



## Resource Allocation Sub (Policy and Resources) Committee

**Date:** WEDNESDAY, 26 MAY 2021

**Time:** 10.00 am

**Venue:** VIRTUAL PUBLIC MEETING (ACCESSIBLE REMOTELY)

**Members:**

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

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### Accessing the virtual public meeting

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

<https://youtu.be/SJNA8WGwjyk>

This meeting will be a virtual meeting and therefore will not take place in a physical location. Any views reached by the Committee today will have to be considered by the Town Clerk after the meeting in accordance with the Court of Common Council's Covid Approval Procedure who will make a formal decision having considered all relevant matters. This process reflects the current position in respect of the holding of formal Local Authority meetings and the Court of Common Council's decision of 15th April 2021 to continue with virtual meetings and take formal decisions through a delegation to the Town Clerk and other officers nominated by him after the informal meeting has taken place and the will of the Committee is known in open session. Details of all decisions taken under the Covid Approval Procedure will be available on line via the City Corporation's webpages.

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**

## **Part 1 – Public 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 12 May 2021.  
**For Decision**  
(Pages 5 - 12)
4. **CAPITAL FUNDING UPDATE**  
Report of the Chamberlain  
**For Decision**  
(Pages 13 - 26)
5. **GOVERNANCE REVIEW: COMMITTEE STRUCTURE - PRINCIPLES**  
Report of the Town Clerk  
**For Decision**  
(Pages 27 - 56)
6. **QUESTIONS ON MATTERS RELATING TO THE WORK OF THE SUB COMMITTEE**
7. **ANY OTHER BUSINESS THAT THE CHAIR CONSIDERS URGENT**
8. **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**

9. **QUESTIONS ON MATTERS RELATING TO THE WORK OF THE SUB COMMITTEE**
10. **ANY OTHER BUSINESS THAT THE CHAIR CONSIDERS URGENT AND WHICH THE SUB COMMITTEE AGREE SHOULD BE CONSIDERED WHILST THE PUBLIC ARE EXCLUDED**

## RESOURCE ALLOCATION SUB (POLICY AND RESOURCES) COMMITTEE

Wednesday, 12 May 2021

Minutes of the meeting of the Resource Allocation Sub (Policy and Resources)  
Committee held on Wednesday, 12 May 2021 at 3.15 pm

### Present

#### Members:

Deputy Catherine McGuinness (Chair)  
Deputy Jamie Ingham Clark (Deputy  
Chairman)  
Deputy Keith Bottomley  
Tijs Broeke  
Karina Dostalova  
Anne Fairweather  
Tracey Graham  
Sheriff Christopher Hayward

Alderman Vincent Keaveny  
Deputy Edward Lord  
Alderman Ian Luder  
Jeremy Mayhew  
Deputy Tom Sleigh  
Sir Michael Snyder  
Deputy James Thomson  
Alderman Sir David Wootton

#### In Attendance

Marianne Fredericks  
Deputy Barbara Newman

#### Officers:

John Barradell	- Town Clerk and Chief Executive
Caroline Al-Beyerty	- Chamberlain
Deborah Cluett	- Comptroller and City Solicitor's Department
Bob Roberts	- Director of Communications
Angela Roach	- Assistant Town Clerk
Nigel Lefton	- Remembrancer's Department
Ola Obadara	- City Surveyor's Department
Bob Warnock	- Open Spaces Department
Gregory Moore	- Town Clerk's Department
Joseph Anstee	- Town Clerk's Department
Dianne Merrifield	- Chamberlain's Department
James Gibson	- Chamberlain's Department

At the outset of the meeting, the Chair welcomed all those in attendance as well as Members of the public watching the meeting. The Chair then welcomed new Member of the Sub Committee Tracey Graham, and thanked outgoing Member of the Sub Committee Alderman Ian Luder for his contributions to the work of the Sub Committee. The Chair then paid tribute to the outgoing Deputy Chairman, Jeremy Mayhew, for his invaluable work during his time as Deputy Chairman of the Sub Committee, before welcoming Deputy Jamie Ingham Clark in his new role as Deputy Chairman.

