



Resource Allocation Sub (Policy and Resources) Committee

Date: MONDAY, 11 JANUARY 2021

Time: 10.00 am

Venue: VIRTUAL MEETING

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

Enquiries: Emma Cunnington
tel. no.: 020 7332 1413emma.cunnington@cityoflondon.gov.uk

Accessing the virtual public meeting

Members of the public can observe this virtual public meeting at the below link:

<https://www.youtube.com/watch?v=p-KlncvK3ts>

This meeting will be a virtual meeting and therefore will not take place in a physical location following regulations made under Section 78 of the Coronavirus Act 2020. A recording of the public meeting will be available via the above link following the end of the public meeting for up to one municipal year. Please note: Online meeting recordings do not constitute the formal minutes of the meeting; minutes are written and are available on the City of London Corporation's website. Recordings may be edited, at the discretion of the proper officer, to remove any inappropriate material.

John Barradell
Town Clerk and Chief Executive

AGENDA

1. **APOLOGIES**

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

3. **MINUTES**

To agree the public minutes of the Sub-Committee meeting held on 10 December 2020.

For Decision
(Pages 1 - 6)

4. **GOVERNANCE REVIEW: COMPETITIVENESS**

Report of the Town Clerk.

For Decision
(Pages 7 - 34)

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

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

7. **EXCLUSION OF THE PUBLIC**

MOTION – That under Section 100(A) of the Local Government Act 1972, the public be excluded from the meeting for the following items on the grounds that they involve the likely disclosure of exempt information as defined in Part 1 of the Schedule 12A of the Local Government Act.

For Decision

Part 2 – Non-Public Agenda

8. **NON-PUBLIC MINUTES**

To agree the non-public minutes of the Sub-Committee meeting held on 10 December 2020.

For Decision
(Pages 35 - 38)

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

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

This page is intentionally left blank

RESOURCE ALLOCATION SUB (POLICY AND RESOURCES) COMMITTEE

Thursday, 10 December 2020

Minutes of the meeting of the Resource Allocation Sub (Policy and Resources)
Committee held at Committee Rooms, 2nd Floor, West Wing, Guildhall on Thursday,
10 December 2020 at 12.00 pm

Present

Members:

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

In Attendance

Helen Fentimen
Marianne Fredericks
Deputy Wendy Hyde
Vivienne Littlechild
Barbara Newman

Officers:

John Barradell	- Town Clerk & Chief Executive
Peter Kane	- Chamberlain
Caroline Al-Beyerty	- Deputy Chamberlain
Paul Wilkinson	- City Surveyor
Dianne Merrifield	- Chamberlains
Angela Roach	- Assistant Town Clerk
Greg Moore	- Town Clerks
Richard Holt	- Town Clerks
Jonathan Poyner	- Barbican
Bob Roberts	- Director of Communications
Colin Buttery	- Director of Open Spaces
Paul Wright	- Deputy Remembrancer
Peter Young	- City Surveyors
Paul Friend	- City Surveyors
Sean Green	- Chamberlains
Jenny Brown	- Headteacher, City of London School for Girls
Simon Glynn	- Built Environment
Michael Cogher	- Comptroller & City Solicitor
Adam Rout	- Mansion House & Central Criminal Court

Simon Latham	- Town Clerks
James Gibson	- IT
Emma Cunnington	- Town Clerks

1. **APOLOGIES**

Apologies were received from Alderman Vincent Keaveny and Deputy Tom Sleigh.

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

Deputy Jamie Ingham Clark declared an interest in item 4 by virtue of his position as Church Warden of St Lawrence Jewry and member of Guild Church Council.

3. **MINUTES**

The minutes of the meeting of the Sub-Committee held on 20 November 2020 were approved as a correct record.

4. **PROJECT FUNDING**

The Sub-Committee considered a report of the Chamberlain concerning capital prioritisation and the 2020/21 round of annual capital bids.

A Member asked when the request for drawdown for the Smithfield Market Canopy replacement would come to Members as this was a priority for health & safety reasons. The Chamberlain and the City Surveyor requested delegated authority to agree the drawdown for these works once the figures had been finalised.

RESOLVED, that:-

- The following schemes, in the context of the current financial climate, be confirmed of their continued essential priority at this time:
 - Wanstead Park Ponds – further drawdown of £40k to undertake additional survey to reach next gateway
 - Public Realm Security Programme – release of £225k to prepare for the next stage of security works
 - St Lawrence Jewry Church - £55k top-up to reach the next gateway
 - Lindsey Street Bridge Strengthening - £30k to reach the next gateway
 - Oracle Property Manager (OPN) System Replacement - £545k requested to implement the scheme
 - Personal Device Replacement - £2.25m requested to implement the scheme.
- The release of up to £3.145m from the reserves of City Fund, City's Cash and Bridge House Estates as appropriate, subject to the approval of the relevant gateway reports.
- Delegated authority be granted to the Town Clerk, in consultation with the Chair and Deputy Chairman of Policy & Resources Committee, to

consider the drawdown request for the Smithfield Market Canopy project.

5. 2020/21 BUDGET SETTING UPDATE

The Sub-Committee received a report of the Chamberlain updating Members on the 2021/22 budget round, which is to set the City Corporation on the flight path to achieving a sustainable budget over the medium-term.

The Policy Chair gave an overview of the recent bilateral meetings with Service Committee Chairmen and Chief Officers, which she had held with the Deputy Chairman of Resource Allocation, and which had secured a shared commitment to closing the budget gap, whilst recognising that there are several departments, which whilst committing to the 12% cost savings, face Covid related income loss, which will have to be taken into account when setting resource caps. She also encouraged the Sub-Committee to prioritise some of our most sensitive front-line services in Community and Children's Services, and maintain our support for each of our Academy students, at a time when they are facing significant Covid-pressures.

The Deputy Chairman added that the Target Operating Model (TOM) will make an increasing contribution to the 12% saving requirement over the medium-term and that the Town Clerk and Chair of Establishment should provide a regular tracker to ensure transparency and avoid the risk of double counting savings.

Members, then, discussed the detail of the paper and there was a particular discussion on the cuts to libraries. The Chair of Culture, Heritage and Libraries Committee felt that as one of the libraries was funded by Community and Children's Services, she did not feel that it was right that this was not covered in her bilateral meeting. Many Members agreed that the libraries were a fantastic resource at this time and one Member suggested that the City Corporation should look to work with other boroughs with larger populations to provide this service. Another Member requested for an impact assessment on areas such as the libraries before making a decision. After some discussion, it was felt that in principle agreement could be made now on the efficiencies relating to libraries but further detail was to be brought back including an impact assessment. Members also encouraged the Community and Children's Services Department and the Cultural Services Team to work closely together in this area.

A Member also asked for more detail around the funding given to TheCityUK – it was agreed that a fuller discussion on these items would take place in non-public session.

The Town Clerk underlined that the TOM would provide significant savings but that there would be double counting. The details of Tiers 2 and 3 in the TOM were not yet finalised as the Town Clerk wished to allow the new hires (at Tier 1) to have a say in the new structure of their departments.

