to be moved to the Audit & Risk Management Committee, Members were minded that the role of this Sub-Committee was sufficiently



distinct from that of Audit & Risk Management that a merger would be unwelcome. No change is, therefore, proposed.

- **Finance Grants Oversight and Performance** – Noting the distinction between BHE and non-BHE grant-making, Members were opposed to a proposal this be moved to the BHE Board. However, Members of the Sub-Committee in particular have articulated their concerns as to the unclear and limited purpose of the Sub-Committee, and the value added as a consequence. Members will be aware that a separate comprehensive review of the various charities operated by the City Corporation is currently underway and being taken through committee processes. It may well be that, following this period of rationalisation, a discrete working party or similar is necessary to provide some sort of review or co-ordinating function; however, at this point in time, the existing Sub-Committee is no longer required and should be abolished. In the event that any new body with a specific purpose is required after the charities review is concluded, it would be subject to a bid via the new processes established for the creation of new sub-committees.

In the interim period annual reporting on Benefits-in-Kind and the Central Grant Programme will be taken directly to the Finance Committee. The CIL Neighbourhood Fund will continue to be overseen by RA Sub-Committee.

- **Procurement** – The aforementioned merger with Projects Sub and Corporate Asset Sub has been suggested by several Members, although there is less natural synergy with this area of work and the other two existing sub-committees. Members may wish to consider accordingly.

#### **Investment (paragraphs 298-299 and 304)**

26. The Investment Committee currently sits, in practice, as a vehicle by which the Property and Financial Investment Boards are appointed (together with the former Social Investment Board, which has been dissolved). The investment strategy itself is set by the Policy & Resources Committee, with the Resource Allocation Sub-Committee determining the recommended proportions between property and non-property assets on Investment Committee's advice. The creation of the Bridge House Estate Board also means that responsibility for BHE Investments now rests with that Board. In view of this limited function and infrequency of meetings (just twice a year), the Governance Review's recommendation was that the Investment Committee was not necessary as a separate Committee and that it should be folded into the Finance Committee (with the Property Investment functions moved separately to a new Property Committee).
27. During discussions, Members expressed a range of opinions as to whether or not a dedicated Investment Committee should exist or not, and whether or not it should have a greater or altered remit. However, the consistent and fundamental theme that emerged was the feeling that the current arrangements provided an insufficiently joined-up approach to the oversight of the Corporation's investment activities generally and that, whatever the outcome of the Review process in terms

of committees, the key to success would be in addressing the structures and outputs of investment strategy setting and monitoring.

28. Given the BHE Board's separate responsibilities over investments, the challenge becomes to achieve a joined-up approach which respects the individual responsibilities around the funds, whilst also providing for a co-ordinated and complementary approach. The use, then, of joint meetings and joint committees becomes a logical option in order to address this and ensure a coherent and co-ordinated approach.
29. In the first instance, a co-ordinating body is required to replace the nominal role of the Investment Committee in monitoring overall performance but, more importantly, to provide a significantly enhanced role in the joint development of investment strategies for consideration by P&R/RASC and BHEB. This requirement shall be met through joint meetings of RASC (as the designated P&R Sub-Committee with responsibility for such activity) and BHEB, together with the Chairs and Deputy Chairs of the Finance Committee and the refreshed **Property Investment and Financial Investment Boards** (see below). It may also be beneficial to invite Chairs of other Grand Committees not already included to attend such meetings, in order to facilitate a more collectively understood and supported investment strategy. This would have the benefit of improving upon existing co-ordination without the requirement to establish a separate committee. Investment strategy and asset allocation decisions would continue to be taken by RASC for City Fund and City's Cash by the BHE Board for BHE. (The question of pension fund investments is addressed later in this report).
30. For the Financial Investment Board, Members were broadly minded that it would not be appropriate to move its activities to the Finance Committee, given the substantially differing natures of the two areas of focus and the need for dedicated oversight of investment across asset classes. Equally, whilst noting proposals for a separate Property Committee, Members were minded that property investment in general was significantly different from questions of the maintenance of operational property and were reticent to support such a merger. For both, the same questions around ensuring coherent approaches across the various funds also arose.
31. It is, therefore, proposed that both PIB and FIB become joint sub-committees of P&R, Finance, and the BHEB, with each nominating representatives and a number of places also reserved for direct election by the Court. Both would retain the power to co-opt external expertise as they see fit, as well as to report directly to the Court.
32. It should be noted that BHE Board reserves the right to make all decisions in respect of Bridge House Estates; therefore, that Board's views would need to be sought as to whether it would be willing to participate in this arrangement and continue with the process of having FIB and PIB act in what is technically an "advisory" capacity and reserve final decision-making for relevant items to itself.

## **Pensions Committee**

33. Although not mentioned within the Review, Members are also asked to consider the creation of a new body to have responsibility for the management, administration, and investments of the City's Pension Fund, a subject which arose during the Member engagement process.
34. The Corporation has a distinct and separate role from its other functions as an administering authority of the Local Government Pension Scheme (LGPS). As an administering authority the Corporation is responsible for operating the Pension Fund, establishing investment arrangements and employer contribution rates that safeguard the payment of benefits to scheme members as and when they fall due. The administering authority must also safeguard the solvency of the Fund through periodic actuarial valuations, actively manage risks around potential employer default and monitor all aspects of the Fund's performance.
35. The Pension Fund has investment assets valued at £1.3bn and estimated liabilities of £1.4bn (as at 31 March 2021), making this a key area of risk for the organisation. At present responsibility for discharging this role resides variously with the Investment Committee (via Financial Investment Board), the Establishment Committee, and the Finance Committee. Whilst these arrangements have enabled the Corporation to fulfil its statutory responsibilities satisfactorily to date, regulatory guidance is that governance should be improved further via the establishment of a dedicated Pensions Committee with decision-making powers (it should be noted that the role of the existing non-executive Local Government Pension Board is to scrutinise decision making, so it cannot absorb this function).
36. Although not a mandatory requirement, Pension Committees are the overwhelmingly dominant mode of governance across the LGPS and the City Corporation is increasingly out of alignment in failing to manage its arrangements in this way (it is believed that we may be the only body operating under differing arrangements). A separate Pensions Committee ensures that all key strategic decisions are taken by one body, supporting streamlined, consistent and aligned decision-making across the function. It also cultivates, in one place, the specific knowledge and understanding needed to effectively oversee the Pension Fund in its entirety. Finally, it allows the administering authority to manage potential conflicts of interest and to demonstrate to external stakeholders, in a transparent and straightforward manner, that decisions are taken in the interests of scheme members and employers without privileging the host authority. If agreed, the first activity for this new Committee would be to carry out the next triennial actuarial valuation and resultant investment strategy review.
37. If Members endorse this proposed new body, a report will be brought back specifying terms of reference and membership arrangements (modelled on best practice elsewhere across the sector).

## **Capital Buildings Committee (and Proposed Property Committee) (paragraphs 300-303)**

38. As mentioned above, whilst there was some agreement with the suggestion that there was insufficient total oversight of the City's property functions, Members were generally opposed to a merger of various property-related committees in the manner he suggested. It was felt that there was too much of a difference between, for instance, the skills and focus required to manage property investment compared to the project management expertise required on Projects Sub or Capital Buildings. The proposal for a combined Property Committee was, therefore, not supported.
39. On the specific question of the Capital Buildings Committee, several Members observed the strategic importance of the work of Capital Buildings, together with significant resource allocation implications, and the occasions where there might be a delay in approvals due to the need for dual sign-off. Given the importance of pace in these major projects, this was posited as an argument for bringing it closer to Policy & Resources, so as to ensure greater alignment and pace in decision-making; it was also observed that the remit of the Committee was such that it could function equally effectively as a sub-committee, provided its terms of reference were framed appropriately.
40. Whilst the proposed Property Committee was not supported directly, there was nevertheless some support expressed for a different mechanism by which this overall overview might be provided. To that end, it is suggested that a small number of joint meetings of (or briefings to) the Policy & Resources Committee, Capital Buildings Sub-Committee, Projects & Operational Property Sub-Committee, Bridge House Estates Board, and Property Investment Board be held (with Chairs of other Committees invited as relevant or appropriate), at which the City Surveyor and Chamberlain shall be asked to present overarching analyses of the City Corporation's activities across all property-related workstreams.

#### **Audit & Risk Management (paragraph 305)**

41. There was a unanimous sentiment that this Committee should remain as-is (and not take on the additional responsibilities of the Efficiency and Performance Sub-Committee, as advocated by in the initial Review).

#### **Establishment (paragraphs 334-340)**

42. There was broad opposition to the proposal to abolish the Establishment Committee, with various arguments made for its continued retention.
43. Some Members suggested that the name be changed to reflect its function in relation to Corporate Services (for instance, the Corporate Services Committee), on which Members' views are sought.
44. In addition (and as referenced earlier within this report), there were several suggestions that the Committee should take on the Digital Services Sub-Committee's functions, in view of the inextricable link between staff, IT systems, and the delivery of services; however, this is not proposed, in view of the desire to ensure Digital Services has sufficient prominence and focus under the new arrangements.

45. The Committee's existing sub-committee (the Joint Consultative Committee) needs to continue to exist to undertake its role in negotiating with the City Corporation's recognised trade unions. It is also noted that a new sub-committee, covering Diversity & Inclusion, is proposed under Policy & Resources: consideration as to whether this sub-committee should be under the joint auspices of P&R and Establishment is invited.

### **Planning & Transportation Committee**

46. Members will be aware that this is the subject of separate consideration and reporting in terms of its future operation and the potential adoption of a Panel-based system for the consideration of applications. However, for the purposes of this report and the sake of completeness, it should be stated that the Committee will continue to exist within the new structure regardless of any ultimate decision in relation to Panels, and as a Ward Committee.

## **SERVICE COMMITTEES**

### **Port Health & Environmental Services (paragraph 318)**

47. No change was recommended through the initial review, nor did any material changes emerge through the Member consultation process. The Committee should, therefore, remain as-is.

### **Markets (paragraph 319)**

48. Due to what he describes as its "light load", the findings of the initial Governance Review recommended that the Markets Committee be abolished and for its business to be delegated to officers.
49. Members expressed a range of opinions on this proposal. Whilst there was some support for immediate abolition, others expressed hesitancy given the ongoing markets consolidation programme and the potential implications thereof, suggesting that it should be retained until the new markets site opens and then subject to a further review at that time. However, it was widely accepted that there was no need for this to continue to be a Ward Committee, given the very few Wards currently affected directly by the existing markets.
50. It is, therefore, proposed that the Markets Committee be changed from a Ward to a non-Ward Committee, and re-designated the Markets Board. There would be a commensurate reduction in membership, down to a maximum of 15 Members, all to be elected directly from the Court (with staggered terms to provide for continuity), although any Members who held tenancies at any of the markets should be ineligible from serving. The future of the Committee shall then be the subject of review upon delivery of the new Markets Site.

### **Culture, Heritage & Libraries (paragraphs 324-328)**

51. Initial proposals around this Committee ceasing to be a Ward Committee were not supported in general; neither was the proposal to remove the Keats House Consultative Committee, which should be retained.

52. Through the Member engagement process, some suggestions were made that the Benefices Sub could be absorbed within an agglomerated sub-committee of Policy & Resources which takes on responsibility for ceremonial and civic matters (the Civic Affairs Sub-Committee). Members views are sought thereon.
53. Other suggestions were made in respect of a merger of the Committee with the Barbican Centre Board to create a composite Culture Committee; however, these were not widely supported.
54. There was also some discussion late in the review process about the link between culture and sport and the potential for the committee to undertake a coordinating role. Currently the approach to sport across the organisation could be argued to be somewhat disjointed and lacking in strategic direction, partly due to the unique role of the City Corporation in that it manages sport and leisure within its local authority functions and also across its open spaces. The potential to give responsibility for strategic oversight of sport to a separate committee and possibly join this up with culture owing to the obvious crossover arose as a consequence.
55. However, it was felt that further detail was needed and that, given the significant changes to the Open Spaces areas at the current time, it would be preferable to defer any significant upheaval at this specific point. Nevertheless, it was noted that proposals might be forthcoming in the longer term and that such changes were not intended to affect the operational day to day running of our sport facilities, which would continue to be managed by relevant service divisions, such as open spaces; rather, they would be intended to ensure facilities are meeting the needs of a diverse range of local stakeholders whilst also allowing the City to capitalise on potential external funding and partnership opportunities going forward.

#### **Community & Children's Services (paragraphs 331-332)**

56. Whilst the Governance Review proposed no amendments to this Committee, there were some suggestions made during the engagement stage around the abolition of this committee and the reallocation of its functions elsewhere. There was limited support for this option in general; however, there was, a greater degree of support for moving the housing function into a standalone committee, incorporating both the housing-related responsibilities of this Committee (including those of the grand committee and those overseen by the Housing Management & Almshouses Sub-Committee) together with those of the Barbican Residential Committee.

#### **Barbican Residential Committee (paragraph 353-356)**

57. Lord Lisvane recommended the abolition of this Committee, for the reasons articulated in paragraphs 353-356 of his Review. Further, while making no recommendation in respect of the Barbican Estate Residents Consultation Committee, as it is not a Committee of the Court, he suggested that the Corporation may wish to review the way in which it engaged with all residents (not just those of the Barbican Estate) upon abolition of the Barbican Residential Committee.

58. During the engagement process, Members noted a submission from the Barbican Association outlining its thoughts on the future of the area, and also noted called for the adoption of a replacement for the BRC that would involve both lessees and officers in undertaking the obligations of City Corporation as landlord of the Barbican residential estate. Subsequent further engagement highlighted profound disappointment as to the current relations between the Corporation and Barbican residents as a collective.
59. Irrespective of any view one might hold as to the governance structures relating to the Barbican Estate (and the significant efforts of the immediate past Chairman in improving matters should be noted), it is widely felt that consultation with residents (and, indeed, other partners and stakeholders across the Estate) has been sub-optimal for some time. Consultation is currently disparate and disconnected; different departments will lead consultation on different issues, often not joining up with other ongoing activities or, on some occasions, with any awareness of them. Residents and other stakeholders can, understandably, be left unsure as to whom concerns or comments should be addressed, or whom they should expect to receive feedback or communications from. This has contributed to growing concerns that the resident voice is not being heard, or that the Corporation is not communicating its plans in an effective manner.
60. In addition, there are concerns that the disaggregated way in which the Estate is managed (with different departments or committees responsible for walkways, street scene, signage, repairs and maintenance, and so on) means that there is a shortfall in the overall vision and management of the Estate. This causes concern not only in respect of the management of an iconic City asset, but also in terms of its future-proofing.
61. All this exacerbates grievances expressed concerning the outcomes of the 2003 referendum around the Estate's management, where undertakings made by the Corporation around resident engagement and involvement are believed to have not been delivered on to the level that might have been expected.
62. A crucial component of any solution, then, is to address the questions of collaboration, communication, and consultation, providing clear lines of engagement and giving an improved and effective method of interaction for the City, residents, and other Estate stakeholders.
63. In the first instance, establishing a wider dedicated Consultative Group would provide this improved mechanism, where representatives of all key stakeholders (not just residents) can meet regularly to discuss and help monitor ongoing and emerging developments across the Estate. Not only would this be a logical "one-stop shop" for all consultation activities to be announced, but a specific consultation and action tracker can provide direct visibility and confidence to resident stakeholders that their concerns are being heard and addressed, and that nothing falls between the cracks. The engagement of Estate users in a single forum would also provide for an opportunity a more cohesive overview of the Estate's management, potentially leading to the development of an Area Plan in

due course and allowing concerns about the cohesive oversight of the Estate as a whole to be addressed.

64. It must be emphasised that this improved engagement cannot not be limited to the Barbican Estate. There are, of course, particular circumstances around the Barbican which justify more atypical arrangements: for instance, no other City estate houses a School, arts centre, conservatoire, and so on, so the establishment of a particular User Group for engagement across this disparate stakeholder groups makes sense. However, it would be entirely inequitable to not establish analogous arrangement around improved engagement across other estates, and indeed, across the wider City (noting that a significant proportion of City residents do not live on Estates), as appropriate.
65. Inevitably, there will be cost implications associated with any such approach (likely to consist primarily of a small number of dedicated officers, some of which might be met through the reallocation of existing resources). Should Members support this proposed approach, costings can be brought back to provide an opportunity to consider the extent of arrangements it is willing to support.
66. In terms of the formal remit of the BRC, this would be relocated to a new Housing Committee, with meetings arranged such as to provide dedicated scrutiny for Barbican matters (please see below).
67. One particular area where residents were keen to see additional involvement was enhanced input into how their management fee is spent (in relation to the upkeep of the Estate). If Members would support an increased level of participation, then it must be ensured that expenditure reflects accurately the income obtained from fee-payers (i.e. there must be transparency around existing elements of cross-subsidy across the Estate) so that decisions are taken properly in relation to the designated funds; equally, any say into decisions on expenditure must be fully democratic, transparent and reflective of the will of all residents (not simply a small number of delegates of representative associations).
68. To that end, it is suggested that existing residential representation bodies be approached to discuss how potential plebiscites or surveys might be undertaken to ensure proposals align with residents' wishes, with the newly constituted Committee asked to present formal proposals on their behalf to the Court once discussions and options have been advanced sufficiently.

### **Housing Committee**

69. Arising from the above, one of the proposals advanced by several Members was the creation of a new Housing Committee, absorbing both the housing responsibilities of Community & Children's Services Committee (and its Housing Management and Almshouses Sub-Committee) and the remit of the Barbican Residential Committee, giving greater prominence and co-ordinated consideration to the increasingly important area of housing.



70. However, in establishing any such arrangement, Members have made explicit the importance that due consideration be given to managing the business of both “areas” of housing business separately, so as not to allow for one aspect of its responsibility to dominate consideration. It is vital that consideration of the City Corporation’s social housing and almshouses responsibilities not be coloured unduly by the weighty separate considerations around the Barbican Estate, and vice-versa.
71. To that end, it is proposed that the new Committee be structured such that it meets on a monthly basis, with agendas arranged such as to allow for consideration of Barbican Residential business and current Housing Management business on an alternate meeting basis. Bringing together a single membership to consider all housing issues will allow for greater cross-pollination of ideas and awareness of common themes across the housing portfolio, as well as allowing for learning around engagement practices with residents to be shared more effectively and rapidly.
72. The new Committee should be established consistent with the Governance Review’s proposals in relation to size (i.e., 12-15), whilst also taking into account sufficient representation at meetings by Members of Wards within which relevant housing estates are located.
73. Should the principle of a new Housing Committee be approved, a detailed proposal would be brought back for consideration consistent with the above principles.
74. At both the informal Court meeting on 11 November and Policy & Resources on 18 November, Members recognised that it will be vital to get the questions of detail right to ensure this works in practice; therefore, significant activity will need to be undertaken to establish the particulars of its composition, size, chairmanship arrangements, representation from residential Wards and in respect of estates outside of the City, and so on. This work has already commenced given the indicative views at the preceding stages and, should the Court be minded to support the progression of this proposal, further engagement to identify a suitable solution will be advanced.

**Police Authority Board (paragraph 499-521, 527, 529 and 534-537)**

75. Whilst noting the various recommendations made through the initial review, Members were cognisant of the significant recent and ongoing efforts made by the Police Authority Board in respect of revised governance arrangements, many of which addressed those proposals to various degrees. In view of this, no changes are proposed.
76. However, it should be noted that the initial Governance Review recommendations did propose various degrees of greater autonomy for the Police Authority Board and the City of London Police (in keeping with the general proposals for the City’s various institutional departments, referenced later within this report). In particular, this relates to matters associated with human resources, financial management, procurement, and so on, where current governance arrangements could be streamlined more effectively. Whilst these

were not debated at any length during the engagement process, Members may nevertheless wish, therefore, to encourage the Board to bring forward such proposals as it sees fit which might assist with increasing efficiency and providing greater clarity / streamlining in respect of lines of accountability in such cases.

## **STATUTORY BODIES AND OTHERS**

77. The Governance Review also identified the following committees which have a purpose fixed by statute or other legal arrangement and which are required to continue, or which currently perform niche or specialist roles. For the vast majority, Members supported his recommendation of no change; where change is proposed, this is outlined below.

### **Licensing Committee (paragraph 374)**

78. No changes were advanced to the role of this Committee, given its statutory functions and its effective manner of operation.

### **Local Government Pensions Board (paragraph 376)**

79. Given its very particular statutory role, no changes were proposed. Whilst there was some consideration given to combining this Board with the new (separate) Pensions Committee, legal advice has demonstrated that this would be inadvisable and highly challenging to achieve in a compliant fashion.

### **Health & Wellbeing Board (paragraph 375)**

80. Together with the Health & Social Care Scrutiny Committee (below), the Governance Review commented on the relatively narrow statutory functions and proposed no change. No substantive calls for change came through the engagement process, although a small number of Members (in proposing the abolition of the Community & Children's Services Committee) suggested that adult social services and homelessness be transferred to this body. It is worth noting that the unique composition of this Board is fixed by the Health and Social Care Act 2012.

81. However, Members will wish to note that a new Health & Social Care White Paper is currently progressing through Parliamentary processes, which is likely to have a significant impact on the role and remit of Health & Wellbeing Boards. At this point in time it would be precipitate to presume the outcome of Parliamentary debate; however, it is inevitable that this will require some level of further consideration once outcomes are known. The Health & Wellbeing Board is monitoring the position and considering what changes may be necessary to increase the efficacy of the Board in line with this.

### **Health & Social Care Scrutiny Committee (paragraph 375)**

82. As above, no firm changes were proposed. Whilst there were one or two suggestions that this might revert to being a sub-committee (as it was prior to 2015), it was noted that the change had been made in response to clear Government guidance which recommended a separate overview and scrutiny committee to avoid any potential conflicts of interest (e.g., for Members also sitting on Community & Children's Services or the Health & Wellbeing Board). It is also not permissible for it to be merged with the Health & Wellbeing Board. As

the work of this body is fairly discrete, and there would be no meaningful implication for a change on overall number of bodies, nor on workload for Members or officers, it is recommended that this body be left as-is with no change. This is also consistent with the initial Governance Review proposal.

**Crime & Disorder Scrutiny Committee (paragraphs 321-323)**

83. This Committee should be required to resume activity and meet on at least an annual basis. Whilst there was some suggestion that this could become a sub-committee of the Audit & Risk Management Committee, the way in which the Police and Justice Act 2006 is framed renders this challenging to deliver in a legally compliant fashion; further, it is a particularly niche function which does not mesh comfortably with A&RM's oversight of general Corporation matters.
84. Following a recent review of the Safer City Partnership (a body outside the committee structure in which Members have traditionally played some role), it has also been determined that a review of the operation of both bodies is necessary, so as to ensure that they comply more effectively with both legal requirements and national best practice in this area. Consequently, it is proposed that this Committee be retained and that a report proposing refreshed arrangements – both in respect of the Crime & Disorder Scrutiny Committee and the Safer City Partnership Strategy Group - be submitted in the Autumn.

**Gresham (City Side) Committee (paragraph 333)**

85. No changes were proposed, both in view of the specific requirements imposed by the obligations of Sir Thomas Gresham's Will and subsequent legislative items, and the effective work of the Committee to-date in discharging its functions with minimal administrative requirement.

**Freedom Applications Committee (paragraph 352)**

86. Whilst the initial Review proposed no change, a suggestion was made through the engagement process that this Committee's role – being very specific, and yet linked inextricably to questions of wider policy, public relations, and hospitality – might not merit continued status as a standalone body. It was suggested that this could be absorbed within the new Civic Affairs Sub-Committee of Policy & Resources; however, through the engagement process on the final proposals, Members expressed a preference for this becoming a standalone sub-committee of Policy & Resources instead.

**Fraud and Cyber Crime Reporting and Analysis Service Procurement Committee**

87. Members will recall that this new Committee was established in March 2021 to meet with specific Home Office requirements associated with the governance of a major procurement exercise. It is time-limited and expires in April 2024.

**EDUCATIONAL AND CULTURAL INSTITUTIONS**

88. Commentary around the institutional departments in the initial Review outlines various management processes and problems identified across all the institutions which, it argues, its recommendations would resolve. These include greater responsibility for:
- a. Overseeing their own Audit & Risk management regimes / arrangements

- b. De-centralised Human Resources arrangements
  - c. Greater Financial Control and Management
  - d. Devolved responsibility for obtaining Legal advice
  - e. Control over Procurement functions
89. A report on the agenda for the 14 October 2021 meeting of the Policy & Resources Committee referred to separate considerations taken in respect of the level of autonomy to be granted to the various institutions around these functions. A pilot scheme (previously approved by this Committee) is also currently underway at the City of London School which seeks to model increased autonomy in relation to procurement arrangements (albeit in a way that is consistent with wider City Corporation strategies, such as climate action). Should this be successful, it is likely that this would be replicated across the various institutions, in ways appropriate to their specific arrangements. For that reason, this report does not address this issue further at this stage, but focuses more on the structure of the Boards themselves.
90. This separate report also addressed considerations relating to the question of reporting lines and day-to-day interactions between the institutions, their Boards, and the corporate centre.
91. In summary, throughout the Member engagement process, there emerged a conflicting tension between the general desire to grant the institutions more independence whilst also protecting the City Corporation's brand and position given its status as funder of last resort.
92. On balance, in respect of governance arrangements Members were supportive of a move towards greater autonomy, as well as a rebalancing of the various Boards away from an outright Common Council majority; however, they were not prepared to go so far as to grant full practical independence and, further, stipulations would be required within the terms of reference to provide the Corporation Members with a veto or other such control mechanism in relation to financial matters, such as to protect the Corporation's financial interests.

**Independent Schools - City of London School, City of London School for Girls and City of London Freeman's School (paragraphs 459 - 472)**

93. The proposals of the initial Governance Review for the three School Boards were similar and, essentially, proposed the creation of a governance scheme which would allow them to remain in City ownership whilst, in practice, enjoying near-total independence in their management and operation.
94. For the reasons set out above, there is a reticence to grant full autonomy at this stage; however, general support for significant changes to the composition and mechanism of appointment to the Boards was expressed. The current sizes of the three Boards were felt to be too large (although the Freeman's School's recent reduction in size is noted) and their balance weighted too heavily towards appointing Common Councillors, irrespective of skills or expertise.

95. Whilst some suggestions around a joint Board for the Boys' and Girls' Schools were made, these did not garner significant levels of support and were also opposed by the Schools themselves. Although it was noted that such arrangements had been employed previously, there was a feeling that the two schools were significantly divergent and required specific strategic oversight from a dedicated Board.
96. It is, therefore, proposed that the School Boards be asked to review and propose revised Board composition and appointment arrangements which they feel would best meet with their requirements in providing strategic oversight moving forwards. In doing so, they should be mindful of best practice in the independent schools sector, as well as the need to ensure adequate (albeit minority) representation from the Common Council, with voting rights sufficient to protect the City Corporation's financial interests.
97. It should be noted that it is likely that the Boards will propose a joint sub-committee to oversee the new Junior School, which has been established as a joint venture, in due course. Given the likelihood that a new committee or sub-committee of some sort is likely to be necessary, the list at Appendix 1 notes the possibility, for the sake of completeness.
98. On the administrative side, several Members advocated the merits of moving clerking responsibility for the School Boards away from the Corporate Centre and devolving this to the Schools (should they so wish). For the Boys' and Girls' Schools in particular, the appointment of an internal Clerk to the Governors working across both Schools would be consistent with other operational synergies that are currently being pursued and would deliver more bespoke support; understandably, clerks within the Town Clerk's department are generalists, having to service various committees across different disciplines, whereas this would provide for enhanced specialist support within the independent schools' governance context. There would also be potential cost savings to the corporate centre arising from not needing to provide the same degree of support, although some allocation will still be necessary to manage the interface with the corporate centre when reporting centrally (the clerk to the Education Board being the most obvious source of support, given the added benefit of direct information-sharing across the educational areas).
99. The method of operation of the Boards, insofar as their replication of the voluntary application of rules based upon Local Government regulations (as required for all current Grand Committees) should also be dispensed with, as the need to run meetings partially in public does not support effective school governance and creates bureaucratic challenge around meeting structure and committee report content which could cause potential concerns from the Independent Schools' Inspectorate regarding the quality of the Schools' governance arrangements.

**Guildhall School of Music & Drama (paragraphs 473 - 486)**

100. As with the independent Schools, the initial proposals also recommended that the Corporation should abolish the Board of Governors for the Guildhall School of Music & Drama as it currently operates, and instead establish an independent

governing Board. However, as mentioned previously and akin to other institutions, there were very real concerns about the Corporation's financial position being protected, particularly given the ongoing uncertainties relative to the higher education sector and its funding arrangements.

101. Nevertheless and, as with the Schools, there remained some support for a greater degree of autonomy in respect of procurement and other arrangements, as well as for a re-balancing of the Board's composition to meet its needs in obtaining sufficient external expertise, whilst protecting the Corporation's financial position.
102. It is, therefore, proposed that the Board of Governors be asked to review and propose a revised Board composition which it feels would best meet with the conservatoire's requirements. This may well include the disapplication of Local Government-based regulations around access to meetings. In doing so, they should be mindful of best practice in the higher education sector, as well as the need to ensure adequate (albeit minority) representation from the Common Council, with voting rights sufficient to protect the City Corporation's financial interests.

#### **Education Board (paragraph 330)**

103. The initial Governance Review recommended no change to the Education Board, a proposition which obtained broad support from Members during the engagement process.
104. However, through the engagement process there were several comments that the precise nature of the Board's role in relation to the City of London Academies Trust will require some further clarification following a review of the sponsorship agreement in due course. This will require a review of the Terms of Reference once the outcomes of that process are known.
105. One of the Education Board's two sub-committees, the Education Charity Sub-Committee, has not met since July 2019. Officers in the Central Grants Unit are proposing to bring a report to the Board in December for a final decision on the Education Charities but, in short, will be proposing that the Education Charity Sub-Committee is wound down and that the Education Board become the sole Committee acting as Trustee for these Charities going forward. This will streamline the decision-making process and support governance efficiencies. The report will also recommend that the consultation function with Community and Children's Services (CCS) Committee will no longer be required. Amendments will therefore also need to be made to CCS Committee Terms of Reference going forward, if this is approved.

#### **Barbican Centre Board (paragraphs 487 – 494)**

106. As with the other institutions, there was support for a degree of greater autonomy for the Board in relation to procurement processes and so on, as well as in terms of reporting and interaction with the corporate centre (as set out in the aforementioned report (considered by Policy & Resources on 14 October).

107. The recent changes that the Court had previously approved in adjusting the Board's composition were noted as having already gone some way towards addressing issues of balance and composition.
108. Members were mindful that, unlike the other educational or cultural institutions, a significant proportion of the Barbican was funded via City Fund and, consequently, its business must be treated under local authority regulations.
109. As a result, there are no firm proposals relating to the Barbican Centre Board emerging from the Review at this stage; however, in keeping with the best practice with which the Board has already been operating, it is encouraged to keep its current composition and arrangements under review and bring forward proposals as it sees fit. Similarly, questions of interaction with the corporate centre and requirement to comply with certain corporate processes will continue to be explored through the related institutional review activity being undertaken.

### **London Metropolitan Archives**

110. Under the Target Operating Model, it was originally envisaged that the London Metropolitan Archives (LMA) could be treated, operationally, as an institution. As with all other defined institutions, this would mean that the LMA would require its own Board and to be more autonomous from the City of London Corporation.
111. Responsibility for the governance of the London Metropolitan Archives currently lies with the Culture, Heritage and Libraries Committee. This is specifically referenced in their terms of reference, as follows: *"...to be responsible for...the management of the City's libraries and archives, including its functions as a library authority in accordance with the Public Libraries and Museums Act 1964 and all other powers and provisions relating thereto by providing an effective and efficient library service..."*.
112. At the meeting of Policy & Resources Committee on 14 October, Members confirmed that the London Metropolitan Archives should be treated as an 'institution' (and have its own Board, separate to the Culture, Heritage and Libraries Committee), reflecting the desire for governance arrangements being commensurate with other national archives and the wider galleries, libraries, archives, and museums sector.
113. However, subsequent debate at the informal Court meeting and then Policy & Resources on 18 November resulted in Members determining that this separation from the existing Culture Committee was not desirable at this point in time and that the arrangements should remain as they are in respect of the oversight of this service area. No new Board is proposed as a result.

### **OPEN SPACES**

114. In summary, the initial Governance Review proposed an agglomeration of all existing open spaces committees under a single body, to be known as "The Open Spaces Committee." This single body, he suggests, would allow the Corporation to continue to discharge its various related requirements by having the new Committee being constituted as 'the Committee acting on behalf of the Corporation in respect of *[insert relevant statutory/testamentary requirement]*' or

similar, with a suitably worded Resolution from the Court to confirm this. Under the same principle, this would also allow the new body to fulfil any and all charitable responsibilities. The agendas for the new body could also be arranged to reflect the mode in which the Committee was operating.

115. The engagement process highlighted robust opposition to this proposal, both across the Court and amongst stakeholders involved with the various Open Spaces Committees. Doubts as to both the practicalities of such a proposal were advanced, not least given the legal requirements around memberships which would need to be met.
116. Further, it was noted that the management structures associated with several open spaces were currently undergoing significant changes through the TOM process and that any changes made precipitately at this point in time could lead to future arrangements not being aligned sensibly.
117. Given this, together with the local sensitivities for important open spaces based outside the City and the need to pay mind to the views of local stakeholders, the broad consensus was that it would be unwise to pursue any governance changes to the grand committees at this point in time.
118. There was similar reticence to the suggestion of abolishing the various existing consultative committees, which were widely felt to be of significant utility and benefit. However, it was observed that the current practice of treating them as part of the formal committee structure was, perhaps, unnecessarily burdensome. Not only did the associated administrative and bureaucratic requirements add unnecessary cost, but the removal of consultative processes from local areas contributed to a sense of disassociation from processes amongst local communities, with people potentially discouraged from interaction with a formal committee process operated from many miles away in Guildhall.
119. Instead, it was suggested that retaining these bodies, yet moving them outside of the formal committee structure and transferring administration to the local departments and areas, would not only minimise costs but would also provide the benefit of greater local autonomy and engagement in the consultative processes.
120. There was, however, a sentiment that this might not be possible with respect to Hampstead Heath, given the particular requirements of legislation associated with that open space.
121. Consequently, it is proposed that the existing bodies continue to operate but cease to be maintained by the Committee & Member Services Section; instead, they be operated on a more informal basis administered by the local service area.
122. Regarding the Wanstead Park Working Party, there was no opposition to a specific recommendation that this should be abolished due to its inactivity since 2016; equally, the Epping Forest Management Plan Steering Group should be dissolved for the time-being (noting it may be re-established on request if and when it is required).



## **Transitional Arrangements and Implementation Timescales**

123. Following consideration by Members of the Resource Allocation Sub-Committee, these proposals were presented to the informal Court meeting on 11 November and thereafter to the Policy & Resources Committee on 18 November. They are now submitted to the Court of Common Council for formal consideration this day. Should the Court approve these proposals, this would provide a period of one quarter for implementation of such consequential changes as are required to give effect to the decisions taken as to structures, as well as for appropriate communications to officers concerning future reporting arrangements, such that they can take effect following the 21 April 2022 Court meeting.
124. Subject to the Court's views as to the various proposals, there is self-evidently a large degree of activity which will need to take place in the coming months to allow for timely implementation. This includes items such as the presentation of various adjustments to terms of reference, revisions to standing orders to frame the implementation of new procedures, and so on. The ex-officio memberships across committees will also need to be realigned, given the potential deletion of certain existing committees. A schedule with requisite activities and timelines will be confirmed pending Members' decisions in respect of proposals.
125. It is also strongly recommended that a Post-Implementation Review take place, at a suitable period following the implementation of new arrangements. This process could be relatively light-touch and methodical, but as a matter of best practice is essential in ensuring things can be amended, improved upon, or removed as appropriate, ensuring any arrangements are right for the longer-term.

## **Implications**

126. **Financial and Resource implications** – Whilst the proposals within this report amount to a significant reduction in the number of bodies incorporated within the Court of Common Council's formal decision-making structure, it should be noted that this does not constitute the full array of committees / related bodies serviced by the Town Clerk's department (and City Corporation officers more widely). As can be seen within the list at Appendix 1, support is also provided to a number of the bodies identified in the initial external Review (such as the City of London Academies Trust, the Livery Committee, and so on) which are not bodies of the Common Council. Similarly, support is also provided for other outside bodies, such as the Museum of London, which were not identified in the external Governance Review document and do not form part of the Corporation's Committee structure but which, nevertheless, the organisation has a responsibility to service.
127. Nevertheless, the move towards more efficient processes will inevitably lead towards reduced costs of bureaucracy and facilitate associated contributions to Target Operating Model and Fundamental Review savings. For instance, expedited processes will lead to a reduction in costs associated with delays to

approvals; a lesser volume of time spent by officers in producing reports for low-level items and presenting them to multiple committees will also release capacity within the workforce. A reduced central administration burden (through devolving support responsibilities in certain areas) will also provide for flexibility within the Committee & Member Services team to realign service output and requirements.

128. **Climate Implications** – The proposals included in this paper do not carry any significant implications for the Climate Action programme.
129. **Equalities implications** – Under the Equality Act 2010, all public bodies have a duty to ensure that when exercising their functions they have due regard to the need to advance equality of opportunity between people who share a protected characteristic and to take steps to meet the needs of people with certain protected characteristics where these are different from the needs of other people and encourage people with certain protected characteristics to participate in public life or in other activities where their participation is disproportionately low. The proposals contained in this report do not have any potential negative impact on a particular group of people based on their protected characteristics.
130. **Risk implications** – as with any process of significant change, there are risks associated with implementation and unforeseen challenges as the new system embeds. The approval of a post-implementation review, to identify and address any such issues, will be an important mitigating factor.
131. **Security implications** – none.

## Conclusion

132. The proposals outlined within this report represent a range of proposals to increase the efficiency of business and improve the efficacy of the City Corporation's governance arrangements. The Court's views are sought as to the proposals herein, to inform the proposals to be implemented.

## Appendices:

- **Appendix 1:** List of committees (with proposed changes marked)
- **Appendix 2:** Committee Structure Charts – Current and Proposed
- **Appendix 3:** Recommendations Summary Table (and Responses to original proposals) ([available electronically](#))
- **Appendix 4:** Review into the City Corporation's Governance arrangements ([available electronically](#))

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

DATED this 18<sup>th</sup> Day of November 2021.