#### 1. APOLOGIES

Apologies for absence were received from Shravan Joshi.

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

There were no declarations.

3. **MINUTES**

**RESOLVED** – That the public minutes and non-public summary of the meeting held on 17 March 2021 be agreed as a correct record.

4. **GOVERNANCE REVIEW: CONSTITUTIONAL ISSUES; THE PRINCIPLE OF WARD COMMITTEES**

The Sub Committee considered a report of the Town Clerk concerning the Governance Review in respect of constitutional issues, and the principle of Ward Committees.

The Chair introduced the item and outlined the Sub Committee's current position in the Governance Review process. The Chair recommended taking a holistic approach towards the questions raised by the issues treated in the report, before drawing Members' attention to the recommendations and proposals set out in the report. The Chair then thanked the Deputy Chairman of Policy & Resources Committee for his continued work in leading consultation sessions with Members and invited him to summarise the views raised during sessions on these matters.

The Deputy Chairman of Policy & Resources Committee advised that a key takeaway from the relevant engagement sessions was that Members were not in favour of a total abolition of Ward Committees. He added that he supported taking a holistic approach to these proposals and also that Members should be prepared to make bold and radical decisions, as if the number of constituted bodies was not reduced as an outcome, then the exercise could be considered a failure.

A Member commented that the recommendation within Lord Lisvane's report that the Court of Aldermen and its procedures should not be amended should be reconsidered, and proposed an independent review of the Court of Aldermen, as failing to discharge its responsibilities carried a significant reputational risk. The Chair thanked the Member for raising this point, which would be noted, but advised that it was not within the scope of the report at hand.

The Sub Committee then proceeded to debate the proposals set out in the report.

**Section 2, the Corporation**

The Sub Committee considered recommendations that the existing Ward structure, the relationship between the Court of Common Council and the Court of Aldermen, and the Livery's role at Common Hall remain unchanged, also noting a recommendation for a more coherent approach with regard to engagement with the Livery as a body.

The Sub Committee discussed these proposals and the following points were made:

- Engagement with the Livery would be most appropriately continued through the Livery Committee, although building relationships was a wider initiative which would be driven by the Court in general and the efforts of individual Members.
- There was a surprising amount of distance and misunderstanding between some Liverymen or Livery Companies and the City of London Corporation which needed addressing, and some Livery Companies did not feel connected.
- Whilst interest varied between Companies, the Livery as a collective was becoming more cohesive in recent times through initiatives such as the pan-Livery activities; however any changes made to existing relationship structures would need to be agreed bilaterally.
- The Livery had a clear historical and traditional role in relation to the City's governance but some Members questioned their modern role in relation to governance. Whilst Companies could be involved if they wanted, they were still effectively private members' clubs, some of which were still not open to all, which was problematic with regards to diversity.
- However, it was generally accepted that the Livery's role was mainly symbolic, and this point was made in Lord Lisvane's report.
- The Livery played a valuable role in education and the charity sector, but their involvement in City of London Corporation governance should be contained to Common Hall. However, Members also encouraged working with the Livery on joint offerings.
- The Livery was a significant part of life in some City Wards and several were making great progress on diversity and representing modern industry.
- The Court of Aldermen was ultimately responsible for the election of the Lord Mayor, with Common Hall performing an advisory role. Whilst Sheriffs were elected by the Livery, this was a unique process and was more democratic than the process of electing Sheriffs elsewhere.

Arising from the discussion, the Chair proposed that the Sub Committee agree the recommendation that no procedural changes be made, but that closer working and engagement with the Livery as a body should be promoted, and this was agreed.

### **Section 3, the City the Corporation serves**

The Chair advised that there were no substantive recommendations within this section, with the discussion centred on increasing electoral registration numbers, work on which was already in train.