Members also discussed the funding given to schools and the proposals from the Tomlinson Review. The Policy Chair informed Members that there had been a positive meeting of the Tomlinson Review Working Party earlier that week and the Chair of the City of London Academies Trust underlined the importance of sensible decisions being made on funding for academies.

RESOLVED, that:-

- It be noted that as a result of bilateral discussions and commitments given on delivering 12% savings, there were aggregate savings of around £26.6m, consistent with the brief given by this Sub-Committee.
- It be agreed that resource envelopes at departmental level would be adjusted by the sums shown in the proposed savings column in appendix 1; the application of the 12% police savings will take account of any material funding changes arising from the police funding settlement announcement later in December 2020.
- It be agreed, in principle, that a support package would be provided to the Barbican and GSMD for COVID impact to commercial income sources; amounts to be confirmed in light of spending review announcements on extension of the compensation scheme for Local Government, and to be monitored and held for release by agreement with the Chamberlains Department.
- It be agreed that Fundamental Review savings, which have been put on hold pending the further work on the TOM, be rephased to 2022/23.
- £8m reduction in 2021/22 cyclical works programme be approved, subject to the confirmation of the Corporate Asset Sub Committee.
- It be noted that work will continue to identify further savings that could underpin medium plans for 2022/23 and beyond.
- It be noted that rental income is at risk for 2021/22 and further support was likely to be required from reserves.
- It be noted that the City Fund/City's Cash grants review is progressing with the aim of reducing overall spend through grants and will report to this Sub-Committee's January meeting.

6. PRIORITISATION OF 2021/22 ANNUAL CAPITAL BIDS - STAGE 2 PROPOSALS

The Sub-Committee considered a report of the Chamberlain concerning the Stage 2 proposals of the prioritisation of 2021/22 Annual Capital Bids.

There was an extensive discussion on the loan facility for the City of London School for Girls of up to £15.6m. Some Members felt quite strongly that at a time when the City Corporation were having to prioritise it would be politically and reputationally difficult to continue with at this time. In particular, Deputy Tom Sleigh requested for his dissent of a loan to the City of London School for Girls be recorded. The Headteacher of the City of London School for Girls responded with the context of the request for a loan, which would be subject to a business case and proper scrutiny. Members were reminded that the City of London School for Girls could not borrow from the bank and could only borrow from the City of London Corporation. A Member also responded to the points made about providing a loan at a time where the City Corporation was facing

12% efficiencies, reminding the Sub-Committee that capital revenue is very different from approving a loan.

In conclusion, Members reached the conclusion that they could not approve the £15.6m until a business case was submitted to this Sub-Committee.

RESOLVED, that:-

- It be noted and agreed that the plans be affordable, sustainable and prudent.
- The green rated bids amounting to £83.5m detailed in the report's appendix, which represented the position agreed with Chief Officers and Services Committee Chairs, be agreed.
- A business case be brought back to this Sub-Committee concerning the the re-ignited bid for loan funding of £15.6m for the City of London School for Girls.
- It be agreed that provisions of £83.5m plus it be agreed in principle that a loan facility of up to £15.6m (indicative at this stage), subject to a full business case, be made in the draft medium term financial plans of the three funds and that appropriate contingencies be set aside for approval by the Finance Committee and Court of Common Council as part of the annual budget setting process.
- Request that the Corporate Asset Sub and Projects Sub Committees closely scrutinise the scope of the St Lawrence Jewry repairs project to ensure that all value engineering opportunities are fully explored, with a keen eye on value for money.
- It be agreed that the bids rated as amber detailed in the appendix be placed on a reserve list to be funded from savings in provisions for green rated schemes should their urgency escalate.
- It be agreed that the financial disciplines currently in place be continued whereby
 - Central funding will be withdrawn for schemes that slip by more than one year; and
 - The operation of the 'one-in, one-out' approach to funding of bids outside of the annual process.
- It be agreed to the carry-over of the unallocated provision of 332m of loan facilities previously agreed for the Police and HRA.

7. REVIEW AND PRIORITISATION OF RING-FENCED S106 DEPOSITS

The Sub-Committee considered a report of the Director of the Built Environment concerning further allocation of ring-fenced S106 funds.

RESOLVED, that:

- The allocation of £1.48m in ring-fenced S106 funding outlined in this report be authorised.
- It be noted that a further report is planned in 2021 with information on the remaining unallocated S106 deposits.

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

There were no questions.

9. **ANY OTHER BUSINESS THAT THE CHAIRMAN CONSIDERS URGENT**

There were no items of urgent business.

10. **EXCLUSION OF THE PUBLIC**

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

Item No.

11-13

Paragraph No.

3

11. **NON-PUBLIC MINUTES**

The non-public minutes of the meeting of the Sub-Committee held on 20 November were agreed as a correct record.

12. **NON-PUBLIC APPENDIX - 2020/21 BUDGET SETTING**

The non-public appendix was received with a short discussion concerning TheCityUK.

13. **PROPOSAL TO ASSIST CITY OF LONDON OPERATIONAL TENANTS FOR THE DECEMBER QUARTER**

The Sub-Committee considered a report of the City Surveyor concerning a proposal to assist the City Corporation's operational tenants for December's quarter.

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

There were no questions.

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

There was no other urgent business.

The meeting ended at 1.25 pm

Chair

Contact Officer: Emma Cunnington
emma.cunnington@cityoflondon.gov.uk

Committee:	Date:
Resource Allocation Sub-Committee	11 January 2021
Subject: Governance Review: Competitiveness	Public
Report of: Town Clerk	For Decision

Summary

In September 2019, the Policy and Resources Committee, proposed the undertaking of a comprehensive Governance Review of the City Corporation. The Committee was conscious that some potentially contentious issues needed to be addressed and that some radical changes may need to be considered. It was, therefore, agreed that the review should be undertaken independently and Robert Rodgers, The Lord Lisvane, was appointed to conduct the Review.

Following the Review's submission, it was determined that the many proposals therein should be considered in a structured and methodical 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 extensive 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 as they are considered. These would then be fed back to the Resource Allocation Sub-Committee to help inform its initial consideration of specific items.

Engagement sessions have now been held in respect of Section 6 of the Lisvane Review, in relation to Competitiveness. The discussions from those sessions are set out in the appendices to this report.

Members are now asked to consider the various proposals relating to Section 6 of the Lisvane Review, in the context of Members' observations and reflections at the various informal sessions.

Recommendations

That Members:-

- Consider the proposals in relation to Competitiveness made by Lord Lisvane in Section 6 of his Review (Appendix 1).
- Note the feedback provided by Members through the informal engagement process (Appendices 2 and 3).
- Consider the items in respect of the various proposals, as set out in this report and Lord Lisvane's Review, and make recommendations as to a way forward.