SIGNED on behalf of the Committee

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

**Amended - List of Committees (with changes marked)**

**Committees**

- Audit and Risk Management Committee
- Barbican Centre Board
- ~~Barbican Residential Committee~~ (replaced with new Housing Committee)
- Board of Governors of the City of London Freeman's School
- Board of Governors of the City of London School
- Board of Governors of the City of London School for Girls
- Board of Governors of the Guildhall School of Music and Drama
- Bridge House Estates Board (replaced City Bridge Trust)
- ~~Capital Buildings Committee~~ (becomes sub-committee of P&R, with power to act)
- City of London Police Authority Board
- Community & Children's Services Committee
- Culture, Heritage and Libraries Committee
- Digital Services Committee
- Education Board
- Epping Forest & Commons Committee
- Establishment Committee
- Finance Committee
- Fraud and Cyber Crime Reporting and Analysis Service Procurement Committee
- Gresham (City Side) Committee
- Hampstead Heath, Highgate Wood and Queen's Park Committee
- Health and Wellbeing Board
- Housing Committee
- ~~Investment Committee~~ (replaced with joint meetings and enhanced FIB/PIB)
- Licensing Committee
- Local Government Pensions Board
- Markets Committee
- Open Spaces and City Gardens
- Pensions Committee
- Planning and Transportation Committee
- Policy and Resources Committee
- Port Health & Environmental Services Committee
- ~~Standards Committee~~ (replaced with Independent Panel, outside of this structure)
- ~~Standards Appeals Committee~~ (replaced with Independent Panel, outside of this structure)
- ~~The City Bridge Trust~~ (remit transferred to new Bridge House Estates Board)
- West Ham Park Committee

**Sub Committees**

- Academic & Education Committee of the Board of Governors of the City of London School
- Academic and Personnel Committee of the Board of Governors of the City of London Freeman's School

- ~~Assessment Sub (Standards) Committee~~
- Audit and Risk Management Committee of the Board of Governors of the Guildhall School of Music & Drama
- ~~Benefices Sub (Culture, Heritage & Libraries) Committee~~
- Bursary Committee of the Board of Governors of the City of London Freeman's School
- Bursary Committee of the Board of Governors of the City of London School
- Bursary Committee of the Board of Governors of the City of London School for Girls
- City of London Police Pensions Board
- *City Junior School Joint Sub-Committee (NB – this body is subject to separate approval and does not yet exist; however, due to cognisance of its likely imminent proposal, is included in this list for completeness).*
- Civic Affairs Sub (Policy and Resources) Committee
- Communications Sub (Policy & Resources) Committee
- ~~Corporate Asset Sub (Finance) Committee~~
- ~~Courts Sub (Policy and Resources) Committee (expired during Review process)~~
- ~~Digital Services Sub (Finance) Committee~~
- Economic and Cyber Crime Committee of the City of London Police Authority Board
- ~~Education Charity Sub (Education Board) Committee (subject to confirmation through Charities review)~~
- Efficiency and Performance Sub (Finance) Committee
- Finance & Estates Committee of the Board of Governors of the City of London School
- Finance and Estates Committee of the Board of Governors of the City of London School for Girls
- Finance and Resources Committee of the Board of Governors of the Guildhall School of Music & Drama
- Finance and Risk Committee of the Barbican Centre Board
- ~~Finance Grants Oversight and Performance Sub Committee~~
- Finance, General Purposes and Estates Committee of the Board of Governors of the City of London Freeman's School
- Financial Investment Board
- ~~Freedom Applications Sub (Policy & Resources) Committee~~
- ~~General Purposes Committee of Aldermen (not a part of the Common Council's committee structure)~~
- Governance and Effectiveness Committee of the Board of Governors of the Guildhall School of Music & Drama
- Governance Committee of the Board of Governors of the City of London School
- Governance Committee of the Board of Governors of the City of London School for Girls
- Grants Committee of the Bridge House Estates Board
- ~~Hearing Sub (Standards) Committee (abolished as part of changes to Standards arrangements)~~
- Homelessness and Rough Sleeping Sub (Community and Children's Services) Committee
- ~~Housing Management and Almshouses Sub (Community and Children's Services) Committee~~
- Equity Diversity & Inclusion Sub (Policy and Resources) Committee
- Integrated Commissioning Sub (Community and Children's Services) Committee

- Licensing (Hearing) Sub-Committee
- ~~Lighting Up Deputation Sub (Policy & Resources) Committee~~ (this is not actually a sub-committee and is incorrectly listed as such)
- Local Plans Sub (Planning and Transportation) Committee
- ~~Magistracy and Livery Sub-Committee (General Purposes Committee of Aldermen)~~
- ~~Members Privileges Sub (Policy and Resources) Committee~~
- Nominations Committee of the Board of Governors of the City of London Freemen's School
- ~~Nominations Committee of the Court of Aldermen~~
- Nominations Sub-Committee of the Audit and Risk Management Committee
- Nominations Sub (Education Board) Committee
- Nominations, Effectiveness & Inclusion Committee of the Barbican Centre Board
- ~~Operational Property, Projects, & Procurement Sub (Policy and Resources) Committee~~
- ~~Outside Bodies Sub (Policy and Resources) Committee~~ (absorbed within new Civic Affairs Sub-Committee)
- ~~Procurement Sub (Finance) Committee~~ (merger with Projects Sub / Procurement Sub)
- Professional Standards and Integrity Committee of the City of London Police Authority Board
- ~~Projects Sub (Policy and Resources) Committee~~ (merger with CASC / Procurement Sub)
- Property Investment Board
- ~~Reference Sub (Barbican Residential) Committee~~ (blanket deletion of Reference Sub-Committees)
- ~~Reference Sub (Committee of Aldermanic Almoners, Common Council Governors and Donation Governors of Christ's Hospital) Committee~~
- ~~Reference Sub (Licensing) Committee~~
- ~~Reference Sub (Markets) Committee~~
- ~~Reference Sub (Port Health and Environmental Services) Committee~~
- ~~Reference Sub Committee of the Barbican Centre Board~~
- Remuneration and Nominations Committee of the Board of Governors of the Guildhall School of Music and Drama
- Resource Allocation Sub (Policy and Resources) Committee
- Resource, Risk & Estates (Police) Committee
- Safeguarding Sub (Community & Children's Services) Committee
- Senior Remuneration Sub (Establishment) Committee
- ~~Social Investment Board~~
- Staff Appeal Committee
- Strategic Planning & Performance (Police) Committee
- ~~Street Trading Appeal Hearing~~ (these are ad hoc panels established in the event of an appeal, so should not be listed as a standing sub-committee. It has been many years since any hearing took place).
- Streets and Walkways Sub (Planning and Transportation) Committee

## Overview and Scrutiny

- Crime and Disorder Scrutiny Committee
- Health and Social Care Scrutiny Committee

- Inner North East London Joint Health Overview and Scrutiny Committee (*NB – this statutory body is facilitated externally and does not sit under the Court of Common Council*)

### Consultative Committees

- ~~Ashtead Common Consultative Group~~
- ~~Barbican Estate Residents Consultation Committee~~
- ~~Billingsgate Market Consultative Advisory Committee~~
- ~~Burnham Beeches and Stoke Common Consultation Group~~
- ~~Epping Forest Consultative Committee~~
- ~~Epping Forest Joint Consultative Committee~~
- Hampstead Heath Consultative Committee
- ~~Highgate Wood Consultative Group~~
- Keats House Consultative Committee
- ~~Queen's Park Consultative Group~~
- ~~West Wickham, Spring Park and Coulsdon Commons Consultation Group~~
- Joint Consultative Committee
- ~~Independent Custody Visitors Panel (this is not part of the committee structure and so should not be listed here)~~
- Barbican Consultative User Group

### Working Parties

- ~~Ceremonial Protocols Working Party of the Policy and Resources Committee (now Civic Affairs Sub-Committee)~~
- ~~City of London School for Girls 125<sup>th</sup> Anniversary Working Party (the anniversary having passed, this was abolished during the Review process)~~
- ~~Cultural Strategy Working Group (this Group has not met for several years and is therefore proposed for deletion)~~
- ~~Culture Mile Working Party~~
- ~~Dispensations (Standards) Working Party (abolished during the Review process as a consequence of Standards-related changes)~~
- ~~Education Strategy Working Party (this Group has not met for several years and is therefore proposed for deletion)~~
- ~~Epping Forest Management Plan Steering Group (this Group has not met for several years and is therefore proposed for deletion)~~
- Gresham Working Party
- Competitiveness Advisory Board
- ~~Hospitality Working Party of the Policy & Resources Committee (now Civic Affairs Sub-Committee)~~
- ~~Housing Development Programme Working Party (abolished during the Review process)~~
- ~~Members Financial Assistance Working Party (has concluded the bulk of its work during the Review process; remaining functions transfer to Civic Affairs Sub-Committee)~~
- ~~Members Diversity Working Party (merged with Tackling Racism Taskforce to become Inclusion Sub-Committee)~~
- ~~Relocation of the Markets Working Party (this was incorrectly listed and was not constituted as a formal Working Party, so should not appear here)~~

- ~~Secure City Programme Oversight Group~~ (this was incorrectly listed and was not constituted as a formal Working Party, so should not appear here)
- ~~Statues Working Group~~ (expired October 2021)
- ~~Tackling Racism Taskforce~~ (becomes new Inclusion & Diversity Sub)
- ~~Wanstead Park Working Party~~ (has not met since 2016, proposed for abolition as per Lord Lisvane's recommendation)

**Other bodies (NB – whilst these were listed by Lord Lisvane within his Review, they are not part of the Common Council's formal committee structure)**

- Livery Committee (a body of Common Hall)
- House Committee of the Guildhall Club (an independent committee)
- City of London Academies Trust and its sub-committees (an external body)
- Christ's Hospital (treated as an outside body)
- Safer City Partnership (a statutory body not under the Common Council)
- Member Development Steering Group (an informal reference body)
- Museum of London and its sub-committees (not referenced by Lord Lisvane but listed here for completeness)

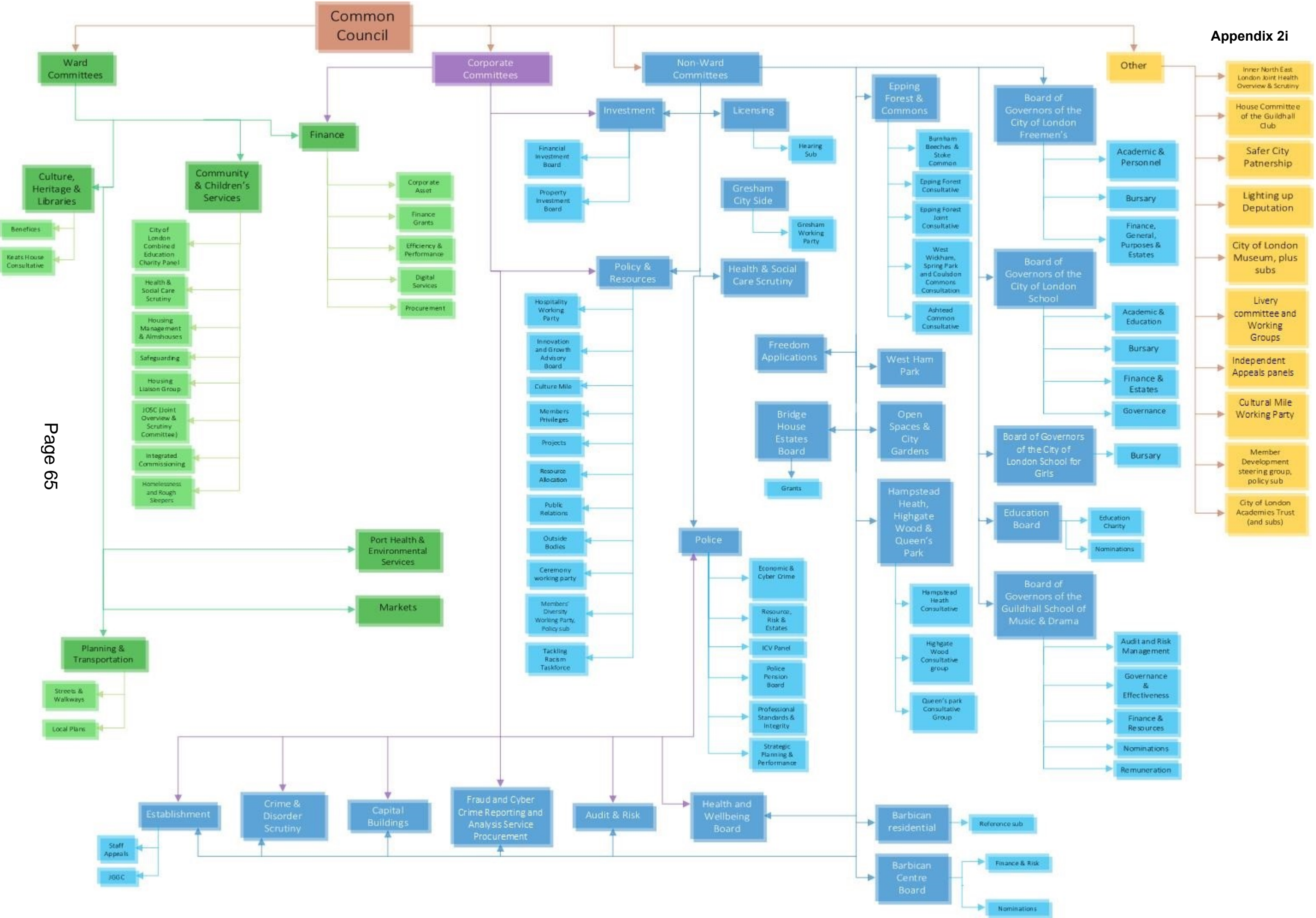
***Committees of the Court of Aldermen (which are outside of the Common Council's purview)***

- *General Purposes Committee*
- *Nominations Committee*
- *Mayoral Visits Advisory Committee*
- *Magistracy & Livery Sub-Committee*
- *Emanuel Hospital Charitable Trust*
- *The Management Committee of Aldermen to Administer the Sir William Coxen Trust*

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Common Council



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**Other bodies (NB – whilst these were listed by Lord Lisvane within his Review, they are not part of the Common Council's formal committee structure)**

- Livery Committee (a body of Common Hall)
- House Committee of the Guildhall Club (an independent committee)
- City of London Academies Trust and its sub-committees (an external body)
- Christ's Hospital (treated as an outside body)
- Safer City Partnership (a statutory body not answerable to the Common Council)
- Member Development Steering Group (an informal reference body)
- Museum of London and its sub-committees (not referenced by Lisvane but listed here for completeness)
- Independent Appeals Panel

***Committees of the Court of Aldermen (which are outside of the Common Council's purview)***

- *General Purposes Committee*
- *Nominations Committee*
- *Mayoral Visits Advisory Committee*
- *Emanuel Hospital Charitable Trust*
- *Sir William Coxen Trust*

# Report – Policy & Resources Committee

## Scheme of Delegation

*To be presented on Thursday, 9<sup>th</sup> December 2021*

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

### SUMMARY

1. Creating a more efficient and focused decision-making system by revising the City Corporation's current committee structure and reviewing its Scheme of Delegation (SoD) is a major part of achieving the ambitions of the governance review. The Policy and Resources Committee is responsible for the co-ordination of the City Corporation's governance arrangements including the SoD.
2. This report sets out the changes made to the SoD to this point, some of which support the comprehensive work that is currently being undertaken in respect of the organisation's governance arrangements. It also includes relevant updates in legislation and corrects any drafting errors.
3. A comprehensive review of the SoD was last undertaken in 2019 and a number of revisions were approved. The Scheme was subsequently considered earlier this year in March, though at that time no changes were made to the delegations themselves as the principal aim was to amend the Scheme to accurately reflect the new roles and changes to the City Corporation's new Tier 1 organisational structure i.e., the new job titles and the departmental arrangements.
4. All Chief Officers have been asked to review their delegations and a number of new delegations have been proposed to assist the day-to-day management. They also aim to alleviate the demands on Members, address the issue of pace by increasing financial thresholds and reducing the need for proposals to be considered by multiple committees.
5. It should be noted that the SoD is supported by a separate procedure for dealing with projects. The Projects Procedure was introduced in 2013 to encourage consistency of delivery across the organisation, without having an impact on pace. It has been reviewed periodically since its inception to ensure that it is fit for purpose. To support the desired outcomes of the governance review, a further review of the procedure is planned to ensure that it is in line with those desirable outcomes. For example, officers will be looking to improve efficiency by increasing current thresholds for capital and supplementary revenue projects, routine revenue projects and those delivered with ringfenced funds, such as the Designated Sales Pools, Additional Works Programmes and the Housing Revenue Account.
6. It should also be noted that further amendments might emerge as the implementation of the City Corporation's new Target Operating Model progresses.

It is therefore likely that further revisions will need to be considered by Court of Common Council in due course.

7. Some of the delegations proposed contained in this report have the support of other service committees. For example, the Property Investment Board, Bridge House Estates Board and the Projects Sub-Committee were consulted on the City Surveyors delegations and supported the proposed changes.
8. All changes recommended to this point are set out in the draft revised Scheme i.e. Appendix 1 to this report (the changes made to this point are highlighted in yellow and by strike throughs to previous text). For ease of reference, a summary table has been included within this report highlighting the modifications to this point. A link to the Appendix (the draft revised Scheme) can be found [here](#). It is also available on request.

### **Recommendation**

9. Members are asked to approved the following:-
  - revisions made to the draft SoD to date;
  - going forward, to ensure continued Member oversight, periodic reports of reporting action taken be submitted to service committees; and.
  - to ensure good governance, the SoD be reviewed on annual basis.

## **Main Report**

### **Background**

10. To facilitate the administration of the City Corporation's many and complex functions, the Court of Common Council delegates the majority of its functions to its Committees and Officers. Individual committee Terms of Reference set out the functions delegated to committees, whilst the Scheme of Delegations sets out those functions which have been delegated to Officers. The Policy and Resources Committee is responsible for the co-ordination of the City Corporation's governance arrangements including the Scheme of Delegation (SoD) and for making recommendations on the Scheme to the Court.
11. This report sets out the changes made to the draft Scheme of Delegation (SoD) to this point, some of which support the work that is currently being undertaken in respect of the organisation's governance arrangements. A separate, report setting out proposals for a new committee structure can be found elsewhere on the agenda for this meeting. The report also reflects relevant updates in legislation and corrects any drafting errors.
12. A comprehensive review of the SoD was last undertaken in 2019 and a number of revisions were approved. The Scheme was subsequently considered in March earlier this year. At that stage no changes were proposed to the delegations themselves as the principle aim at that time was to amend the Scheme to accurately reflect the new roles and changes to the City Corporation's new Tier 1 organisational structure i.e. the new job titles and the departmental arrangements.



13. All Chief Officers were recently asked to review their delegations and a number of new delegations have been proposed to assist the day-to-day management, alleviate the demands on Members, address the issue of pace by increasing financial thresholds and reducing the need for proposals to be considered by multiple committees. The opportunity has also been taken to include relevant updates in legislation and correct any drafting errors.
14. The SoD is supported by a separate procedure for dealing with projects. The Projects Procedure was introduced in 2013 to encourage consistency of delivery across the organisation, without having an impact on pace. It has been appraised periodically since its inception to ensure that it is fit for purpose. A further review is being undertaken and will be considered by the Policy and Resources Committee to ensure that the procedure is efficient, is in line with the ambitions of the governance review and that it mitigates the need for certain projects to be approved by multiple committees. The review will focus on the following:-
  - Project thresholds: the threshold for capital projects is currently £50k. Projects include staff costs and therefore almost all project activity enters the Gateway Process. Changes to the thresholds would enable Members to focus on more strategic issues rather than operational procedures. The portfolio currently includes over 300 projects due to the low thresholds.
  - Increasing delegations/changes to tolerances: there are no delegations or tolerances to increase approved project budgets pre-Gateway 5. The current process requires an Issues Report to Committees for any increase, no matter how modest. A more efficient way is therefore needed to assist with pace.
  - Removing routine procurement from the Gateway Process: currently all capital expenditure on assets have to go through the process. Routine procurement exercises are different from projects, which are usually fixed-term unique activities, therefore producing several Gateway reports for procurement activities seems excessive.
15. It should be noted that further amendments to the SoD might emerge as the implementation of the City Corporation's new Target Operating Model progresses. It is therefore likely that further revisions will need to be considered in due course.
16. It should also be noted that some of the delegations proposed in draft scheme ~~attached~~ have already been considered by, and have the support of, certain service committees. For example, the Property Investment Board, Bridge House Estates Board and the Projects Sub-Committee all supported further increases to Property Management thresholds, delegating the granting of some long leases subject to certain conditions, and the delegation of other activities following the establishment of the Bridge House Estates Board earlier this year.
17. All the changes proposed so far are set out in the draft revised Scheme. A link to the Appendix (the draft revised Scheme) can be found [here](#) and for ease, a summary table is set out below highlighting the modifications made so far.

## Proposed changes

18. The table below highlights the major changes so far and can be cross referenced with the revised draft Scheme where the changes are highlighted in yellow and by striking through previous text.

Chapter	Section/Item No.	Change
<b>General conditions of delegation</b>		Updates to policies and codes
	Day to Day Management	(a) the deletion of the words <i>“in respect of the appointment and dismissal in relation to posts graded H and above and”</i>  (d) firming up the need for consultation with the City Surveyor as the Head of Profession when declaring land and property surplus to requirements.
	Property	Para 10: firming up the need for consultation with the City Surveyor and adherence to standing orders and other corporate processes when managing property
	Head of Professions	Para 16 – 20: the inclusion of an entirely new section in relation to the duty to, amongst other things, develop and maintain standards; support enabling functions and appropriate delivery models; strive for continuous improvement and development; and embedding the importance of collaboration
<b>Employment matters</b>	Posts	Para 23: firming up the need to consider requests for exemptions in relation to politically restricted posts in accordance with policy.
	Terms, Conditions and Allowances (Contractual or Non-Contractual)	Para 32: firming up the need to deal with appeals in relations conduct, capability, probation, attendance, employee grievances, bullying and harassment in accordance with relevant policy.  Para 33: new para on determining declaration of interests in accordance with the relevant policy.



	Delegation to Chief Officers in Agreement with other Authorities	Para 58: making redundancy calculations payments in line with relevant policies and procedures.
<b>Town Clerk and Chief Executive</b>	Libraries and Culture	Changes to responsibility for culture and heritage, clarifying responsibility for the London Metropolitan Archives, Guildhall Library and Small Business Research and Enterprise Centre only
	Delegations to other Officers	Para 28.1 and 28.2: inclusion of the Deputy Town Clerk  Para 28.2: inclusion of the Project Governance Director
<b>The Chamberlain and Chief Financial officer</b>	Operational	Para 9: approval of Council tax base  Para 10: New section in relation to the write off irrecoverable debts, specifying financial thresholds  Para 12: New section in relation to authorising the grant of discretionary rate relief  Para 18: Inclusion of the suspension of pension contributions
<b>Commissioner for the City of London Police</b>	Human Resources	Para 7: new HR approvals to align civilian staff with police officers  9 Authorisation to award contracts under a certain threshold
	Procurement	Para 8: increased threshold for non-works procurements.
	Finance	Paras 11, 12 and 13: the authorisation of contracts for goods & services and works below certain thresholds
	Delegations to other Officers	Para 16: the delegation of paras 9 and 10 referred to above, to the Director of Finance and the Chief Operating Officer, in the absence of the Assistant Commissioner.

<b>Comptroller and City Solicitor</b>		Para 2: removal of this historic need to act as Vice Chamberlain and Chief Financial Officer
<b>Chief Operating Officer</b>	Information Technology and Commercial Services	Para 2: increased threshold for procurement waivers
	Markets	Para 4: instigation of legal proceedings
	Human Resources	Para 5: amendments to increases for payments to teachers and the occupational health manager.  Para 10 and 11: removal of the need for consultation with eh Chair and Deputy Chair of the Establishment Committee.
	Delegations to other Officers	New para 10: delegation to the Markets Director
<b>City Surveyor and Executive Director of Property</b>	General	The inclusion of references to obligations as Trustees of Bridge House Estates and other charities were appropriate
	Property Management	Para 2: Clarifying, the submission of reports on investment portfolios on a biannual basis to relevant committees i.e. the Property Investment Board the Corporate Asset Sub-Committee.  Para 2a: increase in the financial threshold for lettings and leases  Para 2d: new para regarding the grant of long leases for a peppercorn rent subject to certain conditions  Para 2e: new para concerning the disposal of surplus operational property assets  Para 3: increase in the financial threshold for the surrenders of leases  Para 6: increase in threshold  Para 8: tightening up wording around the periodic review of all operational and corporate property assets

	Property Maintenance	<p>Para 11: tightening up wording around the maintenance and upkeep of investment and operational property.</p> <p>Para 12: increase in threshold</p>
	Blue Plaque Scheme	Para 15: increase in threshold for the approval of fees
	Capital Projects	Removal of previous para 17-21 i.e. certain activities in relation to capital projects
<b>Director of Community and Children's Services</b>	Services for Children	<p>Para 2a: inclusion of duties of the Education Act 1996, Education Act 2002; Schools Standard and Framework Act 1998</p> <p>Para 2b: inclusion of the Children and Young Persons Act 1933 and the Children and Young Persons Act 1963 (as amended)</p> <p>Para 2h: new reference to functions relating to special educational needs (SEND).</p> <p>Para 2i: inclusion of the Childcare Act 2016 and the Children and Families Act 2014</p>
	Adult Skills and Learning	Para 10: amended to include the Greater London Authority
	Homelessness	Inclusion of relevant homelessness legislation: Heading made more specific
	Property including Barbican Estate	Paras 19, 22, 23, 24: references to working collaboratively and with the approval of the City Surveyor
	Integrated health and social care	New para 38 and 39: in relation to this function
	Sports engagement and leisure services	New para 40: in relation to this function
	Miscellaneous	New para 50: in relation to the Crime and Disorder Act (1998)

<b>Director of Built Environment</b>	Highways and Transport	New para 59: in relation to the making of all unopposed highway stopping up orders under the relevant Acts
	Cemetery and Crematorium	New para 82: inclusion references to the rights of burial in graves in accordance with relevant regulations.
	Open Spaces	Para 92 and 93: statements about the management of open spaces.
	Epping Forest	New para 107: to mirroring references to Byelaws enforcement and Public Spaces Protection Orders in relation to other the open spaces.  Para 110: issuing of fixed penalty notices  New para 113m: granting other licences arising from the City of London Corporation (Open Spaces) Act 2018
	Hampstead Heath	Para 122: issuing of fixed penalty notices
	City Gardens and West Ham Park	Para 133: issuing of fixed penalty notices
	Tower Bridge	Section removed as responsibility transfers to Managing Director Bridge House Estates
	Keats House and Ten Keats Grove	New Para 142: lettings of premises at Keats House and Keats Grove  New Para 145: introduction of a financial threshold for acquisitions.
	Town Planning - Development Management	New para 174: carrying out public consultation in respect of applications
<b>Executive Director of Innovation and Growth</b>	Culture and Libraries Functions	New section in relation cultural activities
<b>Head Teacher, City of London Freemen's School</b>	Operational	Para 1: Noting the letting of school premises requires the approval of the City Surveyor

	Human Resources	<p>Para 9: deletion of the approval recruitment increment subject to prior consultation with the Executive Director of HR</p> <p>Para 14: to deal with matters relating to conduct, capability etc.,</p> <p>Para 14 -17: deletion of certain references to dismissals and suspensions</p>
<b>Head Teacher, City of London School</b>	Operational	Para 1: Noting the letting of school premises requires the approval of the City Surveyor
	Human Resources	<p>Para 9: deletion of the approval recruitment increment subject to prior consultation with the Executive Director of HR</p> <p>Para 12-13: deletion of certain references to dismissals</p> <p>Para 12: to deal with matters relating to conduct, capability etc</p> <p>Para 23 -27: deletion of certain references to dismissals and suspensions</p>
<b>Head Teacher, City of London School for Girls</b>	Operational	Para 1: Noting the letting of school premises requires the approval of the City Surveyor
	Human Resources	<p>Para 8-9: deletion of references to the appointment of casual staff and the extension of posts and contracts</p> <p>Para 13: deletion of the approval recruitment increment subject to prior consultation with the Executive Director of HR</p> <p>Para 22: to deal with matters relating to conduct, capability etc</p> <p>Para 23 -27: deletion of certain references to dismissals and suspensions</p>
<b>Principal, Guildhall School of Music and Drama</b>		No changes

<b>The Remembrancer</b>		No existing delegations
<b>Managing Director, Barbican Centre</b>		No existing delegations
<b>Managing Director, Bridge House Estates</b>		Insertion of responsibilities commensurate with new post, including transfer of Tower Bridge responsibilities from Environment Director

19. As a matter of good governance, the City Corporation should ensure it has an up-to-date SoD that is publicly available. It is therefore suggested that the Scheme is reviewed annually. Given the ambition to increase delegations without losing Member oversight it is also proposed that the practice of reporting action taken should be widened to include periodic reports of the decisions taken to relevant service committees.

### **Corporate & other Strategic Implications**

20. It is important for the City Corporation to have governance arrangements which are efficient, and which support the organisation's vision in terms of its Corporate Plan. Ensuring that the SoD is update and publicly available contributes to the organisation's regulatory framework and ensures that it is responsive. As a matter of good governance, the City Corporation should ensure it has an up to date Scheme, that it is transparent and that to contribute to a flourishing society it is publicly available.
21. The proposals included in this paper do not carry any significant implications for the Climate Action programme.
22. Under the Equality Act 2010, all public bodies have a duty to ensure that when exercising their functions they have due regard to the need to advance equality of opportunity between people who share a protected characteristic and to take steps to meet the needs of people with certain protected characteristics where these are different from the needs of other people and encourage people with certain protected characteristics to participate in public life or in other activities where their participation is disproportionately low.
23. The proposals contained in this report do not have any potential negative impact on a particular group of people based on their protected characteristics.

### **Conclusions**

24. The Policy and Resources Committee is responsible for keeping under review and co-ordinating the City Corporation's governance arrangements, its decision-making activities which includes its committee structure and its SoD and reporting as necessary to the Court of Common Council.
25. It should be noted that the SoD is subject to constant change and updating. Further amendments might emerge as part of the activities associated with the

implementation of the Target Operating Model. It is therefore likely that further revisions will need to be by the Policy and Resources Committee and recommended to the Court of Common Council in due course.

### **Appendices**

- Appendix 1 – Revisions to the Scheme of Delegations to Officers can be found [here](#) (and can also be made available on request).

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

DATED this 18<sup>th</sup> Day of November 2021.

SIGNED on behalf of the Committee

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

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# Report – Policy & Resources Committee, Establishment Committee

## Member / Officer Charter

*To be presented on Thursday, 9<sup>th</sup> December 2021*

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

### SUMMARY

A Member/Officer Protocol was adopted by the Court of Common Council in 2006 and was most recently reviewed and updated in April 2019. Since then, several factors have suggested that the existing Member/Officer Protocol required review and to be given a higher profile within the City Corporation's governance arrangements as soon as practicable. Following a review of the existing Protocol by the Comptroller and City Solicitor, in consultation with senior Members, the draft Member/Officer Charter is set out before Members for consideration. Based on the most up to date version of the Protocol, in broad terms the drafting of the document remains appropriate and fit for purpose. Several amendments are proposed for the purpose of clarity and emphasis and the new Charter has been endorsed by your Establishment and Policy & Resources Committees for consideration by the Court.

### RECOMMENDATION

The Court of Common Council is **recommended** to approve the proposed Member/Officer Charter as set out in appendix one.

### MAIN REPORT

#### Background

1. Member/officer protocols became common practice in local government in the 2000s following the significant move to executive arrangements for the majority of local authorities in 2001. While these changes did not affect the City Corporation, it adopted its own member/officer protocol in 2006.
2. In recent years Court of Common Council's Establishment Committee (formerly in conjunction with the Standards Committee) has reviewed the Protocol, with any recommended changes being recommended to the Court of Common Council by way of the Policy and Resources Committee. The last such review took place in 2019 and an updated Member/Officer Protocol was approved by the Court of Common Council on 25 April 2019.
3. The aim of such protocols is to provide an explanation and guidance in respect of the complex relationship between elected members and employed officers which is central and essential to the success of local government in the United Kingdom.

Protocols serve as a counterpoint to the Members' Code of Conduct and arrangements for determining complaints under the Localism Act 2011 and the Officer Code of Conduct and disciplinary and performance procedures for officers and, in addition to setting out mutual expectations, offer a less formal route for resolving issues.

### **Current Position**

4. A number of factors suggest that the existing Officer/Member Protocol requires review and to be given a higher profile within the City Corporation's governance arrangements as soon as practicable.

(i) Following the Lisvane Report, the Corporation has made significant changes to its arrangements for dealing with complaints against elected members by the establishment of a panel of Independent Persons (as defined under s.28 of the Localism Act 2011) ("the Panel"). The Panel is well advanced in finalising its procedure and has indicated that while it is happy to take into account attempts at resolution of issues before they are referred to it where appropriate, such arrangements should be for the City Corporation to determine. This is without prejudice to the ability of the Panel to recommend or encourage mediation or conciliation etc. as part of its own process.

(ii) Over the last twelve months concerns have been raised by a number of senior officers with the Town Clerk & Chief Executive and the Comptroller & City Solicitor (who as Head of Paid Service and Monitoring Officer have reporting duties in relation to staffing issues and legal compliance respectively) about the conduct of a minority of members. The Corporation needs to ensure that it has appropriate arrangements to resolve such issues, at the lowest possible level of formality where appropriate.

(iii) The Court elections in March 2022 are likely to result in a significant intake of new members, most of whom are unlikely to have experience of elected office in local government and it will be important to ensure that appropriate working relationships and mutual expectations are clearly established and promoted from the start.

### Summary of Proposed Amendments

5. In broad terms the drafting of the document remains appropriate and fit for purpose. Several amendments are proposed for the purpose of clarity and emphasis. It is largely self-explanatory.
6. The significant changes are as follows:
  - Rebranding to Member/Officer Charter which conveys a stronger set of mutual commitment and expectation than "protocol".
  - The addition of specific provisions for Chairmen/Chairs. A committee chair has common law powers to keep order and manage business in committee. This extends not only to overt disruptive behaviour but can extend to

bullying, aggression and discourtesy which can damage relationships between members themselves and members and officers and harm good administration and discharge of functions. The Charter therefore seeks to reassert these powers and encourage Chairmen/Chairs to exercise them.

7. It is suggested that dealing with issues as and when they arise, in appropriate circumstances, will be conducive to improving the committee experience for all participants, promoting a positive and collaborative working environment, and minimising the need for escalation.
8. It is also a formal and positive assertion of the City Corporation's aspirations as a "Member led" authority/organisation and supports the statutory duty to promote and maintain high standards of conduct of members and co-opted members and to manage its business in a prudent and business-like manner. It also supports the Corporation's various employment law duties to its employees and workers.

### **Conclusion**

9. Members are asked to approve the proposed Member/Officer Charter as set out in Appendix one.

### **Appendices**

- Appendix 1: Member Officer Charter  
(NB – a marked up version from the previous Protocol can also be found [here](#) for reference purposes).

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

DATED this 18<sup>th</sup> Day of November 2021.

SIGNED on behalf of the Committee.

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

**Tracey Graham**  
Chair, Establishment Committee

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## **MEMBER / OFFICER CHARTER**

### **Forward: Town Clerk and Chief Executive**

***The City of London Corporation is committed to contributing to a flourishing society and we rightly expect people to treat each other with respect, dignity and courtesy.***

***In a busy, high-pressured workplace maintaining these standards is important to our ways of working***

***This Charter is designed to ensure we have positive and appropriate working relationships based on mutual trust, respect and understanding.***

***We expect Members and Officers read it, commit to it and use it to ensure the City of London Corporation exhibits the highest possible standards.***

***We are committed to working in a way that demonstrates that equality, diversity and inclusion is at the heart of all that we do.***

### **1. Introduction**

- (1) The purpose of this Charter, which replaces the Member/Officer Protocol, originally adopted by the Court of Common Council in 2006 and updated over the years, is to provide a reinforced Court of Common Council commitment to maintaining positive and appropriate working relationships between Members of the Court (including co-opted Members) and Officers, and is in addition to any legal requirements governing these relationships. The Charter applies across all the of the Corporation's functions.
- (2) Although it does not form part of the Members' or Employees' Codes of Conduct, the Charter should be viewed in conjunction with those documents.
- (3) Responsibility for upholding the Protocol rests with Committee Chairs/Chairmen and Chief Officers, supported where necessary by the Chief Commoner and the Aldermanic Chairmen and, the Independent Standards Panel in relation to Members, and with the Town Clerk & Chief Executive in relation to Officers.

### **2. Principles Underlying Member / Officer Relations**

- (1) effective decision-making and policy and service delivery supported through good administration are dependent upon the maintenance of successful working relationships between Members and Officers, based on mutual trust, respect and an understanding of and adherence to, respective roles and responsibilities. These relationships, and the trust which underpins them, must not be abused or compromised. The partnership between Members and Officers is one of the strengths of local government.

- (2) Whilst it is acceptable for Members, particularly Committee Chairs/Chairmen as part of their leadership role, to offer guidance to Officers, they must not do anything which compromises or which is likely to compromise the impartiality of those who work for, or on behalf of, the Corporation. It is the responsibility of Officers to provide clear, impartial advice upon which Members may make decisions, respecting Members' democratic accountability and accepting appropriate scrutiny and challenge.
- (3) In addition to avoiding actual impropriety, Members and Officers should also seek to avoid situations which might give rise to the suspicion and/or appearance of improper conduct.
- (4) Intimate, business, or financial relationships between Members and Officers will require careful consideration and handling by both parties to ensure that they comply with the principles and requirements of the Members' Code of Conduct, the Officers' Code of Conduct and the seven Principles of Public Life (selflessness, integrity, objectivity, accountability, openness, honesty and leadership)

### **3. Role of Members**

- a. Members are subject to:-
  - i. the Members' Code of Conduct and the Seven Principles of Public Life;,,
  - ii. Standing Orders of the Court of Common Council.
  - iii. Relevant Corporation Policies and Protocols e.g. the Planning Protocol; and.
  - iv. Relevant legal requirements e.g. the rules on disclosable pecuniary interests, obligations relating to health and safety at work and data protection.
- b. Members have four main areas of responsibility:-
  - i. determining the policy and strategic direction of the Corporation
  - ii. monitoring, scrutinising and reviewing the performance of the Corporation in implementing that policy and delivering services
  - iii. representing the Corporation externally
  - iv. representing their constituents and stakeholders

- c. It is not the role of Members to involve themselves in the detail of day to day management of the Corporation's services, employees and workers.
- d. Members are required to take the advice of Officers into account in reaching a decision on a matter and must respect Officers' responsibility to provide impartial advice, guidance and information.
- e. The power to make decisions for the discharge of the authority's functions lies with the Court of Common Council, the properly constituted committees and sub-committees and specified Officers under the Scheme of Delegation. A Member acting in an individual capacity cannot exercise any lawful authority and Members in general must operate through the Court of Common Council and its committees and sub committees. Members acting individually may not legally commit the Corporation. This requirement applies to all the Corporation's decision making bodies established by the Court regardless of how they are described.
- f. Whilst individual Chairs/Chairmen are in the same constitutional position as all other Members, having no legal authority to make executive decisions, they have certain other powers (e.g. the control and conduct of meetings) as well as a broader leadership role. Chief Officers are required to consult Chairs/Chairmen (and Deputy Chairs/Chairmen) before certain delegated powers are exercised. The role of Chairs/Chairmen is explored in more detail below.
- g. Leading Members i.e. the Lord Mayor, the Chair/Chairman of the Policy & Resources Committee, the Chief Commoner and other Committee Chairmen (or Deputy Chairmen with the agreement of, or in the absence of, the relevant Chairman) can speak for the Corporation on matters appropriate to their roles and in accordance with the policy of the Corporation. Media interventions should be arranged via the Communications Team overseen by the Executive Director of Communications & External Affairs.
- h.
  - i. Whilst all other Members have opportunities to promote the work of the Corporation with the people they meet and when entertaining on behalf of the Corporation, they cannot act as spokespersons for the Corporation.

#### **4. Role of Chairs/Chairmen**

Chairs/Chairmen have a key leadership role within the Corporation. In discharging their traditional role of ensuring effective and efficient consideration of Committee business, including maintaining order, they have a crucial role in creating a positive and inclusive committee environment which allows robust debate, challenge and scrutiny to take place in a respectful and courteous manner, where neither Members nor Officers are exposed to bullying, undermining or other inappropriate conduct.

Inappropriate conduct towards another participant whether, Member, Officer or a Third Party, at a committee meeting is not consistent with good governance, committee management, and the Corporation's Values. Such behaviour can often best be resolved there and then by the appropriate intervention of the Chair/Chairman and such action should be supported by the Committee. Prompt action in such cases is

likely to prevent the souring of relationships and escalation to formal procedures and creates a supportive environment. This responsibility extends to the business of the committee outside formal meetings e.g. at informal meetings and in correspondence. **[Drafting Note:** The Chair has a common law duty and power to maintain order at meetings. The usual Standing Order which effectively allows a Chair to move a motion “that a member is not further heard” where a member is disruptive or disregards the rulings of the Chair, does not appear in the Corporation’s Standing Orders].

**5. Role of Officers**

- a. Officers are subject to:
  - i. the Corporation’s Code of Conduct for Officers;
  - ii. Standing Orders of the Court of Common Council;
  - iii. The Scheme of Delegations, Financial Regulations and Contracts Code; and,
  - iv. other instructions and professional guidelines relevant to their duties.
  
- b. The primary role of Officers is to provide impartial advice, guidance and information to Members, and to implement promptly and efficiently the policies determined by the Court of Common Council and its various committees. Certain Officers have specific statutory responsibilities.
  
- c. Officers must recognise the right of Members, as elected representatives, to determine the policy of the authority and to appropriately scrutinise and challenge officer proposals and policy and service delivery, and must not act in any way to undermine that right.



- d. Officers serve the Corporation as a whole and must carry out the work of the Corporation under the direction and control of the Court of Common Council and the properly constituted committees and sub-committees.

**6. Expectations**

- a. Members have a right to expect from Officers:-
  - i. commitment to the Corporation as a whole
  - ii. a working partnership
  - iii. an understanding of, and support for, respective roles, workloads and pressures
  - iv. timely response to enquiries and complaints and the efficient execution of decisions
  - v. impartial, professional advice and guidance
  - vi. regular, up to date information on matters appropriate and relevant to their needs, having regard to any individual responsibilities that they have and positions they hold
  - vii. respect, dignity and courtesy
  - viii. integrity, mutual support and appropriate confidentiality
  - ix. not to have personal issues raised with them outside the agreed procedures
  - (k) that they will not use their relationship with Members to advance their personal interests or to influence decisions improperly
  - (l) compliance at all times with the Officer's Code of Conduct
  - (m) Commitment to equality, diversity and inclusion in their relationship with Members and colleagues
  
- b. Officers have a right to expect from Members:-
  - i. a working partnership
  - ii. an understanding of, and support for, adherence to respective roles, workloads and pressures
  - iii. leadership and policy direction
  - iv. respect, dignity and courtesy
  - v. integrity, mutual support and appropriate confidentiality
  - vi. not to be subject to bullying or to be placed under undue pressure and, in this respect, Members should have regard to the seniority of Officers in their dealings with them and should not engage junior officers in discussions and requests more properly directed at senior officers
  - vii. that they will not use their relationship with Officers to advance their personal interests or to influence decisions improperly
  - viii. compliance at all times with the Members' Code of Conduct
  - ix. Commitment to equality, diversity and inclusion in their relationship with Officers and colleagues

**7. Members in the Ward Role**

Members will, through their work with their electorate and stakeholders, need to contact Officers to obtain information on behalf of their constituents and others. This is perfectly in order and from time to time it may be appropriate for Officers to reply to constituents etc. on behalf of, or at the request of, Members.

**8. Correspondence and Communications**

Members may contact (i.e. by letter, e-mail, , telephone) Officers to seek advice, guidance or information. Whatever method of communication is used,

Members should receive an acknowledgement as soon as possible, but in any event within 2 working days, and a full response as soon as possible thereafter within 10 working days of receipt of the request. If for any reason this is not possible, a holding reply setting out the reasons for the delay should be sent as soon as possible following the acknowledgement, but in any event before the expiry of the 10 working days.