### **Section 4, the Corporation's Strengths and Weaknesses**

The Sub Committee considered recommendations relating to Lord Lisvane's assessment of the City of London Corporation's various strengths and weaknesses. The Chair commented that there were not many specific recommendations with this section, but central issues included a perceived lack

of corporate endeavour and slow decision-making, with relevant advice provided. The Sub Committee noted that the recommended appointment of a Chief Operating Officer had been addressed through the Target Operating Model activity.

The Deputy Chairman commented that Members should give thought to the corporate Scheme of Delegations and consider allowing officers to take more of the minor decisions, as these contributed to the slow pace of decision-making and numbers of committees, so represented an area where Members should be boldest.

A Member commented that there were currently a greater number of Committees than there had been at the start of the Governance Review process and the next stages needed careful thought, as finding agreement on proposals could be difficult.

### **Section 5, the Court of Common Council**

The Sub Committee considered recommendations relating to the operation of the Court of Common Council.

With regards to the number of elected Members, the Chair drew Members' attention to Lord Lisvane's advice that ultimately any consideration as to overall numbers must come after a new governance structure is decided upon, and that therefore no recommendation was made at this time.

The Deputy Chairman of the Policy & Resources Committee commented that the Sub Committee could reflect on the most recently implemented reduction of elected Members, undertaken during the last franchise reform. He added that getting radical change through the Court of Common Council required strong leadership and unity of purpose in order to carry a majority of colleagues.

The Sub Committee then discussed the number of elected Members and Committees, and the following points were made:

- Once reductions had been implemented Members should guard against a return to current numbers of committees, perhaps by way of a requirement to submit business plans to the Policy & Resources Committee for approval before the constitution of any new sub-committees, working parties, or related bodies.
- The City of London Corporation had a wide range of responsibilities, and the breadth of activity required many Members, most of whom had substantial workloads under the current structure. The Sub Committee therefore should not be preoccupied with target numbers.
- Committees and Working Parties should be reduced or rationalised but not so far as to over-delegate and lose Member oversight.
- It was important to maintain a system that was attractive and accessible for Members also working full-time elsewhere.
- Whilst it was important to avoid the proliferation of Working Parties, they had their advantages as formal Committee meeting agendas did not

always facilitate free-flowing discussion. Central approval might not be necessary, but formal policy or guidance may be helpful.

- Changes should be geared towards attracting talent and the best Members and there were a number of aspects to this end which should be looked at together, and not necessarily as part of the Lisvane Review.
- Emergent or reactive action was a product of the nature of constitution, both in the City of London and the wider country. The number of Members and Committees needed regular review but there should not be an undue focus on numbers.
- Several areas of the organisation's activity, such as procurement, had significantly improved since the constitution of a dedicated body, and it should not be assumed that substantive business was best managed through larger committees.
- Focus should be on delivery, with the population to deliver it being secondary.
- A clear distinction should be made between Sub Committees and Working Parties
- Where the constitution of a new body made procedures more efficient then this should always be encouraged.
- A number of bodies consistently carried vacancies.
- Task & Finish Groups should be encouraged in place of Working Parties as they were time-limited, more actions-focussed, and had tighter and more specific remits.

The Chair then summarised the discussion on this section so far and proposed that the Sub Committee accept the recommendation that no change to the number of elected Members be made at this time, whilst noting the views expressed by Members. It was also not recommended that changes to the franchise be sought through primary legislation.

The Chair then drew the Sub Committee's attention to the remaining matters raised within this section of the report, beginning with Diversity, on which there were two recommendations, that that the City of London Corporation should do more to demonstrate diversity in its outwards-facing activities, and that training on diversity issues should be mandatory for Members.

The Sub Committee then discussed these recommendations and the following points were made:

- Some local authorities had a raft of compulsory training for Members, and there ought to be some compulsory training for Members of the Court, which should include Diversity.
- Wherever there were statutory obligations every measure to be taken to ensure they are satisfied.
- Compulsory training was harder to enforce in a non-party political system, but this was a good opportunity to bring it in for particular areas and make other changes, even more so if remuneration was introduced, to which compulsory training could be tied.