Main Report

Background

1. In September 2019, the Policy and Resources Committee, proposed the undertaking of a comprehensive Governance Review of the City Corporation. The Committee was conscious that some potentially contentious issues needed to be addressed and that some radical changes may need to be considered. It was, therefore, agreed that the review should be undertaken independently and Robert Rodgers, The Lord Lisvane, was appointed to conduct the Review.
2. The Committee received Lord Lisvane's Review in September 2020 and determined that the many proposals therein should be considered in a structured and methodical 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.
3. The Governance Review will affect all aspects of the City Corporation's governance and all Members as a consequence. It is, therefore, imperative that any implementation reflects the view of the Court, and it is likely that all Members will have views on particular elements. Their continued input remains integral and incorporating all Members' views within the next steps of the process will be vital in ensuring that the recommendations which are ultimately put to the Court are viable.
4. 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 as they are considered. These would then be fed back to the Resource Allocation Sub-Committee to help inform its initial consideration of specific items.
5. The subject of the most recent engagement sessions has been Section 6 of the Governance Review, which looks at the City Corporation's work in relation to the global competitiveness agenda. It sees being an advocate and enabler for financial and professional services (FPS) as central to the purpose of the City Corporation, but finds that the governance arrangements in place are not commensurate with the importance of the task. It therefore recommends putting in place arrangements that reflect the importance of competitiveness for the organisation and the competitive threats facing the sector.
6. Echoing Sir Simon Fraser's preceding review and consequent report (Fraser 2.0) into the matter more generally, Lord Lisvane proposes the establishment of a new Competitiveness Committee to drive and oversee this work (paragraphs 175-194)¹. Views are now sought as to the various proposals, their implications, and how they might be taken forward.

Lisvane's recommendations

7. Paragraphs 180 – 183 of the Lisvane Report set out the present arrangements for oversight in relation to competitiveness. In summary, the competitiveness agenda is currently governed by the Policy & Resources Committee, with the bulk of activity delegated down to the Public Relations and Economic Development (PRED) sub-committee.
8. Paragraphs 184-188 outline the rationale for a new approach. These can be summarised as:
 - Making the best use of the experience and expertise of Members in matters of global competitiveness.
 - Providing oversight and direction for this critical function of the Corporation.
 - Ensuring that responses to matters of competitiveness are swift - proactive rather than reactive.
9. Paragraphs 190-194 outline the proposed terms of reference and membership of Lisvane's suggested Competitiveness Committee, which are summarised below.

Lisvane Recommendations & Principles – Competitiveness Committee

10. In paragraph 189, Lord Lisvane suggests that any concerns that the new committee would be in competition with Policy & Resources can be addressed by having the Chair of Policy and Resources (CPR) as the Chair of the Competitiveness Committee. The Fraser 2.0 Review proposed that the Competitiveness Committee be a sub-committee of Policy & Resources; however, Lisvane's recommendation is for this to go further and for it to be established as a free-standing committee.
10. The recommendations for the creation of the new committee from the Lisvane Review, then, are summarised as follows (ref: paragraph 192 unless otherwise specified):
 - A free-standing Competitiveness Committee be established, with no more than 12-15 Members.
 - CPR to act as Chair, with the Chair of the General Purposes Committee (GPC) of the Court of Aldermen to serve as the Deputy (or Alternate) Chair.
 - Lord Lisvane recommends nomination of suitable Members by GPC and P&R, potentially with a later role for the proposed Governance and Nominations Committee.
 - Membership should be prioritised for Members who have senior roles / expertise in financial or professional services, with no role for ex-officio Members.
 - The creation of a mechanism for external expertise to be drawn into the Committee and its considerations. Lord Lisvane favours the use of small sectoral panels, which the Committee might draw on for focused consultation and additional insight.

- Draft Terms of Reference are set out (see paragraph 190).
- The Committee would absorb the functions of the Hospitality Working Party, as Lisvane suggests that most significant hospitality will impinge on the priorities of the Competitiveness Strategy (paragraph 191).
- It would also take on the competitiveness remit from PRED, which would retain the public relations aspects of its current remit or see those absorbed by P&R (paragraph 193).

Other issues

11. The section also makes recommendation or commentary in a number of related areas:-

- **Chair of Policy & Resources: Title** (*paragraphs 195-199*) – Lisvane recommends the use of the title “Chair of Policy”.
- **Co-ordinating Support** (*paragraph 200*) – no specific recommendation is made but the importance of corporate endeavour is stressed.
- **Guildhall and Mansion House; speaking for the City** (*paragraphs 201 – 206*) – again, there is no specific recommendation beyond emphasis on the importance of joined-up working and increased collaboration. These matters are being addressed through areas including the “One Team” approach and the Target Operating Model.
- **The Lord Mayor: Appointment Process** (*paragraphs 207-231*) – these paragraphs touch on the overall process by which the Lord Mayor is appointed.
 - Paragraphs 208-214 refer to the current process, with the recommendation at paragraph 215 being that professional advice continue to be made available to the panel.
 - Paragraphs 216-231 address criticisms of the current arrangements, relating to the authority of appointment, the diversity of the Mayoralty, and the accessibility of the Mayoralty.
 - In relation to authority, Lisvane rejects the suggestion that the appointment should rest with the Court of Common Council (paragraph 217).
 - On diversity, Lisvane notes the steps being taken by the Court of Aldermen and outlines his expectations of action in this area, including that the Corporation “ensures that modest personal circumstances do not in future become an inhibition upon seeking the Mayoralty” (paragraph 224).
 - No separate recommendation is made explicitly in respect of accessibility (paragraphs 225-227).
 - Paragraphs 228-231 outline a prospective alternative approach, with the recommendation at paragraph 231 being that this not be taken forward at this stage but be held in reserve if other measures do not achieve the required outcomes in respect of quality and diversity of candidates.

Consideration

12. Two Member engagement sessions have been held in respect of this section of the report, the summary notes of which are appended to this report.
13. Members are now asked to give consideration to the various recommendations in the context of those discussions and the views expressed by Members of the Court. Pertinent considerations to work through include:
 - (i) ***Do Members agree with the need to establish a dedicated group, body, or committee in relation to competitiveness?***
 - (ii) ***If so, do Members agree with the recommendation to establish a free-standing Competitiveness Committee, or would an alternative vehicle / format be preferable?***
 - (iii) ***What should the composition of such a body be, noting the requirements to draw on both external and internal expertise more effectively?***
 - (iv) ***How should the membership of such a body be determined and appointed?***
 - (v) ***What should the Terms of Reference of such a body be?***
 - (vi) ***Should any new body take on the functions of the Hospitality Working Party?***
 - (vii) ***What should happen to the PRED Sub-Committee?***
 - (viii) ***How should the Chair of the Policy & Resources Committee be referred to?***
 - (ix) ***Are Members supportive of Lisvane's general commentary in respect on other areas set out in paragraph 11 above (and paragraphs 200 – 231 in the Lisvane Review itself)?***

Conclusion

14. Various proposals have been made by Lord Lisvane in relation to Competitiveness, in Section 6 of his Review. Members are now required to consider his proposals and the attendant implications of any decisions, summarised above and set out in the Review. Particular mind should be paid to the views of all Members, made through the informal engagement process and set out in the appendices to this report, when coming to a view.
15. It is intended that any recommendations, subject to points of qualification or clarification, are put to the Policy & Resources Committee for further consideration. Thereafter, proposals are to be submitted to the Court of Common

Council at its March 2021 meeting, to facilitate the finalisation and implementation of any new arrangements.