**9. Limitations on Behaviour**

The separate roles of Members and Officers necessarily impose limitations upon behaviour. By way of illustration:-

- a. personal relationships between Members and Officers going beyond normal working relationships can confuse/obscure the separate roles and interfere with the proper discharge of the authority's functions, not least in creating the perception in others that a particular Member or Officer may secure advantageous treatment;
- b. the need to maintain and recognise the separate roles means that there are limits to the matters on which Members may seek the advice of Officers;
- c. relationships with particular individuals should not be such as to create a suspicion/perception that an Officer favours a particular Member above others.

**10. Reports**

- a. Chairmen of committees or sub-committees may, on behalf of the committees or sub-committees concerned, make reasonable requests to Chief Officers or other Officers to prepare written reports on matters relating to the authority for consideration at Member-level. Such requests should not seek confidential information (e.g. relating to case work or personal details of applicants for services).
- b. Any disagreement relating to such a request (e.g. if the Chief Officer concerned considers that the cost of providing the information or the nature of the request is unreasonable) should be referred to the Town Clerk.

**11. Members' Access to Documents and Information**

- a. Members' rights of access to documents and information are governed by the common law and statute. Members have such access to documents and information that is reasonably necessary to enable them properly to perform their duties as elected representatives.
- b. Generally, information should, therefore, be made available to Members on request unless there is a justifiable legal or other reason for declining access.
- c. Standing Order No. 42 sets out the detail on Members' access to documents.

- d. If the information is not readily available or will require significant resources to produce, Officers should seek the guidance of their Chief Officer before taking steps to provide information that has been requested.

## 12. Other Members of Corporation Committees

Co-opted Members of the various committees, the Verderers serving on the Epping Forest & Commons Committee and other external Members of committees are entitled to receive documents and information relating to their appointments in the same way as if they were elected Members.

## 13. Dispute Procedures

a. The overriding objective in any dispute is to achieve a satisfactory resolution through informal channels. However, it has to be recognised that this might not always be appropriate. The Corporation's Independent Standards Panel may take into account informal efforts, or lack of effort, to resolve issues informally when considering formal complaints under the Localism Act 2011.

### b. Procedure for Members:-

- i. If a Member is dissatisfied with the conduct, behaviour or of an Officer, the matter should be raised with the appropriate Chief Officer.
- ii. If the employee concerned is a Chief Officer, the matter should be raised with the Town Clerk. (In the case of the Town Clerk there is a separate procedure.)
- iii. If the matter cannot be resolved informally, it may be necessary to utilise to the Corporation's Disciplinary Procedure.

### c. Procedure for Officers:-

- i. If an Officer is dissatisfied with the conduct or behaviour of a Member, they are encouraged to raise the matter with the appropriate Chief Officer or the Town Clerk with a view to seeking to resolve their concerns informally if possible. This may result in the matter being referred to the Chief Commoner or one of the Aldermanic Chairmen where appropriate.
- ii. An Officer also has the same right as any other person under the Localism Act 2011 to make a complaint to the Independent Standards Panel where they consider that there has been a breach of the Members' Code of Conduct.
- iii. Concerns raised by an office will be dealt with in accordance with the Corporation's Whistleblowing Policy as appropriate.

## 14. Review

- d. This Charter will be reviewed annually by the Establishment Committee and re-communicated to Members and Officers. The next such review to take place in [two month window] 2022.

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# Report – Hospitality Working Party of the Policy and Resources Committee

## Applications for Hospitality

*To be presented on Thursday, 9<sup>th</sup> December 2021*

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

### (a) **Armed Forces Flag Day 2022**

It is proposed that the City Corporation hosts a flag-raising ceremony followed by light refreshments at Guildhall on the afternoon of Friday 24<sup>th</sup> June 2022.

Armed Forces Flag Day was established in 2009 to provide an opportunity to show support for members of the Armed Forces and service families, with the day forming part of a week of activity across the country to raise public awareness of the contribution made by the Armed Forces.

This event would support the following Corporate Plan outcomes: to promote effective progression through fulfilling education and employment (outcome 3c); to bring individuals and communities together to share experiences and promote wellbeing, mutual respect and tolerance (outcome 4a); and to advocate and facilitate greater levels of giving time, skills, knowledge, advice and money (outcome 5d).

It is **recommended** that hospitality be granted for a flag-raising ceremony followed by light refreshments 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.

### (b) **London Tourism Awards 2022 Early Evening Reception**

It is proposed that the City Corporation hosts an evening reception following the 2022 London Tourism Awards Ceremony at Guildhall on Thursday 10<sup>th</sup> March 2022.

London and Partners, as part of their work to promote London internationally, attract investment and support growth, manage the annual London Tourism Awards. The awards recognise the most successful and innovative businesses in the tourism sector in London.

The event would support the following Corporate Plan outcomes: to provide access to world-class heritage, culture and learning to people of all ages, abilities and backgrounds (outcome 3b); to cultivate excellence in academia, sport and creative performing arts (outcome 3d); and to promote the City, London and the UK as attractive and accessible places to live, learn, work and visit (outcome 8d). It is **recommended** that hospitality be granted for an evening reception at the conclusion of the 2022 London Tourism Awards Ceremony and that arrangements are made under the auspices of the Culture, Heritage and Libraries Committee; the costs to be met from City's Cash within approved parameters.

**(c) Dinner to mark the first United Nations Plant Health Day**

It is proposed that the City Corporation hosts a dinner in the Livery Hall on Thursday 12<sup>th</sup> May 2022 to mark the first United Nations Plant Health Day

The United Nations General Assembly declared 2020 the International Year of Plant Health. The campaign aimed to raise global awareness on how protecting plant health can help end hunger, protect the environment and boost economic development. It has been proposed that each year 12<sup>th</sup> May will be recognised as International Day of Plant Health and, subject to formal endorsement by the UN General Assembly, 2022 is expected to be the first year that this is marked.

The event would support the following Corporate Plan outcomes: to create and transform buildings, streets and public spaces for people to admire and enjoy (outcome 10c); to provide thriving and biodiverse green spaces and urban habitats (outcome 11b); and to provide environmental stewardship and advocacy, in use of resources, emissions, conservation, greening, biodiversity and access to nature (outcome 11c).

It is **recommended** that hospitality be granted for a dinner and that arrangements are made under the auspices of the Open Spaces and City Gardens Committee; the costs to be met from City's Cash within approved parameters.

**(d) Youth Interfaith Iftar**

It is proposed that the City Corporation hosts, in conjunction with the Naz Foundation, an Iftar at Tower Bridge on Tuesday 12<sup>th</sup> April 2022.

The Naz Foundation is a not-for-profit organisation that aims to promote excellence in education and positive integration into British society. In 2016 the Foundation organised the first interfaith Iftar event at Lambeth Palace. In 2019, the event was held at St Paul's Cathedral and Guildhall. The City Corporation agreed to support an interfaith Iftar in 2020 at the Tower of London, but the event had to be cancelled because of the pandemic.

The event would support the following Corporate Plan outcomes: to promote and champion diversity, inclusion and the removal of institutional barriers and structural inequalities (outcome 3a); to provide access to world-class heritage, culture and learning to people of all ages, abilities and backgrounds (outcome 3b); and to bring individuals and communities together to share experiences and promote wellbeing, mutual respect and tolerance (outcome 4a).

It is **recommended** that hospitality be granted for an Iftar following an interfaith group discussion at Tower Bridge 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.

**(e) Report of Urgent Action Taken: Lunch to celebrate the 25<sup>th</sup> Anniversary of the founding of UK Sport**

In accordance with Standing Order No. 19, urgent authority was sought to the City Corporation hosting a lunch in January 2022 to mark the 25<sup>th</sup> anniversary of the foundation of UK Sport.

UK Sport is the government agency that supports Olympic and Paralympic sport in the UK. It is an executive non-departmental public body sponsored by the Department for Digital, Culture, Media and Sport.

Urgent approval was sought and granted to the City Corporation hosting a lunch in January 2022 to mark the 25<sup>th</sup> anniversary of the foundation of UK Sport. The event would look to celebrate the achievements of UK Sport over the last 25 years and acknowledge the role it has played in improving elite sport in the UK as well as in advancing its reputation overseas.

Following the decision of Hospitality Working Party at its meeting on 23<sup>rd</sup> September 2021 to approve the application for hospitality, the application was unfortunately omitted from the October Court of Common Council agenda. The item was not considered sufficiently urgent to justify a late item on the Court of Common Council agenda. As such, an urgent decision was sought and granted under urgency procedures and it is recommended that this urgent action be noted.

**(f) Report of Urgent Action Taken: Early Evening reception for the Women of the Future Summit 2021**

In accordance with Standing Order No. 19, urgent authority was sought to the City Corporation hosting an early evening reception on Tuesday 16<sup>th</sup> November 2021 on the eve of the Women of the Future Summit.

Women of the Future is a not-for-profit organisation which aims to encourage a new generation of female leaders across business, media, culture and public service. The Summit provides a forum for current and future leaders and is the main event of the Women of the Future's annual programme. As in 2020, the Summit was to be held virtually owing to the global pandemic.

Urgent approval was sought and obtained to the City Corporation hosting an early evening reception on the eve of the Summit. This would enable Summit attendees based in London wanting to network in person an opportunity to be able to do so in advance of the virtual summit.

Following the decision of Hospitality Working Party at its meeting on 23<sup>rd</sup> September 2021 to approve the application for hospitality, the application was unfortunately omitted from the October Court of Common Council agenda. The item was not considered sufficiently urgent to justify a late item on the Court of Common Council agenda. As such, an urgent decision was sought and granted under urgency procedures and it is recommended that this urgent action be noted.

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

DATED this of this 23rd day of November 2021

SIGNED on behalf of the Working Party.

**Deputy Brian Mooney**  
Chief Commoner and Chairman, Hospitality Working Party

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# Report – Licensing Committee

## Review of Statement of Licensing Policy - Licensing Act 2003

*To be presented on Thursday, 9<sup>th</sup> December 2021*

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

### **SUMMARY**

The City of London Corporation, in its capacity as Licensing Authority, is required to publish its statutory Statement of Licensing Policy under the Licensing Act 2003. The next Policy is to be published by the end of January 2022. It was felt that the existing Policy did not require a major overhaul and amendments have been made to cover legislative changes to the Licensing Act 2003 and to recognise the effects of the recent pandemic and how that is affecting, and may continue to affect, licensed premises.

The Policy has also been revised to include the effects on licensed premises of issues that are more prevalent today or issues where people's perceptions have changed and are more in the public eye than five years ago. These include steps to mitigate terrorist activity and steps that can be taken to assist vulnerable people.

The consultation period for the revised text of the Policy finished on Friday 8 October 2021. In addition to comments from Members of the Licensing Committee, four responses to the consultation were received. Their concerns and comments have been taken into account in the revised Policy, which was approved by the Committee on 13 October; however, at that meeting it was noted that further feedback concerning suicide awareness (which should be incorporated) had not yet been received from Public Health Officers, and thus was not able to be included in time for the Licensing Committee to review within the new Licensing Policy. Members therefore agreed the Policy in principle, subject to the inclusion of health and safety commentary, to be reviewed by the Town Clerk under delegated authority, in consultation with the Chairman and Deputy Chairman, for final approval and onward submission to the Court.

The outstanding information has now been received and the final Policy is presented to the court for approval.

### **RECOMMENDATION**

We **recommend** that the revised Statement of Licensing Policy, as set out at Appendix 1, be approved for adoption.

## MAIN REPORT

### Background

1. As part of the implementation of the Licensing Act 2003 the City of London Corporation, in its capacity as Licensing Authority, published its first statement of licensing principles in January 2005. This document was agreed by the Court of Common Council in December 2004 with the document being formally published on the statutory day of 7 January 2005.
2. The legislation stated that licensing authorities must review and republish the statement of licensing policy every three years. A subsequent review was undertaken and agreed by the Court of Common Council to reflect the new period that commenced in January 2008 and again in January 2011.
3. The Licensing Act 2003 was amended in April 2012 which extended the period between policy reviews from three to five years. The current City Corporation Policy was reviewed earlier than the statutory time limit in January 2013 to update it following changes in legislation and internal procedures.
4. However, since the current Statement of Licensing Policy was adopted in January 2013 there have again been significant changes to the Licensing Act 2003 and the policies and procedures operated by the licensing team including improvements to the safety thurst scheme and the introduction of the Late Night Levy. These should all be reflected in the text of the Policy.
5. The licensing policy provides transparency for everyone including local residents and businesses, who will be able to refer to the policy when making representations, and applicants for premises licenses when preparing their applications. The Government recommend that the policy should also describe how the licensing authority's approach to licensing will be integrated with local council planning, crime prevention, transport and cultural strategies and any action plan or strategy for the management of the evening economy. The statements should also avoid duplicating other requirements, e.g. health and safety regulations which already place a range of general duties on employers and license holders.
6. The preparation of the new Policy has also taken into consideration a document produced by the Safe Sociable London Partnership entitled 'Called in for Review: London Statement of Licensing Policies - Lessons Learnt and Future Development'. The document compares Policies from the London Authorities, suggesting the areas that should be included within a Policy and highlighting examples of best practice.
7. As part of the implementation of the Licensing Act 2003 the City of London Corporation, in its capacity as Licensing Authority, published its first statement of licensing principles in January 2005. This document was agreed by the Licesning Committee in November 2004. Final approval by Common Council was granted the following month with the document being formally published on the statutory day of 7 January 2005.

8. The legislation stated that licensing authorities must review and republish the statement of licensing policy every three years. A subsequent review was undertaken and agreed by the Licensing Committee to reflect the new period that commenced in January 2008 and again in January 2011.
9. The Licensing Act 2003 was amended in April 2012 which extended the period between policy reviews from three to five years. The current City Corporation Policy was reviewed earlier than the statutory time limit in January 2013 to update it following changes in legislation and internal procedures. The latest Policy was published in January 2018.
10. Since the current Statement of Licensing Policy was adopted there have again been changes to the Licensing Act 2003 and the policies and procedures operated by the licensing team. One of these major changes follows the unprecedented COVID pandemic and the effects this will continue to have on licensed premises. These effects should all be reflected in the text of the Policy.
11. In recent years the subject of mental health has been more openly talked about along with the issues affecting vulnerable persons in general. Licensed premises can play a part, albeit small, in training staff to recognise these issues and again, this is reflected in the new Policy.
12. Finally, the introduction of pavement licences to assist businesses in the COVID recovery period has brought the threat of terrorist activity to the fore. Guidelines issued by NaCTSO (National Counter Terrorism Security Officer) together with CPNI (The Centre for the Protection of the National Infrastructure) and the Metropolitan Police Service, lay down measures to help mitigate terrorist activity in relation to Pavement Licence Applications. As the majority of Pavement Licence Applications come from licensed premises these guidelines have been included within the new Policy.
13. The licensing policy provides transparency for everyone including local residents and businesses, who will be able to refer to the policy when making representations, and applicants when preparing their premises licence applications. The Government recommend that the policy should also describe how the licensing authority's approach to licensing will be integrated with local council planning, crime prevention, transport and cultural strategies and any action plan or strategy for the management of the evening economy. The statements should also avoid duplicating other requirements, e.g. health and safety regulations which already place a range of general duties on employers and license holders.
14. The preparation of the 2018 Policy took into consideration a document produced by the Safe Sociable London Partnership entitled 'Called in for Review: London Statement of Licensing Policies. Lessons Learnt and Future Development'. The document compares Policies from the London Authorities, suggesting the areas that should be included within a Policy and highlighting examples of best practice. There has not been seen to be a need to change our approach to the new 2022 Policy.

15. The main changes to the policy are therefore as follows:
- Updated statutory references
  - Amended text to reflex legislative changes
  - References to Counter Terrorism and Vulnerable persons.
  - Steps that can be taken to assist licensed premises during this post pandemic period.
  - Minor changes to the layout to assist users of the Policy.

### **Consultation**

16. The consultation period ran from 16 July 2021 until 8 October 2021. During that period the licensing service received four comments in addition to comments from Members of the Licensing Committee. One was from a responsible authority and three were from other Corporation services.
17. The comments received were examined and a revised text of the Statement of Licensing Policy 2022 produced to take into account their concerns and general points where felt necessary. A copy is attached as Appendix 1.
18. When revising its licensing policy it is a legal requirement for a licensing authority to consult the following:-
- The Chief Officer of Police for the licensing authority's area,
  - The Fire and Rescue Authority for that area,
  - Each Primary Care Trust or Local Health Board for an area any part of which is in the licensing authority's area,
  - Each local authority whose public health functions are exercisable in respect of an area any part of which is in the licensing authority's area,
  - Such persons considered to be representative of holders of premises licences issued by the licensing authority,
  - Such persons considered to be representative of holders of club premises certificates issued by the licensing authority,
  - Such persons as the licensing authority considers to be representative of holders of personal licences issued by that authority,
  - Such other persons as the licensing authority considers to be representative of businesses and residents in its area
- The City Corporation has fulfilled these statutory obligations as far as its area of jurisdiction is concerned.
19. In addition to the above the following persons, or group of persons were also consulted:
- All Members of the Common Council
  - All members of the Licensing Liaison Partnership

### **Corporate & Strategic Implications**

20. The proposals within this report will meet one of the objectives contained within the Licensing Business Plan for 2021/22, namely, 'Publish New Licensing policy'.
21. The licensing policy is also in line with all three of the City's Core Strategy Aims namely, contribute to a Flourishing Society, Shape outstanding Environments and Support a Thriving Economy.

### **Implications**

22. There are no direct financial or risk implications for the Corporation's services associated with this report. Costs for the publication of the new policy can be met within current budgets.

### **Appendices**

- Appendix 1 – Statement of Licensing Policy 2022

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

DATED this 23<sup>rd</sup> day of November 2021.

SIGNED on behalf of the Committee.

**Sophie Ann Fernandes**  
Chairman, Licensing Committee

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City of London Corporation

# **STATEMENT OF LICENSING POLICY 2022**

Licensing Act 2003



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# 1. FOREWORD

This new Statement of Licensing Policy for the City of London comes at a time when, along with wider London and the UK, the Square Mile is starting to see some recovery from the effects of the COVID pandemic. This period has been hard for everyone, and hospitality was a particular victim with forced closures during the lockdowns of 2020-2021. The time without these premises and the effect on them has reinforced how important licensed premises are to the City of London Corporation, and indeed how resilient licence holders can be during times of adversity. They play a major part in the promotion of a vibrant evening and night-time economy, the promotion of tourism, and are a major employer.

With much needed support for the sector provided in 2021 by the £50 million City of London Covid SME Business Recovery Fund, this Policy has been revised to provide a further helping hand in regard to consistency for business planning over the next five years. In addition, to avoid placing new restrictions on venues, we have decided not to implement cumulative impact zones at this time but will continue to keep a watchful eye on the effects of licensed premises as recovery progresses.

To assist us in this task, the Policy will continue to operate alongside our 'Traffic Light' scheme, Code of Good Practice, and the 'Safety Thirst' award scheme. The first and second of these assist the Licensing Authority in identifying any issues at an early stage and often resolving them before they become more serious and begin to undermine one or more of the four licensing objectives. The success of these schemes is reflected in the continuing low number of hearings which the Licensing Sub-Committee reside over each year. During the past five years less than 1% of all licensed premises have been referred to a hearing, with only two premises in total reviewed during the same period. The third in the list is aimed at improving safety levels of licensed premises in general and rewards the best of our licensed premises with a 'Safety Thirst' award. Put on hold during the pandemic, the Awards are being revised for 2022 and will include current national issues as part of the judging system, such as a greater awareness of terrorist threats and the role licensed premises can play in assisting vulnerable persons.

Looking back at the pandemic period, I personally want to say thank you to all the businesses in the Square Mile for the way in which you have adhered to the Licensing Policy and have conducted yourselves during the almost two years since this began. It has certainly been tough, but I know we all want the City of London to rise again as a vibrant place with a thriving hospitality sector, and we do that whilst upholding the licensing objectives that exist to protect everyone that lives, works or visits here.

Finally, I want to applaud our Licensing Officers, the City of London Police, Environmental Health Officers and all the other services involved within the City of London Corporation. The success in getting through this period has only been possible with you all working together using your specialist knowledge and skills. The way in which the Committee and the sector look positively toward the future is a testament to your hard work and imagination in making impossible things happen, during an incredibly stressful time. Like all of us, you have been trying to balance home and

family life, health, and other demands, while also reading, understanding, communicating, and implementing hundreds of regulations that were changing on a sometimes-daily basis - which kept businesses open and running if at all possible. There are too many individuals to name here, but you have all been integral to supporting the sector through this truly unprecedented time - we made it through thanks to you! A personal thank you from myself and the Licensing Committee.

We move forwards, with the City of London Corporation, the Licensing Committee, and all those mentioned above, entering the next five years hopeful for the future, and with the continued promotion of the four licensing objectives at the forefront of our work to support all those that work, live and visit the City of London.

Sophie Anne Fernandes CC  
Chairman, Licensing Committee

## 2. SCOPE

1. The Licensing Act 2003 (the 'Act') relates to the sale of alcohol, the provision of certain entertainment and late night refreshment.
2. Activities that require a licence under the Licensing Act 2003 and covered by this Policy Statement include:
  - a) retail sale of alcohol
  - b) supply of hot food or drink from premises from 23.00 to 05.00 hours
  - c) supply of alcohol to club members
  - d) provision of entertainment listed below (known as regulated entertainment) to the public or club members or with a view to profit:
    - i. film exhibitions
    - ii. performance of a play
    - iii. indoor sporting events
    - iv. a boxing or wrestling entertainment
    - v. some live music performances
    - vi. playing of recorded music
    - vii. dance performances
    - viii. entertainment of a similar description to a performance of live music, any playing of recorded music or a performance of dance
3. There are a number of exemptions introduced by The Live Music Act 2012, which removes the licensing requirements for certain types of live music performances. The exemptions are set out in Appendix 1 of this document.
4. There are a number of other activities that are exempt from the licensing requirements, details of which are also set out in Appendix 1 of this document.
5. The Act prescribes:
  - a) personal licences which cover the licensing of individuals for the retail sale of alcohol
  - b) premises licences which cover the retail sale of alcohol, the provision of regulated entertainment and the provision of late night refreshment
  - c) club premises certificates which are required to allow the supply of alcohol or the provision of regulated entertainment to certain clubs
  - d) temporary event notices which are required for certain licensable activities on a temporary basis
6. The scope of the Policy Statement covers new applications, transfers and variations of premises licences and club premises certificates, temporary event notices and renewals where applicable. It also includes the policy on the review of licences and certificates which could lead to revocation of the premises licence.

- 7 In general, a reference in the Policy Statement to a premises licence will include a club premises certificate. This policy Statement will cover the period January 2022 to January 2027 but may be amended if there are significant changes in City policy, legislation or case law.
- 8 In carrying out its licensing functions, the authority will promote the licensing objectives set out in the Act. These are:
  - a) the prevention of crime and disorder
  - b) public safety
  - c) the prevention of public nuisance
  - d) the protection of children from harm
- 9 To achieve these objectives, the authority will use its full range of powers and engage all relevant responsibilities including its planning controls, transport controls, crime and disorder policies and powers. The authority will enter into appropriate partnership arrangements, working closely with the Police, Planning Department, Environmental Health Service, the Fire Authority, local businesses, community representatives and local residents in meeting these objectives.

## **COVID-19**

- 10 Since the beginning of 2020 the City of London, along with the rest of the world, have witnessed an unprecedented situation since COVID-19 was first detected. It has been a long and difficult journey which has caused many to look at ways in which we carry out our everyday activities.
- 11 Although the pandemic, and its long-term effects, is largely outside the scope of this policy, legislative changes and changes to working practices will be referred to as and where necessary.

### 3. INTRODUCTION

- 12 The City of London is the world's leading international financial and related business services centre – a global powerhouse at the heart of the UK's financial services. It provides dedicated services to the City, from maintaining its infrastructure to top level economic development, as well as carrying out all the services expected of a local authority. It also provides services that affect people outside its geographical boundary – making a contribution to both regional and national prosperity.
- 13 Although the City is predominantly a business area, there are significant pockets of residential accommodation. In addition to the well-established, concentrated housing developments at the Barbican, Golden Lane, Mansell Street and Middlesex Street, there are smaller scale residential areas including Queenhithe, the Temples, Carter Lane and parts of Smithfield. Residential development has also occurred on a scattered basis in the rest of the City, often involving the redevelopment and conversion of former business premises.
- 14 The City of London is unlike the vast majority of other licensing authorities in that the ratio of residents to the number of persons coming into the City of London to work and socialise is quite small. It is however vital that their residential amenity is protected and this is emphasised in the City's Core Strategic Policy CS21 which aims to protect existing housing and amenity and provide additional housing in the City with a vision to, 'Create healthy homes, space to thrive and vibrant communities' whilst carefully considering the potential impact of new housing developments on existing residents.
- 15 The City Corporation fully supports the provision of recreational and cultural activities and sees these as being of great benefit to the community, especially people working in a high-pressure business environment. To this end, the City Corporation is the fourth biggest sponsor of the arts in the country.
- 16 The City Corporation aims to reconcile all these facets of life in the City to minimise the potentially damaging tensions that could arise between the business, residential and leisure communities. This Policy Statement sets out the framework within which the City Corporation will consider, where it can, the grant of licences for activities controlled by the Licensing Act 2003.

#### **Legal Background**

- 17 The Licensing Act 2003 (the 'Act') repealed most of the previous legislation relating to liquor, entertainment and night café licensing and replaced it with a totally new licensing regime. In respect of liquor licensing, responsibility was transferred from the Magistrates Court (Licensing Justices) to local authorities.

- 18 This gives the City Corporation authority to grant or, in certain circumstances, reject applications for the sale of alcohol or the provision of entertainment or late night refreshment. Conditions designed to ensure the prevention of Crime and Disorder, public safety, the prevention of public nuisance and the protection of children from harm, can be attached to licences. For example, to prevent residents or businesses being disturbed, the City Corporation may restrict licensed hours where it can be shown to be appropriate. However, the ability of local authorities to take decisions is limited either by provisions in the Act, Regulations made under the Act or by guidance from the Home Office.
- 19 The City Corporation is legally obliged to have regard to the Home Office guidance. The City Corporation may, however, if it is considered appropriate, deviate from the guidance but would need good reason to do so. This Policy Statement takes full account of the current Home Office guidance.
- 20 In formulating this Policy Statement, the City Corporation has had regard to the provisions of the European Convention on Human Rights that everyone has the right to respect for his home and private life and that every person is entitled to the peaceful enjoyment of his possessions. The Human Rights Act 1998 makes it unlawful for a public authority to act in a way that is incompatible with a convention right. Consequently, an aim of this Policy Statement, particularly in relation to the decision-making process of the City Corporation, is to ensure that a licensing decision does not breach such a right.
- 21 The Equality Act 2010 requires the City to give due regard to the elimination of unlawful discrimination when exercising its public duties, to promote equality and good relations between people who share and do not share a particular protected characteristic.
- 22 The Equality Act 2010 defines a number of protected characteristics and generally provides that no one should be discriminated against or subject to less favourable treatment on the basis of these characteristics. The characteristics are age, disability, ethnicity & race, gender, gender reassignment, marriage or civil partnership status, pregnancy or maternity status (including nursing mothers), religious or philosophical belief or non-belief and sexual orientation. It also ensures rights of access to everyday facilities and services and, in the context of disability, may require service providers to consider making permanent physical adjustments to their premises.
- 23 The City Corporation will expect licensees to be familiar with the contents of any codes of practice issued by the government under the Equality Act 2010.
- 24 The City Corporation has taken account of the provisions of the Crime and Disorder Act 1998. This requires local authorities to have regard to the likely effect of the exercise of their functions on crime and disorder in their area and to do all they can to prevent such crime and disorder.

- 25 The City Corporation has taken account of the Police Reform and Social Responsibility Act 2011 and the Live Music Act 2012, which both brought in legislative changes to the Licensing Act 2003. The changes have been reflected in this policy.
- 26 The City Corporation has also had regard to recent changes brought on by Government restrictions as a result of the COVID-19 pandemic. These changes may be temporary, and this policy will be amended as necessary as and when the restrictions and accompanying legislative requirements change.
- 27 The Licensing Act requires that licensing authorities consult with other responsible authorities and representatives of licensees of all types, together with representatives of local residents and businesses. The City Corporation will have regard to the views of these persons in the determination of this policy and its periodic review. Those persons consulted prior to the introduction of this policy can be seen in Appendix 2 with a list of responsible authorities as Appendix 3.

## 4. Licensing hours

- 28 In the nighttime economy the terminal hour is often a significant factor in determining the nature of the venue.
- 29 The Licensing Authority has not set framework hours believing that it is best placed to make decisions about appropriate opening hours in the area based on its local knowledge, in consultation with the responsible authorities and other persons. However, residents have a reasonable expectation that their sleep will not be unduly disturbed between the hours of 23.00 and 07:00.
- 30 In preparing the operating schedule applicants who wish to provide licensable activities between these hours should have particular regard to:
- a) The location of the premises, the proximity of residents or other sensitive receptors and the character of the area in which they are located
  - b) The proposed hours during which licensable activities will take place
  - c) The adequacy of the applicant's proposals to prevent crime and disorder and prevent public nuisance utilising CCTV and door supervisors as necessary
  - d) How customers will arrive and leave the premises and the use of public transport, taxis etc.
  - e) Policies and proposals for the orderly dispersal of customers
  - f) Measures proposed to encourage customers to adopt healthier and safer behaviour (which will contribute to reducing health harms and promoting the four licensing objectives)
- 31 Applications that give rise to particular concern are those premises that operate during the daytime and early evening as a restaurant style venue and then as the evening progresses become alcohol led, changing significantly in nature and creating risks in terms of health and safety as well as negatively impacting on the licensing objectives. For applications such as these that are subject to a hearing, the Licensing Authority will impose conditions appropriate to the style of operation and category of the business.
- 32 When the current licensing regime passed to local government in 2005, one of the aims was to prevent concentrations of patrons exiting the premises at 23:00 as happened under the inflexible licensing hours of the previous liquor licensing arrangements. The Government has abolished fixed licensing hours in favour of hours suitable for individual premises.
- 33 In areas containing a number of licensed premises, the policy of the City Corporation will be to encourage licensees to vary their closing times so that patrons leave for natural reasons over a longer period. Notwithstanding that, each application will be determined on its merits. (See also section 12 'Cumulative Impact')



- 34 In relation to shops, supermarkets and stores the Licensing Authority will look to allow opening hours the same as the other retail part of the premises, for sales of alcohol for consumption off the premises.
- 35 However, limitations may have to be imposed in the case of premises known to be a focus of disorder, in particular following police representations about the premises. The control of hours for the sale of alcohol may have to be used in order to meet the licensing objectives.

## 5. MAKING AN APPLICATION

In all cases, the granting of a licence will depend on the impact of an activity, particularly on local residents or late-night businesses. Consideration will be given to relevant matters including, but not limited to, the level of noise and vibration, litter, people coming and going, queuing and any potential for criminal activity or disorder including the potential for a terrorist attack.

- 36 The City of London Licensing Authority only has discretion on whether to grant applications for new premises licences or variations to licences, or to impose conditions on granting or varying licences, if representations relevant to the licensing objectives are made by 'responsible authorities' or by 'other persons'. **If no representations are received the Licensing Authority must grant all applications for premises licences.**
- 37 Applicants for premises licences and club premises certificates are required to complete an operating schedule to accompany their application. In completing the operating schedule, applicants should set out in some detail how they intend to run the premises in order to promote the four licensing objectives. Applicants are expected to have regard to this statement of licensing policy when completing their operating schedules.
- 38 In all cases, the granting of a licence will depend on the impact of an activity, particularly on local residents or late-night businesses. Consideration will be given to relevant matters including, but not limited to, the level of noise and vibration, litter, people coming and going, queuing and any potential for criminal activity or disorder including the potential for a terrorist attack.
- 39 The City Corporation takes note of the nuisance and potential danger to pedestrians, and particularly to disabled people and those using access equipment or items such as pushchairs, by the obstruction of the highway, which includes the footway, by customers of the licensed premises smoking, drinking and eating on the public highway.
- 40 The City Corporation will expect that all operating schedules indicate in detail the steps an applicant is taking to comply with the licensing objectives and in particular, how the outside areas will be managed to prevent noise, smell, or obstruction nuisance to neighbours and other members of the public. In this regard an operating schedule shall include proposed times of operating.
- 41 The City Corporation will expect:
- a) all applications to be accompanied by a covering statement explaining in some detail the nature of the proposed operation. If the application is for a licence variation, the statement must also set out the reasons for the

variation and whether there are any proposals to change the nature of the operation at the premises

- b) all applicants to address the licensing objectives in their operating schedule which they are required by the Act to prepare
- c) all applications to be accompanied by a plan scaled at 1:100 in electronic format together with a hardcopy on A3 size paper using colour where necessary. The plan must be legible with all salient points easy to read.
- d) the operating schedule to have regard to the nature of the area where the premises are situated, the proximity of residents or other sensitive receptors, the type of premises concerned, the licensable activities to be provided, operational procedures and the needs of the local community
- e) the applicant to demonstrate in the operating schedule that they have taken appropriate measures to ensure that the premises will be 'good neighbours' and where appropriate demonstrate that consideration has been given to arrangements for the quick, safe and quiet dispersal of customers from their premises
- f) applicants to complete their own detailed risk assessments on their businesses using the Code of Good Practice for licensed premises as a guide
- g) the operating schedule to refer to precautionary steps taken in order to mitigate possible terrorist activity (see also Section 7)
- h) any proposed changes to the operating schedule, including change of use, to be notified to the Licensing Authority and, depending on the nature of the changes proposed, the Licensing Authority may require a new premises licence application or the submission of an application to vary the existing licence

42 A failure to complete the operating schedule in sufficient detail could result in representations being made against the application.

43 The City Corporation has produced a Code of Good Practice for Licensed Premises to assist applicants in completing their operating schedules for the promotion of the four licensing objectives. The Code forms part of the City Corporation's statement of licensing policy and is attached as Appendix 4 to this document. The City Corporation will expect all applicants to have regard to the Code and to make a positive commitment to prevent problems from occurring at their premises.

44 In order to reduce the number of representations and the cost for all parties in having to attend a hearing, applicants are strongly urged to attend a pre-application meeting, or otherwise engage, with officers of the City of London. This will give the applicant the opportunity to discuss any issues with the licensing officers and if necessary, the police and the environmental health team. Officers can discuss all aspects of the application and compliance with the City of London Licensing Policy.

- 45 The costs falling on all parties can be materially reduced if the applicant has early and detailed discussions with local residents in order to prevent representations from being made. Almost all representations made against the granting of a licence are made either by 'responsible authorities' or local residents.

### **Notification of new applications**

46. It is the policy of the City Corporation that it will always endeavour to make all those affected by an application aware of applications and of the opportunity to make representations. In doing so, every application for a premises licence will be required to be advertised by both the licensing authority and the applicant which will bring the details of the application to the notice of residents and other persons.
47. In addition to statutory requirements, the licensing authority will advertise all new licence applications, applications to vary existing licences and Temporary Event Notices on the City of London web site. We will also notify any person by email the details of new licence and variation applications where a person so requests to be kept informed.
48. Representations must be relevant and not vexatious or frivolous. To be relevant the representation will be accepted if it relates to the likely effect of the grant of a licence on the promotion of at least one of the licensing objectives. In other words, representations should relate to the impact of licensable activities carried on from premises on the objectives. Representations based on vague references to what may happen if the licence is granted will almost certainly be considered frivolous and therefore not relevant.
49. Representations that are founded in whole or in part on stereotypical comments that are based on nothing more than protected characteristics as defined by the Equalities Act 2010, will be treated as vexatious and not considered relevant representations.
50. The grant of a licence could have a significant impact on the lives or businesses of those living in, working in or visiting the area around the premises for which a licence is sought. It is only right, therefore, that all those likely to be affected by an application are made aware of it and of the opportunity to make representations.

### **Personal Licence Applications**

- 51 The City Corporation recognises it has little discretion regarding the granting of personal licences. In general, provided an applicant has a qualification accredited by the Secretary of State or a certified equivalent, and does not have certain serious criminal convictions, the application is required to be granted.

- 52 If an applicant has a relevant conviction the Police may oppose the application, in which case a hearing will be held.
- 53 Prevention of crime is both an objective of the Licensing Act 2003 and an important responsibility of the City Corporation under the Crime and Disorder Act 1998. A person holding a personal licence should be properly qualified and be able to assist the action against crime. Granting a licence to a known criminal will in many cases undermine rather than promote the crime prevention objective.
- 54 At any hearing the licensing authority will consider the seriousness and relevance of the disclosed conviction(s), the period that has elapsed since the offence(s) were committed and any mitigating circumstances. The City Corporation will refuse the application if it is satisfied that granting it would undermine one or more of the licensing objectives.

## 6. CRIME AND DISORDER

The City Corporation will expect licensees of venues to take all reasonable steps to prevent the entry of drugs into premises under their control, to take appropriate steps to prevent drugs changing hands within the premises and to take practical measures to prevent tragedies as a result of drug misuse by way of management and design of the premises.

Failure to follow these recommendations on a voluntary basis, and those set out in the Code of Good Practice for Licensed Premises, could lead to the licence being reviewed with the possibility of revocation.

- 55 This section details criteria that the applicant should have in mind when drawing up an operating schedule in relation to 'The Prevention of Crime and Disorder' licensing objective. The criteria apply to all applications and will be a consideration when responsible authorities or 'other persons' are deciding whether to make representations or whether to call for a review.
- 56 The City of London Licensing Authority sees the Police as the main source of advice on crime and disorder. The Authority also work closely with the Safer City Partnership and co-operate with other bodies such as the Security Industry Authority (SIA).
- 57 The following are matters that the Licensing Authority will seek advice particularly from the Police:
- a) The levels of crime and disorder currently experienced in and around the premises.
  - b) Whether suitable use of CCTV is proposed both inside and outside the premises.
  - c) Any measures in place that encourage healthy drinking behaviour and discourage excessive drinking and drunkenness.
  - d) The management competency of designated premises supervisors and licence holders in circumstances where poor management competency could give rise to issues of crime and disorder and/or public safety.
  - e) The use of SIA registered door supervisors where appropriate.
  - f) Appropriate measures for the detection of drugs and weapons where appropriate.
- 58 Of particular relevance to the prevention of Crime and Disorder is the potential problems associated with premises operating promoted events. A promoted event is defined as, 'an event involving music and/or dancing where the musical entertainment is provided at any time by a disc jockey or disc jockeys one, or some, of whom are not employees of the premises licence holder

and/or the event is (independent of the premises licence holder) promoted to the general public.’

- 59 Where it is considered that operating a promoted event could give rise to issues of crime and disorder it is expected that these matters are to be addressed in the operating schedule. If the premises are deemed not suitable to operate a promoted event a ‘No Promoted Events’ condition would expect to be found (see also section 13).
- 60 If it is the intention to run promoted events the Licensing Authority would expect to see in the operating schedule:
- a) a comprehensive risk assessment undertaken by the licence holder to ensure that crime and disorder and public safety matters are identified and addressed
  - b) that the appropriate City of London Police Promoted Event Risk Assessment Form be used for each event and submitted to the Police at least 14 days before the event takes place
  - c) that promoters have obtained BIIAB Level 2 for Music Promoters
  - d) that the door supervisor per customer ratio be a minimum of 1 : 50
- 61 Illegal drugs are still prevalent within premises licensed to sell alcohol. This is particularly true of what are often referred to as ‘recreational drugs’ with the range of substances increasing. The misuse of such drugs holds grave danger and has led to fatalities.
- 62 Other factors may have contributed to these deaths, such as a lack of drinking water, excessive drinking of water, an overly hot environment with inadequate ventilation, or a lack of adequate information about drugs.
- 63 Drugs alter the way people behave, so their distribution and possession is controlled by law. Controlled drugs are usually manufactured and supplied illegally, which attracts criminal involvement in their distribution. Drugs manufactured illegally often vary in quality and strength which puts people taking such drugs in further danger.
- 64 The City Corporation recognises that drug use by young people in a club environment is not something that applies to all licensed premises. However, many entertainment venues, such as night clubs and dance venues, can be popular with both drug users and suppliers.
- 65 In particular, the City Corporation will expect licensees of such venues to be familiar with the contents of Chapter 4 (drug awareness) of the BIIAB Level 2 National Certificate for Entertainment Licensees and to be following the recommendations of that handbook. The BIIAB is a legal entity and is the British Institute of Inn Keeping Awarding Body. The City Corporation will also expect licensees to be following the recommendations of the book ‘Safer Clubbing’ issued by the London Drug Policy Forum and endorsed by the Home Office.

- 66 The City Corporation will therefore expect licensees of venues to take all reasonable steps to prevent the entry of drugs into premises under their control, to take appropriate steps to prevent drugs changing hands within the premises and to take practical measures to prevent tragedies as a result of drug misuse by way of management and design of the premises.
- 67 Failure to follow these recommendations, and those set out in the Code of Good Practice for Licensed Premises, on a voluntary basis could lead to the licence being reviewed with the possibility of revocation.
- 68 The City of London Corporation runs a Safety Thirst scheme whereby licence holders can show their premises are operating in a way that promotes the four licensing objectives and can protect the health and safety of anyone affected by the activities of their premises. It is recognised by the Licensing Authority that premises which meet the safety thirst criteria are less likely to cause problems which will be looked at favourably if ever they were to come before a licensing hearing. The City Corporation expects premises to sign up to this scheme on an annual basis.