- There were various sanctions which could already be applied to Members in the event of refusal to undertake compulsory training.
- It was important for Members to understand the ramifications of their actions and for their advice to be backed-up with an appropriate level of training, as this would be a general assumption made by external observers. However, compulsory training would not necessarily be helpful in achieving this as it would be inherently less appealing.
- Sanctioning Members as a result of refusing compulsory training could raise democratic issues, given that Members are appointed by the electorate.

The Chair summarised the discussion by noting the plurality of views on this matter and suggested that there would be some areas where compulsory training would be necessary. However, in other areas, stronger encouragement stopping short of enforcement would be more appropriate.

The Chair then advised that a proposal on remuneration was due to be presented to the Court of Common Council in due course. The Sub Committee then considered the subsequent recommendations in respect of Standing Orders. The Chair, introducing this item, advised that the Standing Orders would benefit from a refreshing and thorough housekeeping, and hoped that Members would support this irrespective of amendments resulting from the Lisvane Review. The Sub Committee discussed the following aspects of Standing Orders in turn:

### **Ballots**

The Sub Committee noted Lord Lisvane's recommendation for the abolition of all secret ballots and move to open and recorded votes across the board. Members that spoke noted that open and recorded votes took place on decision matters but felt that elections and appointments should continue to be made by secret ballot, as this allowed more freedom and reflected wider electoral process. However, Members were not opposed to increasing transparency by making greater use of recorded votes against Court and Committee decisions.

### **Motions**

The Sub Committee noted recommendations made concerning the number of names required to submit a valid Motion and the ability to withdraw a Motion under discussion (which Lord Lisvane advanced should require the approval of the Court). A Member proposed that in addition to a minimum number of names required to submit a valid Motion, a maximum number of names also be introduced, and this was agreed.

### **Questions**

The Sub Committee noted recommendations to require that questions to be published (obviating the requirement for oral delivery and accompanying speeches, whilst improving transparency), tightening the rules around supplementary questions (a decrease from 2 to 1 supplementary per Member, but increasing the number of Members allowed to ask them from 3 to 6), allowing additional questions (up to six) in relation to Policy Statements, and



dealing with questions not answered within the allotted time through written response.

A Member commented that they did not agree with these recommendations, which they felt would stifle debate. A degree of fluidity was needed on Questions to react to developing situations. A Member responded that they sympathised with this view, whilst noting that Questions was a time-limited part of the agenda. The Member advised encouraging questions in writing, as this was more efficient and produced better answers. However, oral questions needed as much fluidity as they could be afforded.

Members felt that ultimately, promoting debate was healthy, and it was usually sensible and appropriate to follow up on questions in order to generate debate. Members also felt that it was important to avoid discouraging Members from following up on issues on which they felt able to make substantive contributions.

The Chair thanked Members for their points on this matter and commented that the recommendations made by Lisvane did not necessarily compromise these principles, before advising that this matter could be taken away for further consideration. The Chair then invited any further comments on the remaining matters set out, noting that paperless working and Ward Committees would be the subject of further discussion both by the Sub Committee and elsewhere.

The Chair then thanked Members for their contributions and advised that further thoughts or feedback on the Governance Review could be submitted at any time.

**RESOLVED**, that:-

- a) The recommendations from Lord Lisvane's Governance Review and the feedback from the Members Consultation Sessions be noted; and
- b) A report be submitted to the Policy & Resources Committee proposing the next steps as set out in the summary consensus reached by this Sub-Committee as noted above.

5. **HAMPSTEAD HEATH SWIMMING FACILITIES - SAFETY, ACCESS AND SECURITY IMPROVEMENTS**

The Sub Committee considered a report of the City Surveyor regarding safety, access and security improvements at the Hampstead Heath Swimming Facilities. The Chair introduced the item, noting the importance of the work proposed as part of this project.