Appendices:

- **Appendix 1:** Extract - Governance Review Section 6, Standards
- **Appendix 2:** Notes from Member Engagement Sessions.

6

Competitiveness and Prosperity

175. In this Part of my Report I consider how the central purpose of the Corporation – as an advocate and enabler for the financial, professional and business services of the City of London – can best be furthered through governance changes. I do not in any way undervalue the other activities of the Corporation, but unless it is successful in this respect – not least to support those other activities – then the City will be (literally) a poorer place.
176. I also consider how this endeavour can best be supported, and corporate behaviour can best be encouraged. And because the role of the Lord Mayor, with the Chair of Policy and Resources, is crucial, this may be a convenient place to examine how the Lord Mayor is appointed.
177. I make recommendations about a Competitiveness Committee in this Part rather than in my wider consideration of Committees in Part 7 as it is simpler to do so here rather than in the complexities of the Committee system as a whole.

The Fraser Report

178. I have already referred to the 2020 Report by Sir Simon Fraser, and the 2015 Report of which it was a “light-touch” review. I have had a very useful discussion with Sir Simon, and I am in complete agreement with his analysis and recommendations – although I take his recommendations a little further. And of course his agenda takes in wider issues of policy while my focus is on how those are best supported through governance arrangements.
179. The central conclusions of Sir Simon’s 2020 Report, which are amply confirmed by my Review, are that the Corporation
- “should work to achieve a clearer, more united policy strategy for its work to promote prosperity, with more focused priorities, more strategic and consistent communication, a co-ordinated plan to deliver its goals, increasingly united leadership, clearer, more decisive governance to drive outcomes, and stronger external relationships to deliver results...the overriding priority is to defend

and improve the competitiveness of London as a global financial centre. This effort should be brought together in a Corporation ‘competitiveness strategy’ for the City.”⁴⁴

The present arrangements

180. The terms of reference of the Policy and Resources Committee (P&RC) include “the support and promotion of the City of London as the world leader in international financial and business services and to oversee, generally, the City of London Corporation’s economic development activities, communications strategy and public relations activities”.⁴⁵

181. In theory this function is delegated to the Public Relations and Economic Development Sub-Committee (PRED), whose terms of reference, approved by the P&RC, are “to consider and report to the Grand Committee on all matters relating to the City Corporation’s Economic Development, Public Relations, Public Affairs and Communication activities, including any related plans, policies and strategies.”⁴⁶

182. This is an odd mix of responsibilities; and moreover the title of the Sub-Committee puts PR ahead of economic development. In addition, the task of the Sub-Committee is couched in somewhat passive rather than active terms. The Sub-Committee has a minimum of 16 Members,⁴⁷ but is not especially active. Its meetings on 15th April and 9th June were cancelled, and if it meets as scheduled on 16th September it will not have met formally for nearly six months.⁴⁸

183. I have encountered no criticism of the Sub-Committee’s work on public relations and communications, but considerable frustration that its economic development role is less effective – perhaps unsurprising if the Sub-Committee is essentially reactive.

Current activity

184. The Innovation and Growth Directorate in the Town Clerk’s Department is active and focused, and excellent work has been done recently: setting up a major Climate Conference with Mark Carney in November this year; jointly launching a review with HM Treasury

⁴⁴ Fraser Report, page 4.

⁴⁵ See *Appointment of Members on Committees, 2019/2020*, page 155, paragraph (d).

⁴⁶ See Minutes of the Policy and Resources Committee, 4th May 2017.

⁴⁷ Not counting any former Chairs of Policy and Resources who are still on that Committee.

⁴⁸ On 5 November 2019 the Sub-Committee agreed to reduce its meetings from 11 a year to 6.

on how Fintech will power UK success in the future; and publishing a study of how to remove barriers for financial and professional services to do more business in Australia. The Directorate has good working relationships with No.10 Downing Street, the Treasury, the Department for International Trade and the Foreign and Commonwealth Office, and with Parliament, the GLA and leaders across all parts of the UK and its regions. These are key networks for the Corporation to play its part in fostering competitiveness and prosperity.

185. However, these endeavours are held back by two things: there is no politically endorsed clear overall strategy; and there is a low level of Member involvement in driving things forward. I also believe that the Corporation could use the Member expertise available to it more effectively.
186. On the first, the Fraser Report has supplied the way forward. Under *Clarity of Purpose* it recommends⁴⁹ that
- “The Corporation should establish a focused set of medium-term strategic policy priorities to promote and protect the UK FPS sector, both at home and abroad. They should include clear goals and measurable objectives linked to clear timeframes
 - “Together these should underpin a new Competitiveness Strategy of the Corporation on behalf of the City, aligned with the priorities agreed with TCUK.⁵⁰”
187. I hope that the Court of Common Council will approve this recommendation soon, and that early formulation of the policy priorities will be a key aim.
188. On governance, Fraser recommends a “new, specialised and senior ‘Competitiveness Sub-Committee’” of the Policy and Resources Committee.⁵¹ This would address the problems of lack of appropriate Member involvement and political energy, but I would go further.

⁴⁹ Fraser Report, page 11.

⁵⁰ TheCityUK.

⁵¹ Fraser Report, page 12

189. **I therefore recommend the establishment of a free-standing Competitiveness Committee.** I suggest that a free-standing Committee has much to recommend it:

- the status of a dedicated Committee would be emblematic of the Corporation's wish to press ahead with the competitiveness agenda – assuming that, as I hope, this agenda is approved at an early stage;
- the fact that the Committee would not have to report through another body should speed up its work and provide the speed of response that will be needed;
- any criticism that it will somehow be in competition with the P&RC can easily be met by a degree of overlapping membership and Chair;
- I do not believe that the P&RC has the bandwidth to deal with yet another Sub-Committee reporting to it, despite my recommendations to simplify the Sub-Committee structure.

Terms of reference

190. These will be a version of paragraph (d) of the P&RC's current terms of reference, modified to take in the new Competitiveness Strategy; something like

“To be responsible for:

- **the support and promotion of the City of London as the world leader in international financial and business services;**
- **driving the implementation of the Competitiveness Strategy;**
- **adapting and updating the Strategy to meet developing circumstances”**

191. It would be sensible if **this Committee were to take in the functions of the Hospitality Working Party**, as most significant hospitality will impinge on the priorities of the Strategy.