## 7. PUBLIC SAFETY

The City Corporation will expect:

- i) the premises to be presented to the highest possible standards of safety
- ii) the applicant to have addressed the requirements of Health & Safety at Work and Fire Safety legislation and, where appropriate, the Technical Standards published by the District Surveyors Association.
- iii) the applicant to have addressed the actions recommended by Counter Terrorism Security Advisors in order to mitigate the possibility of terrorist activity.
- iv) the operating schedule to detail how the premises will be properly managed and maintained to ensure public safety at all times
- v) to protect staff, customers and visitors from vulnerability by implementing training, policies and communication campaigns where appropriate.

69 This section details criteria that the applicant should have in mind when drawing up an operating schedule in relation to the 'Public Safety' licensing objective. The criteria apply to all applications and will be a consideration when responsible authorities and 'other persons' are deciding whether to make representations or whether to call for a review.

70 Public safety is about protecting the safety and the lives of patrons. It is the wish of the City Corporation that anyone visiting a licensed venue in the City can do so in complete safety and premises may be inspected to ensure that they have been constructed with safety in mind and are well managed and maintained. The City of London Licensing Authority sees the London Fire Service as one of the main sources of advice on public safety

### Terrorist Threat

71 It is a sad indictment of current times that there are people in this world intent on harming others. As such, everybody has a responsibility to be aware of the possibility of a terrorist attack and to take whatever mitigating action is appropriate.

72 The possibility of such an attack is dependent on a number of factors including the location of the premises, the likely capacity of the premises at any one time, the number of persons expected to be sitting or standing outside the premises and the activities taking place in or outside the premises.

73 The City Corporation will be guided by Counter Terrorism Security Advisors (CTSA) at all times in relation to the factors referred to above and any

mitigating actions that are appropriate in order to reduce the risk of a terrorist attack.

- 74 The City Corporation will expect any person applying for a premises licence to therefore have regard to Counter Terrorism advice given via the City Corporation. Failure to follow this advice could result in a hearing and revocation or refusal of a licence.
- 75 In addition to the above, where advised by the City Corporation, the licence holder/applicant and the Designated Premises Supervisor will be expected to complete the nationally recognised counter terrorism training product known as ACT. This is an e-learning package made available free of charge and accessible on the internet. Further information is available from the City Corporation's Licensing Team.

#### Vulnerability

76. Any person can be affected by different forms of vulnerability when visiting a licensed venue. Everybody has a responsibility to protect others from harm, whether this is taking positive action as a bystander or intervening when safe and appropriate to do so. Venues should provide training to staff, implement relevant policies and procedures and display communication campaigns so staff, customers and visitors know how to get help and support. e.g. Ask for Angela campaign.
77. The City Corporation will expect any person applying for a premises licence to have measures in place to ensure staff, customers and visitors to the venue are protected and supported particularly in situations where they may be vulnerable. This includes, but is not limited to, sexual violence including sexual harassment and rape, domestic abuse, Child Sexual Exploitation (CSE), modern slavery and hate crime.
78. Women are disproportionately affected by sexual violence and other forms of Violence Against Women and Girls (VAWG). Where possible, the venue should sign up to the Mayor of London's 'Women's Night Safety Charter'. The venue should work in line with the City of London's VAWG Strategy and Safer City Partnership Strategic Plan.

#### Access

- 79 It is the policy of the City Corporation that there should be comprehensive facilities and access for people with disabilities wherever practicable. The City Corporation will, therefore, expect the needs of disabled people to be addressed in the operating schedule.
- 80 Wherever practicable, disabled people should not be treated in a less advantageous way than non-disabled people. In addition, there are responsibilities under the Equality Act 2010 and prior legislation that place statutory duties on licensees to ensure that such facilities cater for everyone's needs.

### COVID-19

- 81 Since the beginning of 2020, we have seen unprecedented restrictions placed on the majority of people in order to assist in the protection against the effects of COVID-19.
- 82 During that period there have been many legislative changes introduced. Where these changes continue to be in force The City Corporation will expect all licence holders to adhere to the relevant statutory requirements.

### Capacity

83. With regard to the licensing objective of public safety, the issue of capacity should be addressed in the fire risk assessment for the premises use. This does not mean that every premises must have a capacity figure. However, there should be evidence that the responsible person has considered the number of persons who can be safely evacuated through the available exits.
84. A safe capacity figure will however be expected in the following circumstances:
- a) In premises that could potentially become overcrowded, for example bars, pubs, clubs, and other places of public assembly, particularly when a promoted event is to take place
  - b) Where an engineered solution or BS 9999 has been used to increase capacity
  - c) Where capacity is risk critical, for example where the premises use has a higher occupancy factor than that which the building was designed for
  - d) Where applicable, capacity should normally be inclusive of staff and performers. Management should be able to demonstrate a realistic method of controlling capacity

### Use of Candles

85. In order to promote the licensing objective of public safety, the issue of the use of candles should be addressed in the fire risk assessment of all premises where candles are used. The City Corporation requires all measures identified and recommended by the London Fire Brigade during their audit/ inspection to be adopted and implemented at all times, so as to reduce or remove the risk of danger to public safety.

### Mental Health Awareness

86. To support the Public Safety Licensing objectives premises staff should be trained in Mental Health awareness and literacy, as well as suicide prevention awareness where possible. This training will improve skills in recognising signs of poor mental health for both staff and customers and in understanding what helpful action can be taken. This can prevent issues escalating, reduce harm, and potentially save lives.

Premises along the Thames should also familiarize themselves with water safety guidance due to the regular incidents that can occur in their vicinity. Licensing will continue to work with other services, particularly Public Health, in supporting premises with improving their knowledge in these areas.

87 The City Corporation will therefore expect:

- a) the premises to be presented to the highest possible standards of health and safety.
- b) the applicant to have addressed the requirements of Health & Safety at Work and Fire Safety legislation and, where appropriate, the Technical Standards published by the District Surveyors Association. The plans of the premises, which must be submitted, will be expected to provide evidence of compliance with health and safety matters. Evidence of current safety certificates may be required.
- c) the applicant to have addressed the actions recommended by Counter Terrorism Security Advisors in order to mitigate the possibility of terrorist activity.
- d) the operating schedule to detail how the premises will be properly managed and maintained to ensure public safety at all times

## 8. PUBLIC NUISANCE

It is the policy of the City Corporation to strike a fair balance between the benefits to a community of a licensed venue, and the risk of disturbance to local residents and workers. Notwithstanding that all applications will be determined on their individual merits.

- 88 This section details criteria that the applicant should have in mind when drawing up an operating schedule in relation to 'The Prevention of Public Nuisance' licensing objective. The criteria apply to all applications and will be a consideration when responsible authorities or 'other persons' are deciding whether to make representations or whether to call for a review.
- 89 Although largely commercial, much of the City is very sensitive to the impact of licensed activities because it is close to either residential areas or areas of late night financial and other businesses. The impact of traffic going to and from licensed premises can be considerable. Even where a majority of customers arrive on foot or by public transport, the numbers of people dispersing may be significant.
- 90 The view of the Government is that longer licensing hours should be encouraged in the interests of avoiding a concentration of disturbance and ensuring that nuisance is minimised to local residents. The Government believes that shops and public houses should generally be permitted to sell alcohol during the hours they intend to open. Entertainment providers should be encouraged to provide a range of entertainment during their operating hours and to promote live music, dancing and theatre for the wider cultural benefit of the community.
- 91 The City Corporation understands the view of the Government but considers that the risk of disturbance to local residents is greater when licensable activities continue late at night and into the early hours of the morning. Residents have a reasonable expectation that their sleep will not be unduly disturbed between the hours of 23.00 and 07:00.
- 92 It is therefore the policy of the City Corporation to strike a fair balance between the benefits to a community of a licensed venue, and the risk of disturbance to local residents and workers. Notwithstanding that all applications will be determined on their individual merits.
- 93 In particular, the City Corporation will expect the applicant to be proposing practical steps to prevent disturbance to local residents. The City Corporation will expect the applicant to supply an acoustic report in applicable

circumstances confirming that there will be no noise breakout from the premises that is likely to cause public nuisance to persons living or working in the area close to the licensed premises. Any doubts as to whether such a report is required can be discussed in the pre-application meeting. Any sound leakage must be addressed in practical ways such as:

- i) keeping doors and windows closed and providing adequate mechanical ventilation
- ii) reducing sound levels and installing an approved sound limiting device to prevent sound exceeding the appropriate level, both the device and the level to be approved by a suitably qualified acoustic consultant
- iii) providing double door entry to premises with a ventilated lobby, to reduce noise levels generally and during entry and exit of persons to the premises
- iv) installing soundproofing measures to contain sound and vibration
- v) mounting speakers in carefully considered locations using rubber mounts

94. The Licensing Authority expects that premises intended for the provision of noise generating licensable activities are acoustically controlled and engineered to a degree where the noise from the premises when compared to the ambient noise level will not cause undue disturbance. The Licensing Authority recognises specific difficulties associated with other premises structurally linked to would-be licensed premises and the limit of sound insulation performance that can be achieved. In some circumstances licensed premises with amplified music adjoining, or in very close proximity to, residential properties may not be appropriate.
95. The aim of the Policy is, therefore, to achieve a holistic and balanced approach to these difficult issues although it must be realised that there may be circumstances where measures within the control of the applicant are likely to be insufficient to prevent one or more of the licensing objectives being undermined. In these circumstances it may not be appropriate for a premises licence to be granted.
96. The City Corporation acknowledges the difficulty a licence holder has in preventing anti-social behaviour by individuals once they are beyond the direct control of that licence holder. However, it will also take into account that the licensing objective of preventing public nuisance will not be achieved if patrons from licensed premises regularly engage in anti-social activities to the detriment of nearby residents or businesses. Furthermore, it will also take into account its responsibility under the Crime and Disorder Act 1998 to do all it can to prevent crime and disorder in the City.
97. In order to mitigate the noise from patrons leaving a premises, particularly where residents are close by and where it is late at night or early in the morning, the Licensing Authority will expect the applicant to operate a dispersal policy and to include in the operating schedule practical steps such as:

- a) Erecting prominent notices at the exits to premises asking customers to leave quietly and not to slam car doors
  - b) At appropriate times making announcements to the same effect within the premises
  - c) Instructing door staff to ask customers leaving the premises to leave the area quietly
  - d) Reducing the volume of music towards the end of the evening and where appropriate playing quieter, more soothing music as the evening winds down
  - e) In appropriate cases, having door supervisors or a manager patrolling nearby streets to assess for themselves whether there is a problem and how best to deal with it
  - f) Banning from the premises people who regularly leave in a noisy fashion
  - g) Increasing outside lighting levels where appropriate and/or possible
  - h) Instituting a mini cab/taxi booking scheme
98. However, a situation can arise in relation to disturbance caused by the dispersal of customers where in some circumstances, large numbers of customers leaving a premises late at night or early in the morning is simply not appropriate.
- 99 The City Corporation will expect the operators of popular venues, which attract queues, to formulate a system to avoid disturbance to residents and other businesses. This may sometimes be achieved by simply ensuring that the direction of the queue is away from residential accommodation and other nearby buildings.
- 100 However, excessive noise and/or disorder will require more rigorous action. It is important that queues formed later in the evening are supervised to keep noise to a minimum. Door supervisors will generally be expected to carry out this role, but they must be given clear instructions as to their duties and responsibilities which should cover other areas of crime and disorder, for example underage or excessive drinking and drugs.
- 101 Any activity involving public entertainment or eating or drinking on the premises has the potential to impact adversely on the surrounding area due to noise, smells, or congestion on the footway. It may also be caused by the customers being noisy on departure or leaving litter. The impact of noise generated by these activities, especially customers departing either on foot or in cars, is particularly intrusive at night when ambient noise levels are much lower.
- 102 Since a change in legislation in 2007 preventing people from smoking in premises, public nuisance is now a real possibility from customers smoking outside the premises.
103. Therefore, the proposals in the operating schedule should include an assessment of the potential for public nuisance arising from customers eating, drinking and smoking in outdoor areas and on the public highway outside the



premises and how this is to be managed with particular reference being made to:

- a) restricting the number of customers permitted in certain outside areas and/or at certain times
- b) limiting the number of customers permitted on the premises at any one time
- c) not permitting customers who are smoking to take drinks outside with them
- d) the arrangements in place for the regular removal of used glasses, crockery and cutlery
- e) locating smoking areas away from residential premises
- f) using door supervisors and employees to monitor possible public nuisance issues with a ratio not less than 1 door supervisor for every 100 customers
- g) providing a form of demarcation and or physical barrier acceptable to the Highways Authority to be used to mark the boundary of the area outside the premises where customers are allowed to drink
- h) the steps they intend to take to educate their customers and prevent public nuisance arising from litter and prevent the use of alleyways, street corners, and open pavements in the area around their premises to be used as urinals

104. When considering whether any licensed activity should be permitted, the City Corporation will assess the likelihood of it causing unacceptable adverse impact, particularly on local residents and businesses, by considering the following factors amongst other relevant matters:

- i) the type of use
- ii) the proposed hours of operation
- iii) the means of access to and exit from the premises by patrons
- iv) the measures that are proposed to avoid nuisance being caused to residents and businesses in particular from outside smoking, drinking and eating in terms of noise, obstruction of the highway and anti-social behaviour
- v) any negative cumulative impact of licensed premises in an area and, in considering any application for review of premises already licensed, the City Corporation may take into account evidence of the following:
  - a) past demonstrable adverse impact from the activity especially on local residents and businesses
  - b) any appropriate measures which have been agreed and put into effect by the applicant to mitigate any adverse impact
  - c) adoption of the City Corporation's Code of Good Practice for Licensed Premises



## 9. PROTECTION OF CHILDEN FROM HARM

The City Corporation may consider imposing requirements such as:

- i) limitations on the hours when children may be present
- ii) limitations or the exclusion of the presence of children under certain ages when particular specified activities are taking place
- iii) limitations on the parts of premises to which children might be given access
- iv) age limitations (eg. no person under 18)
- v) requirements for accompanying adults (including for example, a combination of requirements which provide that children under a particular age must be accompanied by an adult)
- vi) full exclusion of those people under 18 from the premises when any licensable activities are taking place

105 This section details criteria that the applicant should have in mind when drawing up an operating schedule in relation to the 'Protection of Children from Harm' licensing objective. The criteria apply to all applications and will be a consideration when responsible authorities or 'other persons' are deciding whether to make representations or whether to call for a review.

106 The protection of children from harm is an important licensing objective. Nevertheless, the City Corporation will not normally impose conditions requiring or prohibiting the admission of children to any premises, believing this should remain a matter of discretion for the licence holder. However, it will, where appropriate, impose conditions designed to protect children where necessary.

107 In certain circumstances it may be appropriate to impose a complete prohibition of those persons under a certain age. The City Corporation will in other situations consider imposing requirements such as:

- i) limitations on the hours when children may be present
- ii) limitations or the exclusion of the presence of children under certain ages when particular specified activities are taking place
- iii) limitations on the parts of premises to which children might be given access
- iv) age limitations (eg. no person under 18)
- v) requirements for accompanying adults (including for example, a combination of requirements which provide that children under a particular age must be accompanied by an adult)

- vi) full exclusion of those people under 18 from the premises when any licensable activities are taking place
108. Additional controls are more likely to be appropriate in the following circumstances:
- a) where entertainment or services of an adult or sexual nature are commonly provided
  - b) where there have been convictions of members of the current staff at the premises for serving alcohol to minors or the premises has a reputation for underage drinking
  - c) where there is a known association with drug taking or dealing
  - d) where there is a strong element of gambling on the premises (but not, for example, the simple presence of a small number of cash prize gaming machines)
  - e) where the supply of alcohol for consumption on the premises is the exclusive or primary purpose of the services provided at the premises
109. The Government position is that everyone working in an environment where there may be children present should safeguard and promote the wellbeing of children. All such persons must follow Government guidance entitled, 'What To Do If You're Worried A Child Is Being Abused'.
110. A policy entitled, 'Safeguarding Children Policy for Licensed Premises' has been drawn up by the Pan-London Safeguarding Board. The licensee is responsible for ensuring that they and their staff are familiar with, and competent in following both the Safeguarding Policy and the Government guidance referred to within the document.
111. Young people may attempt to buy and consume alcohol and then become vulnerable because their judgement is impaired. This could put them in danger from getting involved in fights, from drink driving or from sexual harm. Provisions should be in place to see that alcohol is not served to, or purchased on behalf of, under-age young people. Some of the ways that this can be ensured include:
- a) A recognised age verification scheme such as a PASS approved identity card. (See PASS scheme website);
  - b) All staff responsible for selling age restricted goods should be trained to operate this scheme and staff training records should be maintained and audited;
  - c) Displaying signage to notify the public that the premises operates a Proof of Age scheme;
  - d) Use of CCTV or other methods to monitor the outside of the premises, to ensure that children are not purchasing by proxy;
  - e) Keeping a refusals book.

112. All owners/licence holders and their staff should have a basic awareness of child protection issues. This includes:
- a. Being alert to the possibility of child abuse and neglect, i.e. the definition, prevalence, identifying features in a child or adult, legal parameters and social consequences.
  - b. Having enough knowledge to recognise an abusive or potentially abusive event or set of circumstances
  - c. The need to protect children from sexual exploitation when undertaking licensing functions
  - d. Knowing who in the organisation to raise your concerns with
  - e. Being competent in taking appropriate immediate or emergency action
  - f. Knowing how to make a referral to Local Authority Children's Social Care and/or the Police.
113. Where the exhibition of films is permitted the City Corporation will expect the age restrictions of the British Board of Film Classification (BBFC), or the City Corporation in respect of the films it has classified itself, to be complied with.
114. In relation to specialist Film Festivals where it is desired to show films not classified by the BBFC, the City Corporation will classify the films concerned. Adequate notice will need to be given by the Festival organiser if Corporation classification is required. To achieve consistency and the protection of children, the City Corporation will use the guidelines published by the BBFC.
115. In addition, the City Corporation will use its other statutory functions to ensure the protection of children from harm with particular emphasis on the sale of alcohol to underage persons.
116. These policies are designed to allow flexibility for the licensee to ensure that, where appropriate, licensed premises are suitable for children but to ensure they are adequately protected.

## 10. TEMPORARY EVENT NOTICES

- 117 Temporary Event Notices (TENs) allow licensable activities to take place without the need for a premises licence where the event shall have less than 500 attendees.
- 118 The TEN can only cover a period up to 168 hours (seven days). A maximum of fifteen TENs can be submitted within one calendar year with a maximum number of aggregate days that the TENs may cover within a calendar year being twenty-one.
- 119 If any of the above limits are exceeded the City of London will issue the premises with a counter notice, nullifying the TEN, and prohibiting licensable activities from taking place.
- 120 In order to assist in mitigating the effects of the COVID-19 pandemic Government has introduced legislation, The Alcohol Licensing (Coronavirus) (Regulatory Easements) (Amendment) Regulations 2021, which temporarily increase these maximum numbers until the end of 2023. Until that time, or until further legislation amends, a maximum of twenty TENs can be submitted in one calendar year with a maximum number of aggregate days that the TENs may cover within a calendar year being twenty-six.
- 121 A TEN submitted to the Licensing Authority at least ten working days before the event is due to take place is known as a 'Standard TEN' and can only be objected to by the Police or Environmental Health within three working days from receipt of the notice. The Licensing Authority has no discretion whether to allow a TEN. Where objections take place, the matter is subject to a hearing by elected Members unless an agreement can be made between the 'objector' and the premises user, in which case the objections are treated as withdrawn.
- 122 A TEN submitted to the Licensing Authority between five and nine working days before the event is due is known as a 'Late TEN'. If objections are made by either the Police or Environmental Health the event will not be permitted, and a counter notice issued nullifying the TEN. Because of the short timescales the matter is not subject to a hearing and therefore the event will not be permitted to take place.
- 123 It should be noted that a temporary event does not absolve the premises user of any responsibilities under any other legislation, e.g. a terminal hour of operation on its planning permission or any COVID-19 legislation in force.
- 124 A TEN will however supersede any condition already on the premises licence. The Licensing Authority strongly recommends that premises, already holding a licence, that apply for a TEN in order to extend the terminal hour for licensable activities, to carefully consider applying any conditions on their licence to the TEN. This is particularly relevant for conditions relating to noise control as areas are likely to become more noise sensitive with later hours.

## 11. LATE NIGHT LEVY

- 125 It is a requirement in the City of London that all licensed premises authorised to sell alcohol between 00:01 and 06:00 hours will have to pay an annual levy between £299 and £4,400 depending on their rateable value and whether the premises are primarily or exclusively used to sell alcohol for consumption on the premises.
- 126 **The collection of levy fees is not discretionary where a Late Night Levy scheme is in place.** The statutory fee will apply if the premises licence permits a terminal hour for the supply of alcohol after 00:01 whether the premises opens after that time or not.
- 127 It can be seen from local crime statistics that the majority of serious crimes, that have a connection with a licensed premises, are committed after midnight. The City of London therefore took the option to introduce the Levy in order to use the money raised to help reduce the incidence of crime and disorder and public nuisance. The Levy was introduced from 1 October 2014.
- 128 The Levy money is split between the City of London Police and the City Corporation.
- 129 The City Corporation is required to spend its allocation in specific areas namely:
- The reduction or prevention of crime and disorder
  - The promotion of public safety
  - The reduction or prevention of public nuisance
  - The cleaning of any highway maintainable at the public expense within the City of London (other than a trunk road) or any land to which the public are entitled or permitted to have access with or without payment and which is open to the air
- 130 A report detailing how the money raised is spent will be produced for the Licensing Committee annually. The effectiveness of the Levy, and whether it should be continued, will be reviewed on a regular basis.

## 12. CUMULATIVE IMPACT

The Licensing Authority will consider whether the grant of further premises licences in an area, or club premises certificates, would further undermine one or more of the licensing objectives.

A decision will be made on the individual merits of each application and, if the application is likely to significantly add to the cumulative impact, the licence may not be granted. The converse is also true. If the application is unlikely to significantly add to the cumulative impact, then the licence may be granted.

131. The Licensing Authority recognises that the cumulative impact of licensed premises can be experienced by residents in areas even where there is no current cumulative impact policy. Cumulative impact is not defined in the Licensing Act but is addressed in national guidance which defines it as *“the potential impact on the promotion of the licensing objectives of a significant number of licensed premises concentrated in one area”*.
132. The Licensing Authority will consider any representation that refers to the impact of a number of premises in an area. The absence of a special policy in an area will not prevent any responsible authority or other person from making representations on the grounds that the premises will give rise to a negative cumulative impact on one or more of the licensing objectives in the area in question.
133. Representations referencing cumulative impact need to be evidence based i.e. show how the present number of licensed premises are impacting on the objectives and demonstrate how a specific licensed premises in a particular area will add to those problems.
134. In these circumstance the Licensing Authority will consider, amongst other things, whether the grant of a further premises licence, or club premises certificate, would significantly add to the cumulative impact of a number of other premises thereby undermining one or more of the licensing objectives.
135. If there are serious problems in a particular area which affect one or more of the licensing objectives, because of the number of licensed premises in that area, the Licensing Authority may implement a Cumulative Impact policy for that particular area. The Licensing Authority would first look to impose conditions on the individual premises in that area, where relevant representations are made.
136. The Licensing Authority will adopt the following procedures if a Cumulative Impact Policy (CIP) for a particular area is required:

- a) Identify the concerns from a responsible authority or 'other person'.
- b) Investigate the situation to identify the causes
- c) Establish if one or more of the licensing objectives are being undermined by customers of a licensed premises
- d) Establish whether any issues can be alleviated using licensing functions currently open to them e.g. review of a particular licence
- e) Consult with those persons that appear appropriate
- f) Adopt and publicise a CIP

137. It is important to note that such a policy if adopted will not cause any existing licences to be changed. It can only apply to new applications and variations of existing licences. It is also not an absolute policy and it would be open to the applicant to show that what is being proposed will not add to problems related to the number of licensed premises in a particular area.

## 13. CONDITIONS

138. The Licensing Authority will only issue a licence with conditions that are both necessary and appropriate. Where an application is not subject to a representation any conditions placed on the licence will only be taken that are deemed consistent with the application's operating schedule.
139. Where the application is subject to a representation, or a current licence is subject to review, the Licensing Authority will only place sufficient conditions on the licence in order that the licensing objectives are not undermined.
140. Licence conditions will not be disproportionate to the type of activity to be licensed and will not be imposed where the Licensing Authority is satisfied that other regulatory regimes provide sufficient protection to the public e.g. Health and Safety at work and fire safety legislation.
141. It is the policy of City Corporation that, when considering and applying conditions, such conditions should be clear, appropriate and enforceable. Conditions will be focussed on matters that are within the control of the individual licence holder.
142. Suggested model conditions have been produced to assist applicants, responsible authorities and other persons when proposing and determining conditions for a premises licence, but all should ensure that the conditions apply specifically to the premises and meet the criteria of clarity, appropriateness and enforceability. (See Appendix 5)
143. Suggested model conditions are neither exclusive nor exhaustive. They do not restrict applicants, responsible authorities or other persons in proposing additional or alternative conditions. Nor do they restrict the Licensing Authority, when determining contested applications, from imposing any reasonable condition on a licence that it considers appropriate for the promotion of the licensing objectives.
144. A premises licence that contains conditions imposed by the City Corporation, or agreed by the applicant, shall also be subject to the statutory mandatory licensing conditions (these mandatory conditions applying to all premises licences). See Appendix 6 for the full list of mandatory conditions.



## 14. ENFORCEMENT AND OTHER LEGISLATION

145. Where necessary, enforcement action will be taken in accordance with the principles of good enforcement, as set out in the Legislative and Regulatory Reform Act 2006, the Enforcement Concordat and the Regulators' Code introduced in 2014. These documents promote consistency of enforcement throughout the country. Action taken will meet the requirements of the City of London's Department of Markets and Consumer Protection's Policy Statement on Enforcement.
146. In particular, enforcement action will have regard to the fundamental principles recommended by the Better Regulation Task Force for good enforcement:
- i) risk assessment – i.e. focusing on activities that give rise to the most serious risks or where hazards are least well controlled
  - ii) consistency – i.e. similar approaches in similar circumstances to achieve similar ends
  - iii) transparency – i.e. helping licensees to understand what is expected and distinguishing between statutory requirements and guidance
  - iv) proportionality – i.e. action taken should be proportional to the risk presented
147. The authority will establish protocols with the local Police and the Fire Authority on enforcement issues to avoid duplication and to provide for the most efficient deployment of City Corporation, Police and Fire Authority officers in respect of inspection of licensed premises and the enforcement of licensing law.
148. The Licensing Authority operate a 'Traffic Light' risk scheme providing a simple but effective monitoring tool which brings together the findings of the licensing authority and other responsible authorities in a way that flags up problematic premises at an early stage. It takes a holistic partnership approach to dealing with problem premises under all four licensing objectives and recognises good practice.
149. Advice and support will be offered to problematic premises with a view to improving standards at their premises and to prevent or minimise subsequent problems. The aim is to avoid the need for enforcement action such as prosecution or licence review but will not replace action where it is necessary for the promotion of the licensing objectives.
150. The scheme does not override the right of any person or authority to review a premises licence or club premises certificate at any stage where problems occur at that premises that are relevant to the promotion of one or more of the licensing objectives. A copy of the scheme can be seen as Appendix 7.

151. The policy of the City Corporation will always be a light touch inspection regime for well-managed and maintained premises, with a targeted and graduated inspection and enforcement regime for problem and high-risk premises.

## **Planning**

152. Licensing and Planning are two separate regimes. As a matter of law, the Licensing Authority cannot refuse an application because of the absence of appropriate planning consent.
153. However, it will be the policy of the City Corporation that applicants for premises licences will be reminded of the need to secure the necessary planning consent, if not already obtained, before carrying on their licensable activities. Applicants' attention will be drawn to relevant planning policies in order to assist their application process, e.g. policies concerning managing night-time entertainment. An application for any variation of a licence would not relieve the applicant of the need to apply for planning permission or building control consent where appropriate.
154. Further, the Planning Department is a statutory consultee and can identify premises where the planning permissions and premises licence(s) are not aligned.
155. Coordination of these functions will be facilitated by the Licensing Committee and the Planning & Transportation Committee; each committee being kept informed of the actions taken. In this way unnecessary duplication can be avoided with licensing applications not being a re-run of the planning process and not cut across decisions made by the local planning authority.
156. Planning 'policy' is laid down in the Local Plan. A copy of the plan relevant to licensed premises can be seen as Appendix 8.

## **Tables and Chairs**

157. The provision of tables and chairs outside a premises, either on the highway or on private land, can enhance the attractiveness of the venue. It can have the benefit of encouraging a continental style café culture. However, late at night these same tables and chairs can contribute to noise problems. This is because they can encourage patrons and passers-by to loiter rather than disperse.
158. The placing of tables and chairs on the public highway requires the consent of the City Corporation's Planning & Transportation Committee. Such consent is not required on private land, albeit this may constitute a 'material change of use' that requires planning permission. Applicants should also be mindful of current conditions attached to existing planning permissions and that the

placing of tables and chairs outside their premises do not contravene any planning requirements.

159. The City of London Corporation has produced a Tables and Chairs Policy which all applicants must adhere to. The policy is designed to strike a fair balance between the needs of those wishing to enjoy refreshment in the open air and the need to prevent problems concerning safety and nuisance. A copy of the Tables and Chairs Policy can be seen as Appendix 9.
160. In addition to a Tables and Chairs 'licence' legislation brought in to assist businesses mitigate the effects of the COVID-19 pandemic has temporarily introduced an additional 'Pavement' licence available for placing tables and chairs on the highway.
161. The Business and Planning Act 2020 (Pavement Licences) (Coronavirus) (Amendment) Regulations 2021, permits an application to be made to place tables and chairs on the highway until 30 September 2022. The process from receipt of application to the granting of a licence takes only fourteen days.
162. The City Corporation has produced an AI-Fresco Policy detailing the criteria applicants must follow if they wish to receive a pavement licence. The policy ensures that the safety of people using the tables and chairs, and those pedestrians passing them by, are paramount. The AI-Fresco Policy can be seen as Appendix 10.

### **Sexual Entertainment**

163. The City Corporation has a separate policy for applications for Sexual Entertainment Venues (SEV's) in the City and applicants should familiarise themselves of its contents. Please contact the Licensing Team for a copy of the SEV Policy.
164. Applicants wishing to offer adult entertainment are expected to complete Box N of the operating schedule and give details of the entertainment to be provided.
165. Limited entertainment can be provided without the need of an SEV licence however, venues wishing to provide this kind of entertainment will generally be expected to offer the following conditions:
  - a) No person under the age of 18 shall be admitted to the premises at any time (or when adult entertainment is taking place)
  - b) The premises shall be so arranged that adult entertainment is not visible from the street.
  - c) There shall be no external advertisement at the premises for adult entertainment (including leafleting)
  - d) Nudity shall only be permitted by performers and not customers.

- e) A minimum of one metre distance shall be maintained between dancers and customers during adult entertainment
- f) A written code of conduct for staff participating in the provision of striptease or nudity shall be in place and shall be kept on the premises for inspection by Police or a duly authorised officer of the Licensing Authority.
- g) A written code of conduct for dancers participating in the provision of striptease or nudity shall be in place and shall be kept on the premises for inspection by Police or a duly authorised officer of the Licensing Authority.

## 15. ADMINISTRATION AND DELEGATION OF FUNCTIONS

166. The Act provides that the functions of the licensing authority (including its determinations) are to be taken or carried out by its Licensing Committee (except those relating to the making of a statement of licensing policy or where another of its committees has the matter referred to it). The Licensing Committee may delegate these functions to sub-committees or, in appropriate cases, to officials supporting the licensing authority. Where licensing functions are not automatically transferred to licensing committees, the functions must be carried out by the licensing authority as a whole and not by its executive.
167. The discharge of functions are as follows:

<b>Matters to be dealt with</b>	<b>Sub Committee</b>	<b>Officers</b>
Application for personal licence	If a Police objection	If no objection made
Application for personal licence with unspent convictions	All cases	
Application for premises licence/club premises certificate	If a relevant representation made	If no relevant representation made
Application for provisional statement	If a relevant representation made	If no relevant representation made
Application to vary premises licence/club premises certificate	If a relevant representation made	If no relevant representation made
Application to vary designated premises supervisor	If a Police objection	All other cases
Application for transfer of premises licence	If a Police objection	All other cases
Application for interim authorities	If a Police objection	All other cases
Decision on whether a complaint is irrelevant, frivolous, vexatious etc.		All cases

Decision to object when local authority is a consultee and not the relevant authority considering the application	All cases	
Determination of a police or environmental health objection to a temporary event notice	All cases	
Determination of application to vary premises licence at community premises to include alternative licence condition	If Police objection	All other cases
Decision whether to consult other responsible authorities on a minor variation		All cases
Determination of a minor variation application		All cases

- 168 This statement of licensing policy will cover the period January 2022 to January 2027. It has to be revised at least every five years with the next policy due therefore in January 2027.
- 169 The City of London licensing authority will however review the policy at more frequent intervals as necessary and make any appropriate amendments.



# APPENDICES

## **Appendix One – Activities Exempt from the Licensing Requirement**

- (1) Film exhibitions for the purposes of advertisement, information, education etc.
- (2) Film exhibitions that form part of an exhibit put on show for any purposes of a museum or art gallery.
- (3) Music whether live or recorded, which is incidental to other activities which do not require a licence.
- (4) Live music as follows:
  - i. amplified live music between 8am and 11pm before audiences of no more than 200 people on premises authorised to sell alcohol for consumption on the premises;
  - ii. amplified live music between 8am and 11pm before audiences of no more than 200 people in workplaces not otherwise licensed under the 2003 Act (or licensed only for the provision of late-night refreshment); and
  - iii. unamplified live music between 8am and 11pm in all venues
- (5) Use of television or radio receivers for the simultaneous reception and playing of a programme.
- (6) Any entertainment or entertainment facilities at a place of public religious worship.
- (7) Entertainment at garden fetes or similar functions unless there is an element of private gain.
- (8) Morris dancing or any dancing of a similar nature or a performance of un-amplified live music as a part of such a performance.
- (9) Entertainment on road vehicles in motion.



## **Appendix Two – List of Persons Consulted**

When revising its licensing policy it is a legal requirement for a licensing authority to consult the following:-

The Chief Officer of Police for the licensing authority's area,

The Fire and Rescue Authority for that area,

Each Primary Care Trust or Local Health Board for an area any part of which is in the licensing authority's area,

Each local authority whose public health functions are exercisable in respect of an area any part of which is in the licensing authority's area,

Such persons considered to be representative of holders of premises licences issued by the licensing authority,

Such persons considered to be representative of holders of club premises certificates issued by the licensing authority,

Such persons as the licensing authority considers to be representative of holders of personal licences issued by that authority,

Such other persons as the licensing authority considers to be representative of businesses and residents in its area

The City Corporation has fulfilled these statutory obligations as far as its area of jurisdiction is concerned.

In addition to the above the following persons, or group of persons, were also consulted:

All Members of the Court of Common Council

All members of the Licensing Liaison Partnership

## **Appendix Three – List of Responsible Authorities**

- ❖ **Licensing Authority**  
Markets and Consumer Protection  
PO Box 270, Guildhall  
London EC2P 2EJ
  
- ❖ **Police**  
City of London Police, Licensing Office,  
78 -83 Upper Thames Street  
London EC3R 3TD
  
- ❖ **Fire and Rescue**  
London Fire & Emergency Planning Authority,  
Fire Safety Regulation: North East Area 2  
London Fire Brigade  
169 Union Street  
London SE1 0LL
  
- ❖ **Primary Care Trust / Health Board**  
Hackney Public Health Team  
1 Hillman Street  
London E8 1DY
  
- ❖ **Environmental Health**  
Department of Markets and Consumer Protection (Pollution)  
City of London Corporation  
PO Box 270 Guildhall,  
London EC2P 2EJ
  
- ❖ **Planning**  
Department of the Built Environment  
City of London Corporation  
PO Box 270 Guildhall,  
London EC2P 2EJ
  
- ❖ **Child Protection**  
Department of Community & Children's Services  
City of London Corporation  
PO Box 270, Guildhall,  
London EC2P 2EJ
  
- ❖ **Trading Standards**  
Department of Markets and Consumer Protection (Trading Standards)  
City of London Corporation  
PO Box 270 Guildhall,  
London EC2P 2EJ

❖ **Public Safety**

Department of Markets and Consumer Protection (Food Team)\*\*  
City of London Corporation  
PO Box 270, Guildhall,  
London EC2P 2EJ

\*\* In respect of City of London Corporation owned premises, the Responsible Authority for public safety as listed above will be substituted for the HSE address below:

Health and Safety Executive,  
Rose Court, 2 Southwark Bridge,  
London SE1 9HS

❖ Adjoining Local Authorities where premises cross over a boundary

Additional notifications will be required if the “premises” is a moving vessel (e.g. pleasure boat on the Thames). These are listed below:-

❖ **Maritime & Coastguard Agency**

Orpington Marine Office  
Central Court  
1B Knoll Rise  
Orpington  
Kent  
BR6 0JA

❖ **Port of London Authority**

Harbour Master (Upper District)  
Bakers’ Hall  
7 Harp Lane  
London  
EC3R 6LB

❖ **Metropolitan Police**

Thames Division  
98 Wapping High Street  
London  
E1 9NE

#### **Appendix Four – Code of Good Practice**

This item can be found by clicking this link: [Code of Good Practice](#)

#### **Appendix Five – List of Model Conditions**

This item can be found by clicking this link: [Model Conditions](#)

#### **Appendix Seven – Traffic Light Scheme**

This item can be found by clicking this link: [Traffic Light Scheme](#)

#### **Appendix Eight – Local Plan**

This item can be found by clicking this link: [Local Plan](#)  
(Pages 51-51 relevant to Licensing)

#### **Appendix Nine – Tables and Chairs Policy**

This item can be found by clicking this link: [Tables and Chairs](#)

#### **Appendix Ten – AI Fresco Policy**

This item can be found by clicking this link: [AI Fresco policy](#)

## **Appendix Six – Mandatory Licensing Conditions**

### **Alcohol**

- (1) There shall be no sale or supply of alcohol when there is no Designated Premises Supervisor (DPS) in respect of this premises licence or at a time when the DPS does not hold a personal licence or when his/her licence is suspended.
- (2) Every supply of alcohol under the premises licence must be made or authorised by a person who holds a personal licence.
- (3) The responsible person shall take all reasonable steps to ensure that staff on relevant premises do not carry out, arrange or participate in any irresponsible promotions in relation to the premises.
- (4) In this paragraph, an irresponsible promotion means any one or more of the following activities, or substantially similar activities, carried on for the purpose of encouraging the sale or supply of alcohol for consumption on the premises in a manner which carries a significant risk of leading or contributing to crime and disorder, prejudice to public safety, public nuisance, or harm to children:
  - i) games or other activities which require or encourage, or are designed to require or encourage, individuals to:
    - a) drink a quantity of alcohol within a time limit (other than to drink alcohol sold or supplied on the premises before the cessation of the period in which the responsible person is authorised to sell or supply alcohol)
    - b) drink as much alcohol as possible (whether within a time limit or otherwise)
  - ii) provision of unlimited or unspecified quantities of alcohol free or for a fixed or discounted fee to the public or to a group defined by a particular characteristic (other than any promotion or discount available to an individual in respect of alcohol for consumption at a table meal, as defined in section 159 of the Act)
  - iii) provision of free or discounted alcohol or any other thing as a prize to encourage or reward the purchase and consumption of alcohol over a period of 24 hours or less
  - iv) provision of free or discounted alcohol in relation to the viewing on the premises of a sporting event, where that provision is dependent on:
    - a) the outcome of a race, competition or other event or process
    - b) the likelihood of anything occurring or not occurring
  - v) selling or supplying alcohol in association with promotional posters or flyers on, or in the area around the premises which can reasonably be

considered to condone, encourage or glamorise anti-social behaviour or to refer to the effects of drunkenness in any favourable manner

- (5) The responsible person shall ensure that no alcohol is dispensed directly by one person into the mouth of another (other than where that other person is unable to drink without assistance by reason of a disability).
- (6) The responsible person shall ensure that free tap water is provided on request to customers where it is reasonably available.
- (7) The premises licence holder or club premises certificate holder shall ensure that an age verification policy applies to the premises in relation to the sale or supply of alcohol.
- (8) The policy must require individuals who appear to the responsible person to be under 18 (or such age specified in the policy) to produce on request, before being served alcohol, identification bearing their photograph, date of birth and a holographic mark.
- (9) The responsible person shall ensure that where any of the following alcoholic drinks is sold or supplied for consumption on the premises (other than alcoholic drinks sold or supplied having been made up in advance ready for sale or supply in a securely closed container) it is available to customers in the following measures:
  - i) Beer or Cider: ½ pint
  - ii) Gin, Rum, Vodka or Whisky: 25ml or 35ml
  - iii) Still wine in a glass: 125ml

Customers must be made aware of the availability of the above measures.

### **Door Supervisors**

- (10) Where a premises licence includes a condition that at specified times one or more individuals must be at the premises to carry out a security activity, the licence must include a condition that each such individual must be licensed by the Relevant Authority.