**RESOLVED** – That the Resource Allocation Sub Committee:

- 1. Agree that a budget of £54,000 (excluding risk) is approved to reach the next Gateway;

2. Note total estimate cost of £697,000 (excluding risk), £755,000 (including £58,000 of costed risk post-mitigation);
  3. Agree that a Costed Risk Provision of £10,000 is approved to reach the next gateway (to be drawn down via delegation to Chief Officer); and
  4. Note that some minor works have had to be delivered already regarding H&S and infrastructure, but these do not change the overall scope, budget or programme of this project as have been funded separately. As detailed in Appendix 1.
6. **REPORT OF ACTION TAKEN**  
The Sub Committee received a report of the Town Clerk advising Members of actions taken by the Town Clerk since the last meeting of the Sub Committee, in consultation with the Chairman and Deputy Chairman, in accordance with Standing Order No. 41.
- RESOLVED** – That the report be noted.
7. **QUESTIONS ON MATTERS RELATING TO THE WORK OF THE SUB-COMMITTEE**  
There were no questions.
8. **ANY OTHER BUSINESS THAT THE CHAIR CONSIDERS URGENT**  
There was no other business.
9. **NON-PUBLIC MINUTES**  
**RESOLVED** – That the non-public minutes of the meeting held on 17 March 2021 be agreed as a correct record.
10. **QUESTIONS ON MATTERS RELATING TO THE WORK OF THE SUB-COMMITTEE**  
There were no questions.
11. **ANY OTHER BUSINESS THAT THE CHAIR CONSIDERS URGENT AND WHICH THE SUB-COMMITTEE AGREE SHOULD BE CONSIDERED WHILST THE PUBLIC ARE EXCLUDED**  
There was no other business.

**The meeting ended at 4.28 pm**

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Chair

**Contact Officer: Joseph Anstee**  
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<b>Committee(s):</b> Resource Allocation Sub Committee	<b>Date(s):</b> 26 May 2021
<b>Subject:</b> Capital Funding Update	<b>Public</b>
<b>Which outcomes in the City Corporation's Corporate Plan does this proposal aim to impact directly?</b>	The schemes for which funding is now requested span across a range of corporate outcomes
<b>Does this proposal require extra revenue and/or capital spending?</b>	Yes
<b>If so, how much?</b>	£2.93m
<b>What is the source of Funding?</b>	£371k OSPR, £1.691m City Fund Capital Reserves, £868k City's Cash Reserves.
<b>Has this Funding Source been agreed with the Chamberlain's Department?</b>	Yes
<b>Report of:</b> The Chamberlain	<b>For Decision</b>
<b>Report author:</b> Dianne Merrifield, Group Accountant	

## Summary

This report follows on from previous papers on capital prioritisation and the 2020/21 and 2021/22 rounds of annual capital bids.

Members are reminded of the two-step funding mechanism via the annual capital process:

- Firstly, within available funding, 'in principle' approval to the highest priority bids is sought and appropriate provisions are set aside in the annual capital and revenue budgets and the MTFPs.
- Secondly, following scrutiny via the gateway process to provide assurance of robust option appraisal, project management and value for money, RASC are asked to confirm that these schemes remain a priority for which funding should be released at this time.

This stage 2 release of funding is the subject of this report.

The approved annual capital bids for 2020/21 total £85m of which £21.957m has been approved for draw down to date. A schedule of the current 2020/21 allocations is included in Appendix 1 for information. The second annual bid round for 2021/22 has granted in principle funding approval to bids with a total value of £83.5m of which £3.6m has been approved for draw down to date. A schedule of the current 2021/22 allocations is included in Appendix 2 for information.

Release of £2.93m to allow progression of seven schemes summarised in Table 1 (para 11) is now proposed. The funding for these schemes can be met from the provisions set aside from the reserves of City Fund and City's Cash: £371k from the On-Street Parking Reserve, £1.691k from City Fund capital reserves and £868k from City's Cash reserves.