Membership

192. I would not be prescriptive at this stage, but I suggest that there are some key principles:

- **the total permanent membership should be no more than 12 to 15** (this would be consonant with the recommendations I make on the Committee system as whole);
- **it should be chaired by the Chair of Policy and Resources (CPR)** who will thus be able to take a co-ordinating view of the work of both Committees;
- **the Chair of the General Purposes Committee of the Court of Aldermen (GPC) should be the Deputy Chair** (or alternate Chair);
- in order to make the best use of the Corporation's resource of expertise, **the membership should be made up of Members who have held senior roles in financial, professional and business services**; both P&RC and GPC might have roles in designating suitable individuals.⁵² This would make best use of the array of talent available. I have in mind, as just one example, the way in which Sir Roger Gifford has been able to transform the Corporation's impact on green finance;
- I do not recommend any *ex officio* places on the Committee, not wanting to take places away from those with the high-level expertise which will be required. If those with a claim to be *ex officio* have the necessary expertise, they will have a claim to be on the Committee in any event);
- it will be important to draw upon the views and expertise of those outside the Corporation who are currently involved at a high level in the relevant sectors. Rather than have a large permanent co-opted membership which could make the Committee unwieldy (and which might not always be right for the business before the Committee), I suggest that **the Committee could draw upon small sectoral panels of external members, which would also link the Corporation more closely with the key players, and who could attend**

⁵² Such a role would in due course fall to the Governance and Nominations Committee which I recommend, but the Competitiveness Committee should begin work as soon as possible.

depending on the business under consideration (as well as receiving the full range of working papers).

193. Although the Competitiveness Committee would lead on promotion of the City, **I would not freight it with the more general public relations issues which fall to PRED at the moment.** So far as they may need Committee engagement or approval, I think that they could be re-absorbed by P&RC.
194. **CPR's chairing of the Competitiveness Committee will reinforce the case for that role to have enhanced Officer support,** a point which has emerged from my Review and which was also identified by the Fraser Report.⁵³

“Chair of Policy and Resources”: title

195. This may be a convenient point at which to deal with this issue, which has long been the subject of debate. The fact that it is one of the *arcana imperii* is seen by some as very good, and by others as just as bad.
196. The Fraser Report observes that “Chair of Policy and Resources” may be seen as opaque and misrepresenting to outsiders the importance and profile of the role. “A title such as ‘Chair of Policy and Leader of the Corporation’ would have greater impact and may help achieve wider and higher access.”⁵⁴
197. I agree that this is an issue. However, during my Review I encountered widespread and settled opposition to the use of the term “Leader”, on the grounds that it is so closely associated with local authorities, and that it indicates the person who leads not only the Council, but also the majority party or faction – something which is impossible in the Corporation context.
198. Mindful of the eternal truth that in governance reviews there is nothing so controversial as what things are to be called, I do not recommend adopting the title of “Leader”.
199. “Chair of Policy and Resources” combined is indeed unwieldy; but “Chair of Policy” seems to me to be fit for purpose, even if P&RC retains its name. “Policy” is clearly the most important

⁵³ Page 12.

⁵⁴ Page 9.

overarching issue, and will be seen as such outside the City. **So I recommend the use of the title “Chair of Policy (CP)”** and I use that title in the remainder of this Report.

Co-ordinating support for the competitiveness agenda

200. In Part 4 of this Report I was critical of what I termed “a lack of corporate endeavour”.⁵⁵ Curing this will be important across all the Corporation’s activities, but nowhere more so than in supporting the competitiveness agenda.

Guildhall and Mansion House

201. The Chair of Policy is clearly the lead on policy matters, and I believe that that role will be enhanced if CP also chairs the Competitiveness Committee. The Lord Mayor has a vital ambassadorial and promotional role. The two are rightly complementary, and it is important that they are also closely co-ordinated.
202. It has been suggested to me that the staff of Mansion House should be merged with the staff at Guildhall. I am not convinced by this. The two staffs are doing different things, but there is no reason why they should not do them to achieve shared aims. This is also not the time for a complex re-engineering exercise, no doubt with negotiations about roles and reporting lines.
203. What is essential is that CP and Lord Mayor – Guildhall and Mansion House – speak with one voice, and that both enable the priorities identified in the Competitiveness Strategy. It should mean, too, that the two staffs work very closely together to the same aim. To take one example, the Lord Mayor’s speechwriters need to be constantly up to date with developments affecting the Competitiveness Strategy.
204. In practice this will mean that the Lord Mayor’s convening and “door-opening” role is key in powering the Strategy. In turn this should mean that the planning of the Lord Mayor’s activities, both outreach and inward visits, maps onto the priorities of the Strategy.
205. The City has benefited from the fact that the priorities of the present Lord Mayor and his two predecessors have had a consistency

⁵⁵ I note that the Fraser Report (page 5) observes that “There is little understanding of how the work of different parts of the Corporation is brought together to achieve a collective purpose”.

in reflecting corporate aims, and the framework of the Strategy should help this to continue with future holders of the office.

Speaking for the City

206. Just as the message needs to be agreed and clear, so the means of its delivery must be clear and understood. It has been suggested that a prominent “outside” figure might act as a high-level ambassador for the City, but I think it right that the Lord Mayor and CP should continue to be in the lead; any other “spokesman” role is potentially confusing. This does not mean, however, that CP and the Lord Mayor should not designate senior people, from the Corporation or outside, to lead on particular issues or relationships.⁵⁶

The Lord Mayor

207. The importance of this role will be clear from the Fraser Report and from my Report, as also the importance of its being filled by exceptional people. However, the method of appointment has been a matter of long-standing debate and some criticism.

The method of appointment

208. Only a serving Alderman, who has served in the Office of Sheriff, is eligible for election. Each year, usually around May, the Court of Aldermen nominate one Alderman, occasionally two, for the following year’s election by the Livery as one of the Sheriffs.

209. At the same time, the Court vote to nominate an Alderman as their preferred candidate for Lord Mayor for the following year. At Common Hall in September, the Livery return two names to the Court of Aldermen, who then carry out the final vote to elect the Lord Mayor.

The present appraisal process

210. A review of the appraisal process for candidates for the Mayoralty and the Shrievalty was undertaken in the Autumn of 2019 with the help of the recruitment consultants Saxton Bampfylde. A small working party of Aldermen (a mix of those who had, and had not, been Lord Mayor) was then convened.

⁵⁶ I have in mind the roles played by the former FCO and Home Office Minister Jeremy Browne leading on EU relationships, and Sherry Madera, former Minister-Counsellor and Director at the British Embassy in Beijing, in respect of Asia.