### **Films**

- (11) Admission of children (under the age of 18) to any exhibition of films must be restricted in accordance with the film classification body designated as the authority under s4 Video Recordings Act 1984.

### **Clubs**

- (12) A Club Premises Certificate which authorises the supply of alcohol for consumption off the premises must include the following conditions:

- i) the supply must be made at a time when the premises are open for the purposes of supplying alcohol, in accordance with the certificate, to members of the club for consumption on the premises
- ii) the alcohol supplied for consumption off the premises must be in a sealed container
- iii) the supply of alcohol for consumption off the premises must be made to a member of the club.

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# Report – Bridge House Estates Board

## Bridge House Estates Target Operating Model Proposal – Phase 1: Leadership Team

*To be presented on Thursday, 9<sup>th</sup> December 2021*

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

### **SUMMARY**

This report seeks decisions relating to the organisational re-design of Bridge House Estates (“BHE”) (charity no. 1035628) by the City of London Corporation (“City Corporation”) as corporate trustee, in line with the City Corporation’s Target Operating Model (“TOM”). The report sets out matters for decision which will support the City Corporation, as trustee, in the effective administration and governance of BHE, consistent with its legal obligations as trustee to always act in the best interests of the charity. Specifically, the report proposes the creation of two new roles within the proposed BHE Leadership structure. These are a new BHE Chief Operating Officer post, and a new Chief Funding Officer post, following the deletion of the Grade H Deputy Director of City Bridge Trust post. As these posts are at Grade I or above, their creation is submitted to this Honourable Court for approval. The full BHE Leadership Team Structure has been approved by your Bridge Houses Estates Board and Establishment Committee.

### **RECOMMENDATIONS**

The Court of Common Council is **recommended**, as being considered to be in the best interests of Bridge House Estates (Charity No. 1035628) to:

- a) Approve the creation of a new BHE Chief Operating Officer post at Grade I;  
and
- b) Approve the creation of a new Chief Funding Officer post at Grade I.

### **MAIN REPORT**

#### **Background**

1. Bridge House Estates (“BHE”) is an unincorporated charitable trust and a registered charity (reg no. 1035628). The City Corporation is the corporate trustee of BHE, and the charity is administered by the City Corporation in accordance with the charity’s own governing documents and the City Corporation’s usual procedures and governance framework. The City Corporation is the legal entity which enters into all contracts, employs all staff and holds the legal title to all of the charity’s property etc, with the reasonable costs and expenses of doing so being reimbursed

from the charity's funds. As charity trustee, the City Corporation has a legal obligation to always act in the best interests of the charity.

2. The primary object of BHE is to maintain and support five bridges crossing the River Thames – London Bridge, Blackfriars Bridge, Southwark Bridge, Tower Bridge and Millennium Bridge. A cy-près charity scheme of 1995 permits income surplus to that required for the bridges to be used for broader, and more general, charitable purposes within Greater London (“the ancillary object”). The income surplus is distributed in accordance with a policy agreed by the Court of Common Council and notified to the Charity Commission. The current such policy is “Bridging Divides 2018 – 2023”, delivered primarily by City Bridge Trust (“CBT”) – Bridge House Estates’ charitable funding arm.
3. With the constitution of the Bridge House Estates Board (“BHE Board”) on the 15 April 2021, unless expressly reserved to the Court of Common Council, the discharge of all the City Corporation’s functions as Trustee of Bridge House Estates are the responsibility of the BHE Board.

### **Current Position and Proposal**

4. In December 2020, the Court of Common Council agreed the Tier 1 changes to the City Corporation’s organisational design. As part of this, the TOM described BHE as an “institution” within the City Corporation. At the same time, Members also approved a change to the former Chief Grants Officer and Director of City Bridge Trust’s job title and duties to reflect the officer’s express delegated authority from the Town Clerk and Chief Executive for the management and oversight of all aspects of BHE’s functions, acting upon the advice of the City Corporation’s other professional officers. Following the formal constitution of the BHE Board, the approved change of job title to “Managing Director of Bridge House Estates” took effect from 16 April 2021. The TOM provided an opportunity for BHE to further consider its optimum management and operational structure, designed in the charity’s best interests.
5. A set of TOM proposals in respect of BHE, including the creation of these Grade I posts (confirmed and approved by Job Evaluation), were endorsed by the Design Advisory Board on 9 September 2021 and approved by your Bridge House Estates Board on 15 September 2021 (which, as per its Terms of Reference, is responsible for ensuring effective operational arrangements are in place for the proper administration of the charity, including the overall organisation and structure of delivery of the charity’s business within the City Corporation’s operating model) and by your Establishment Committee on 15 October 2021.
6. Following the approval of the full proposal by the Bridge House Estates Board and the Establishment Committee, and the subsequent 30-day consultation period, the approval of the Honourable Court for two new Grade I roles in the structure are sought: a **BHE Chief Operating Officer**, and a **Chief Funding Officer**. Both roles would be permanently recruited to through an open external and internal process. A summary of each role is appended to this report for your information, with the job and person specifications having been approved by the Managing Director of BHE.

7. The Bridge House Estates Board further approved that the budget to fund the posts, and the other restructure proposals, are to be factored into future budget requests which will be funded from the BHE Unrestricted Income Fund – General Fund.
8. The full BHE Leadership Team proposal, which the two posts are part of, seeks to build a more cohesive and effective leadership team which will support the charity in delivering its reach and impact for the public benefit, enhance the effectiveness and efficiency of support provided to your BHE Board, embed strong lines of accountability, and build greater institutional definition for BHE within the City Corporation's wider operational framework, whilst maintaining appropriate autonomy of operation and decision-making for the charity.
9. The full BHE Leadership Team structure provides BHE and the City Corporation with the opportunity to demonstrate best practice in charity governance, management and administration, helping to protect the reputation of the charity and the trustee. It also provides the opportunity to better join-up the delivery of the primary and ancillary objects, alongside ensuring that all enabling activities in administering the charity are aligned with the BHE's overarching strategy and reflect good charity governance. The structure also provides for increased training and progression opportunities for staff, whilst providing an opportunity for BHE to increase the diversity of its staff, particularly at a senior level.
10. Currently, the Managing Director of BHE does not have direct oversight of management over the primary object of BHE. The proposed creation of the Chief Operating Officer provides greater capacity and support to the Managing Director in overseeing the delivery of the primary object and for implementing 'service level agreements' with City Corporation departments that continue to directly support the charity, having regard to their professional responsibilities and expertise.
11. The Chief Funding Officer will work closely with the Managing Director, and as a key member of the BHE Leadership Team, to lead the successful delivery of the charity's funding strategy, currently "Bridging Divides". The Chief Funding Officer, working in collaboration with the BHE Leadership Team, will have responsibility for maximising the strategic impact of the grant-making activity of BHE, and ensuring that all funding activities are carried out effectively, efficiently and with the adequate quality controls in place.
12. Bringing together the key roles across the primary and ancillary objects and support functions will enable the newly established BHE Leadership Team to work together to build and embed a culture that is highly collaborative, inclusive, and progressive. The full Leadership Team proposal and the proposed two new posts creates greater definition, accountability, and transparency for BHE in managing and operating the charity, with appropriate mechanisms to manage perceived or actual conflicts of interest, whilst still remaining embedded within the City Corporation's governance framework so as to inhibit siloed working (which is not in either the charity's or the City Corporation's best interests).

## **Corporate & Strategic Implications**

12. Strategic Implications – Ultimately, the creation of these two posts will support the successful delivery of BHE’s overarching strategy, Bridging London 2020 – 2045. It will support the charity in becoming a world-class bridge owner, charitable funder and responsible leader. Furthermore, the proposal will support the vision set out within the City Corporation’s Corporate Plan (“CP”) for 2018 – 23 and reinforces CP outcomes 3, 4, 5, 8, 9 and 12.
13. Financial Implications – The funding for the two new posts, and the full leadership team, have been approved by the Bridge House Estates Board to be funded from BHE Unrestricted Income Funds – General Fund. Whilst BHE is committed to a culture of continuous improvement and driving efficiencies and effectiveness in its operations, it is not required to meet the City Corporation’s target savings. If the proposal is approved, the additional costs for 2022/23 onwards will be built into budgets going forward as part of the corporate annual budget setting process.
14. Legal Implications – There have been reputational and regulatory risks associated with the historical governance and administration arrangements for BHE, which are now partly mitigated by the creation of the BHE Board. The proposal presented will further support more effective administration of the charity in furthering its charitable objects; and better ensure independent decision-making in the charity’s best interests.
15. Equalities Implications - As the City Corporation, acting by the Court of Common Council, is the legal entity which employs all staff on behalf of the charity, BHE have conducted a Test of Relevance and subsequent Equality Impact Assessment to comply with the City Corporation’s Public Sector Equality Duty 2010. The proposed BHE Leadership Team structure provide BHE with an opportunity to implement actions to advance equality practices. In particular, BHE will seek to increase the diversity of ethnicity within its Leadership Team and actively encourage applications from candidates from BAME backgrounds, given the underrepresentation in the current structure.
16. To support this, BHE will work to ensure that its recruitment practices for these two new posts are equitable and include positive action to promote diversity in terms of demographics and experience. Additionally, specific diversity recruitment sites will be targeted including Ethnic Jobsite, Disability Jobsite, LGBT Pride Media, Diversity & Asian Jobsite. BHE will also ensure diverse selection panels and consider flexible working arrangements and job-share options.

## **Duties and Powers of the Trustee**

17. The full BHE Leadership Team proposal, and the two new posts seeking approval, have been developed in the best interests of BHE, but also aligns with the City Corporation’s overall TOM principles, Organisational Design principles and Enabling Services principles. The BHE Leadership Team full proposal, including

the creation of these two new posts, meets these principles, but emphasis has been placed on ensuring that the structure which is recommended is in the best interests of the charity: supporting BHE in its effective operation to achieve its charitable objects first and foremost, and better enabling the City Corporation's compliance with its associated duty to manage conflicts of interest (actual and perceived) and to demonstrate independence of decision making in discharging its function as charity trustee of BHE.

## **Conclusion**

18. In summary, this report seeks approval for the creation of two new Grade I posts within the new BHE Leadership Team Structure – a Chief Operating Office (Grade I) and Chief Funding Officer (Grade I). These decisions form part of proposal for the organisational re-design of BHE's operating framework within the City Corporation's own governance and operating framework, which have been agreed by the BHE Board and the Establishment Committee. This is consistent with the trustee's duties and the need to act in BHE's best interests and demonstrate independent decision-making whilst drawing appropriately upon the expertise of the trustee. The proposal aligns with the City Corporation's overall TOM principles, Organisational Design principles and Enabling Functions principles, whilst being primarily driven by the needs and best interests of the charity. The full Leadership Team proposal, and specifically the two new posts, will enhance the effective and efficient management of the charity and will ultimately support the charity to increase the impact and reach of its activities for the benefit of Londoners. Your BHE Board has agreed that these decisions are in the best interests of the charity and seeks the approval of this Honourable Court to enable important work on behalf of the charity to continue.

## **Appendices**

Appendix 1 – Summary of Roles

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

DATED this 15<sup>th</sup> September 2021.

SIGNED on behalf of the Board.

**Deputy Dr Giles Shilson**  
Chair, Bridge House Estates Board

## **Appendix 1 – Summary of Roles**

### **1. BHE Chief Operating Officer – Grade I (Reporting to the Managing Director of Bridge House Estates)**

#### **Purpose of post**

The Chief Operating Officer (COO) will work closely with the Managing Director and as a key member of the BHE Leadership Team to provide leadership and direction to BHE across the primary and ancillary object, combining organisational planning and operational leadership.

The COO will be responsible for providing strategic and operational leadership to the charity and will lead and oversee the charity's programme of business transformation, strategy development, change management, governance, risk management, equity, diversity & inclusion, impact and learning.

The COO will be responsible for overseeing the delivery of the charity's primary object (the maintenance and support of the five Thames bridges); leading the implementation of the relevant processes to ensure that the City Corporation, as the charity's trustee and provider of choice, provides the appropriate level of support to BHE, and in agreement with the BHE Board, commissioning agreed Service Level Agreements (SLAs) with relevant departments across the City Corporation.

The COO will direct, through line management of the Director of Tower Bridge, the management and development of Tower Bridge as a tourist attraction and direct the operational services at Tower Bridge in line with the charity's strategies.

The COO will oversee the management of the support functions provided to BHE by the City Corporation i.e. HR, IT, Legal and commercial services - ensuring that the level of support provided is aligned with agreed SLAs and in the best interests of the charity.

## **2. Chief Funding Officer – Grade I (Reporting to the Managing Director of Bridge House Estates)**

### **Purpose of post**

The Chief Funding Officer will work closely with the Managing Director, and as a key member of the BHE Leadership Team, to lead the successful delivery of the charity's funding strategy, currently "Bridging Divides".

The Chief Funding Officer, working in collaboration with the BHE Leadership Team, will have responsibility for maximising the strategic impact of the grant-making activity of BHE, and ensuring that all funding activities are carried out effectively, efficiently and with the adequate quality controls in place.

Using a "total assets approach" and working with the Philanthropy Director and BHE Communications and Engagement Director, the Chief Funding Officer will be jointly responsible for ensuring that all the monetary and non-monetary assets available are efficiently and effectively used to maximise the impact of the funding activities of the charity, and are aligned with BHE's strategic priorities.

In collaboration with the BHE Leadership Team, the Chief Funding Officer will oversee the delivery of current strategic initiatives and the future funding pipeline by identifying strategic initiatives, developing forward-thinking funding initiatives and leading collaboration with partners.

The Chief Funding Officer will represent CBT externally at a senior level, across the sectors, promoting the grant making activities of BHE, acting as an advocate and influencer within the voluntary and community sector making the best use of their knowledge and networks to identify, recommend and oversee strategic initiatives that will contribute to tackling inequality in London and beyond.

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## Report – Bridge House Estates Board

# Bridge House Estates Annual Report and Financial Statements 2020/21

*To be presented on Thursday, 9<sup>th</sup> December 2021*

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

### **SUMMARY**

This report presents the draft Annual Report and Financial Statements for Bridge House Estates (BHE) for the year ended 31 March 2021 for approval. A designed version of the report will be published and submitted to the Charity Commission once the Annual Report and Financial Statements have been finalised and signed on behalf of the Trustee. The audit work in respect of these accounts has been substantially completed and the Audit Panel has met, with positive feedback presented to the Chamberlain. BDO LLP, the charity's external auditors, have advised that they intend to issue an unqualified opinion.

The Annual Report and Financial Statements 2020/21 have been scrutinised by your Bridge House Estates Board, the Audit & Risk Management Committee having first provided their comments for the Board's consideration consistent with their particular skills, knowledge, and experience. Your BHE Board now recommend them to this Honourable Court for approval.

### **RECOMMENDATIONS**

It is recommended that the Court of Common Council, on behalf of the City Corporation as Trustee of Bridge House Estates (Charity No. 1035628), approve the BHE Annual Report and Financial Statements for the year ended 31 March 2021, this being considered to be in the best interests of the charity.

### **MAIN REPORT**

1. Bridge House Estates ("BHE") is an unincorporated charitable trust and a registered charity (reg no. 1035628). The City Corporation is the corporate trustee of BHE, and the charity is administered by the City Corporation in accordance with the charity's own governing documents and the City Corporation's usual procedures and governance framework.
2. The 2020/21 Annual Report and Financial Statements for BHE for the year ended 31 March 2021 are presented for approval and are attached at Annex 1 to this report. The Charity Commission requires charities to submit their annual report within 10 months of their financial year-end (i.e., for BHE, by 31 January 2022). As a significant charity within the sector, BHE looks to demonstrate good governance in making available its annual report on a timely basis.

3. With the constitution of the Bridge House Estates Board (“BHE Board”) on the 15 April 2021, unless expressly reserved to the Court of Common Council, the discharge of all the City Corporation’s functions as Trustee of Bridge House Estates are now the responsibility of the BHE Board.
4. Approval of the 2020/21 Annual Report and Financial Statements is reserved to the Court of Common Council, following review and recommendation for approval by your BHE Board, as per the committee terms of reference in place, reflecting the strategic oversight of the charity vested in the Court of Common Council for the City Corporation as Trustee. In previous years, approval of BHE’s Annual Reports and Financial Statements was delegated to the Finance Committee by the Court of Common Council.
5. The BHE Board sought comments from the Audit & Risk Management Committee on the Annual Report and Financial Statements, consistent with its particular skills, knowledge and experience and oversight of such matters for the City Corporation’s other Funds, with that Committee having previously received reports relevant to this, to help inform the decisions of the BHE Board in making recommendations to the Court of Common Council for the City Corporation as Trustee of Bridge House Estates.
6. Following comment by the Audit & Risk Management Committee, the Bridge House Estates Board has considered and recommends the Annual Report and Financial Statements of the Bridge House Estates charity to this Honourable Court. Should the Court of Common Council approve the Annual Report and Financial Statements, the Chair and Deputy Chair of the BHE Board will sign the Annual Report, on behalf of the Trustee.
7. A designed version of this Report will be made available online and submitted to the Charity Commission.

## **Appendices**

Annex 1: Annual Report and Financial Statements for Bridge House Estates, 2020/21

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

DATED this 1<sup>st</sup> day of December 2021.

SIGNED on behalf of the Board.

**Deputy Dr Giles Shilson**  
Chair, Bridge House Estates Board



ANNUAL REPORT &  
FINANCIAL STATEMENTS  
For the year ended 31 March 2021

Charity registration number 1035628

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## OVERVIEW OF THE YEAR

Bridge House Estates (BHE) stands on solid foundations, with a history more than nine centuries old. Originally established to maintain and support London Bridge, BHE now maintains and supports five bridges across the Thames, using surplus funds for wider charitable purposes across Greater London. By asset value, BHE is currently the 7<sup>th</sup> largest charity in the UK.

The past year has been an important one in the history of BHE. In 2018, a Strategic Review was begun to enhance the governance, management, and administration of BHE – to increase the reach and impact of the charity’s activities and to ensure it models good practice, in line with its ambition to be a modern and progressive charity.

A strategy was approved in October 2020: *Bridging London 2020 – 2045*, and in March 2021, the Court of Common Council of the City Corporation, in its capacity as BHE’s Trustee, agreed to establish a new committee named the “Bridge House Estates Board”, to have day-to-day management of the charity. Through its new Board, BHE will continue to work to build a fairer London in 2021 as it continues to maintain its bridges.

In October 2020, the City Corporation, both as Trustee of BHE and in delivering its wider functions and activities, adopted a radical joint *Climate Action Strategy*. The Strategy breaks new ground, setting out how it will achieve net zero carbon emissions by 2040, build climate resilience and champion sustainable growth. This is in line with the ambition for BHE to deliver its activities and manage its assets in the most sustainable, ethical, and responsible ways possible.

Like the bridges, BHE is deeply rooted in the Capital, but also highly flexible, and the challenging, ever-changing nature of the past year saw all its staff adapting quickly to new working conditions.

When the UK went into lockdown in March 2020, income from Tower Bridge’s visitor attraction was immediately hit, and as the year progressed, income from BHE’s investment property portfolio also dropped, as offices and businesses remained closed. Meanwhile, BHE’s charitable grant-making and funding arm, City Bridge Trust (CBT), was speedily adapting the support it could offer to Londoners struggling under the impact of Covid-19.

Tower Bridge reopened to the public in July 2020 but was subsequently forced to close as a visitor attraction for a total of seven months. Early on, a strategy for business recovery was devised. However, the Bridge remained ‘digitally open’ throughout the year, with extensive uptake of the Bridge’s refocused digital education provision and online resources.

At London Bridge, less than 1km upriver, the bridges team were just one week into a major maintenance programme when the first lockdown hit. Despite the circumstances, work to replace the waterproofing and paving was completed under budget, safely, and ahead of schedule. Cycle lanes were introduced, along with new traffic management, as part of Transport for London’s Streetspace programme.

Below and around the bridges, work has continued on the Tideway Tunnel project, a massive new Super Sewer being constructed along the line of the river. BHE worked closely with the Tideway Tunnel project team to ensure minimal impact on the charity's bridges, particularly at Blackfriars Bridge, where a new public open space of over one acre will hide a 3,700 tonne culvert, floated in below the bridge, and a 65m deep tunnel shaft.

CBT's funding to existing grantees and small grants continued throughout the pandemic, but the Bridging Divides (BD) funding programme was paused to applications for new projects, allowing the BD programme to refocus attention on supporting those most affected by the pandemic. CBT distributed £1.7m of Covid-19 small charity emergency support funding to existing grantees, and overall across the year, funded £55.2m grant commitments.

CBT was quick to flex its funding offer, providing additional one-off payments to grantees, allowing grantees to convert project funding to core costs; and also collaborating to launch the London Community Response (LCR), a pioneering alliance of more than 65 diverse funders, united to maximise their impact and co-ordinated by London Funders. Launched just four days after the first lockdown was announced, the LCR galvanised over £53.3m of funding, enabling 3,327 grants to be made.

As part of the LCR, the London Community Response Fund (LCRF) was established as a restricted fund which enabled other funders, who chose not to fund projects directly via the LCR, to join the efforts, with CBT administering the LCRF. CBT distributed £15.2m of BHE funding through LCRF alongside a further £13.1m received from other funders, totalling £28.3m.

As the Black Lives Matter protests took place across the globe, CBT responded by creating a Race Action Plan that would be fit for the future, and set up a Diversity, Equity and Inclusion work group to deliver agreed actions to tackle racial injustice. CBT also awarded a strategic grant for research and development to the Baobab Foundation, a new organisation led by the black and ethnic minority organisations it supports.

One of BHE's key strengths is that of a convenor and collaborator in the capital. It is without doubt that these strong relationships with key partners built on BHE's wider strengths have, over the past year, helped to provide greater security to Londoners during the period of uncertainty and increased need. This was achieved not just through the on-going maintenance and support of the physical structures of the five bridges themselves, but also through the support provided to Londoners as London's largest independent charitable funder, under the CBT banner.

The board and management of BHE want to commend and praise their staff across all teams who went the extra mile to ensure that the charitable mission was not just met, but surpassed. Notably this was shown by their ability to work flexibly and collaboratively under often extremely challenging circumstances, to ensure the emerging needs of Londoners were met.

## **ORIGINS OF THE CHARITY**

The origins of BHE can be traced back to 1097 when William II, successor as King to William the Conqueror, raised a special tax to help repair London Bridge. By the end of the twelfth century, the shops and houses adorning Peter de Colechurch's new stone London Bridge were beginning to generate not only increased cross-river trade, but also increased taxes, rents and bequests. A significant fund began to accumulate, administered from a building on the south side of the bridge called Bridge House. Over succeeding centuries this fund has been administered by the City of London Corporation ('the City Corporation') as Trustee.

The Bridge House Mark, established as an identifying emblem of the charity for many centuries was designed by William Leybourn, a famous seventeenth century surveyor.

The work of Bridge House Estates now reaches out across the whole of London in many important and diverse ways:

### **The River Bridges**

The maintenance and support of five of the bridges that cross the Thames into or by the City of London – London Bridge, Blackfriars Bridge, Southwark Bridge, Tower Bridge, and Millennium Bridge – is the primary purpose of the charity. They are gateways to the City of London and require sustained investment and expert care.

London Bridge - The first stone bridge across the Thames was built between 1176-1209 and replaced between 1823-1831. The current bridge was built between 1967-1972 and designed by the City Engineer, Harold Knox King with architects Mott, Hay & Anderson and William Holford & Partners. Made of concrete with polished granite, the Bridge has three spans founded on concrete piers fixed deep into the river clay. It was opened by Her Majesty The Queen in 1973.

Blackfriars Bridge - Blackfriars Bridge was originally built between 1760-1769 and was known as 'Pitt Bridge' after William Pitt the Elder. This structure was replaced between 1860-1869 with a design by Joseph Cubitt of five wrought iron arches faced with cast-iron, on granite piers. The decorations include ornithological sculptures surmounting the granite columns on each cutwater, archaded cast iron parapets and enormous attached columns in red granite with Portland stone capitals. The sculptures depict land birds on the landward side of the bridge and sea birds on the side facing the sea. Queen Victoria opened the bridge in 1869.

Southwark Bridge - Originally built between 1814-1819, Southwark Bridge was purchased by the charity in 1868. The City of London had been trying to obtain control since 1827 to catch criminals escaping to Southwark, outside its jurisdiction! It was replaced between 1912-1921 with a design by Sir Ernest George and Basil Mott and comprises five steel arches with granite cutwaters and piers.

Tower Bridge - Designed by the Victorian architect Sir Horace Jones, the City Architect, in collaboration with Sir John Wolfe Barry KCB, Tower Bridge was opened in June 1894 after eight years of construction. It is a working bascule, suspension and girder bridge, constructed as a steel frame clad in stone and granite in Gothic style to complement the neighbouring Tower of London and is the only bridge where no part actually touches the

City footprint. Under the Corporation of London (Tower Bridge) Act 1885 (as amended), the City Corporation is required to raise the Bridge to provide access to and egress from the Upper Pool of London for registered vessels with a mast or superstructure of 30 feet or more. The service is provided free of charge subject to 24 hours' notice and is available any time, day or night, 365 days per year. The City Corporation as BHE's Trustee ensures that the Bridge, a designated Grade 1 listed building, is properly maintained and protected as part of the nation's heritage.

As a world-famous icon of London, Tower Bridge enables tourists to have access to the internal areas of the Bridge, with a public exhibition having been in place since 1982. The exhibition showcases the Victorian architecture, engineering and also the original Victorian engines used to power the lifting of the Bridge. The operational and tourism activities at Tower Bridge are managed by the Trustee on behalf of the charity.

Millennium Bridge – As the first new pedestrian bridge to be built across the Thames for over a century, Millennium Bridge links the City of London at St Paul's Cathedral with the Tate Modern Gallery at Bankside. Funded by the charity and the Millennium Commission, the 'Blade of Light' is a 325 metre steel pedestrian bridge, conceived by Sir Anthony Caro OM CBE and built by Ove Arup and Foster Associates under the project management of the London Borough of Southwark and subsequently transferred to the charity to own and maintain.

### **The Grant-Making and Other Charitable Activities of City Bridge Trust**

After the responsibilities relating to the bridges have been met, the charity can use surplus income in any year for its ancillary charitable purposes, the provision of transport for elderly and disabled people in Greater London and/or for other charitable purposes for the general benefit of the inhabitants of Greater London, further to a cy-près scheme settled by the Charity Commission in 1995. This scheme enables the charity to work through its charitable funding arm, City Bridge Trust (CBT), for a fairer London through tackling disadvantage. CBT works collaboratively to further these purposes through three key areas of activity, namely:

- Grant-making;
- Social investment; and
- Encouraging philanthropy.

Further information on the activities of CBT is available at [www.citybridgetrust.org.uk](http://www.citybridgetrust.org.uk)



# TRUSTEE'S ANNUAL REPORT:

## STRUCTURE AND GOVERNANCE

### Governing Document

Reflecting its ancient nature, complex history and long connection to the City Corporation, Bridge House Estates' (BHE) "governing document" is made up of a number of different sources or instruments, some of which are referenced below. In March 1994, the charity was registered with the Charity Commission.

Founders	By various ancient gifts of property, added to over the centuries.
Governing Instruments	Historic trust documents governing gifts, grants and bequests including, a Royal Charter of 24 May 1282 A supplemental Royal Charter of 26 November 1957 Private Acts of Parliament including: The Blackfriars Bridge Act 1863 The Blackfriars and Southwark Bridges Act 1867 The Corporation of London (Tower Bridge) Act 1885 The Corporation of London (Bridges) Act 1911 The City of London (Various Powers) Act 1926, section 11 The City of London (Various Powers) Act 1949, section 13 The City of London (Various Powers) Act 1963, sections 9 & 32 The London Bridge Act 1967 The City of London (Various Powers) Act 1979, section 19 Various Schemes and Orders made by the Charity Commission: The Charities (Bridge House Estates) Order 1995 (S.I.1995/1047) and the Charity Commission Scheme which took effect by that Order An Order of the Charity Commission sealed 10 July 1997 (350.97) An Order of the Charity Commission sealed 20 July 1998 (251.98) The Charities (Bridge House Estates) Order 2001 (S.I.2001/4017) The Charity Commission Scheme dated 26 August 2005 The Charities (Bridge House Estates) Order 2007 (S.I. 2007/550) Ancient custom and practice.

## Governance Arrangements

BHE is an unincorporated charity. The Mayor and Commonalty and Citizens of the City of London (also referred to as 'the City Corporation' or 'the City of London Corporation'), a body corporate by prescription and politic, is the corporate Trustee of BHE. The City Corporation is Trustee acting by its Court of Common Council and that executive assembly has delegated responsibility in respect of the administration and management of this charity for the period of this report to various committees and sub-committees. Membership of those committees and sub-committees is drawn from the 125 elected Members of the Common Council together with external appointees. In making appointments, the Court of Common Council will take into consideration any particular expertise and knowledge of the elected Members, and where relevant, external appointees. External appointments are made after a skills audit. Members of the Court of Common Council are unpaid and are elected by the electorate of the City of London. The key committees which had responsibility for directly managing matters related to the charity during 2020/21 were as follows:

Policy and Resources Committee - responsible for allocating resources, administering the charity, and for determining the investment strategy between property and financial investments.

Investment Committee - responsible for the strategic oversight and monitoring of the performance of the charity's investments, which are managed by three separate sub-committees, namely the Financial Investment Board, the Property Investment Board and the Social Investment Board.

Finance Committee - responsible for controlling budgets, support costs and other central charges that affect the charity as a whole, alongside approving the Annual Report and Financial Statements.

Audit and Risk Management Committee – responsible for overseeing systems of internal control, risk management and making recommendations to the Finance Committee relating to the approval of the Annual Report and Financial Statements of the charity.

Planning and Transportation Committee - responsible for the maintenance and upkeep of the bridges with the exception of the tourism operation at Tower Bridge.

Culture, Heritage and Libraries Committee - responsible for the tourism operation at Tower Bridge.

The City Bridge Trust Committee - responsible for reviewing and approving individual grants to voluntary organisations up to the value of £500,000 and otherwise for other charitable expenditure under the Bridging Divides Strategy. Funding commitments above £500,000 are agreed by the Court of Common Council, on recommendation of this committee.

All of the above committees are ultimately responsible to the Court of Common Council of the City of London. Meetings are held at the Trustee's discretion in public (except where it is considered not to be in the charity's best interests to do so), supporting a decision-making process which is clear, transparent and publicly accountable.

The Trustee believes that good governance is fundamental to the success of the charity. A comprehensive review of the charity's governance, which commenced in 2017/18, continues with its aim of enhancing the impact and reach of the charity's activities for the public benefit. During the year, the Trustee approved an overarching strategy *Bridging London 2020 – 2045* which provides a framework for all the charity's activities and outlines the collective impact seeks to achieve through furthering its primary and ancillary purposes. An Investment Strategy Statement was also approved, establishing investment objectives in line with the overarching strategy.

Further to the recommendation of the review noted above, in April 2021 the Trustee constituted a new committee named the Bridge House Estates Board. The BHE Board is now the only committee of the Court of Common Council responsible for the day-to-day management and control of BHE, in the discharge of the City Corporation's functions as Trustee. In due course the Board may also establish sub-committees and appropriate links with other committees of the Court of Common Council to support its work. The revised governance arrangements are intended to provide more cohesive oversight of the charity's operation and activities and a framework for decisions which can be better demonstrated to have been taken solely in the best interests of the charity. Following the establishment of the BHE Board, the committees listed above/on page 7 will no longer be responsible for future decisions relating to the charity. The Court of Common Council is ultimately responsible for the discharge of the City Corporation's trustee functions, and certain matters remain reserved to the whole Court rather than being delegated to the BHE Board, or to staff of the City Corporation.

Consistent with the Trustee's duty to keep BHE's governance under review to ensure the charity is operating effectively to further its charitable purposes, further changes to BHE's governing documents are being sought by way of a Supplemental Royal Charter. The powers sought will enable the charity to operate more effectively and generate greater impact. Appropriate consideration is being given to the practices recommended within the Charity Governance Code throughout this review.

## **Organisational structure and decision-making process**

The charity is administered in accordance with its governing documents and the law. The Trustee carries out its functions in accordance with the City Corporation's own procedures and internal corporate governance framework (which include Committee Terms of Reference setting out the scope of delegations from the Court of Common Council, Standing Orders, Financial Regulations, a Members' Code of Conduct, and the Chief Officers' Scheme of Delegations). These City Corporation governance documents can be obtained via a request to the email address stated on page 68.

Each elected Member by virtue of their membership of the Court of Common Council, its relevant committees and sub-committees, has a duty to support the City Corporation in the proper discharge of its duties and functions as Trustee of the charity by faithfully acting in accordance with charity law, the charity's governing documents, the Terms of Reference of the relevant committee or sub-committee, and the City Corporation's agreed corporate governance framework and procedures as noted above.

## **Induction and Training of Members**

The City Corporation makes available to its Members (and external appointees), seminars and briefings on various aspects of its activities, including those concerning the charity, to better enable them to carry out their duties efficiently and effectively. Induction meetings are provided on specific aspects of the work of BHE, with an emphasis on involvement for those Members closely working with the charity. If suitable seminars or other training options are identified that are relevant to the charity, Members are advised of these opportunities.

## **Purposes and activities**

The purposes of the charity are the support and maintenance of London Bridge, Blackfriars Bridge, Southwark Bridge, Tower Bridge and Millennium Bridge. After these responsibilities are met, any income surplus to that which can be usefully applied in accordance with the subsisting trusts in any given year is applied for the provision of transport for elderly and disabled people in Greater London and/or for other charitable purposes for the general benefit of the inhabitants of Greater London in accordance with a policy settled by the Trustee following consultation.

## **Public benefit statement**

The Trustee confirms that it has referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing BHE aims and objectives and in planning future activities. The five river bridges maintained and supported by the charity are available to the general public on an open access basis. Regarding grant-making activities of the charity and other support for the charitable sector undertaken under the name 'City Bridge Trust', the Trustee awards grants at its discretion to address disadvantage across London's diverse communities and provides more general support to the charitable sector through various strategic initiatives. This process is based upon published criteria, and through thoughtful analysis and collaboration with other partners in the sector regarding the needs of marginalised communities in Greater London. The charity utilises a transparent and fair assessment process and ensures that a robust monitoring system is in place to establish the public benefit derived from each grant approved alongside the other activities of the charity.

Consequently, the Trustee considers that BHE operates to benefit the general public and satisfies the public benefit test.

## **Reference and administrative details**

The administrative details of the charity are stated on page 68.

## ACHIEVEMENTS AND PERFORMANCE

### The Bridges

*Bridge House Estates maintains and supports five river crossings, ensuring that London Bridge, Blackfriars Bridge Southwark Bridge, Tower Bridge, and Millennium Bridge not only serve the capital now, but will continue to do so, for as long as they are needed. Upkeep and major overhauls of the bridges are managed by a specialist team, working closely with other stakeholders to ensure the public's safety and security.*

Major maintenance work was undertaken at London Bridge, with the bridge's waterproofing and all 24 bearings in the bridge abutments replaced. Replacement of the waterproofing required removal and replacement of all the paving and road surfacing on the bridge. One week into the construction programme, the nation went into Covid-19 lockdown. Despite this, the work was completed under budget, safely, and a month ahead of schedule. The bridge reopened with cycle lanes in both directions and new traffic management as part of Transport for London's Streetspace programme, the highway passing over the bridge being the responsibility of Transport for London.

Nearby, following consultation to remove the footbridge over Duke Street Hill, discussions have continued with the developer of Colechurch House to erect a replacement bridge and walkway at the developer's expense, subject to the Trustee's final agreement to those terms as they affect BHE.

Over the year, the Tideway Tunnel project has had a significant bearing on all BHE river crossings. The massive main tunnel was constructed along the line of the river and underneath all five bridges. Substantial monitoring regimes were approved and installed to ensure the effects of tunnelling were fully scrutinised and understood. The impact of the work has so far been minimal, and the bridges team continue to work with the project to ensure there are no long-term operational implications.

Works to create Tideway's new foreshore area adjacent to Blackfriars Bridge also progressed significantly. In August, a large 3,700 tonne culvert was precisely floated into position below the bridge. This will intercept a polluting discharge point hidden beneath the bridge, and also protect the long-term integrity of the bridge structure.

Nearby, a 65m deep tunnel shaft has been sunk into the foreshore. Along with the culvert this will form part of the new Bazalgette Embankment, a new public space providing fresh views of Blackfriars Bridge and the Thames. The bridges team have been working with local authority planning colleagues at the City Corporation to ensure the new embankment connects seamlessly with the bridge, while respecting its heritage.

Blackfriars Bridge also played host to the Illuminated River project during the installation of the second phase of their unified light installation. Drawing on experience gained during the project's first phase, the Bridges team, in conjunction with lighting colleagues within the City Corporation on behalf of the charity, have worked closely with the project to provide technical approval and ensure that the charity's assets are protected throughout the design, installation and operation of the artwork on the bridge structure.

The addition of Blackfriars Bridge to the Illuminated River project means that the feature lighting of four of the five river crossings has now been successfully updated.

The design and tender process for the significant refurbishment of Blackfriars Bridge has also been completed. Subject to approval, the project is expected to start on site in 2021/22.

The Bridges team have also been working with the City Corporation's local authority highways team to install permanent security measures, replacing the Metropolitan Police's temporary barriers and amending the containment kerbs. The work on Southwark Bridge has been completed, using sympathetic adjustments to the road layout.

## **Tourism at Tower Bridge**

*Tower Bridge is one of London's most recognised landmarks, a working bascule bridge which, in normal years, is an extremely popular, paid visitor attraction. With visitor numbers severely curtailed, the Tower Bridge team adapted and turned to new ways of reaching audiences, while ensuring the Bridge maintained operational duty as London's most famous gateway.*

Tower Bridge was in the first wave of UK attractions, museums and cultural sites to reopen to the public on 4 July 2020, following the first national lockdown. Considerations while closed included a strategy for business recovery and detailed planning at an early stage for safety measures, risk assessments and operational considerations, all of which were continuously adapted in line with evolving Government advice.

Evidence that these Covid-secure operational measures were received well by visitors was apparent in post-visit questionnaires and surveys, conducted from the point of reopening. 98% of visitors did not feel uncomfortable with the amount of people onsite and 78% scored Tower Bridge as 10 out of 10 for safety measures.

A significant challenge was the need to balance a warm welcome while ensuring social distancing and safety. Staff reported emotional responses from visitors, with visits representing normality and an opportunity to safely meet family members for the first time since lockdown. The provision of excellent customer service in addition to ensuring confidence was key. 95% of visitors scored Tower Bridge as nine or 10 out of 10 for welcome and customer service after it reopened in July.

In terms of the Bridge's learning programme and focus on inclusivity, the months following reopening saw extensive uptake of its refocused digital education provision, exceptional levels of engagement with on-site family activities and its highest take-up of 'Relaxed Early Opening' sessions, designed to create an autism-friendly environment.

Prior to this, following closure in line with the first national lockdown from March 2020, Tower Bridge became 'digitally open' despite being physically closed. Similar to many of its peer attractions, the Bridge's visitor offer was swiftly redeveloped digitally in an effort to stay relevant, visible and provide meaningful cultural content and learning resources for public engagement during lockdown. Digital content on the new Tower Bridge website

included activities and articles on a range of subjects, including the history of BHE, quizzes, short films, and podcasts. An artist's exhibition, commissioned for the 125th anniversary and launched in February, was recreated as a digital exhibition and film being shared on the website in April. The film won three independent film awards during the summer.

Digital approaches were also adopted for learning provision, including workshops and online resources, a dedicated family activities hub, and community engagement collaborations and partnerships. Many of these resources have been retained as the Bridge and wider sector move towards recovery.

As a tourist attraction, Tower Bridge celebrated a record year in 2019/20, but the impact of the pandemic, severe across the sector, resulted in a significant downturn in visitors in 2020/21. The Bridge was forced to close as a visitor attraction on a number of occasions and for a total of seven months. Throughout the year, efforts were made to reduce losses for the charity, including utilisation of the Government's furlough scheme and significant reductions to the Bridge's variable costs. Although income was severely impacted, the Bridge's potential was maximised by effectively engaging with local audiences, as the Bridge's previous international and wider domestic visitor base was cut off.

Tower Bridge remained operational as a working bascule bridge throughout the crisis, with staff managing the statutory obligation of raising the Bridge for river vessels, while protecting the structure and public.

## **Bridge House Estates' Funding and Philanthropic Activities**

*Beyond BHE's management and protection of the five bridges, surplus income is used by CBT – BHE's charitable funding arm and London's largest independent funder – to benefit marginalised communities across Greater London. Under the Bridging Divides strategy, over £25m per year is dispersed to groups working to reduce inequality and grow stronger, more resilient and thriving communities.*

The City Corporation both as Trustee of BHE and otherwise in delivering its wider functions and activities, has adopted a joint Philanthropy Strategy. In so doing, the Strategy has support from both the charity's and from the City Corporation's own funds. Higher value philanthropy can be achieved through this joint approach, role modelling in London through support for, and awareness-raising of high impact philanthropy initiatives in the UK and internationally.

### **CBT's Activities**

When Covid-19 hit the CBT team acted swiftly: collaborating with other London funders to launch the London Community Response (LCR); flexing their funding offer; offering a one-off payment to grantees; and showing solidarity with the sector. Senior staff played an integral part of the pan-London response, a critical role they continue to play in the drive to build London back better. In line with the critical needs of many charities, CBT offered core cost grants to many of their funded organisations, releasing a financial burden at a challenging time. Whilst funding to existing grantees and the small grants

programme continued, the charity's Bridging Divides funding programme was temporarily paused to new applications.