211. Its proposals were agreed in February this year; they included the development of comprehensive job descriptions; clear guidance on the process of application and appraisal,⁵⁷ and a robust procedure for interview and assessment, taking proper account of fairness and equalities issues.⁵⁸
212. Candidates must submit a personal statement of why they feel they meet the requirements of Sheriff and ultimately Lord Mayor (including track record, networks and relationships, personal qualities, and aspirations in office); a full *curriculum vitae* as well as a personal biography; and a list of between four and seven referees.
213. The composition of the Appraisal Panel for 2020 is: Chair of the Privileges Committee of the Court of Aldermen, presiding; the Deputy Chair of the Privileges Committee; the Chair of the General Purposes Committee; the late Lord Mayor; the Chief Commoner; and a minimum of three Independent Members from the business City appointed by the Privileges Committee.⁵⁹
214. Because of the pandemic, the present Lord Mayor and Sheriffs will serve for a further 12 months, so the 2020 selection process has been suspended. It is expected that the membership of the Panel may be changed to: the Chair of the Privileges Committee, presiding; the Deputy Chair of the Privileges Committee; the Chair of the General Purposes Committee of Aldermen; the Chair of Policy; the Chief Commoner; and five independent members.
215. **The increase in the number of independent members is welcome; but the possible size of the Panel is considerably larger than current best practice would suggest. This may be something to consider in the light of professional advice; I would hope that such advice will continue to be available to the Panel.**

⁵⁷ On the Corporation's website at <http://www.cityoflondon.gov.uk/about-the-city/how-we-make-decisions/Documents/aldermanic-appraisal-process.pdf>

⁵⁸ The Corporation is under an obligation to show "due regard" in its decision-making to the Public Sector Equality Duty, which requires the elimination of discrimination, the advancement of equality of opportunity between different groups, and the fostering of good relations between groups in the City's communities to tackle prejudice and promote understanding.

⁵⁹ At present Sir Roger Carr, Chairman of BAE Systems; Dame Elizabeth Corley DBE, Vice-Chair of Allianz Global Investors; and Lord Grimstone of Boscobel Kt, former Chairman of Barclays Bank plc and of Standard Life, appointed Minister of State for Investment in April 2020.

Criticisms

216. Criticisms of the current method of appointment of the Lord Mayor have three main elements:

- The authority of appointment;
- The diversity of the Mayoralty; and, related to that;
- The accessibility of the Mayoralty

The authority of appointment

217. **There is a school of thought that holds that the Lord Mayor should be elected by the Court of Common Council. I do not see this as an attractive or effective option.** Such a process will inevitably be dominated by personal and (small-p) political views, when the overriding need is to get the very best candidate to discharge a crucially influential role.

218. It may be argued that something like the updated procedure described earlier could provide a choice of candidates, perhaps ranked according to their performance in the appraisal process. I do not see this as much of an improvement. It would be open to factional decision, when what is wanted is to select the best candidate by as objective a process as possible.

219. It is welcome that a detailed job description for the post of Lord Mayor (as also for the Sheriffs) has been developed, and is available on the Corporation's website, where it is described as one of the documents that go to make up the Code of Corporate Governance.

220. I do not see job descriptions as sitting easily with an electoral process. They are tools of selection, not election. (I realise that there are job descriptions for the Chief Commoner and for Chairs of Committees, but these are more indicative than prescriptive.)

221. As I indicated in paragraph 55, I do not regard the role of the Livery acting through Common Hall as much more than symbolic. The heart of the process, in my view, has to be a professionally conducted and rigorous selection.

The diversity of the Mayoralty

222. Here there is an undoubted challenge. The Mayoralty has, overwhelmingly, been held by white men. There have been only two female Lord Mayors.⁶⁰ The Court of Aldermen has few women Members, and even fewer Members of BAME heritage.

223. I was glad to hear that the Court of Aldermen is aware of this challenge, and also that there are expectations that, with retirements and possible new Members, there is a fairly imminent prospect that this will change.

224. Personal wealth is not an issue in the way that it used to be, as the costs of the Mayoralty (other than any personal initiatives taken by the incumbent) are borne by the City Corporation. **I would expect the Corporation to ensure that modest personal circumstances do not in future become an inhibition upon seeking the Mayoralty.**

The accessibility of the Mayoralty

225. There is a diversity strand to this, but the underlying issue is: how attractive and practical is aspiration to the Mayoralty for the best possible candidates?

226. As it was described to me: “You need to be a member of several Livery Companies, preferably Master of one; then you need to be elected as an Alderman, and then go forward to be a Sheriff. The minimum period between becoming an Alderman and being Lord Mayor is six years, and the average is longer than this. So you have to ask people if they are interested in becoming Lord Mayor in about eight years’ time.”

227. This may not sit easily with the requirement in the job description that candidates for the Mayoralty “must have a significant track record and be recognised as a leader in their field, have an extensive network and also the personal qualities that will enable them to fulfil the duties of a high-profile public office”. Those who are the foremost leaders in their field may have other things on their minds than becoming Lord Mayor in eight years’ time or so.

⁶⁰ Dame Mary Donaldson, GBE DStJ, afterwards Baroness Donaldson of Lymington, Lord Mayor 1983-84, and Dame Fiona Woolf, DBE DStJ DL, Lord Mayor 2013-2014.

An alternative approach

228. It would be possible to take a more radical approach to the process. Serving as Sheriff is no doubt a useful apprenticeship; but it should not be necessary to dog the Lord Mayor's footsteps in order to understand the role, nor for both Sheriffs to be present on every occasion. This might assist those who are juggling demanding commitments elsewhere.
229. It might also be that the requirement to have served in the Office of Sheriff could be dispensed with. I understand that this could be achieved by Act of Common Council.
230. More radically, the present cursus could be replaced entirely, with the Court of Aldermen being given a brief to scour the City for the best candidates to be Lord Mayor in say three years' time, with the chosen candidate being given an automatic seat as an Alderman (which would probably have to be supernumerary).
231. **I do not recommend such a change now; but if the present (modified) process does not deliver both quality and diversity this is an option for the future.**

Governance Review: Member Engagement Sessions
Competitiveness: Session 1
1 December 2020

Notes of Discussion

Present

Sheriff Christopher Hayward (in the Chair)	Deputy Jamie Ingham Clark
Randall Anderson	Alderman Greg Jones
Deputy John Bennett	Shravan Joshi
Peter Bennett	Alderman Vincent Keaveny
Alderman Sir Charles Bowman	Alderwoman Susan Langley
Dep Keith Bottomley	Vivienne Littlechild
Dep David Bradshaw	Oliver Lodge
John Chapman	Deputy Edward Lord
Henry Colthurst	Alderman Ian Luder
James de Sausmarez	Deputy Robert Merrett
Mary Durcan	Alderman & Sheriff Prof. Michael Mainelli
Alderman Sir Peter Estlin	Deputy Brian Mooney
Dep Kevin Everett	Barbara Newman
Helen Fentimen	Alderman Sir Andrew Parmley
Marianne Fredericks	John Petrie
Alderman John Garbutt	Deputy Henry Pollard
Alderman Sir Roger Gifford	Stephen Quilter
Alderman Alison Gowman	Ruby Sayed
Alderman Prem Goyal	John Scott
Alderman David Graves	Ian Seaton
Alderman Tim Hailes	Oliver Sells
Deputy Tom Hoffman	James Tumbridge
Michael Hudson	Alderman Sir David Wootton
Alderman Robert Hughes-Penney	Dawn Wright
Deputy Wendy Hyde	

Introduction

Sheriff Hayward, in the Chair, thanked Members for joining today's session. He noted that the Governance Review would affect all aspects of the City Corporation's governance and all Members as a consequence; it was, therefore, imperative that any implementation reflected the view of the Court, and that all Members had the opportunity to feed in their views on particular elements. These informal engagement sessions were the first part of that process.