The LCR was a pioneering collaboration of over 65 institutional, statutory and corporate funders who united to maximise their impact. It galvanised over £53.3m of funding from across these funders and enabled 3,327 grants to be made. It also presented an opportunity to fund new organisations and test new ideas. Significant innovations in funding practice resulted, with the associated funders pooling expertise and streamlining processes to accelerate impact. Lessons learnt gave a boost to the dynamic learning and impact strategy and prompted an interim review of the Bridging Divides strategy which commenced in January 2021.

The LCR launched on 27 March 2020, just four days after the first national lockdown was announced. Co-ordinated by London Funders, it featured a set of eight funding principles anchored in equitable grant-making and drawing on learning from previous joint-funder responses to emergencies. A common online application form allowed civil society organisations to make applications for emergency support, which any of the 67 funders involved could consider.

At the same time, BHE established the London Community Response Fund (LCRF). This was, and continues to be held as, a restricted fund within BHE's ancillary purpose to enable funders (including grant-makers, Livery Companies, and City businesses) who chose not to directly fund via the LCR to join the collaboration. Major donors included the Mayor of London, Quadrature Capital Foundation, Paul Hamlyn Foundation and Macquarie Group Foundation. The LCRF is administered by the City Corporation through the CBT Team.

Between April 2020 and March 2021, five waves of LCRF funding provided support to voluntary organisations across the capital. The LCRF was responsible for distributing £28.3m in the year, via 1,591 grants. CBT allocated a total of £15.2m from its own resources from BHE, with £13.1m leveraged from 19 other funders. In Wave 3, The National Lottery Community Fund contributed significantly, providing funds for 201 grants totalling £6.7m. In Wave 5, CBT awarded an additional £990k as aligned funding from BHE to 21 organisations.

Acknowledging the disproportionate impact of Covid-19 on racialised communities and other groups affected by structural inequality, a key feature of the collaboration was the LCR equity and inclusion partners; Ubele Initiative, Inclusion London, Consortium and Women's Resource Centre, who co-developed each wave of funding.

### **Strategic Initiatives**

In 2020-2021 CBT funded various strategic initiatives focused on increasing the impact and scale of philanthropy, as well as CBT's learning. Examples of support in this area include:

- **London's Giving:** supporting the development of place-based giving schemes in each of London's 32 boroughs. Bringing together the voluntary, private and statutory sectors, it acknowledges that everyone has something to give – time, skills or money.
- **London Funders:** the membership network for funders and investors of civil society from all sectors – be they charitable, statutory and private.



- **LondonPlus:** established by CBT in 2017 as a co-ordinating body for London's civil society, it played a vital role in the voluntary sector's response to the Covid-19 crisis.

### **The Prince's Trust**

This 10-year partnership was set up to positively impact some of the most socially deprived areas of London, assisting young Londoners from challenging backgrounds. Training, education and development programmes provide essential support to young people who are at risk or underachieving in education or unemployed and not ready for work. Over six years, more than 11,000 young Londoners have been supported and 77% have achieved a positive outcome. The full impact of the Covid-19 pandemic fallout has yet to materialise, but it is clear that young people are disproportionately affected; with many facing a hostile environment with regards to job opportunities, mental health and well-being. Although positive outcomes have been achieved over the six years, a review of the strategic partnership has commenced to develop The Prince's Trust's ability to measure its long-term impact and inform the focus of the partnership going forward. Once the review is complete, the seventh year of delivery will commence.

### **Bridge to Work**

Many activities being delivered through this programme were suspended as lockdown restrictions made it harder for organisations to deliver employability support and many staff were furloughed. However, partners continued to work with young disabled Londoners in other ways: bringing together beneficiaries for discussions about their well-being, providing online opportunities to interact with their peers and keeping young people engaged with the core purpose of the programme.

### **Responding to the Resilience Risk (RRR)**

The RRR programme finished its first phase and was evaluated. This project worked with the voluntary sector to investigate and learn how to support staff resilience, acknowledging that this is a cadre of workers who are often missed out. CBT's learning partner, Renaisi, found that overall, individual resilience levels were increased, but highlighted the potential to increase impact by delivering a combination of group and one-to-one activities within organisations. To progress and refine understanding of resilience support, a further research phase has been agreed.

### **Social Investment**

The Social Investment Fund represents the designation of £21.5m from the charity's unrestricted income funds, which are to be invested for a financial return as part of the charity's balanced investment portfolio. It focuses solely on enterprises and markets that achieve social impact. Since its inception in 2012 the Social Investment Fund has committed a total of £20.3m and achieved a return of 3.11% (gross) on invested funds.

During the year, the Fund committed and deployed funds (£0.63m in total) including to the Thera Trust to provide accommodation for adults with learning disabilities, and to the Women In Safe Homes Fund, who provide accommodation and support to vulnerable women. CBT also committed funds to Snowball Impact Management, to invest in a range of public and private funds to create positive outcomes for people and the planet. Following two major redemptions, the total funds invested at the end of 2020/21 were £9.1m with a further £3.4m either committed but not yet placed or subject to agreement of terms.

CBT continues to run its Stepping Stones Fund, a funding programme in partnership with UBS, offering social investment-readiness grants to charitable organisations and social enterprises working in Greater London.

## **BHE Investments**

*During the year, the Trustee approved a 'transitional' Investment Strategy Statement (ISS) to incorporate the strategic objectives approved within the new overarching strategy for BHE, Bridging London 2020 – 2045. This transitional ISS lays the foundation to incorporate future changes regarding the charity's overall investment portfolio, enabling the Trustee to have considered discussions in response to changing circumstances.*

The purpose of the ISS is to ensure that the charity maintains consistent funding for its primary purpose, meeting the needs of the five Thames Bridges across the short, medium and long-term, with surplus investment income being appropriately managed to support the ancillary purpose in line with BHE's latest approved charitable funding strategy, delivered in the name of CBT. The ISS covers the investment of the charity's permanent endowment fund and unrestricted income fund, and encompasses property, financial and social investments.

In October 2020, the City Corporation adopted a radical Climate Action Strategy for both the organisation itself and BHE, in its role as Trustee. The Strategy breaks new ground and sets out how the City Corporation, both as Trustee and otherwise in its other activities, will achieve net zero carbon emissions by 2040 across its full value chain. This is in line with BHE's ambition to deliver its activities and manage its assets in the most sustainable, ethical and responsible ways possible. It is acknowledged that BHE's approach to Responsible Investment will need to continually evolve, both due to the changing landscape and with respect to environmental, social and governance (ESG) issues as well as broader industry developments. The Trustee is committed to making ongoing improvements to its approach and the processes that underpin the delivery of this strategy for BHE to ensure the ISS remains relevant.

## **Property Investments**

BHE has a property investment portfolio comprising of assets located primarily in the City of London and the London Borough of Southwark. The portfolio is predominately comprised of offices together with retail, industrial and education assets, and represents the permanent endowment funds of the charity. There are now 65 assets within the portfolio of which around 50% by value are ground leases, providing regular income. Due to their nature, 12 of these assets, such as bridge vaults, are not benchmarked alongside the rest of the portfolio, but are externally valued alongside the rest of the portfolio.

The impact of Covid-19 reduced rental income receipts, however the underlying value of the property portfolio, as disclosed in the balance sheet, only decreased by £11.1m (1.3%) to £843.8m at 31 March 2021. Where possible BHE worked with tenants to provide rent assistance to support smaller businesses. The objectives for this portfolio,

as stated within the ISS, are to maximise rental income and to outperform the MSCI Benchmark (Greater London Properties including owner occupied) total return on an annualised 5-year basis. The portfolio outperformed the MSCI benchmark across all reported periods. The performance of the property portfolio is depicted in the table below:

	31 March 2021	31 March 2020
Capital Value*	£843.8m	£854.9m
Gross Rental Income**	£27.0m	£34.6m***
5-year annualised Total Return	10.18%	13.33%
Benchmark 5-year annualised Total Return	4.29%	7.42%
MSCI Universe (All UK Property) 5-year annualised Total Return	3.10%	5.4%

\* Inclusive of lease smoothing adjustment

\*\* Inclusive of service charge income

\*\*\* Including a surrender premium of £3.1m received in 2019/20

#### Review of activities from 2020/21:

- Increased investment in industrial sector with purchase of Viper Estate in Romford for £12m and head leases at 30 Engate Street, Lewisham (£2.75m) and 207 Southwark Bridge Road (£2.63m);
- Maximised the price of £14.2m achieved from the sale of Tower Bridge Road retail parade in March 2021 (ahead of valuation of £12.1m) and reduced exposure to non-prime retail;
- Progressed major refurbishments at 120 Cannon Street, 30 New Bridge Street, 74 Moorgate and 84 Moorgate, all due to achieve EPC B / BREEAM Excellent sustainability certification while reducing carbon emissions;
- Progressed joint ventures at Southwark's Ministry of Sound site and 32-34 Southwark Bridge Road to maximise value for BHE;
- £260,000 per annum of new lettings between April 2020 and March 2021.

## Financial Investments

The BHE financial investment portfolio primarily represents the unrestricted income funds of the charity, although currently around 13% of the portfolio forms part of the permanent endowment fund. The aim of the portfolio is to seek an absolute return over the long term to provide for increases in annual expenditure whilst preserving its capital base in real terms, which is currently set at CPI + 4%.

To achieve its objective, the portfolio is invested across a diverse array of asset classes, on a global basis, which includes exposure to publicly listed equities, fixed income, multi-

asset funds, infrastructure and private equity. The charity primarily accesses these asset classes through pooled fund vehicles, each managed by specialist appointed fund managers. Twenty percent of the portfolio is managed on a segregated account basis by Ruffer LLP.

The performance of the financial investment portfolio is shown in the table below:

	31 March 2021	31 March 2020
Financial Investments Value	£834.0m	£687.2m
One Year Total Return	26.50%	-2.90%
Absolute Return Target	4.70%	5.50%
Asset Allocation Benchmark	8.00%	-1.60%

The year to 31 March 2021 has been defined by a marked recovery in financial markets following the worst quarterly decline in a decade (Jan - Mar 2020), precipitated by the onset of the global pandemic in early 2020. Global equities and fixed income markets rebounded sharply at the start of the reporting period as governments and central banks adopted supportive fiscal and monetary policies alongside social and economic restrictions to reduce the spread of Covid-19. Economic sectors that were at the forefront of this 'new normal', particularly technology companies, performed strongly. Markets remained volatile as authorities struggled to bring the virus under control, and in the run up to the US presidential election in November, but the news of several successful vaccine trials in the autumn lifted equities markets further. The prospect of a wider reopening of the economy and the end of pandemic-related restrictions led to an increase in bond yields as confidence in the global economic recovery grew. The rally in equities was sustained into the first quarter of 2021, led by many of the cyclical stocks that had lagged behind technology holdings in the first half the year, such as financial institutions and energy companies.

Under these supportive conditions, the charity's financial investments generated an annual return of 26.5% in the year to 31 March 2021 which compares favourably to an absolute return target of 4.7% and an asset allocation benchmark of 8.0%. The diverging fortunes of particular economic sectors at various times during 2020/21 underscores the importance of maintaining a diversified asset allocation strategy that seeks broad exposure to different sources of risk and return. The charity sets out to do this through its investment strategy, and this approach has delivered robust returns over the past year and the longer term.

### **Social investments**

BHE holds £9.1m (2019/20: £12.6m) as social investments. The activities and performance of the social investment fund is stated on page 14 alongside the section on BHE's philanthropic and funding activities.

## Plans for future periods

BHE has always existed, and continues to exist, for the benefit of London, and is anchored by the needs of London's communities. BHE's role is perhaps more important than ever in bridging and connecting London – both physically via its five bridges, and through supporting causes at the heart of London's communities that help bridge divides in society. The constitution of the BHE Board in April 2021 was a key moment for the charity and presents the opportunity to model best practice by enhancing its governance, management and administration – ensuring that BHE is a modern and progressive charity that can continue to respond to the issues of today. Key for 2021/22 will be the development of an appropriate board culture to ensure that it is engaged, efficient and effective in its management of the charity. The vision for the next year across the activities of the charity includes:

**The Bridges:** A major focus will be the refurbishment of Blackfriars Bridge, a three-year project scheduled to start in 2021. The team will continue to work closely with the Tideway Tunnel project team, and to enhance security across the bridges. BHE will celebrate the centenary of Southwark Bridge on 6 June 2021.

**Tower Bridge Tourism:** Moving forward, the focus will be on continued recovery of the tourism business and venue hire business, while remaining adaptable to changing circumstances. The new digital strategy will continue to be developed. Work will commence on a complete overhaul of the Bridge's high voltage system and replacement of hydraulic pipework.

**Activities of City Bridge Trust:** Having adapted to support those sectors of society most hard-hit by Covid-19, CBT will continue to develop new funding programmes and ways of working, while continuing to cultivate a learning culture. The aim will be to inform, influence and benefit the wider public and charity sector.

**Investments:** The new BHE Board will be reviewing the weighting of its investments in the next year as part of the future development of its current ISS. Plans for the specific investment areas include:

**Property investments:** additional investment in industrial assets and raising funds by re-gearing the ground lease at Millennium Bridge House and selling office freeholds at 64 & 65 London Wall. A major office refurbishment at 120 Cannon Street will achieve EPC B and BREEAM Excellent sustainability ratings and a consultant will be appointed to advise on achieving EPC B by 2030 and net zero carbon by 2040 across the portfolio.

**Financial Investments:** looking ahead, the BHE Board will continue to manage the charity's financial investment portfolio in line with the overall objectives. Throughout 2021/22 it will monitor the performance of the financial investments, ensuring that asset allocation remains appropriate and interrogating the performance of appointed investment managers.

## FINANCIAL REVIEW

### Overview of financial performance

*The charity has been impacted financially as a result of the Covid-19 pandemic, with uncertainties on the level of investment income receivable, reductions in investment growth and the closure of Tower Bridge as a visitor attraction for lengthy periods. Despite this, careful management of the available financial assets has enabled the charity to continue as planned with support and maintenance of the bridges, alongside reaching a record high for grant commitments made in a single year.*

#### Income

In 2020/21, the charity's total reported income was £47.4m, an overall increase of £0.8m against the previous year (£46.6m). The overall increase has been driven by the £15.4m of restricted grant income received in the year, with £15.0m of this having been donated by various funders towards the London Community Response Fund (LCRF), which more than offset the decline in other sources of income.

The combined income derived from visitor admissions, retail and events at Tower Bridge, reported within income from charitable activities, reduced to £0.5m from the previous year's £6.7m due to the required closures of the visitor attraction during the year. The charity was a beneficiary of the Government's Coronavirus Job Retention Scheme, more commonly known as the 'furlough scheme', with the £0.8m received to support staff as disclosed within other income.

Investment income principally comprises the rental and other related income earned from the property portfolio held by the charity, which is currently all held within the endowment fund. For 2020/21, such income totalled £27.0m, a reduction of £7.6m against the previous year (2019/20: £34.6m). The charity worked to support its tenants during the pandemic, approving rent-free periods and reduced rents for categories of tenant whose businesses were significantly impacted. The previous years' income was unusually high due to inclusion of a £3.1m surrender payment following a tenants' early exit from a lease. With the majority of the financial investment holdings of the charity being held on a pooled basis, the income equivalent forms part of the movement in the value of the assets within the balance sheet. For those investments held on a non-pooled basis, income totalled £2.5m, matching that of the previous year. The remainder of the charity's investment income comes from interest earned from social investments and monies placed on treasury deposits, at £0.9m (2019/20: £0.8m).

#### Expenditure

Total expenditure for the year was £89.6m, an increase of £26.8m when compared to 2019/20 (£62.8m). This uplift in spend was as a result of the increased grant-making commitments in the year following the establishment of the LCRF in March 2020. Together with the donations received from other funders across London, BHE utilised £15.2m of its own funds to enable a total of £28.3m grants to be approved in the year, alongside the costs of administration, within this restricted trust.

Expenditure on raising funds reduced slightly to £15.0m (2019/20: £15.3m), with these costs relating to the management of the charity's investments. Whilst the costs

attributable to the property investments reduced, following the significant increase to the bad debt provision required last year as a result of the Covid-19 pandemic, the costs of the financial investment portfolio increased in the year with the inclusion of one-off performance fees.

The spend on charitable activities covers that of supporting and maintaining the bridges, the operational costs of Tower Bridge as both a working bridge and a visitor attraction, and the grant-making activities undertaken under the name of City Bridge Trust. Expenditure for 2020/21 totalled £72.3m, compared to the previous year's £46.4m. Within this, spend on the five Thames bridges totalled £9.4m (2019/20: £6.5m), including that on a major maintenance project on London Bridge which was successfully completed within budget despite the impacts caused by the pandemic. The design and tender process for the planned refurbishment of Blackfriars Bridge was completed in the year, with work due to start in 2021/22. The spend in year on Tower Bridge was contained as much as possible as a result of the closures enforced due to the various lockdowns during the period under review. The furlough grants received for staff unable to work during these closure periods are shown within other income, as opposed to being netted off expenditure. Grant making activities and related spend achieved a record annual high for the charity at £58.6m, with the spend in 2019/20 of £33.7m having been the previous record. In addition to the £28.3m grants committed within the LCRF restricted fund, noted above, a further amount of £26.9m was committed under the Bridging Divides funding policy.

### **Overall performance**

The above activities in the year resulted in an overall deficit of £42.2m (2019/20: £16.2m), prior to movements on investments held. Total gains of £155.5m were reported as at 31 March 2021, compared to £63.3m the previous year. A strong performance was delivered from the financial investment portfolio, with gains of £178.7m, the majority of which added to the value of the unrestricted income fund. A loss of £23.4m was reported against the investment property portfolio, with £22.9m of this being unrealised, as a result of the impacts of the Covid-19 pandemic on the underlying value of the portfolio. Further details on the performance of investments is stated on pages 15 -17.

The social investment fund delivered an unrealised gain of £0.2m in the year (2019/20: loss of £0.9m).

### **Funds held**

As at 31 March 2021, the total funds held by the charity were £1,643.2m (2020: £1,536.4m), an increase over the year of £106.8m. Within these, £979.5m represent permanent endowment funds which are held in perpetuity as a capital fund to generate income for the future activities of the charity. All income arising from this capital fund is accounted for as unrestricted funds. Such income enables the charity to meet its primary purpose of maintaining and supporting the five river bridges across the Thames, with the remaining surplus income available to undertake the activities of CBT.

Restricted funds held as at year-end amounted to £3.8m (2020: £2.8m). £3.4m of these represent grant income received into the LCRF with £0.4m held for other funding programmes being undertaken by CBT. Details of these are stated on page 62.

The unrestricted income funds of the charity include both the general fund (free reserves) and a number of designated funds. As at 31 March 2021, these funds totalled £659.9m (2020: £549.4m) being net of £27.7m held to cover the pension deficit (2020: £18.9m).

The Trustee has decided to set aside, or designate, unrestricted income funds for specific purposes. These designations total £445.6m (2020: £440.7m). The bridges repair fund increased by £6.4m in the year, ensuring that sufficient funds are set aside to cover planned projects across the next five years. A further £10.2m was added to the bridges replacement fund, giving a total of £168.7m (2020: £158.5m) held to fund future rebuild costs. The balance on the grant-making fund at year-end is £206.9m (2020: £219.2m), a decrease of £12.3m. The charity utilised both unrestricted and restricted funds during the year in achieving its highest ever level of giving in a single year.

Details of all funds held, including their purposes, is set out within Note 23 to the financial statements.

### **Reserves policy**

The permanent endowment funds are held in perpetuity. It is the Trustee's policy to invest the assets of the charity held within this fund to retain the real value of the endowment, while also generating sufficient returns to fund the charity's primary purpose to maintain and support its five river bridges, whilst preserving both the 'real' value of the asset base and the purchasing power of the sums available for annual expenditure over the long term.

Any income surplus to that required to be applied to the charity's primary purpose is predominantly used to provide assistance in the form of grants to charitable organisations across Greater London. The level of funds available for grant awards is monitored and adjusted to ensure compliance with the policy to preserve the 'real' value of the asset base.

The free reserves of the charity are held to cover working capital needs and a provision for unplanned urgent activities. The Trustee believes that an amount of £35m should be held for these purposes, although has approved that an additional amount of up to £55m (giving a total of £90m) should be held due to the uncertainties resulting from the Covid-19 pandemic. This amount is subject to at least annual review.

The charity is considering, within its governance review, adopting a total return basis for its permanent endowment fund – subject to this power being adopted within the Supplemental Royal Charter. With this approach, the charity's Trustee decides each year how much of the total return within the endowment fund can be released to income for spending against the objectives and how much is retained for investment. Prior to adopting this approach, the Trustee will be maintaining a designated fund for bridge replacement out of the charity's unrestricted income funds.

Reserve levels held as at 31 March 2021 are set out in Note 23. The charity holds free reserves of £214.3m (2020: £108.7m). Amounts held are £124.3m above the current revised policy, following a strong performance by the investments in which the unrestricted income funds are held. The Trustee remains cautious on the long-term impacts of the Covid-19 pandemic across its investment portfolio, noting the potential



risk of future realised losses, and against the potential of increased future construction costs and continues to review plans for the future use of reserves held.

### **Investment policy**

The charity's investments are invested in accordance with the powers set out in an Order of the Charity Commission dated 20 July 1998, the Trustee Act 1925, the Trustee Act 2000 and within its Investment Strategy Statement (ISS). The Order, in addition to its other powers, enables the Trustee to invest the property of the charity either:

- in the acquisition of any securities or property (real or personal) of any sort; or
- on deposit or loan whether in the UK or elsewhere.

The objective of the charity's ISS, as approved by the Trustee in January 2021, is to ensure consistent funding for the primary purpose of BHE, meeting the financial needs of maintaining and supporting the five Thames Bridges across the short, medium and long-term, with surplus investment income generated being available to support the ancillary purpose of the charity.

The charity defines investment risk principally as the danger of failing to meet its primary purpose. As an endowed charity, the Trustee has a duty, when investing the permanent endowment, to balance capital growth and income return to meet the charity's purposes now and in the future. To achieve this, the real value of the permanent endowment is required to be preserved, after providing for annual expenditure, alongside consideration of required levels of income generation. Due to the in-perpetuity nature of the objects and size of the charity's funds, the charity can make a more longer term view and tolerate a reasonable level of short-term volatility to the value of the endowment fund as an investment opportunity rather than as a threat. The long-term investment objectives of the portfolio are currently to:

- a. Apply a targeted income return of CPI +4% to the financial investment funds held.
- b. Outperform the MSCI Benchmark (Greater London Properties) for total return on an annualised 5-year basis, for the property investment funds held.
- c. Apply a minimum targeted income return of CPI to the Social Investment Fund.

The Trustee is committed to being a responsible investor of the charity's funds and the long-term steward of the assets in which it chooses to invest those funds. It expects this approach to protect and enhance the value of the charity's assets over the long term. The Trustee is aware that the charity's mission or its credibility may be undermined if it invests in businesses whose activities undermine the charity's values and charitable purposes. The Trustee recognises it is consistent with its fiduciary duties and duty in investing charity property to manage Environmental, Social and Governance (ESG) issues that may be financially material. As a long-term investor, BHE recognises that it should manage ESG risks that can be both long-term and short-term in nature. In addition, the Trustee seeks to identify investment opportunities for BHE aligned with the charity's long-term purposes. As a signatory to the Principles for Responsible Investment (PRI), the Trustee has also agreed to incorporate the six core principles of PRI into the charity's investment analysis and decision-making processes. The Trustee is also committed to align the charity's financial investment portfolio with the goals of the Paris Agreement on climate change (2015). It is further committed to being net zero across

BHE's full value chain, working closely with other aspects of the City Corporation's business to deliver the joint Climate Action Strategy adopted for BHE as Trustee and by the City Corporation for itself, with a deadline of net zero by 2040.

The performance of the charity's investments during the year is discussed on pages 15 - 17 and set out in Notes 14 - 16.

### **Grant-making policy**

The Trustee has established BHE's grant making policy to achieve the charity's ancillary purpose, as laid out on page 5, for the public benefit. In the name of City Bridge Trust, its charitable funding arm, BHE considers and funds a large number of organisations and makes awards through a wide programme of funding schemes. The majority of grants are usually for revenue expenditure, awarded over 2–5 years. 2020/21 was an exceptional year in the charity's grant-making history with the Covid-19 pandemic disrupting many organisations' delivery plans. Many of the organisations already in receipt of funding were offered the opportunity to convert funds towards core costs (subject to retaining a restriction for London benefit), with conversion requests decided on a case-by-case basis. Open funding programmes were paused for requests for new projects whilst grant-making activities focused on a multi-funder emergency response, which included funds awarded over shorter than usual time periods (up to 1 year).

All applications are assessed via a robust process to ensure that proposed activities for funding will be supported by adequate and appropriate resources and will be used only for activities that match the charity's criteria. Approved grantees are required to report annually on the impact of their work. Information is collected in a uniform and systematic way, enabling analysis and feedback to take place. The results of monitoring reports are used to assess the overall effectiveness of grant-making, along with a commissioned grantee perception survey providing benchmarking and performance data.

Details of how to apply for grants are available on the CBT website – [www.citybridgetrust.org.uk](http://www.citybridgetrust.org.uk)

### **Remuneration policy**

The charity's senior staff are employees of the City Corporation and, alongside all staff, pay is reviewed annually. These expenses incurred by the Trustee in administering the charity are re-charged to BHE. The City Corporation is committed to attracting, recruiting and retaining skilled people and rewarding employees fairly for their contribution. As part of this commitment, staff are regularly appraised and, subject to performance, eligible for the payment of bonuses and recognition awards.

The above policy applies to staff within the charity's key management personnel, as defined within Note 12 to the financial statements.

Senior staff posts of the charity are individually evaluated and assessed independently against the external market allowing each post to be allocated an individual salary range within the relevant grade, which incorporates market factors as well as corporate importance.

The charity is committed to equal opportunities for all employees. An Equality and Inclusion Board has been established by the City Corporation to actively promote equality, diversity and inclusion in service delivery and employment practices. The Board is responsible for monitoring the delivery of the Equality and Inclusion Action Plan. This also includes addressing the City Corporation’s gender pay gap.

**Fundraising**

Section 162(1)(a) of the Charities Act 2011 requires charities to make a statement regarding fundraising activities. The legislation defines fundraising as “soliciting or otherwise procuring money or other property for charitable purposes”. Although the charity does not undertake widespread fundraising activities, any such amounts receivable are presented in the financial statements as “voluntary income” including grants.

In relation to the above we confirm that all solicitations are managed internally, without involvement of commercial participators or professional fund-raisers, or third parties. The day to day management of all income generation is undertaken by the CBT team, who are accountable to the Trustee. The charity is not bound by any regulatory scheme and does not consider it necessary to comply with any voluntary code of practice.

The charity has received no complaints in relation to fundraising activities in the current year (2019/20: nil). Individuals are not approached for funds hence the charity does not consider it necessary to design specific procedures to monitor such activities.

**Principal risks and uncertainties**

The charity is committed to a programme of risk management as an element of its strategy to preserve the charity’s assets. In order to embed sound practice the senior leadership team ensures that risk management policies are applied, that there is an on-going review of activity and that appropriate advice and support is provided. A key risk register has been prepared for the charity, which has been reviewed and adopted by the Trustee. This identifies the potential impact of key risks and the measures which are in place to mitigate such risks.

The principal risks faced by the charity, and actions taken to manage them are as follows:

Risk	Actions to manage risks
Lack of understanding by Members and staff of the duties and powers of the City Corporation as Trustee of BHE	Design and implement a training programme for Members and staff. Provision of a Handbook on the charity’s governance and the role of the City Corporation as trustee – specifically, knowledge of the general charity regulatory framework, the charity’s own governing document, and how the charity operates and is administered within the City Corporation’s corporate governance framework. Implementation of clear procedures to ensure skills, knowledge and experience required on the Board are appropriate and relevant. Revision of corporate governance documents as relevant.
Conflict of interest/loyalty between the City Corporation acting	Implementation of the new BHE Board to enhance the management conflicts of interest/loyalty.

<b>Risk</b>	<b>Actions to manage risks</b>
solely in the best interest of the charity and otherwise in its other legal capacities.	Seeking Supplemental Royal Charter to expressly confirm authorisation of conflicts of interest/loyalty for the City Corporation, and to provide a framework for managing them. Implementation of a Conflicts of Interest Policy
Structural damage to one of the bridges may cause it to become non-operational.	The City Surveyor's Department and Department of the Built Environment within the City Corporation work together (for the charity and in the discharge of the City Corporation's separate statutory and regulatory functions), alongside other bodies and stakeholders, to manage ongoing actions associated with this risk which includes potential structural damage as a result of issues such as a substantial vessel strike or through acts of terrorism. Possible impacts from the Thames Tideway tunnelling continue to be monitored. A 50-year maintenance plan is in place to manage on-going works.
Positive returns from investment activities are not achieved and review of a balanced asset portfolio not kept under adequate review.	Monitor investments held against the 'transitional' Investment Strategy. Implement a new Investment Strategy and regularly review to ensure that the investments are suitable and appropriately diverse (i.e. appropriate levels of asset allocation between asset types and within funds held by the charity). Continuation of ongoing financial scenario planning.

## Going concern

The financial statements of BHE have been prepared on a going concern basis as the Trustee considers that there are no material uncertainties about the charity's ability to continue as a going concern. In making this assessment, the Trustee has considered the potential impact of the Covid-19 pandemic on the value of investment assets held, future income levels and the liquidity of the charity over the next 12-month period. The Trustee is satisfied that the charity could absorb significant changes in investment value with no impact on its ability to continue as a going concern. The charity's funds grew by £106.8m in the year to 31 March 2021, with funds available in liquid assets to meet any cash needs as they fall due. The "material valuation uncertainty" that was placed by the valuers of our property portfolio on their valuations as at 31 March 2020 no longer exists due to the nature of the property's held, as there are no material holdings within the leisure and hospitality sectors.

Financial projections have been considered over the short-term, being a 3-year period, with the assumption that income levels will continue to be below normal expectations. Financial investments held have generated gains which have exceeded previous forecasts although this is not a guaranteed portrayal of future performance. The primary purpose of the charity is to meet the needs of the charity's five Thames bridges, ensuring that adequate funds have been set aside to cover both their short and long-term needs. The Trustee continues to be satisfied that it will have the necessary resources to meet these needs, with sufficient funds available as at 31 March 2021 to make the necessary transfers to designated funds for these purposes, based on current requirements. The ancillary purpose of BHE is undertaken only where surplus income is available after responsibilities relating to the Bridges have been met, as stated on page 5, and the charity continues to be able to fund both its responsibilities for the Bridges and its ancillary purpose. However, should it be required, this method of operation provides

flexibility to the charity when approving future plans. For this reason, the Trustee continues to adopt a going concern basis for the preparation of the financial statements.

### **The Audit Review Panel**

Historically, the audit of the individual funds of the City Corporation was shared between the members of an Audit Panel, comprising representatives from a number of different audit firms. This Panel was appointed via Common Hall. Changing regulatory requirements have meant that a full team of auditors is required in the modern era to complete the audit work to the level of detail and degree of complexity appropriate for the size of the organisation. Consequently, the City Corporation now appoints one auditor across all funds, and the Panel is engaged to act as a peer reviewer of that auditor. The Panel now represents an unnecessary duplication of process not in keeping with modern practice and therefore, following approval having been given to remove this process, 2020/21 will be the final year in which the Audit Panel undertake their review.

## Trustee responsibilities

The Trustee is responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulations.

Charity law requires the Trustee to prepare financial statements for each financial year in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under charity law the Trustee must not approve the financial statements unless the Trustee is satisfied that they give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, including the income and expenditure, of the charity for that period. In preparing these financial statements, the Trustee is required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The Trustee is responsible for keeping adequate accounting records that are sufficient to show and explain the charity's transactions and disclose with reasonable accuracy at any time the financial position of the charity and enable the Trustee to ensure that the financial statements comply with the Charities Act 2011. The Trustee is also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the Trustee is aware:

- there is no relevant audit information of which the charity's auditors are unaware; and
- the Trustee has taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

Financial statements are published on the Trustee's website in accordance with legislation in the United Kingdom governing the preparation and dissemination of financial statements, which may vary from legislation in other jurisdictions. The maintenance and integrity of the Trustee's website is the responsibility of the Trustee. The Trustee's responsibility also extends to the ongoing integrity of the financial statements contained therein.

Adopted and signed for on behalf of the Trustee.

Dr Giles Shilson

Chairman of BHE Board

Guildhall, London

Dhruv Patel OBE

Deputy Chairman of BHE Board

December 2021

# Independent Auditor's Report to the Trustee of Bridge House Estates

## Opinion on the financial statements

In our opinion, the financial statements:

- give a true and fair view of the state of the Charity's affairs as at 31 March 2021 and of its incoming resources and application of resources for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

We have audited the financial statements of Bridge House Estates ("the Charity") for the year ended 31 March 2021 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

## Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### *Independence*

We remain independent of the Charity in accordance with the ethical requirements relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

## Conclusions related to going concern

In auditing the financial statements, we have concluded that the Trustee's use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the Trustee with respect to going concern are described in the relevant sections of this report.

## **Other information**

The Trustee is responsible for the other information. The other information comprises the information included in the Annual Report and Financial Statements, other than the financial statements and our auditor's report thereon. The other information comprises: Overview of the year; Origins of the charity; Trustee's Annual Report; Trustee Responsibilities; Report of the Audit Review Panel; Reference and Administration Details. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

## **Matters on which we are required to report by exception**

We have nothing to report in respect of the following matters in relation to which the Charities Act 2011 requires us to report to you if, in our opinion;

- the information contained in the financial statements is inconsistent in any material respect with the Trustees' Annual Report; or
- adequate accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

## **Responsibilities of Trustees**

As explained more fully in the Trustee responsibilities statement, the Trustee is responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustee determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Trustee is responsible for assessing the Charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the Charity or to cease operations, or have no realistic alternative but to do so.



## **Auditor's responsibilities for the audit of the financial statements**

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

### *Extent to which the audit was capable of detecting irregularities, including fraud*

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

- We obtained an understanding of the legal and regulatory framework applicable to the Charity. We focused on those laws and regulations that had a direct effect on the financial statements or that had a fundamental effect on the operations of the Charity. The laws and regulations we considered in this context were United Kingdom Accounting Standards (Financial Reporting Standard 102), the Statement of Recommended Practice (SORP) Accounting and Reporting by Charities (FRS 102), and the Charities Act 2011.
- We understood how the Charity is complying with those legal and regulatory frameworks, by making enquiries to management, and the Trustee, of known or suspected instances of non-compliance with laws and regulations. We corroborated our enquiries through our review of key committee board minutes.
- We reviewed the financial statement disclosures to assess compliance with the relevant laws and regulations discussed above. We remained alert to any indications of non-compliance throughout the audit.
- We assessed the susceptibility of the Charity's financial statements to material misstatement, including how fraud might occur, by discussing with management and the Trustee to understand where it is considered there was a susceptibility of fraud.
- We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements and determined that the principal risks were related to the override of controls by management including posting of inappropriate journal entries, management bias in key material accounting estimates, and the timing of revenue recognition.
- Audit procedures performed in response to the assessment above included: Enquiries of management; reviewing accounting estimates for bias and challenging assumptions made by management in their significant accounting estimates including, but not limited to, valuation of investment properties, valuation of the Charity's financial investments, measurement of the defined

benefit pension scheme liability; Sample testing the recognition of income,  
Sample testing the appropriateness of journal entries.

Our audit procedures were designed to respond to risks of material misstatement in the financial statements, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery, misrepresentations or through collusion. There are inherent limitations in the audit procedures performed and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we are to become aware of it.

A further description of our responsibilities for the audit of the financial statements is located at the Financial Reporting Council's ("FRC's") website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

### **Use of our report**

This report is made solely to the Charity's trustee, as a body, in accordance with the Charities Act 2011. Our audit work has been undertaken so that we might state to the Charity's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Charity and the Charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

BDO LLP, statutory auditor  
London, UK

Date:

BDO LLP is eligible for appointment as auditor of the charity by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006.

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).

## **Report of the Audit Review Panel to the Right Honourable the Lord Mayor, Aldermen and Livery of the several Companies of the City of London in Common Hall assembled**

We, whose names are hereunto subscribed, the Audit Review Panel of the Chamberlain's and Bridgemasters' Accounts, elected by the Livery of London in Common Hall assembled on 26 June 2017, 25 June 2018 and 24 June 2019 pursuant to Act 11, George 1, Cap. 18, an Act for regulating elections within the City of London, etc., do report as follows:-

We have reviewed the processes adopted by BDO LLP for the audit of the Bridge House Estates for the period from 1 April 2020 to 31 March 2021.

In our view the audit of the Financial Statements has been conducted in accordance with auditing procedures as stated on pages 28 to 31.

This report is made solely to the above-named addressees. Our work has been undertaken to enable us to make this report and for no other purpose.

P. Dossett

A. Francis

P. Watts

Dated: December 2021

The BDO City Corporation Engagement Lead, David Eagles, is also a member of the Audit Review Panel. However, as the role of the Panel is to provide independent confirmation that the processes adopted by BDO LLP have been conducted in accordance with auditing procedures, it is not appropriate for David Eagles to sign the report.

# STATEMENT OF FINANCIAL ACTIVITIES

For the year ended 31 March 2021

Note:	Unrestricted Funds £m	Restricted Funds £m	Endowment Funds £m	2020/21 Total Funds £m	2019/20 Total Funds £m	
<b>Income and Endowments from:</b>						
<b>Voluntary income</b>	2	-	15.4	-	<b>15.4</b>	1.8
<b>Charitable activities</b>	3	0.5	-	-	<b>0.5</b>	6.7
<b>Investments</b>	4	30.4	-	-	<b>30.4</b>	37.9
<b>Other income</b>	5	1.1	-	-	<b>1.1</b>	0.2
<b>Total Income</b>		<b>32.0</b>	<b>15.4</b>	-	<b>47.4</b>	46.6
<b>Expenditure on:</b>						
<b>Raising funds</b>	6	<b>14.6</b>	-	0.4	<b>15.0</b>	15.3
<b>Charitable activities</b>						
Repair and maintenance of bridges		9.4	-	-	<b>9.4</b>	6.5
Tower Bridge tourism		4.3	-	-	<b>4.3</b>	6.2
Grants to voluntary organisations		29.9	28.7	-	<b>58.6</b>	33.7
<b>Total charitable activities</b>	7	<b>43.6</b>	<b>28.7</b>	-	<b>72.3</b>	46.4
<b>Other</b>						
Net pension scheme costs	9	2.3	-	-	<b>2.3</b>	1.1
<b>Total Expenditure</b>		<b>60.5</b>	<b>28.7</b>	<b>0.4</b>	<b>89.6</b>	62.8
<b>Net (expenditure)/income before gains/(losses) on investments</b>						
		<b>(28.5)</b>	<b>(13.3)</b>	<b>(0.4)</b>	<b>(42.2)</b>	(16.2)
Net (losses)/gains on property investments						
	14	-	-	(23.4)	<b>(23.4)</b>	80.2
Net gains/(losses) on financial investments						
	15	159.6	-	19.1	<b>178.7</b>	(16.0)
Net gains/(losses) on social investments						
	16	0.2	-	-	<b>0.2</b>	(0.9)
<b>Total Gains/(Losses) on Investments</b>		<b>159.8</b>	-	<b>(4.3)</b>	<b>155.5</b>	63.3
<b>Net income/(expenditure) after gains/(losses) on investments</b>						
		<b>131.3</b>	<b>(13.3)</b>	<b>(4.7)</b>	<b>113.3</b>	47.1
<b>Transfers between funds</b>						
	23	<b>(14.3)</b>	<b>14.3</b>	-	-	-
<b>Other recognised gains/(losses):</b>						
Actuarial (losses) on defined benefit pension scheme						
	9	(6.5)	-	-	<b>(6.5)</b>	(5.4)
<b>Net movement in funds</b>		<b>110.6</b>	<b>1.0</b>	<b>(4.7)</b>	<b>106.8</b>	41.7
<b>Reconciliation of funds:</b>						
Fund balances brought forward at 1 April 2020						
		<b>549.4</b>	<b>2.8</b>	<b>984.2</b>	<b>1,536.4</b>	1,494.7
<b>Total funds carried forward</b>	23	<b>660.0</b>	<b>3.8</b>	<b>979.5</b>	<b>1,643.2</b>	1,536.4

All of the above results are derived from continuing activities.

There were no other recognised gains and losses other than those shown above.

The notes on pages 36 to 67 form part of these financial statements.

## BALANCE SHEET

As at 31 March 2021

	Notes	2021 Total £m	2020 Total £m
<b>Fixed assets:</b>			
Tangible assets	13	3.1	3.4
Investment properties	14	843.8	854.9
Financial investments	15	834.0	687.2
Social Investment Fund	16	9.1	12.6
<b>Total fixed assets</b>		<b>1,690.0</b>	<b>1,558.1</b>
<b>Current assets</b>			
Stock		0.3	0.3
Debtors	18	11.7	11.6
Short term investments and deposits	15	38.0	49.4
Cash at bank and in hand		4.5	7.7
<b>Total current assets</b>		<b>54.5</b>	<b>69.0</b>
<b>Creditors: Amounts falling due within one year</b>	19	<b>(44.8)</b>	<b>(37.9)</b>
<b>Net current assets</b>		<b>9.7</b>	<b>31.1</b>
<b>Total assets less current liabilities</b>		<b>1,699.7</b>	<b>1,589.2</b>
Creditors: Amounts falling due after more than one year	20	(28.8)	(33.9)
<b>Net assets excluding pension scheme liability</b>		<b>1,670.9</b>	<b>1,555.3</b>
<b>Defined benefit pension scheme liability</b>	21	<b>(27.7)</b>	<b>(18.9)</b>
<b>Total net assets</b>		<b>1,643.2</b>	<b>1,536.4</b>
<b>The funds of the charity:</b>			
Permanent endowment funds		979.5	984.2
Restricted funds		3.8	2.8
Designated funds		445.6	440.7
General funds		214.3	108.7
<b>Total funds</b>	23	<b>1,643.2</b>	<b>1,536.4</b>

The notes on pages 36 to 67 form part of these financial statements.

Approved and signed on behalf of the Trustee

Caroline Al-Beyerty

Chamberlain of London and Chief Financial Officer

December 2021

## STATEMENT OF CASH FLOWS

For the year ended 31 March 2021

	Notes	2020/21 Total £m	2019/20 Restated Total £m
<b>Cash flows from operating activities:</b>			
<b>Net cash (used in) operating activities</b>	24	<b>(68.1)</b>	(38.5)
<b>Cash flows from investing activities:</b>			
Dividends, interests and rents from investments		30.2	37.1
Cash deducted from short term deposits		11.4	54.9
Sale of investment property		14.3	5.6
Purchase of property		(26.6)	(41.0)
Additions to Social Investments		(0.6)	(0.8)
Social Investments repayments		4.3	0.5
Additions to financial investments		(60.5)	(119.0)
Proceeds from sale of financial investments		92.4	103.4
<b>Net cash provided by investing activities</b>		<b>64.9</b>	40.7
<b>(Decrease) in cash in the year</b>		<b>(3.2)</b>	2.2
<b>Change in cash and cash equivalents in the reporting period</b>		<b>(3.2)</b>	2.2
<b>Cash and cash equivalents at the beginning of the reporting period</b>		<b>7.7</b>	5.5
<b>Cash and cash equivalents at the end of the year</b>	25	<b>4.5</b>	7.7

## NOTES TO THE FINANCIAL STATEMENTS

### 1. Accounting policies

The following accounting policies have been applied consistently in dealing with items that are considered material in relation to the financial statements of the charity.

#### a. Basis of preparation

The financial statements of the charity, which is a public benefit entity under FRS102, have been prepared under the historical cost convention, as modified for the revaluation of investment property and financial investments measured at fair value, and in accordance with the Accounting and Reporting by Charities: Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (second edition effective 1 January 2019) and the Charities Act 2011.

The City Corporation is Trustee of the charity, with officers of the City Corporation providing administrative services for both the charity and other Funds for which it is responsible. All assets, liabilities, income and costs are accounted for by the charity individually. Where required, costs are apportioned based on actual activity of the charity.

The Financial Statements are presented in sterling which is the functional currency of the charity.

#### b. Going concern

The financial statements have been prepared on a going concern basis as the Trustee considers that there are no material uncertainties about the charity's ability to continue as a going concern. A rolling annual review of the charity's forecast financial position over a five-year period is carried out to confirm that sufficient income funds will be generated to finance required expenditure on the bridges with any available surplus funds allocated to charitable funding.

In making this assessment, the Trustee has considered the potential ongoing impact of the Covid-19 pandemic on the value of investment assets held, future income levels and the liquidity of the charity over the 12-month period from the date of the signed accounts. Financial projections have been considered over the short-term assuming that income levels will continue to be below former expectations, with some of the investments held unlikely to generate gains in line with previous financial years results. The primary purpose of the charity is to meet the needs of the bridges, ensuring that adequate funds have been set aside to cover both the short and long-term. The Trustee is satisfied that it will have the necessary resources to meet these needs. For this reason, and as set out in the Trustee's report above on page 27 the Trustee continues to adopt a going concern basis for the preparation of the financial statements.

#### c. Critical accounting judgements and assumptions

Key accounting judgements and assumptions are continually evaluated and are based on historical experience and other factors, including expectations of future

events that are believed to be reasonable under the circumstances. The resulting accounting estimates will, by definition, seldom equal the related actual results. The following are the significant judgements that have been made in the process of applying the charity's accounting policies and that have the most significant effect on the amounts recognised in the Financial Statements:

i. Valuation of Investment Properties

Investment properties are properties ultimately owned by the charity and are held for capital appreciation, rental income, or both. They are valued at each balance sheet date at fair value as determined by professionally qualified internal and external valuers.

Valuations are calculated, in accordance with "RICS Valuation – Global Standards 2020" together with the UK National Supplement (the "RICS Red Book") current edition at valuation date. The valuations apply market capitalisation rates to future rental cash flows with reference to data from comparable market transactions together with an assessment of the security of income. Where lease premia or costs relating to rent free periods are recognised in advance of the related cash flows, an adjustment is made to ensure that the carrying value of the relevant property, including accrued or deferred income, does not exceed the fair value as assessed by the external valuers.

The outbreak of Covid-19, declared by the World Health Organisation as a global pandemic on 11 March 2020, has and continues to impact on the global economy. Nevertheless, some property markets have started to function again, with transaction volumes and other relevant evidence at levels where an adequate quantum of market evidence exists upon which to base opinions of value. Accordingly, valuations are not reported as being subject to 'material valuation uncertainty' as defined by the RICS Red Book Global, which contains mandatory rules, best practice guidance and related commentary for all RICS members undertaking asset valuations.

In considering the specific portfolio of 65 assets which the charity holds, the valuers have not identified any assumptions that provide a material impact on a single or sub-group of those assets which were specifically sensitive to the impacts of the pandemic and which were relevant to the judgments applied as at 31 March 2021.

ii. Investment property disposals

When accounting for the disposal of long leaseholds of investment properties, the charity utilises the methodology as set out within the RICS Professional Standards ("the Red Book") in apportioning values between land and buildings. This includes a number of factors such as insurance values and future construction costs, which are subject to judgement.

iii. Valuation of financial investments

Within financial investments are amounts invested in private equity fund vehicles. These funds are valued by the fund managers based on a number of assumptions, some of which are based on non-observable inputs (such as



discounts applied either to reflect changes in the fair value of financial assets or to adjust earnings multiples).

iv. Valuation of social investments

Unquoted social investments are in some cases internally valued, and management is required to make certain judgemental assumptions. Social investments that are loans are accounted for at the outstanding amount of the loan less any provision for unrecoverable amounts. Unquoted equity, social investment funds and partnerships, and similar social investments are held at cost, less any provision for diminution in value, unless the charity is able to obtain a reliable estimate of fair value

v. Defined benefit pension scheme

The charity has an obligation to pay pension benefits to those working for it. The cost of these benefits and the present value of the obligation depend on a number of factors, including: life expectancy, salary increases, asset valuations and the discount rate on corporate bonds. Management estimates these factors in determining the net pension obligation in the balance sheet. The assumptions reflect historical experience and current trends. See Note 21 for the disclosures relating to the defined benefit pension scheme, alongside further detail on the sensitivity of assumptions made.

The Pension Fund is the responsibility of the City Corporation as a corporate body exercising its functions including as Trustee of BHE, and the charity does not have an exclusive relationship with the City of London Pension Fund. Although the proportion of the Pension Fund that relates to City Corporation employee members engaged on BHE activities is not separately identifiable, *an estimated* share of the total Pension Fund net deficit has been allocated to BHE based on employer's pension contributions paid into the Fund by BHE as a proportion of total employer's contributions paid.

vi. Allocation of support costs

Support costs, incurred by the City Corporation on behalf of the charity, are allocated on a cost recovery basis to the charity. Human resources and digital services are apportioned on headcount basis. Legal support and public relations are allocated per usage, premises costs are allocated on space occupied basis, accounting services costs are allocated on the basis of time spent and number of invoices processed with committee administration costs allocated on the basis of the number of committees overseeing the charity's activities.

**d. Income and expenditure**

All income is included in the Statement of Financial Activities (SOFA) when the charity is legally entitled to the income; it is more likely than not that the economic benefit associated with the transaction will come to the charity and the amount can be quantified with reasonable certainty. Income consists of fees and charges from the tourism operation at Tower Bridge, grants income, income from property (see policy g. below) and financial investments and income on money market deposits held.

Expenditure is accounted for on an accruals basis and has been classified under the principal categories of 'expenditure on raising funds', 'expenditure on charitable activities' and 'other expenditure'. Expenditure on raising funds comprises those related to management of the investment property portfolio and financial investments, including apportioned support costs. The element of costs relating to property and financial investments that are attributable to maintaining the capital value of the endowment are charged to that fund, with the balance of these costs coming from the unrestricted income fund. Expenditure on charitable activities comprises repair and maintenance of the bridges, those related to the operation of the Tower Bridge tourist attraction, alongside grant-making, including apportioned support costs. Grants are recognised as expenditure at the point at which an unconditional commitment is made, with notification made in writing to the grantee, and where the liability can be quantified with reasonable certainty. Where the payment is planned to be more than 12 months after the reporting date of the charity's accounts, the charity reviews the present value of future payments and considers whether the effective financing cost is material to the charity's reporting. If so, the financing charge is disclosed in the SOFA. Otherwise, the unadjusted value of the grant awarded is shown within creditors. In 2020/21 the charity does not consider the effective financing cost of future payments as material, and no adjustment has been made.

Governance costs include the costs of governance arrangements which relate to the general running of the charity as opposed to the direct management functions inherent in the activities undertaken. These include external audit, internal audit and costs associated with constitutional and statutory requirements such as the cost of Trustee meetings.

Support costs (including governance costs) include activities undertaken by the City Corporation on behalf of the charity, such as human resources, technology, legal support, accounting services, committee administration, public relations and premises costs. The basis of the cost allocation is set out in Note 11.

The Trustee, the City Corporation, accounts centrally for all payroll related deductions. As a result, the charity accounts for all such sums due as having been paid, with details provided in Note 12.

#### **e. Foreign currencies**

Transactions in foreign currencies are recorded at the rate of exchange ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are valued at the year-end rate of exchange. All gains or losses on translation are taken to the Statement of Financial Activities in the year in which they occur.

#### **f. Pension costs**

##### **Defined benefit scheme**

The Trustee operates a funded defined benefit pension scheme for its staff employed on its activities, which includes staff acting for the Trustee on behalf of Bridge House Estates. The original scheme is based on final salary and length of

service on retirement. Changes to the Scheme came into effect from 1 April 2014 and any benefits accrued from this date are based on career average revalued salary, with various protections in place for those members in the Scheme before the changes took effect.

For the defined benefit scheme the amounts charged within expenditure are the current service costs and gains and losses on settlements and curtailments. They are included as part of staff costs. Past service costs are recognised immediately in the Statement of Financial Activities if the benefits have vested. If the benefits have not vested immediately, the costs are recognised over the period until vesting occurs. The interest cost and expected return on the assets are shown as a net amount of other finance costs or credits adjacent to interest. Actuarial gains and losses are recognised immediately in other recognised gains and losses.

The assets of the scheme are held separately from those in the charity and are invested by independent fund managers appointed by the Trustee. Pension scheme assets are measured at fair value and liabilities are measured on an actuarial basis by a qualified actuary using the projected unit method and discounted at a rate equivalent to the current rate of return on a high quality corporate bond of equivalent currency and term to the scheme liabilities. The resulting defined benefit asset or liability is presented separately after net assets on the face of the balance sheet.

Barnett Waddingham LLP, an independent actuary, carried out the latest triennial actuarial assessment of the scheme as at 31 March 2019, using the projected unit method. The actuary will carry out the next triennial actuarial assessment of the scheme as at 31 March 2022 during 2022/23, which will set contributions for the period from 1 April 2023 to 31 March 2026.

#### **g. Operating leases – Bridge House Estates as the lessor**

Assets subject to operating leases are included in the Balance Sheet according to the nature of the assets. Rental income from operating leases, excluding charges for services such as insurance and maintenance, are recognised on a straight-line basis until the next rent review, even if the payments are not received on this basis, unless another basis is more representative of the time pattern in which the benefits derived from the leased asset are diminished. Rent-free periods are allocated over the term of the lease.

Where rent concessions have been granted because of the Covid-19 pandemic, these have included the forgiveness of a portion of or all lease payments for an agreed period (i.e. a temporary rent reduction or rent holiday). These concessions have been recognised over the periods that the change relate to, in accordance with amendments to FRS102 issued in October 2020.

#### **h. Taxation**

The charity meets the definition of a charitable trust for UK income tax purposes, as set out in Paragraph 1 Schedule 6 of the Finance Act 2010. Accordingly, the charity is exempt from UK taxation in respect of income or capital gains under part 10 of the Income Tax Act 2007 or section 256 of the Taxation of Chargeable Gains Act

1992, to the extent that such income or gains are applied exclusively to charitable purposes.

## **i. Fixed Assets**

### **Tangible fixed assets**

Assets that are capable of being used for more than one year and have a cost greater than £50,000 are capitalised. Such assets are stated at cost less accumulated depreciation and accumulated impairment losses. Depreciation is charged from the year following that of acquisition, on a straight-line basis, in order to write off each asset over its estimated useful life as follows:

Computer Software	3 years
Computer and other equipment	5 years
Fixtures and fittings	8-20 years
Operational assets	10-30 years

Land is not depreciated.

Where a fixed asset (other than freehold land) is not depreciated or has a life of more than 50 years, an annual impairment review is carried out.

### **Heritage assets**

In recognition of the historical and cultural nature of the five bridges maintained by the charity, these are considered to be heritage assets in line with the definition within FRS 102. The bridges are also considered to be inalienable (i.e. they may not be replaced or disposed of without specific statutory powers). A valuation of the bridges, and certain strategic properties integral to the operation of Tower Bridge, is not included in these accounts as the Trustee does not consider that relevant cost or valuation information can be obtained at a cost commensurate with the benefit to readers of the financial statements. This is because of the unique nature of the assets held, the lack of reliable cost information held and the lack of comparable market values. The insured value, with cover being for all risks, of the five bridges at 31 March 2021 was £944m (2020: £939m). All significant repair and refurbishment costs related to the bridges are expensed within the SOFA in line with expenditure policy 1 (d).

### **Investment properties**

Investment properties for which fair value can be measured reliably on an on-going basis are measured at fair value annually with any change recognised in the Statement of Financial Activities. The valuations are estimated by appropriately qualified professional valuers.

No depreciation or amortisation is provided in respect of freehold or leasehold investment properties.

## **Financial Investments**

### **i. Quoted investments**

Quoted investments comprise publicly quoted, listed securities including shares, bonds and units. Quoted investments are stated at fair value at the balance sheet date. The basis of fair value for quoted investments is equivalent to the market value, using the mid-price. Asset sales and purchases are recognised at the date of trade.

### **ii. Unquoted investments**

Private equity investments are valued at fair value in accordance with International Private Equity and Venture Capital Valuation Guidelines (2018). Valuations include assumptions based on non-observable market data, such as discounts applied either to reflect changes in the fair value of financial assets or to adjust earnings multiples. Where a valuation is not available at the balance sheet date, the most recent valuation is used, adjusted for cashflows and foreign exchange movements and any impairment between the most recent valuation and the balance sheet date. These valuations are provided by fund managers and are subject to either independent valuation or annual audit.

### **iii. Cash held by fund managers**

The fund managers utilised by the charity may hold investments in the form of cash from time to time when making transactions. These amounts are recognised within investments due to the intention to reinvest.

## **Social investments**

Social investments that are loans are accounted for at the outstanding amount of the loan less any provision for unrecoverable amounts. Unquoted equity, social investment funds and partnerships, and similar social investments are held at cost, less any provision for diminution in value, unless the charity is able to obtain a reliable estimate of fair value.

### **j. Stocks**

Stocks are valued at the lower of cost or net realisable value. All stocks are finished goods and are held for resale as part of the Tourism operation at Tower Bridge.

### **k. Cash**

Cash and cash equivalents include cash in hand, short term deposits and other instruments held as part of the Corporation's treasury management activities with original maturities of three months or less and, if any, overdrafts.

### **l. Financial assets and liabilities**

Since the charity only has financial instruments which qualify as basic financial instruments, it has chosen to adopt Section 11 of FRS 102 in respect of financial instruments. Financial assets and liabilities, including debtors and creditors, are recognised when the charity becomes party to the contractual provisions of the instrument. Additionally, all financial assets and liabilities are classified according to the substance of the contractual arrangements entered into. Financial assets and

liabilities are initially measured at transaction price (including transaction costs) and are subsequently re-measured where applicable at amortised cost.

Financial assets are derecognised when the contractual rights to the cash flows from the asset expire, or when the group has transferred substantially all the risks and rewards of ownership. Financial liabilities are derecognised only when the obligation specified in the contract is discharged, cancelled or expires.

### m. Funds structure

Income, expenditure and gains/losses are allocated to particular funds according to their purpose:

**Permanent Endowment Fund** – this fund consists of funds which are held in perpetuity for the benefit of the charity as a result of conditions imposed by the original donors and trusts. Income generated from the investments which represent these funds can be spent on the charitable purposes of the charity, hence is allocated to the unrestricted income fund. Gains/losses on the underlying assets remain as part of the endowment.

**Restricted funds** – these include income that is subject to specific restrictions imposed by donors, with related expenditure deducted when incurred.

**Unrestricted income funds** – these funds can be used in accordance with the charitable objects at the discretion of the Trustee and include both income generated by assets held within the permanent endowment fund and from those representing unrestricted funds. Specifically, this represents the surplus of income over expenditure for the charity which is carried forward to meet the requirements of future years, known as free reserves.

**Designated Funds** – these are funds set aside by the Trustee out of unrestricted funds for a specific purpose.

## 2. Income from voluntary activities

	Restricted Income Funds	<b>Total 2020/21</b>	Restricted Income Funds	Total 2019/20
	£m	<b>£m</b>	£m	£m
Grant income	15.4	<b>15.4</b>	1.8	1.8
	<b>15.4</b>	<b>15.4</b>	1.8	1.8

## 3. Income from charitable activities

	Unrestricted Income Funds	<b>Total 2020/21</b>	Unrestricted Income Funds	Total 2019/20
	£m	<b>£m</b>	£m	£m
Tower Bridge tourism fees and charges	0.5	<b>0.5</b>	6.7	6.7
	<b>0.5</b>	<b>0.5</b>	6.7	6.7

#### 4. Income from investments

	Unrestricted Income Funds £m	<b>Total 2020/21 £m</b>	Unrestricted Income Funds £m	Total 2019/20 £m
Investment property	27.0	<b>27.0</b>	34.6	34.6
Financial investments	2.5	<b>2.5</b>	2.5	2.5
Interest receivable	0.9	<b>0.9</b>	0.8	0.8
<b>Total Investment income</b>	<b>30.4</b>	<b>30.4</b>	37.9	37.9

All investments are held to provide an investment return to the charity.

#### 5. Other income

	Unrestricted Income Funds £m	<b>Total 2020/21 £m</b>	Unrestricted Income Funds £m	Total 2019/20 £m
Other income	0.3	<b>0.3</b>	0.2	0.2
Government grants	0.8	<b>0.8</b>	-	-
	<b>1.1</b>	<b>1.1</b>	0.2	0.2

Government grants covers claims from HMRC under the Government's Coronavirus Job Retention Scheme (CJRS) for staff who were furloughed due to the Covid-19 pandemic. There are no unfulfilled conditions or other contingencies relating to this grant income and no other forms of government assistance were received in the year.

#### 6. Expenditure on raising funds

	Direct costs £m	Support costs £m	<b>Total 2020/21 £m</b>	Direct costs £m	Support costs £m	Total 2019/20 £m
Investment property expenses	6.0	3.1	<b>9.1</b>	7.2	3.0	10.2
Financial investment expenses	5.9	-	<b>5.9</b>	5.1	-	5.1
	<b>11.9</b>	<b>3.1</b>	<b>15.0</b>	12.3	3.0	15.3

Of the total expenditure on raising funds, £14.6m (2019/20: £14.7m) relates to the unrestricted income fund and £0.4m (2019/20: £0.6m) to the endowment fund.

**Investment property expenses** - staff costs, repairs and maintenance costs, and professional fees relating to the management of the investment property portfolio.

**Financial investment expenses** – fees paid to fund managers.

#### 7. Expenditure on charitable activities

	Direct costs £m	Support costs £m	<b>Total 2020/21 £m</b>	Direct costs £m	Support costs £m	Total 2019/20 £m
Repair and maintenance of bridges	8.8	0.6	<b>9.4</b>	5.7	0.8	6.5
Tower Bridge tourism	3.5	0.8	<b>4.3</b>	5.2	1.0	6.2
Grants to voluntary organisations	57.4	1.2	<b>58.6</b>	33.0	0.7	33.7
	<b>69.7</b>	<b>2.6</b>	<b>72.3</b>	43.9	2.5	46.4

Within charitable expenditure, £28.7m is within restricted expenditure (2019/20: £0.2m). All other expenditure is unrestricted.

**Repair and maintenance of bridges** - Staff costs, repairs and maintenance, insurance, equipment and materials costs relating to the Thames River bridges maintained by the charity.

**Tower Bridge tourism** - Staff costs and other expenses related to the management and operation of the Tower Bridge tourist attraction.

**Grants to voluntary organisations** - Grants awarded in the name of City Bridge Trust, the grant making arm of the charity, for purposes benefiting the inhabitants of Greater London. Direct costs include net grants awarded of £54.7m (2019/20: £30.5m) and costs of administering the grants process of £3.0m (2019/20: £2.5m).

## 8. Grants awarded

During the year ended 31 March 2021, grants were awarded to institutions under the following programmes:

	2020/21 £m	2019/20 £m
<b>Investing in Londoners:</b>		
Core Activities	-	0.4
<b>Bridging Divides:</b>		
Core Activities	25.3	26.4
Strategic Initiatives	1.1	2.8
London Community Response Fund	28.3	-
Stepping Stones Fund	0.4	-
CBT 20th Anniversary Grants	0.1	1.1
<b>Grants awarded</b>	<b>55.2</b>	30.7
Grant adjustments and cancellations	(0.5)	(0.2)
<b>Net grants awarded</b>	<b>54.7</b>	30.5
Other grant related activities	2.7	2.5
	<b>57.4</b>	33.0

Grants were made to 1,617 organisations in the year (2019/20: 262), supporting 2,031 projects (2019/20: 277). The average amount of a grant equalled £27,171 (2019/20: £110,728). All grantees receiving funding must work for the benefit of inhabitants of Greater London and have to meet stated eligibility criteria. Grants are not given directly to individuals.

Details of all the grants approved are shown on the CBT website [www.citybridgetrust.org.uk](http://www.citybridgetrust.org.uk), within the News & events section, including organisation name, amount given and purpose of the award.



## Reconciliation of grants payable:

	2020/21 £m	2019/20 £m
Commitments at 1 April	43.3	33.9
Commitments made in the year	55.2	30.7
Grant adjustments and cancellations	(0.5)	(0.2)
Grants paid during the year	(51.4)	(21.1)
<b>Commitments at 31 March</b>	<b>46.6</b>	<b>43.3</b>

Outstanding grant commitments at 31 March 2021 are payable as follows:

	2020/21 £m	2019/20 £m
Within one year (note 19)	31.5	23.1
After more than one year (note 20)	15.1	20.2
<b>Commitments at 31 March</b>	<b>46.6</b>	<b>43.3</b>

The split of future payment dates is based upon contractual terms, which may relate to multi-year commitments.

## 9. Other costs: net total pension scheme costs

	2020/21 £m	2019/20 £m
Deficit at 1 April	(18.9)	(12.4)
Current service cost	(2.8)	(1.6)
Net interest	(0.5)	(0.4)
Employer contributions	1.0	0.9
Net total charge for the year	(2.3)	(1.1)
Actuarial (losses)/gains	(6.5)	0.8
Other gains/(losses)	-	(6.2)
<b>Deficit at 31 March</b>	<b>(27.7)</b>	<b>(18.9)</b>

The net total pension costs charged in the Statement of Financial Activities represents 3% (2019/20: 3%) of the total charge in the City Corporation Pension Fund financial statements. This allocation is based on the split of the employee pension contribution across the funds managed by the City Corporation and is reviewed annually.

## 10. Net (expenditure)/income for the year

Net (expenditure)/income is stated after charging:

	2020/21 £	2019/20 £
Auditors' remuneration for the audit of the financial statements	<b>78,000</b>	70,000
Depreciation	<b>313,492</b>	328,479

## 11. Support costs

Support costs include activities undertaken by the City Corporation on behalf of the charity, such as human resources, digital services, legal support, accounting services, committee administration, public relations and premises costs. Such costs are determined on a departmental basis, and are allocated on a cost recovery basis to the charity on the basis of resources consumed by the respective activities as follows:

	Tourism £m	Investment Property £m	Bridges £m	Grants £m	Governance £m	2020/21 £m	2019/20 £m
Department:							
Chamberlain	-	0.3	0.1	-	-	<b>0.4</b>	0.4
Comptroller & City Solicitor	-	0.1	-	0.1	-	<b>0.2</b>	0.1
Town Clerk	-	-	-	0.1	0.3	<b>0.4</b>	0.4
City Surveyor	-	2.3	-	0.2	-	<b>2.5</b>	2.5
Built Environment	-	-	0.1	-	-	<b>0.1</b>	0.1
Culture, Heritage & Libraries	0.2	-	-	-	-	<b>0.2</b>	0.3
Digital Services	0.3	0.1	0.1	0.2	-	<b>0.7</b>	0.6
Premises costs	0.1	-	0.1	0.2	-	<b>0.4</b>	0.3
Other	-	0.2	0.1	0.2	0.3	<b>0.8</b>	0.8
Sub-total	0.6	3.0	0.5	1.0	0.6	<b>5.7</b>	5.5
Reallocation of governance costs	0.2	0.1	0.1	0.2	(0.6)	-	-
Total Support costs	0.8	3.1	0.6	1.2	-	<b>5.7</b>	5.5

All support costs are undertaken from unrestricted funds. Governance costs are allocated on the basis of FTE staff within each activity.

## 12. Details of staff costs

All staff that work on behalf of the charity are employed by the City Corporation. The average full-time equivalent number of people directly undertaking activities on behalf of the charity during the year:

	<b>2020/21</b>	2019/20
	<b>Number</b>	Number Restated
Investment properties	11	12
Tower Bridge tourism	50	54
Repair & maintenance of bridges	29	32
Grants team	36	28
Administration	4	4
	<b>130</b>	<b>130</b>

In the previous year, FTE numbers did not include 4 staff who provide administrative support to the charity, alongside 1 member of the Grants team. The total stated was therefore 125.

The above figures are for the FTE average number of staff rather than the average number of employees on an annual basis due to the City Corporation employing all staff. FTE is based on the activities undertaken on behalf of the charity.

Amounts paid in respect of employees directly undertaking activities on behalf of the charity were as follows:

	<b>2020/21</b>	2019/20
	<b>£m</b>	£m
Salaries and wages	5.0	5.0
National Insurance costs	0.5	0.5
Employer's pension contributions	0.9	0.8
Total emoluments of employees	<b>6.4</b>	<b>6.3</b>

The number of directly charged employees whose emoluments for the year were over £60,000 was:

	<b>2020/21</b>	2019/20
£60,000 - £69,999	<b>6.0</b>	5.0
£70,000 - £79,999	<b>2.0</b>	3.0
£80,000 - £89,999	<b>1.0</b>	1.0
£90,000 - £99,999	<b>1.0</b>	1.0
£110,000 - £119,999	-	1.0
£120,000 - £129,999	<b>1.0</b>	-
	<b>11.0</b>	<b>11.0</b>

All employees paid over £60,000 have retirement benefits accruing under the defined benefit scheme.

In addition, support staff are charged to the charity on the basis described within Note 11. The full-time equivalent number of support service staff charged is 61.1 (2019/20: 69.0).

## Remuneration of Key Management Personnel

The charity considers its key management personnel to comprise the Members of the City of London Corporation, acting collectively for the City Corporation in its capacity as the Trustee, and senior officers employed by the City of London Corporation to manage the activities of the charity. These senior officers include the Town Clerk and Chief Executive, Chamberlain, Comptroller and City Solicitor, City Surveyor and the Chief Grants Officer. These officers work on a number of the City Corporation's activities and their salaries and associated costs are allocated to the activities under its control, including Bridge House Estates, on the basis of employee time spent on the respective services, as stated within Note 11. Further details can be found within the Annual Report for City Fund.

The proportion of senior officer employment benefits, including employer pension contributions and employer national insurance contributions, allocated to the charity amounted to £259,000 in 2020/21 (2019/20: £255,000). No Members received any remuneration, with directly incurred expenses reimbursed, if claimed. No expenses were claimed in 2020/21 from the charity (2019/20: Nil).

### 13. Tangible fixed assets

	Computers & other equipment £m	Fixtures & fittings £m	Leasehold Improvements £m	Total £m
<b>Cost</b>				
At 1 April 2020	0.6	2.4	4.2	7.2
Additions	-	-	-	-
Disposals	-	-	-	-
At 31 March 2021	<b>0.6</b>	<b>2.4</b>	<b>4.2</b>	<b>7.2</b>
<b>Depreciation</b>				
At 1 April 2020	0.3	1.2	2.3	3.8
Charge for the year	0.1	0.1	0.1	0.3
Disposals	-	-	-	-
At 31 March 2021	<b>0.4</b>	<b>1.3</b>	<b>2.4</b>	<b>4.1</b>
Net book value				
At 31 March 2021	<b>0.2</b>	<b>1.1</b>	<b>1.8</b>	<b>3.1</b>
At 31 March 2020	0.3	1.2	1.9	3.4

## 14. Investment properties

	2021	2020
	£m	£m
Market value at 1 April	854.9	739.3
Purchases and improvements	26.6	41.0
Book value of disposed assets	(14.8)	(4.5)
Total unrealised (losses)/gains*	(22.9)	79.1
<b>Market value at 31 March</b>	<b>843.8</b>	<b>854.9</b>

\* Includes rent free adjustment of £3.7m (2019/20: £3.9m).

The net gain on property investments is arrived at as follows:

	2021	2020
	£m	£m
Total unrealised (losses)/gains	<b>(22.9)</b>	<b>79.1</b>
Realised (losses)/gains on disposal	<b>(0.5)</b>	1.1
	<b>(23.4)</b>	80.2

A full valuation was performed as at 31 March at market values determined in accordance with the RICS Valuation – Professional Standards (“the Red Book”). This was undertaken by C&W(UK) LLP and Savills(UK) Ltd, chartered surveyors, acting as independent valuers. The carrying values of investment properties are primarily dependent on judgements of such variables as the state of the markets, location, condition of the properties and various indices. Reference to the uncertainty relating to the valuations as at the prior year-end is stated on pages 25 and 37 of this Report, noting that this no longer exists as at 31 March 2021.

As many of the investment properties were gifted to the charity and others were acquired centuries ago, it is impracticable to provide historical cost information. It has therefore been assumed that the historical cost is nil. The properties are all situated in Greater London.

The charity determines its valuation policies and procedures and is responsible for overseeing the valuations. Valuations performed by the charity’s independent external valuers are based on information extracted from the charity’s financial and property reporting systems, such as current rents and the terms and conditions of lease agreements, together with assumptions used by valuers based on market observation and their professional judgement) in their valuation models.

## 15. Financial investments

Total financial investments as at 31 March are split as follows:

	2021 £m	2020 £m
Long term investments	834.0	687.2
Short term investments:		
- short term deposits and money market funds	28.9	45.3
- short term investments in hands of fund managers	9.1	4.1
	<b>38.0</b>	49.4
<b>Total market value at 31 March</b>	<b>872.0</b>	736.6

	2021 £m	2020 £m
<b>Investments held by fund managers</b>		
Market value 1 April	687.2	687.6
Additions to investments at cost	60.5	119.0
Disposals at market value	(92.4)	(103.4)
Gain/(loss) from change in fair value	178.7	(16.0)
<b>Investments at 31 March</b>	<b>834.0</b>	687.2
<b>Cash investments</b>		
Investments at 1 April	49.4	104.3
Movement in cash investments	(11.4)	(54.9)
<b>Investments at 31 March</b>	<b>38.0</b>	49.4
<b>Total investments at 31 March</b>	<b>872.0</b>	736.6

The geographical spread of investments at 31 March was as follows:

	Held in the UK £m	Held outside the UK £m	Total at 31 March 2021 £m	Total at 31 March 2020 £m
Fixed Interest	28.9	32.1	61.0	74.3
Index Linked	22.2	22.8	45.0	47.8
Pooled units	120.9	505.4	626.3	509.7
Listed equities	23.0	30.8	53.8	26.8
Managed funds	9.1	-	9.1	4.0
Private equity	4.6	23.8	28.4	26.1
Infrastructure	-	48.4	48.4	47.9
	<b>208.7</b>	<b>663.3</b>	<b>872.0</b>	736.6

The majority of the charity's financial investments are held in mutual funds operated by professional asset managers whereby the charity's assets are pooled with other investors and invested in equities, bonds and other securities. These investment assets are termed "pooled units" in the above table.

### Investment powers

The Charity Commission Order dated 20 July 1998, the Trustee Act 1925 and the Trustee Act 2000 enable the Trustee to invest the property of the charity either:

- in the acquisition of any securities or property (real or personal) of any sort; or
- on deposit or loan whether in the UK or elsewhere.

## 16. Social Investment Fund

	Value as at 1 April 2020 £m	Drawn down £m	Repaid £m	Investment gain/(loss) £m	Value as at 31 March 2021 £m
Investment Fund	2.8	-	-	0.2	<b>3.0</b>
Loan	5.5	-	(4.2)	(0.1)	<b>1.2</b>
Bond	2.0	0.3	(0.1)	0.1	<b>2.3</b>
Property Fund	2.3	0.3	-	-	<b>2.6</b>
	<b>12.6</b>	<b>0.6</b>	<b>(4.3)</b>	<b>0.2</b>	<b>9.1</b>

The geographical spread of social investments at 31 March was as follows:

	Held in the UK £m	Held outside the UK £m	Total at 31 March 2021 £m	Total at 31 March 2020 £m
Investment Fund	2.7	0.3	<b>3.0</b>	2.8
Loan	1.2	-	<b>1.2</b>	5.5
Bond	2.3	-	<b>2.3</b>	2.0
Property Fund	2.6	-	<b>2.6</b>	2.3
	<b>8.8</b>	<b>0.3</b>	<b>9.1</b>	<b>12.6</b>

At the year-end £2.6m (2019/20: £0.7m) had been committed but remained undrawn, with £0.8m (2019/20: £1.3m) approved but subject to agreement of terms, making a total promised of £12.5m (2019/20: £14.6m). Details of all investments placed are shown on the City Bridge Trust website [www.citybridgetrust.org.uk](http://www.citybridgetrust.org.uk).

## 17. Nature and extent of risks arising from Financial Instruments

In accordance with FRS102 11.48A (f), the charity has disclosed the nature and extent of those risks relating to its financial investments. The charity's overall risk management

programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the resources available to fund activities.

Credit Risk - this is the potential risk that a counterparty will fail to meet its obligations in accordance with agreed terms, which principally arises from cash and cash equivalents, deposits with banks and with financial institutions. This risk is managed via the annual Treasury Management Strategy Statement which establishes that deposits are only made with eligible counterparties that meet a minimum standard of creditworthiness. The charity's creditworthiness policy uses information from the three main credit rating agencies supplemented by market information and other qualitative information. No credit limits were exceeded during the reporting period and the charity does not expect any losses from non-performance by any counterparty in relation to outstanding deposits.

The charity's maximum exposure to credit risk in relation to its investments in banks and money market funds cannot be assessed generally as the risk of any institution failing to make interest payments or repay the principal sum will be specific to each individual institution.

Liquidity risk - this is the risk that the charity may not have sufficient funds available to meet its payment obligations as they fall due. The charity has no borrowing exposure and has no plans to borrow to finance future expenditure. Operations are financed by realising investments as necessary to meet both current and future forecast cash requirements.

Market risk – this covers the possibility that financial loss might arise as a result of changes in such measures as interest rates and stock market movements. Price risk is the risk of a decline in the value of a security or a portfolio. The charity minimises price risk through a strategy of diversification by holding a geographical spread of investments in the UK and overseas markets.

<b>Potential market movements</b>	<b>31 March 2021</b>
<b>Asset type</b>	<b>% Change</b>
Global equities - developed markets (incl UK)	18.7%
Global equities - emerging markets	28.6%
Absolute return fixed income	9.0%
Diversified growth funds	11.6%
Multi asset credit	10.5%
Private equity	24.7%
Infrastructure	16.1%

The potential percentage allowance for changes in asset values are within a one-standard deviation tolerance. Taking these changes, the potential increase/decrease in the market prices of the fund's assets have been derived and provide a range of possible net asset values which would be available to meet the fund's liabilities.



Asset type	Value	Change	Value on increase	Value on decrease
	£m	%	£m	£m
Global equities - developed markets (incl UK)	351.0	18.7%	416.6	285.4
Global equities - emerging markets	27.3	28.6%	35.1	19.5
Absolute return fixed income	32.2	9.0%	35.1	29.3
Diversified growth funds	271.9	11.6%	303.4	240.4
Multi asset credit	83.9	10.5%	92.7	75.1
Private equity	28.4	24.7%	35.4	21.4
Infrastructure	48.4	16.1%	56.2	40.6
<b>Total</b>	<b>843.1</b>		<b>974.6</b>	<b>711.6</b>
UK Cash	28.9		28.9	28.9
<b>Total financial investments</b>	<b>872.0</b>		<b>1,003.5</b>	<b>740.5</b>

The percentage change for equities includes a grouping of listed and private equities and the equity funds categorised elsewhere as pooled unit trusts. The percentage change for bonds includes a grouping of government and corporate fixed interest securities. Separate consideration of the individual asset types is not available.

Currency risk – this risk exists when a financial transaction or asset/liability is denominated in a currency other than that of the base currency of the charity. Movements in exchange rates may cause a foreign currency investment value to either decrease or increase when the investment is sold and converted back into the base currency. The charity's day-to-day cash balances are deposited solely in sterling-denominated financial instruments but the charity's long-term financial investments are subject to movements in foreign exchange movements. Currency risk is a risk which is difficult to predict. In light of this and given that investment via pooled funds makes implementing a currency hedging programme operationally complex, the charity does not hedge its currency exposure. As a long-term investor, the charity can tolerate short term fluctuations in currency prices.

The following table shows the illustrative effect on the charity's asset values that would result from movements in exchange rates.

Currency Baskets	Value	Change	Value on increase	Value on decrease
	£m	%	£m	£m
GBP	433.0	0.00%	433.0	433.0
EUR	223.7	2.35%	229.0	218.4
USD	86.4	1.56%	87.7	85.1
Other	128.9	2.22%	131.8	126.0
<b>Total financial investments</b>	<b>872.0</b>		<b>881.5</b>	<b>862.5</b>

## 18. Debtors

	2021	2020
	£m	£m
Trade debtors	5.0	2.3
Rental debtors	2.6	2.9
Prepayments & accrued income	4.1	6.4
	<u>11.7</u>	<u>11.6</u>

Debtors include £3.7m balances which are due after more than one year (2019/20: £3.9m).

## 19. Creditors – amounts falling due within one year

	2021	2020
	£m	£m
Grants payable (note 8)	31.5	23.1
Trade creditors	1.2	1.9
Accruals	2.2	1.6
Deferred income	6.2	6.3
Rent deposits	3.3	4.9
Other creditors	0.4	0.1
	<u>44.8</u>	<u>37.9</u>

Deferred income comprises property rental income and lease premiums received in advance.

	2021	2020
	£m	£m
<b>Deferred income analysis within creditors:</b>		
Balance at 1 April	6.3	5.8
Amounts released to income	(6.4)	(5.8)
Amounts deferred in the year	6.3	6.3
Balance at 31 March	<u>6.2</u>	<u>6.3</u>

## 20. Creditors – amounts due after more than one year

	2021	2020
	£m	£m
Grants payable (note 8)	15.1	20.2
Deferred income	11.9	11.9
Other creditors	1.8	1.8
	<u>28.8</u>	<u>33.9</u>

	2021	2020
	£m	£m
<b>Deferred income - due after more than one year:</b>		
Balance at 1 April	11.9	10.3
Amounts transferred to less than one year	(1.7)	(0.1)
Amounts deferred in the year	1.7	1.7
<b>Balance at 31 March</b>	<b>11.9</b>	<b>11.9</b>

Deferred income relates to lease premiums that will be released over periods of up to 164 years.

## 21. Pensions

### City of London Corporation defined benefit pension scheme

The City Corporation operates a funded defined benefit pension scheme, The City of London Pension Fund, for its staff employed on activities relating predominantly to the three principal funds for which it is responsible (City Fund, City's Cash and Bridge House Estates).

The assets of the scheme are held in a specific trust separately from those of the Corporation and contributions are paid to the scheme as agreed with the scheme's Trustees. As the proportion of the Pension Fund deficit that relates to Bridge House Estates is not separately identifiable, the share of pension contributions paid to the scheme by the charity is calculated pro-rata to employer's contributions paid by each of the City Corporation contributors to the scheme. Further details can be found in the Annual Report of City Fund.