He emphasised that the purpose of today's session was not to make decisions and that there were no preconceptions heading into these sessions, which were all about listening and ensuring that the views of Members on particular issues were known before any formal stage of considerations.

To that end, a short factual summary paper had been circulated, together with the relevant extract of the Review itself, to try and help focus discussion.

Recommendations: Members' Comments and Observations

Members then proceeded to debate the various recommendations.

Paragraphs 189-194: Competitiveness Committee

- Members were agreed on the importance of a specific vehicle or body to oversee the competitiveness agenda, with several commenting on the fundamental significance of this area of activity for the City Corporation and City of London, particularly post-COVID. However, there were a number of differing views expressed as to how this could be taken forward.
- The importance of focusing on the desired outcome (i.e. the promotion of the Business City) was stressed by many as being fundamental to taking this work forward, with it observed that any body should be formulated in such a way as to achieve this effectively.
- Several individuals emphasised the need for firm and robust Terms of Reference, as well as intended outputs, to be expressed so as to guide the committee appropriately and ensure focused efforts.
- A Member suggested that the key to success would be to find a way to engage the expertise and knowledge of relevant Members, whether Commoner or Alderman, whilst also ensuring that any body or forum was attractive to externals and facilitated their effective contribution.
- A large number of attendees also spoke to emphasise the need to attract top-level external business figures in a way which made them feel their time was well spent and productive; any new committee / forum / entity to be established would need to be structured in such a way as to facilitate this. This could well require such a body having a majority of external members or participants, to ensure it had the credibility to attract top-level external business figures.
- It was also emphasised that, irrespective of decision-making powers or status, the body must be produce meaningful outputs and contribute to the Lord Mayor and Policy Chair's messaging and efforts; it could not be left to become a "talking shop".
- One Member suggested that Lisvane's recommendations should be adopted wholesale and that the Court should carefully consider the structure Lisvane had put forward; should Members wish to take a different approach then they needed to be able to rationalise why.
- The comment at paragraph 185 in relation to capitalising on expertise within the Court, as well as outside knowledge, was highlighted as being particularly important: a suitable mechanism to achieve this would need to be employed.
- A Members observed the current committee structures made it difficult for Members with suitable expertise to participate, especially where one was not a Member of Policy & Resources; a suggestion of a more informal approach which allowed for greater Member engagement on suitable topics would be welcome.

- The proposition that any entity should be chaired by the Chair of Policy & Resources, with the Chair of the General Purposes Committee of Aldermen as Deputy Chair, was broadly supported. However, there was one suggestion that a past Lord Mayor might be a more suitable Chair.
- Several Members emphasised the importance of democratic oversight and accountability in any arrangement, suggesting that the body should, therefore, be a formal part of the governance structure (i.e. committee or sub-committee) to give it legitimacy.
- One Member suggested that the new body should be a standalone committee, commenting that Policy and Resources had too broad a remit to give this area sufficient focus. However, the new entity would need to be tightly focused on its purpose and not exceed its brief or remit. It was also stressed that the group should not just focus on Financial and Professional Services, but include other areas such as the Tech sector, too.
- Another Member suggested that a more helpful approach might be to revamp the Public Relations and Economic Development Sub Committee (PRED), which should take on more of an economic development focus, as well as looking at public relations. This refreshed body could give greater focus and oversight to both Communications and Innovation & Growth, without the need for any new body. It was added that the sub-committee could then establish a series of specialist working groups to bring in external expertise and feed into it, e.g. one for FinTech, one for insurance, and so on.
- However, a large number of Members stressed the fundamental importance of the body being both agile and flexible, suggesting that this was not realistic within the formal committee confines and advocating that an informal place outside of the committee structure would be better in achieving these ends.
- It was argued that key business leaders would not wish to join a formal City Committee or sub-committee where they would have to jump through a number of bureaucratic hoops. Many Members urged the necessity of making participation in any body as easy as possible for senior business and sector leads.
- A Member observed that there was currently a lack of expert advice to inform decision-making, with it suggested that this body could act in a manner akin to a sort of internal think-tank.
- It was also suggested that such an informal forum would pose no challenge to democratic legitimacy in this way, as it would act simply as an advisory forum and that decision-making would continue to sit within the formal structures, with elected Members accountable for decisions and actions.
- Another Member commented that the organisation already had too many committees and that adding another formal committee specifically for this area would risk making the Corporation appear to be a trade body for financial and professional services. Instead, an advisory body of City leaders, offering wisdom to the Policy and Resources Committee, would be preferable.

- Supporting discussion around a more informal body, a Member observed the importance of looking through a different prism in delivering this area of work, beyond what the “normal” approach would be through a traditional committee. There was a clear need to facilitate IG’s work much more effectively and deploy the Corporation’s knowledge and resources so as to create an ecosystem that allowed all businesses, including Financial and Professional Services, to thrive. It was widely recognised that the Corporation did not adequately leverage its own Members’ expertise, or draw in external expertise in a sufficiently nimble way, so a new approach was necessary. The Member expressed support for the idea of focused or breakout groups relating to individual disciplines or sectors, suggesting that a refreshed approach could also allow for much greater collaboration and coherent messaging, adding real weight to the work of the civic team.
- Multiple Members also stressed the need for flexibility and pace in establishing this body, arguing that an informal body should be established quickly and this could always be reviewed and refined, or even made into a formal committee if desirable, as time progressed.
- In terms of composition, several Members expressed support for the idea of a fixed group of core of permanent members, but with fluidity in relation to external or other participants, who could change according to the nature of discussion at any particular meeting. Sub-groups could also be established to look at specific issues or sub-sectors.
- It was observed that key sector or business figures were unlikely to have the time or inclination to join for wide-ranging debates or issues outside their area of focus; consequently, a way of inviting them to join for very specific discussions and items could be fruitful.
- One Member suggested that two different bodies might be necessary; one to act as the aforementioned informal forum to provide the advice and guidance piece, with a second to act as a formal and dedicated oversight body for the Innovation & Growth (IG) directorate. With reference to the former, it was suggested that this forum partly existed through the Lord Mayor’s City No.1 Breakfasts and the Member mooted the possibility of this being used as the basis for any new forum.
- Several Members also took the opportunity to comment that public relations in general did not receive sufficient attention across the Corporation, suggesting that it needed to be embedded throughout the organisation more effectively to achieve consistency and coherency of message and maximise impact.

Name of the Committee

- A large number of Members expressed the view that the proposed name for any such body (i.e. “Competitiveness Committee”) was not suitable and that an alternative was needed, irrespective of the formal status of said body.

- The word “competitiveness” in general was not felt to provide the right feel, with several other options proposed.
- Suggestions made included:
 - Professional Services
 - Business Support
 - Business Strategy Forum
 - Innovation & Growth
 - Strategy Innovation & Growth
 - Business City Focus Group

Hospitality (paragraph 191)

- There was a broad consensus that the role of the Hospitality Working Party should not be subsumed within the responsibilities of any new Competitiveness Committee or similar body.
- Members noted the distinction between the relatively few major set-piece dinners with a link to competitiveness issues, such as the Trade & Industry Dinner, and the broader swathe of hospitality offered by the City Corporation at a lower level and in other areas, such as culture, where it would be neither practical nor desirable for a Competitiveness Committee to have oversight.
- Notwithstanding this, it was suggested that the City Corporation would benefit from a more strategic approach to its hospitality activities and a wider review of the totality of offering.