### Accounting for the defined benefit scheme under IAS19

The full actuarial valuation of the defined benefit scheme was updated to 31 March 2021 by an independent qualified actuary in accordance with IAS19. As required by IAS19, the defined benefit liabilities have been measured using the projected unit method. The valuation has been completed under IFRS, in line with the City Fund requirements, rather than under FRS102, with no material differences between the two accounting standards identified.

The returns on gilts and other bonds are assumed to be the gilt yield and corporate bond yield respectively at the relevant date. The return on equities is then assumed to be a margin above gilt yields.

The estimated amount of total employer contributions expected to be paid to the scheme by the charity during 2021/22 is £965,000 (2020/21 actual: £914,000). This figure is calculated pro-rata to total contributions that will be payable by the City Corporation in accordance with the Schedule of Contributions towards the scheme's deficit.

#### a) Major assumptions by the actuary

##### Financial

The financial assumptions used for the purposes of the FRS102 calculations are as follows:

<b>Assumptions as at:</b>	<b>2021</b> <b>% p.a.</b>	2020 % p.a.	2019 % p.a.	2018 % p.a.
RPI increases	<b>3.2</b>	2.7	3.4	3.3
CPI increases	<b>2.9</b>	1.9	2.4	2.3
Salary increases	<b>3.9</b>	2.9	3.9	3.8
Pension increases	<b>2.9</b>	1.9	2.4	2.3
Discount rate	<b>2.0</b>	2.4	2.4	2.6

### Life expectancy

The demographic assumptions used are consistent with those used for the most recent Fund valuation (31 March 2019), except for the post-retirement mortality assumptions which have been updated in light of the coronavirus pandemic. The assumed life expectations from age 65 are:

<b>Life expectancy from age 65 (years)</b>		<b>2021</b>	2020
Age 65 retiring today	Males	<b>21.6</b>	21.8
	Females	<b>24.3</b>	24.4
Retiring in 20 years	Males	<b>22.9</b>	23.2
	Females	<b>25.7</b>	25.8

### Sensitivity analysis

The sensitivity of the liabilities to changes in the key assumptions used to measure the Pension Scheme's liabilities is shown in the table below:

<b>Sensitivity analysis</b>	<b>Change to assumptions</b> %	<b>Impact on liabilities</b>	
		<b>Increase</b> £m	<b>Decrease</b> £m
Salary increases	<b>+/- 0.1</b>	<b>0.1</b>	<b>(0.1)</b>
Life expectancy	<b>+/- 0.1</b>	<b>2.9</b>	<b>(2.7)</b>
Discount rate	<b>+/- 0.1</b>	<b>(1.3)</b>	<b>1.3</b>

### b) Amounts included in the balance sheet

The amounts included in the charity's balance sheet arising from the City Corporation pension scheme's liabilities in respect of the defined benefit scheme for the current and previous two periods are as follows:

	<b>2021</b> <b>£m</b>	2020 £m	2019 £m
Fair value of assets (bid value)	<b>35.6</b>	28.3	19.4
Fair value of liabilities	<b>63.3</b>	47.2	31.8
<b>Net liability in balance sheet</b>	<b>27.7</b>	18.9	12.4

The net pension fund liability represents 3% (2019/20: 3%) of the total net balance sheet liability in the City Corporation Pension Fund financial statements.

### c) Amounts included in the statement of financial activities

The amounts included within total expenditure in relation to the defined benefit scheme are as follows:

	2021 £m	2020 £m
Current service cost	2.4	1.6
Past service cost	0.3	-
Settlements and curtailments	0.1	-
Interest cost	0.5	0.4
Contributions	(1.0)	(0.9)
<b>Total expense</b>	<b>2.3</b>	<b>1.1</b>

The total pension costs charged in the Statement of Financial Activities (as adjusted for current service cost and employer's contributions) represents 3% (2019/20: 3%) of the total charge in the City Corporation Pension Fund financial statements.

### d) Asset allocation

The current allocation of the scheme's assets is as follows:

Employer asset share - bid value	2021		2020	
	£m	% p.a.	£m	% p.a.
Equity Investments	21.4	59	16.8	60
Cash	0.2	2	0.5	2
Infrastructure	4.1	12	3.5	12
Absolute Return Portfolio	9.9	27	7.5	26
<b>Total assets</b>	<b>35.6</b>	<b>100</b>	<b>28.3</b>	<b>100</b>

The charity's share of pension scheme assets at 31 March 2021 represents 3% (2019/20: 3%) of the total pension scheme assets of the City Corporation Pension Fund.

### e) Movement in the present value of scheme liabilities

Changes in the present value of the scheme liabilities over the year are as follows:

	2021 £m	2020 £m
<b>(Deficit) at beginning of the year</b>	<b>(47.2)</b>	(31.8)
Current service cost	<b>(2.4)</b>	(1.6)
Interest Cost	<b>(0.9)</b>	(1.1)
Remeasurement gains/losses:		
Actuarial gains/losses arising from changes in demographic assumptions	<b>0.5</b>	0.3
Actuarial gains/losses arising from changes in financial assumptions	<b>(14.5)</b>	4.5
Other actuarial gains/(losses)	<b>0.6</b>	(2.4)
Other (losses)/gains	-	(16.0)
Past service cost, including curtailments	<b>(0.3)</b>	-
Liabilities extinguished on settlements	<b>(0.2)</b>	0.1
Benefits paid	<b>1.4</b>	1.1
Contributions from scheme participants	<b>(0.3)</b>	(0.3)
<b>(Deficit) at the end of the year</b>	<b>(63.3)</b>	(47.2)

The charity's share of the closing value of the pension scheme liabilities represents 3% (2019/20: 3%) of the total closing value of the pension scheme liabilities of the City Corporation Pension Fund.

### f) Movement in the scheme net liability

The net movement in the scheme liabilities over the year are as follows:

	2021 £m	2020 £m
<b>(Deficit) at beginning of the year</b>	<b>(18.9)</b>	(12.4)
Current service cost	<b>(2.8)</b>	(1.6)
Net interest	<b>(0.5)</b>	(0.4)
Employer contributions	<b>1.0</b>	0.9
Actuarial (losses)/gains	<b>(6.3)</b>	0.8
Other (losses)	<b>(0.2)</b>	(6.2)
<b>(Deficit) at the end of the year</b>	<b>(27.7)</b>	(18.9)

### g) Movement in the present value of scheme assets

Changes in the fair value of the scheme assets over the year are as follows:

	2021 £m	2020 £m
As at 1 April	28.3	19.4
Interest on assets	0.4	0.7
Remeasurement gains/losses:		
Return on assets less interest	6.9	(1.6)
Other gains/losses	-	9.7
Contributions by employer including unfunded	1.0	0.9
Contributions by scheme participants	0.3	0.3
Estimated benefits paid net of transfers in and including unfunded	(1.4)	(1.1)
Settlement prices received/(paid)	0.1	-
<b>Closing value of scheme assets</b>	<b>35.6</b>	<b>28.3</b>

### h) Projected pension expense for the year to 31 March 2021

No allowance has been made for the costs of any early retirements or augmentations which may occur over the year and whose additional capitalised costs would be included in the liabilities. As it is only an estimate, actual experience over the year may differ. No balance sheet projections have been provided on the basis that they will depend upon market conditions and the asset value of the scheme at the end of the following year.

	Year to 31/03/2022 £m	Year to 31/03/2021 £m
Service cost	2.4	1.5
Interest cost	0.5	0.4
<b>Total expense</b>	<b>2.9</b>	<b>1.9</b>
<b>Employer contribution</b>	<b>1.0</b>	<b>0.9</b>

## 22. Analysis of net assets between funds

At 31 March 2021	Unrestricted Income Funds		Restricted Funds	Endowment Funds	Total at 31 March 2021	Total at 31 March 2020
	General Funds	Designated Funds	Restricted Funds	Endowment Funds		
	£m	£m	£m	£m	£m	£m
Fixed Assets - Investment properties	-	-	-	843.8	<b>843.8</b>	<b>854.9</b>
Fixed Assets - Financial investments	291.3	436.5	-	106.2	<b>834.0</b>	<b>687.2</b>
Other fixed assets	3.1	9.1	-	-	<b>12.2</b>	<b>16.0</b>
Current assets & liabilities	(23.6)	-	3.8	29.5	<b>9.7</b>	<b>31.1</b>
Long-term liabilities	(28.8)	-	-	-	<b>(28.8)</b>	<b>(33.9)</b>
Pension liability	(27.7)	-	-	-	<b>(27.7)</b>	<b>(18.9)</b>
	<b>214.3</b>	<b>445.6</b>	<b>3.8</b>	<b>979.5</b>	<b>1,643.2</b>	<b>1,536.4</b>

At 31 March 2020	Unrestricted Income Funds		Restricted Funds	Endowment Funds	Total at 31 March 2020	Total at 31 March 2019
	General Funds	Designated Funds	Restricted Funds	Endowment Funds		
	£m	£m	£m	£m	£m	£m
Fixed Assets - Investment properties	-	-	-	854.9	<b>854.9</b>	<b>739.3</b>
Fixed Assets - Financial investments	171.9	428.1	-	87.2	<b>687.2</b>	<b>687.6</b>
Other fixed assets	3.4	12.6	-	-	<b>16.0</b>	<b>16.9</b>
Current assets & liabilities	(13.8)	-	2.8	42.1	<b>31.1</b>	<b>87.4</b>
Long-term liabilities	(33.9)	-	-	-	<b>(33.9)</b>	<b>(24.1)</b>
Pension liability	(18.9)	-	-	-	<b>(18.9)</b>	<b>(12.4)</b>
	<b>108.7</b>	<b>440.7</b>	<b>2.8</b>	<b>984.2</b>	<b>1,536.4</b>	<b>1,494.7</b>



## 23. Movement in funds

At 31 March 2021	Total as at 1 April 2020 £m	Income £m	Expenditure £m	Gains & losses £m	Transfers £m	Total as at 31 March 2021 £m
Endowment Funds	984.2	-	(0.4)	(4.3)	-	979.5
<b>Total Endowment Funds</b>	<b>984.2</b>	<b>-</b>	<b>(0.4)</b>	<b>(4.3)</b>	<b>-</b>	<b>979.5</b>
London Communities Response Fund	2.8	15.0	(28.7)	-	14.3	3.4
Other Restricted Funds	-	0.4	-	-	-	0.4
<b>Total Restricted Funds</b>	<b>2.8</b>	<b>15.4</b>	<b>(28.7)</b>	<b>-</b>	<b>14.3</b>	<b>3.8</b>
General Funds	127.6	31.6	(23.0)	159.6	(53.8)	242.0
Pension Reserve	(18.9)	-	(2.3)	(6.5)	-	(27.7)
<b>Total General Funds</b>	<b>108.7</b>	<b>31.6</b>	<b>(25.3)</b>	<b>153.1</b>	<b>(53.8)</b>	<b>214.3</b>
Property Dilapidations	0.4	-	-	-	-	0.4
Bridges Repairs	41.7	-	(8.8)	-	15.2	48.1
Bridges Replacement	158.5	-	-	-	10.2	168.7
Grant-making	219.2	-	(26.4)	-	14.1	206.9
Social Investment Fund	20.9	0.4	-	0.2	-	21.5
<b>Total Designated Funds</b>	<b>440.7</b>	<b>0.4</b>	<b>(35.2)</b>	<b>0.2</b>	<b>39.5</b>	<b>445.6</b>
<b>Total Unrestricted Income Funds</b>	<b>549.4</b>	<b>32.0</b>	<b>(60.5)</b>	<b>153.3</b>	<b>(14.3)</b>	<b>659.9</b>
<b>Total Funds</b>	<b>1,536.4</b>	<b>47.4</b>	<b>(89.6)</b>	<b>149.0</b>	<b>-</b>	<b>1,643.2</b>

At 31 March 2020	Total as at 1 April 2019 £m	Income £m	Expenditure £m	Gains & losses £m	Transfers £m	Total as at 31 March 2020 £m
Endowment Funds	907.5	-	(0.6)	77.3	-	984.2
<b>Total Endowment Funds</b>	<b>907.5</b>	<b>-</b>	<b>(0.6)</b>	<b>77.3</b>	<b>-</b>	<b>984.2</b>
London Communities Response Fund	-	1.8	-	-	1.0	2.8
Other Restricted Funds	0.2	-	(0.2)	-	-	-
<b>Total Restricted Funds</b>	<b>0.2</b>	<b>1.8</b>	<b>(0.2)</b>	<b>-</b>	<b>1.0</b>	<b>2.8</b>
General Funds	415.9	44.3	(23.9)	(13.1)	(295.6)	127.6
Pension Reserve	(12.4)	-	(1.1)	(5.4)	-	(18.9)
<b>Total General Funds</b>	<b>403.5</b>	<b>44.3</b>	<b>(25.0)</b>	<b>(18.5)</b>	<b>(295.6)</b>	<b>108.7</b>
Property Dilapidations	0.6	0.1	(0.3)	-	-	0.4
Service Charges	0.5	-	(0.5)	-	-	-
Bridges Repairs	34.0	-	(5.7)	-	13.4	41.7
Bridges Replacement	104.6	-	-	-	53.9	158.5
Grant-making	22.4	-	(30.5)	-	227.3	219.2
Social Investment Fund	21.4	0.4	-	(0.9)	-	20.9
<b>Total Designated Funds</b>	<b>183.5</b>	<b>0.5</b>	<b>(37.0)</b>	<b>(0.9)</b>	<b>294.6</b>	<b>440.7</b>
<b>Total Unrestricted Income Funds</b>	<b>587.0</b>	<b>44.8</b>	<b>(62.0)</b>	<b>(19.4)</b>	<b>(1.0)</b>	<b>549.4</b>
<b>Total Funds</b>	<b>1,494.7</b>	<b>46.6</b>	<b>(62.8)</b>	<b>57.9</b>	<b>-</b>	<b>1,536.4</b>

## **Purpose of the endowment fund**

The permanent endowment fund is held in perpetuity as a capital fund to generate income for the activities of the charity. Any income arising from this capital is accounted for within unrestricted funds. Further detail of the origins of this fund is stated on page 4.

## **Purposes of restricted funds**

London Community Response Fund (LCRF) – established in response to the Covid-19 health pandemic to establish a collective response with other funders to support London’s civil society in furtherance of the Bridge House Estates funding policy, ‘Bridging Divides’ (£3.4m held).

Other Restricted Funds are the Cornerstone Fund and the Responding to the Resilience Risk Fund:

The Cornerstone Fund is a funder collaboration that aims to bring about systemic change in how civil society organisations access and receive support and which tackles structural inequalities in order to grow stronger, more resilient communities (£0.2m held).

Responding to the Resilience Risk Fund – is a strategic initiative to investigate how to support staff resilience (£0.2m held).

## **Purposes of designated funds**

Designated funds have been set aside by the Trustee for the following purposes:

Property Dilapidations	represents funds not yet utilised as received from tenants at the end of a lease to enable the property to be brought back to the required condition.
Service charges	represents service charges received from tenants to enable major cyclical works to be financed.
Bridges Repairs	represents funds required to maintain the bridges for the next 5 years.
Bridges Replacement	represents funds set aside to fund the future rebuild of the bridges. This is based on the annually calculated present value of estimated future costs, adjusted for increases in construction costs.
Grant-making	represents surplus income which has been designated for future grant-making activities in the name of City Bridge Trust.
Social Investment Fund	to finance investments that generate a financial return, alongside an associated social return, consistent with the agreed investment policy.

The charity also maintains a Pension Reserve Fund, representing the net liability owed.

## Transfers between funds

A transfer of £14.3m (2019/20: £1m) was made in the year from the grant-making designated fund to the LCRF restricted fund to support the response to the Covid-19 pandemic.

Transfers are made to and from unrestricted income funds in order to maintain designated funds at the required levels.

## 24. Note to the statement of cash flows

Reconciliation of net income to net cash outflow from operating activities.

	2020/21	2019/20
	£m	Restated £m
<b>Net income for the reporting period (as per the statement of financial activities)</b>	<b>113.3</b>	47.1
Adjustments for:		
Interest and income from investments	<b>(30.2)</b>	(37.1)
Depreciation charges	<b>0.3</b>	0.3
(Gains)/losses on financial investments	<b>(178.7)</b>	16.0
Losses/(gains) on property investments	<b>23.4</b>	(80.2)
(Gains)/losses on social investments	<b>(0.2)</b>	0.9
(Increase) in stock	<b>-</b>	(0.1)
(Increase)/decrease in debtors	<b>(0.1)</b>	0.4
Increase in creditors falling due within one year	<b>6.9</b>	3.3
(Decrease)/increase in long term creditors	<b>(5.1)</b>	9.8
Net pension scheme costs	<b>2.3</b>	1.1
<b>Net cash (used in) operating activities</b>	<b>(68.1)</b>	(38.5)

Some prior year figures in the Cash Flow Statement have been re-categorised. This is to reflect property rental income within cashflows from investing activities rather than within cashflows from operating activities as this better reflects the nature of these activities in the context of the organisation. This re-categorisation has had no impact on the cash and cash equivalent balance for the 2019/20 year.

## 25. Analysis of changes in net funds/cash and cash equivalents

	Total as at 1 April 2020	Cash flows	Total as at 31 March 2021
	£m	£m	£m
<b>Cash and cash equivalents</b>			
Cash	7.7	(3.2)	4.5
<b>Total</b>	<b>7.7</b>	<b>(3.2)</b>	<b>4.5</b>

Other non-cash changes are detailed in note 24.

## 26. Commitments

The following commitments exist as at 31 March in respect of future accounting periods:

	2021	2020
	£m	£m
Capital works authorised	3.9	10.2
Investment properties	-	2.8
	<b>3.9</b>	<b>13.0</b>

The capital works relate to a major refurbishment of an investment property which is expected to be completed in 2021.

## 27. Related parties

The City Corporation is the sole Trustee of the charity, as described on page 6. The City Corporation provides various services to the charity, the costs of which are recharged to the charity. This includes the provision of banking services, charging all transactions to the charity at cost and crediting or charging interest at a commercial rate. The cost of these services is included within expenditure, as set out in Note 11.

The charity is required to disclose information on related party transactions with bodies or individuals that control or have significant influence over the charity. Members are required to disclose their interests, and these can be viewed online at [www.cityoflondon.gov.uk](http://www.cityoflondon.gov.uk).

Members and Senior Staff are requested to disclose all related party transactions, including instances where their close family has made such transactions. The charity has decided to disclose all instances whereby a Member or officer has a connection with a charity which is a grantee of BHE to provide full transparency.

Figures in brackets represent the amounts due at the balance sheet date. Other figures represent the value of the transactions during the year.

Related party	Connected party	2020/21 £000	2019/20 £000	Detail of transaction
London Funders (LF)	An Officer of the City Corporation is a Trustee of LF	180 (250) 3 (-)	300 (338) 3 (-)	LF received grant funding from CBT  The charity paid a membership fee to LF
Trust for London (TL)	The City Corporation nominates four Members to TL	570 (200) 200 (-) 410 (24)	400 (770) - (-) 294 (12)	TL received grant funding from CBT  CBT received grant as contribution to cornerstone fund  TL paid rent, service charges & insurance
Blind in Business (BiB)	A Member of the City Corporation is a Trustee of BiB	93 (-)	- (32)	BiB received grant funding from CBT
Partnership for Young London (PYL)	A Member of the City Corporation is a Trustee of PYL	157 (60)	138 (203)	PYL received grant funding from CBT
Cripplegate Foundation, incorporating Islington Giving (CF)	Two Members of the City Corporation are Trustees of CF, alongside the husband of a Member	40 (55)	95 (95)	CF received grant funding from CBT
Heart of the City (HoTC)	An Officer of the City Corporation was a Trustee of HoTC during the year. Three Members of City Corporation are Council Members of HoTC	95 (214)	- (309)	HoTC received grant funding from CBT
Thames Festival Trust (TFT)	A Member represents CoL on TFT	- (-)	32 (-)	TFT paid for services provided at Tower Bridge
Guild of Freemen of the City of London (GF)	A Member is a Director of GF	21 (3)	22 (-)	GF paid rent, service charges & insurance to the Charity.

The Court of the City University (CCU)	Four Members represent the City Corporation on CCU	- (-)	2 (-)	The Charity paid a membership fee to CCU
Lord Mayor's Show Ltd (LM)	Six Members are Directors of LM. An Officer of the City Corporation is a Director of LM	- (-)	7 (-)	The Charity paid an entrance fee
Museum of London Archaeology (MOLA)	Two Members are Directors/Trustees of MOLA	10 (41)	82 (51)	MOLA received grant funding from CBT

The Members and Officers noted above did not participate in the discussions or decision making relating to the award of the grants.

**Related Party Transactions with the City Fund** (the City Fund is held by the City Corporation in respect of its activities as a local authority, police authority and port health authority).

There were no related party transactions with City Fund for 20/21 (19/20: nil).

**Related Party Transactions with City's Cash** (City's Cash is held by the City Corporation and finances activities mainly for the benefit of London as a whole but also of relevance nationwide):

City's Cash holds a lease with BHE for the rental of a property. Rental Income of £24k was received in the year (2019/20: £23.6k). The balance owed to BHE at year end was nil (19/20: £2.8k).

## 28. Subsequent events

In June 2021, a supplier was appointed for the repaint and refurbishment of Blackfriars Bridge, a project with a total budgeted cost of £12m. The repaint and refurbishment will improve the aesthetics of the bridge and will also protect the fabric of the structure to increase its longevity. The full refurbishment programme is expected to start in late summer and be completed by 2024.

## REFERENCE AND ADMINISTRATION DETAILS

### Bridge House Estates

Registered charity number 1035628

The grant-making and other charitable activity of the charity operates under the name City Bridge Trust.

**Principal office:** Guildhall, London, EC2P 2EJ

**Trustee:** The Mayor and Commonalty & Citizens of the City of London

**BHE Board members:** (appointed 15 April 2021)

Deputy Dr Giles Shilson (Chair)	Deputy Jamie Ingham Clark
Dhruv Patel OBE (Deputy Chair)	Paul Martinelli
Henry Colthurst	John Petrie OBE
Alderman Professor Emma Edhem	Judith Pleasance
Alderman Alison Gowman	Deputy Henry Pollard

### Senior management:

Chief Executive	John Barradell OBE - The Town Clerk and Chief Executive of the City of London Corporation
Managing Director	David Farnsworth (from 16/04/2021) - previously Chief Grants Officer and Director of City Bridge Trust
Chief Financial Officer	Peter Kane (to 30/04/2021); Caroline Al-Beyerty (from 01/05/2021) - The Chamberlain of the City of London Corporation
Solicitor	Michael Cogher - The Comptroller and City Solicitor of the City of London Corporation
Surveyor	Paul Wilkinson – City Surveyor

### Auditors

BDO LLP, 55 Baker Street, London, W1U 7EU

### Bankers

Lloyds Bank Plc., P.O. Box 72, Bailey Drive, Gillingham Business Park, Kent ME8 0LS

### Financial investment advisors

Mercer, Quatermile One, 15 Lauriston Place, Edinburgh, EH3 9EP

Contact for Bridge House Estates, to request copies of governance documents – [BHE@cityoflondon.gov.uk](mailto:BHE@cityoflondon.gov.uk)

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## List of Applications for the Freedom

*To be presented on Thursday, 9th December, 2021*

*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.

<b>Richard Alfred Amos</b> <i>David Alfred Amos</i> <i>Philip Reginald Devaney Jeffery</i> <i>Morrish</i>	an Account Handler <i>Citizen and Environmental Cleaner</i> <i>Citizen and Environmental Cleaner</i>	Woodford Green, Essex
<b>Michael John Barratt, MBE</b> <i>Vincent Dignam</i> <i>John Paul Tobin</i>	a Development Impact Engineer <i>Citizen and Carman</i> <i>Citizen and Carman</i>	Woodford Green, Essex
<b>Frances Penelope Baskerville</b> <i>Captain Graham Maurice Pepper</i> <i>Captain John Richard Freestone,</i> <i>MNM</i>	a Secretary-General <i>Citizen and Master Mariner</i> <i>Citizen and Master Mariner</i>	Farnham, Surrey
<b>Paul Martin Beckett</b> <i>Alastair Michael Moss, Deputy</i> <i>Oliver Sells, QC</i>	a Chartered Town Planner <i>Citizen and Goldsmith</i> <i>Citizen and Musician</i>	Brentwood, Essex
<b>James Patrick Berry</b> <i>Ald. William Anthony Bowater</i> <i>Russell</i> <i>Hilary Ann Russell</i>	an Investment Banker, retired <i>Citizen and Haberdasher</i> <i>Citizen and Farmer</i>	Northampton, Northants
<b>Simon Anthony Blake, OBE</b> <i>Mark Watson-Gandy</i> <i>James Alastair Christian Watson-</i> <i>Gandy</i>	a Chief Executive Officer <i>Citizen and Scrivener</i> <i>Citizen and Pattenmaker</i>	Whitechapel, London
<b>Benjamin Robert Hamond Broadbent</b> <i>Catherine Sidony McGuinness,</i> <i>Deputy</i> <i>Brian David Francis Mooney,</i> <i>Deputy</i>	a Central Banker <i>Citizen and Solicitor</i> <i>Citizen and Common Councillor</i>	South Kensington, London
<b>Tamara Katherine Burnell</b> <i>Deputy Andrien Meyers</i> <i>Shravan Joshi</i>	an Investment Manager <i>Citizen and Common Councillor</i> <i>Citizen and Fueller</i>	Sutton, Surrey

<b>Chai Fook Chai</b> <i>Dr Sin Chai</i> <i>Sir Francis McWilliams, GBE</i>	a Web Developer <i>Citizen and Apothecary</i> <i>Citizen and Loriner</i>	Aldgate, London
<b>Robert Chandler</b> <i>John Dominic Reid, OBE</i> <i>Vincent Dignam</i>	a Highways Special Events Officer <i>Citizen and Grocer</i> <i>Citizen and Carman</i>	Old Coulsdon, Surrey
<b>Nicolas Chatila</b> <i>Dr Mahmoud Saleh Barbir</i> <i>Farid Barakat</i>	a Company President <i>Citizen and Apothecary</i> <i>Citizen and Loriner</i>	Monaco
<b>Francis Ikechukwu Chinegwundoh, MBE</b> <i>Deputy Andrien Meyers</i> <i>Vincent Dignam</i>	a Surgeon  <i>Citizen and Common Councillor</i> <i>Citizen and Carman</i>	Redbridge, Wanstead
<b>Kevin Daniel Craig</b> <i>Tracey Graham, CC</i> <i>Alexander Barr, CC</i>	a Company Director <i>Citizen and Common Councillor</i> <i>Citizen and Ironmonger</i>	Clapham, London
<b>John Henry Crawford</b> <i>Keith William Pledger</i> <i>Mary Leonie Pledger</i>	an Engineer, retired <i>Citizen and Feltmaker</i> <i>Citizen and Loriner</i>	Bushey, Hertfordshire
<b>Nicholas Paul Anthony De Wiggondene-Sheppard</b> <i>Deputy Keith David Forbes</i> <i>Bottomley</i> <i>Christopher Michael Hayward, CC</i>	a Lloyd's Insurance Broker  <i>Citizen and Wheelwright</i> <i>Citizen and Pattenmaker</i>	Redhill, Surrey
<b>Lisa Frances Maria Dunn</b> <i>Ald. William Anthony Bowater</i> <i>Russell</i> <i>Hilary Ann Russell</i>	a Housemaid <i>Citizen and Haberdasher</i>  <i>Citizen and Farmer</i>	Clapham, London
<b>Darren Sean Enright</b> <i>Donald Howard Coombe, MBE</i> <i>David Peter Coombe</i>	an Import Company Director <i>Citizen and Poulter</i> <i>Citizen and Poulter</i>	Gillingham, Kent
<b>Carlson Lincoln Disraeli George</b> <i>Edward Gradosielski, BEM</i> <i>Dr Iain Reid</i>	a Medical Representative, retired <i>Citizen and Wax Chandler</i> <i>Citizen and Ironmonger</i>	Essex
<b>Mark Jerzy Gradosielski</b> <i>Edward Gradosielski, BEM</i> <i>Richard Leslie Springford</i>	a Residential Lettings Manager <i>Citizen and Wax Chandler</i> <i>Citizen and Carman</i>	Nazeing, Essex
<b>Alistair McKenzie Hodgson</b> <i>Alan Leslie Warman</i> <i>Diane Irene Warman</i>	a Museum Curator, retired <i>Citizen and Clockmaker</i> <i>Citizen and Clockmaker</i>	Berkhamsted, Hertfordshire
<b>Muzzammil Hussain</b> <i>Sir David Wootton, Kt., Ald.</i> <i>Deputy Brian David Francis</i> <i>Mooney</i>	an Ophthalmologist <i>Citizen and Fletcher</i> <i>Citizen and Common Councillor</i>	Isle of Dogs, London

<p><b>Suwei Jiang</b>  <i>Ald. Sir Charles Edward Beck  Bowman</i>  <i>Ald. William Anthony Bowater  Russell</i></p>	<p>a Partner in An Accountancy Firm  <i>Citizen and Grocer</i></p> <p><i>Citizen and Haberdasher</i></p>	<p>South Croydon, Surrey</p>
<p><b>Thomas Michael Jordan</b>  <i>Michael Woolston Jordan  Ronald Douglas Mortlock Jordan</i></p>	<p>a Musician  <i>Citizen and Plaisterer</i>  <i>Citizen and Plaisterer</i></p>	<p>Great Bookham, Surrey</p>
<p><b>Peter King</b>    <i>Joyce Amelia Ford  Stanley Liu</i></p>	<p>a Fire Officer with London Fire  Brigade, retired  <i>Citizen and Glass Seller</i>  <i>Citizen and Butcher</i></p>	<p>Welling, Kent</p>
<p><b>Samantha Helena Lagna-Fietta</b>  <i>Edward Gradosielski, BEM  Stephen William Burgess</i></p>	<p>a Clothing Buyer  <i>Citizen and Wax Chandler</i>  <i>Citizen and Carman</i></p>	<p>Roydon, Essex</p>
<p><b>Daniel Eric Lillis</b>  <i>Deputy Philip Woodhouse  Michael Hudson, CC</i></p>	<p>a Student  <i>Citizen and Grocer</i>  <i>Citizen and Painter Stainer</i></p>	<p>Esher, Surrey</p>
<p><b>Sophie Linden</b>    <i>Tijs Broeke, CC  Deputy James Michael Douglas  Thomson</i></p>	<p>The Deputy Mayor for Policing and  Crime  <i>Citizen and Goldsmith</i>  <i>Citizen and Grocer</i></p>	<p>Hackney, London</p>
<p><b>John Ellison Lund</b>  <i>John Sidney Victor Day  Spencer Brian Seaton</i></p>	<p>a Property Company Director  <i>Citizen and Pavior</i>  <i>Citizen and Glass Seller</i></p>	<p>St Brelade, Jersey</p>
<p><b>Trevor John Machin</b>  <i>Marianne Bernadette Fredericks, CC  Sylvia Doreen Moys</i></p>	<p>a Police Constable  <i>Citizen and Baker</i>  <i>Citizen and Chartered Secretary &amp;  Administrator</i></p>	<p>Milford On Sea, Hampshire</p>
<p><b>Richard Patrick Mackelworth</b>  <i>Jeremy Paul Mayhew, CC  Ald. Sir David Wootton, Kt.</i></p>	<p>a Social Worker  <i>Citizen and Loriner</i>  <i>Citizen and Fletcher</i></p>	<p>Maida Vale, London</p>
<p><b>Riccardo Giovanni Marchini</b>  <i>John Sidney Victor Day  Spencer Brian Seaton</i></p>	<p>a Company Director  <i>Citizen and Pavior</i>  <i>Citizen and Glass Seller</i></p>	<p>Orpington, Kent</p>
<p><b>Graham Christopher Spencer  Mather, CBE</b>  <i>Jeremy Paul Mayhew, CC  Deputy Catherine Sidony  McGuinness,</i></p>	<p>The President of the European  Policy Forum  <i>Citizen and Loriner</i>  <i>Citizen and Solicitor</i></p>	<p>Westminster, London</p>
<p><b>Darragh Martin McCarthy</b>  <i>Ald. Prof. Michael Raymond  Mainelli  Deputy Catherine Sidony  McGuinness</i></p>	<p>a Financial Services Company CEO  <i>Citizen and World Trader</i></p> <p><i>Citizen and Solicitor</i></p>	<p>Belfast, Northern Ireland</p>
<p><b>Gunter Heinz Werner Hans  Nebel</b>  <i>Cyrus Soleiman Poteratchi  Kevin Joseph McNicholas</i></p>	<p>a Specialist Physician    <i>Citizen &amp; Skinner</i>  <i>Citizen and Loriner</i></p>	<p>Graz, Austria</p>

<b>Garrick Kar Chun Ngai</b> <i>Robert Andrews</i> <i>John A Welch</i>	a Marketing Executive <i>Citizen and Gold &amp; Silver Wyre Drawer</i> <i>Citizen and Pattenmaker</i>	Toronto, Ontario, Canada
<b>Jayesh Patel</b> <i>Ald. William Anthony Bowater</i> <i>Russell</i> <i>Hilary Ann Russell</i>	an Overseas Executive Officer <i>Citizen and Haberdasher</i>  <i>Citizen and Farmer</i>	Hackney, London
<b>William Henry Polston</b>  <i>Vincent Dignam</i> <i>Emmanuelle Cohen</i>	a Company Director  <i>Citizen and Carmen</i> <i>Citizen and Woolman</i>	South Woodham Ferrers, Essex
<b>Simon Julian Sebastian Qureshi</b> <i>Richard Leslie Springford</i> <i>Dr Iain Reid</i>	a Head of Information Technology  <i>Citizen and Carman</i> <i>Citizen and Ironmonger</i>	Blackheath, London
<b>Andrew Howard Riley</b> <i>Ann-Marie Jefferys</i> <i>Jeremy Christopher Charles Cross</i>	a Banker, retired <i>Citizen and Glover</i> <i>Citizen and Insurer</i>	Northwood, Middlesex
<b>Christina Louise Roffey</b>  <i>Robert Andrews</i> <i>John A Welch</i>	a Director of Marketing, retired  <i>Citizen and Gold &amp; Silver Wyre Drawer</i> <i>Citizen and Pattenmaker</i>	Snowball, King City, Ontario, Canada
<b>Kayne Sheppard</b> <i>Donald Howard Coombe, MBE</i> <i>David Peter Coombe</i>	an Underwriter <i>Citizen and Poulter</i> <i>Citizen and Poulter</i>	Tooting
<b>Matthew Andrew Steven Showan</b> <i>Philip Wood</i> <i>Terence Harragan</i>	a Civil Engineering Company Director <i>Citizen and Feltmaker</i> <i>Citizen and Feltmaker</i>	Witney, Oxfordshire
<b>Mr Stephen Wayne Smith</b> <i>John Leslie Barber, DL</i> <i>Ald. Alastair John Naisbitt King</i>	an Insurance Broker <i>Citizen and Blacksmith</i> <i>Citizen and Blacksmith</i>	Godalming, Surrey
<b>Jonathan Lionel Spry</b>  <i>Mark Sutherland Johnson</i> <i>Luke Savage</i>	an Insurance Chief Executive Officer <i>Citizen and Woolman</i> <i>Citizen and Draper</i>	Bath, Somerset
<b>Ian Charles Steingaszner</b> <i>Robert Andrews</i> <i>John A Welch</i>	a Supplier Risk Manager <i>Citizen and Gold &amp; Silver Wyre Drawer</i> <i>Citizen and Pattenmaker</i>	King City, Ontario, Canada
<b>Oliver Charles John Tabor</b> <i>David Harry</i>  <i>Sean Padraig Belton</i>	a Magician and Stage Illusionist <i>Citizen and Stationer &amp; Newspaper</i> <i>Maker</i> <i>Citizen and Stationer and Newspaper</i> <i>Maker</i>	Rochford, Essex
<b>Christina Anita Thompson</b>  <i>Deputy Andrien Meyers</i> <i>Anne Helen Fairweather, CC</i>	a Local Government Director of Finance <i>Citizen and Common Councillor</i> <i>Citizen and Common Councillor</i>	Tring, Hertfordshire

**Balamurugan Viswanathan**

*Deputy Andrien Meyers*

*Anne Helen Fairweather, CC*

a Chief Executive Officer

*Citizen and Common Councillor*

*Citizen and Common Councillor*

St. John's Wood, London

**Christopher Alexander Warren**

*Robert Andrews*

*John A Welch*

a Policy Director

*Citizen and Gold & Silver Wyre Drawer*

*Citizen and Pattenmaker*

Oakville, Ontario, Canada

**Nicholas Philip Mark Wood**

*Philip Wood*

*Terence Harragan*

a Portfolio Manager

*Citizen and Feltmaker*

*Citizen and Feltmaker*

Hoddesdon, Hertfordshire

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## Resolution of Thanks to the Late Lord Mayor – *by Deputy Dr Giles Robert Evelyn Shilson*

*To be presented on Thursday, 9<sup>th</sup> December 2021*

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

**Motion:-**

“That the Members of this Honourable Court take great pleasure in expressing to

**WILLIAM ANTHONY BOWATER RUSSELL**

their sincere gratitude and appreciation for the distinguished manner in which he has carried out the role of Lord Mayor of the City of London during the past two years: the first Lord Mayor to serve a second term since 1861.

We are especially grateful to William for placing the recovery of the City at the heart of his Mayoral Theme, as the City strives to respond to the challenges arising from COVID-19. William has worked tirelessly, leading a dedicated “Re-opening campaign” to encourage people back to the Square Mile. He visited several hundred businesses, from banks and barbers, to pubs and sandwich shops, culminating in the festival of church bells. This saw William ringing the Great Paul bell at St Paul’s Cathedral, which at 16½ long tons is the second largest bell in the UK and had not been rung for the past 20 years.

As a Haberdasher, it comes as no surprise that William threaded together numerous strands of work in his Mayoral Theme, Global UK - The New Future, interweaving the importance of growing global trade, strengthening innovation and promoting a rich cultural and creative economy. As part of this theme, he convened the Culture and Commerce taskforce, putting our world-leading cultural sector at the heart of London’s recovery, and he has been an ardent advocate for UK business and trade. Green Finance has been a significant theme within this, with the hugely successful Green Horizons Summit a particular success.

Conducting business and fulfilling the demands of being Lord Mayor necessitated innovation to deal with the challenges posed by COVID-19, with quick adaptation to virtual visits as international travel became untenable. From virtual visits to the Far East and South America, to physical visits to the Middle East and North America, the Lord Mayor has retained his enthusiasm and good humour throughout the many hours spent both travelling and while sitting in front of a screen meeting people across the world. That good humour at virtual meetings also includes his leadership of this Court, as the first Lord Mayor to preside over virtual meetings of the Common Council.

Throughout these two hectic and unusual years, in all his work, the Lord Mayor has received magnificent support from Hilary, the Lady Mayoress, and, as we move to the close of what we hope has been a memorable and special period for

them both, this Honourable Court thanks William for all that he has done as Lord Mayor. In taking their leave of William, their 692nd Lord Mayor, Honourable Members send to him and Hilary – as well as Edward, Nicholas, Alistair, and Helena - our very best wishes for their future good health and happiness.”



## 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 9<sup>th</sup> December 2021*

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

#### **Bills**

#### **Date in force**

#### **Environment Act 2021**

9 November 2021

This wide-ranging Act provides for targets, plans and policies for improving the natural environment and includes several provisions on local authorities' powers and responsibilities. Local authorities, including the Common Council acting in that capacity, are required by the Act to produce a 'biodiversity report' every five years describing actions taken to conserve biodiversity and the impact of those actions. They must also describe in 'action plans' how they will exercise their functions to achieve and maintain air quality standards and objectives, and may identify 'air quality partners' to assist them in carrying out those functions.

#### **Statutory Instruments**

#### **The Non-Maintained Special Schools (England) and Independent School Standards (Amendment) Regulations 2021 No. 1124**

1 November 2021

The Independent School Standards require the Secretary of State to check and confirm the identity and right to work in the United Kingdom of individual proprietors of independent schools and of chairs of proprietor bodies. This applies to the three independent schools for which the Corporation is responsible. These Regulations ensure that these checks may be carried out by a third party at the behest of the Secretary of State.

#### **The National Security and Investment Act 2021 (Prescribed Form and Content of Notices and Validation Applications) Regulations 2021 No. 1272**

4 January 2022

The National Security and Investment Act 2021 provides for persons to notify the Secretary of State about acquisitions that constitute 'trigger events' (i.e. that might raise national security concerns) and to apply for retrospective validation of a notifiable acquisition. These Regulations set out the information that must be provided to Secretary of State when submitting a mandatory notice, a validation application or a voluntary notice.

**The Financial Services Act 2021 (Commencement No. 3) Regulations 2021 No. 1173** 1 November 2021

These Regulations commence a provision of the Financial Services Act 2021 which increases the maximum sentences for insider dealing and financial services offences from seven to ten years imprisonment.

**The Environment Act 2021 (Commencement No. 1) Regulations 2021 No. 1274** 17 November 2021

These Regulations are the first commencement regulations made under the Environment Act 2021. They brought into force on 17th November 2021 provisions of the Act which establish the Office for Environmental Protection and which set out the body's objectives and duties, as well as other provisions which define key terms in the Act.

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

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of the Local Government Act 1972.

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