Chair of Policy & Resources: Title (paragraphs 195-199)

- There was general support for the use of “Chair of Policy” or “Policy Chair” externally if this was considered to be helpful; however, some Members did urge that the “resources” element of the role (and the committee) not be forgotten internally.
- There was some debate in respect of the use of the term “leader”, with reference to comparative arrangements in London local authorities; ultimately, a significant majority of Members were opposed to the use of such nomenclature in the City Corporation, noting the significant distinction in roles and arrangements.

The Lord Mayor: Appointment Process (paragraphs 207-231)

- A Member suggested that the panel for the selection Mayoral candidates should be smaller and more focused.

- It was observed that financial support arrangements for candidates of more modest personal circumstances (para 224) had been introduced and in place for a few years now.
- A Member commented that they would support a proper examination of the role and selection process for Sheriffs, venturing that additional work should be undertaken with the Livery to identify the best possible candidates and encourage them to stand.

Sheriff Hayward thanked Members for their participation in the session and for their constructive contributions.

Governance Review: Member Engagement Sessions
Competitiveness: Session 2
1 December 2020

Notes of Discussion

Present

Sheriff Christopher Hayward (in the Chair)	Caroline Haines
Randall Anderson	Graeme Harrower
Alderman Sir Charles Bowman	Alderman Alastair King
Tijs Broeke	Alderman Ian Luder
Karina Dostalova	Alderman Bronek Masojada
Anne Fairweather	Barbara Newman
Sophie Fernandes	Jeremy Simons
Marianne Fredericks	Deputy James Thomson
Alderman Prem Goyal	Mark Wheatley
Alderman David Graves	Alderman Sir David Wootton
Alderman Tim Hailes	

Introduction

Sheriff Hayward, in the Chair, thanked Members for joining the evening's session. He noted that the Governance Review would affect all aspects of the City Corporation's governance and all Members as a consequence; it was, therefore, imperative that any implementation reflected the view of the Court, and that all Members had the opportunity to feed in their views on particular elements. These informal engagement sessions were the first part of that process.

He emphasised that the purpose of the evening's session was not to make decisions and that there were no preconceptions heading into these sessions, which were all about listening and ensuring that the views of Members on particular issues were known before any formal stage of considerations.

To that end, a short factual summary paper had been circulated, together with the relevant extract of the Review itself, to try and help focus discussion. He also noted that a number of Members had been present at the day's earlier session and asked that those who had not attended previously be afforded the opportunity to contribute first.

Recommendations: Members' Comments and Observations

Members then proceeded to debate the various recommendations.

Paragraphs 189-194: Competitiveness Committee

- Members referenced discussion in the earlier session around the need to think differently about how this body was constituted, with several echoing the importance of it being agile, dynamic and flexible. All efforts should be made to attract top-level external business leaders to participate and to leverage Members' experience and expertise, and it was felt that a more informal

advisory group or forum would achieve this more effectively than a formal committee.

- Other Members spoke to support the informal approach, agreeing that it would be challenging to get top-level business leaders to sign up to serving on a formal committee and all that came with it. Equally, they would not wish to serve on a sub-committee or something seen as lacking in status.
- The importance of flexibility was emphasised, so any group could adjust focus quickly to the relevant business focus at the right time.
- In terms of composition, it was suggested that any core group of Members should constitute a balance of the two Courts but that the focus should be on outcomes and the right people, rather than be diverted by having to have specific limitations on the numbers of Commoners or Aldermen and so on.
- A Member expressed concern that the distillation of comments through the Fraser and Lisvane reviews could lead to the Corporation losing wider sight of City businesses outside the FPS sector, urging that other sectors and SMEs not be forgotten, as they were crucial components of the City. Other Members echoed this, noting that the group would need to look at business in its wider sense in the City, not just FPS.
- A Member observed that the credibility of any new committee / entity would be essential in attracting the very best candidates, arguing that a majority of independent external members would be necessary to achieve this.
- Other Members expressed a note of caution around targeting top-level figures only, observing that constructive challenge and important innovative thinking could come from those with involvement at a lower level or in less traditional sectors. The diversity of the body should be taken extremely seriously, with a range of ages and backgrounds being essential in offering diversity of thought and different perspectives in debate.
- Following some discussion as to accountability, it was clarified that any informal body would be advisory to Policy & Resources, which would retain responsibility for policy-setting; this group would provide a means of more focused expertise and time to inform Policy & Resource's decisions and make them more effective.
- A Member expressed a fundamental challenge in relation to the City's support of promotion of FPS, arguing it was an extremely wealthy sector which could well afford to make its own case. They also questioned whether it was particularly suitable for a collection of part-time local politicians to be involved in this area, suggesting that the Resource Allocation Sub-Committee should consider this seriously and reflect on whether continued involvement was appropriate for the City Corporation, and whether the Corporation's resources might be more sensibly deployed in the interest of the public good.
- A Member reflected on their own experiences in deciding to stand for election to the City Corporation, commenting on the brand of the City of London generally and the unique position the Corporation was in to be able to promote

the City of London around the world, with its infrastructure and convening power already in place to achieve a meaningful difference. They added that the creation of a great municipal environment was entirely complementary to facilitating an optimal business environment, as the former attracted businesses whose commerce in turn provided for revenue and support to further improve the municipal setting.

- Noting the range of interests and professional backgrounds on the Court, as well as the broad responsibilities of the City Corporation beyond those of a normal local authority, a Member suggested that there would always be a difference of opinion around appropriate foci and a challenge to accommodate the differing interests of so many Members. It was suggested that the informal engagement approach that this new competitiveness entity could provide might represent a helpful guide in the longer-term as to how one might respond to these competing challenges.
- A Member expressed some concern about how any potential conflict of opinion between the Court and any advisory body might be managed; for instance, if the FPS sector was advocating for engagement with a particular nation or regime that the Court of Common Council was not comfortable with. The rejection of the advisory group's clear recommendations could cause reputational difficulties in the longer term and this was a dynamic that would need to be given serious consideration.
- With reference to the broader concept of "competitiveness", a Member observed that this must include culture in some way, given its integral status as part of the overall attractiveness of the City to business. It was urged that this not be forgotten.

Hospitality (paragraph 191)

- Members agreed that the role of the Hospitality Working Party should not be subsumed within the responsibilities of any new Competitiveness body as HWP's role was much wider; however, there was undoubtedly more that could be done in relation to key set-piece events, as well as more generally, to make hospitality more strategic and effective, including in relation to competitiveness.

Sheriff Hayward thanked Members for their participation in the session and for their constructive contributions.

This page is intentionally left blank

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

Document is Restricted

This page is intentionally left blank