Members will recall that financial disciplines currently in place include that central project funding may be withdrawn for schemes that slip by more than one year. Therefore, a report detailing any unallocated central funding provisions will be brought to committee for review before the summer recess.

### **Recommendations**

Members are requested -

- (i) To review the schemes summarised in Table 1 and, particularly in the context of the current financial climate, to confirm their continued essential priority for release of funding at this time.
- (ii) To agree the release of up to £2.93m for the schemes in Table 1 from the reserves of City Fund and City's Cash, subject to the required gateway approvals.
- (iii) To note that in order to maintain sound financial discipline a review of unallocated central project funding provisions will be brought to Members before the summer recess.

### **Main Report**

#### **Background**

1. As part of the fundamental review, Members agreed the necessity for effective prioritisation of capital and SRP projects, with central funding allocated in a measured way. This has been achieved via the annual capital bid process which applies prioritisation criteria to ensure that corporate objectives are met and schemes are affordable.
2. The following criteria against which capital and supplementary revenue projects are assessed have been agreed as:
  - i. Must be an essential scheme (Health and Safety or Statutory Compliance, Fully/substantially reimbursable, Major Renewal of Income Generating Asset, Spend to Save with a payback period < 5 years.)
  - ii. Must address a risk on the Corporate Risk register; or the following items that would otherwise be escalated to the corporate risk register:
    - a. Replacement of critical end of life components for core services;
    - b. Schemes required to deliver high priority policies; and
    - c. Schemes with a high reputational impact.
  - iii. Must have a sound business case, clearly demonstrating the negative impact of the scheme not going ahead, i.e. penalty costs or loss of income, where these are material.

The above criteria were used as the basis for prioritising the annual capital bids.

3. The scope of schemes subject to this prioritisation relates only to those funded from central sources, which include the On-Street Parking Reserve, Community Infrastructure Levy (CIL), flexible external contributions and allocations from the general reserves of City Fund, City's Cash or Bridge House Estates\*. This means that projects funded from most ring-fenced funds, such as the Housing Revenue Account, Designated Sales Pools and Cyclical Works Programmes are *excluded*, as well as schemes wholly funded from external grants, and tenant/ developer contributions e.g. under S278 agreements and S106 deposits.

\*Contributions from Bridge House Estates are limited to its share of corporate schemes such as works to the Guildhall Complex or corporate IT systems.

4. Members are reminded of the two-step funding mechanism via the annual capital process.
  - Firstly, 'in principle' approval to the highest priority bids within available funding is sought and appropriate provisions are set aside in the annual capital and revenue budgets and the MTFPs.
  - Secondly, following scrutiny via the gateway process to provide assurance of robust option appraisal, project management and value for money, RASC are asked to confirm that these schemes remain a priority for which funding should be released at this time.

## **Current Position**

5. For the financial year 2020/21, Members approved £85m new capital bids across the three main funds. To date, £21.957m has been drawn down to allow 33 of the 2020/21 capital bid-funded schemes to be progressed. A schedule of the current 2020/21 allocations is included in Appendix 1 for information.
6. Members have also agreed 'in principle' funding of a further £83.5m across the three main funds for the 2021/22 new bids and to date drawdown of £3.6m has been approved in respect of 3 schemes. A schedule of the 2021/22 allocations is included in Appendix 2 for information.
7. In addition to sums set aside for new bids, there are also some remaining provisions for schemes previously agreed for progression outside of the fundamental review.

## **Proposals for Release of Funding**

8. There are two schemes arising from the 2020/21 round of new bids and five schemes from the 2021/22 new bids that have (or are being) progressed through the gateways, for which release of £2.93m is now requested, as summarised in Table 1.

<b>Table 1: Project Funding Requests</b>		<b>Next Gate-way</b>	<b>City Fund</b>	<b>City's Cash</b>	<b>Total</b>
			£m	£m	£m
<u>In principle Funding via 2020/21 New Bids</u>					
(i)	Assessment Centre for Rough Sleepers	G 5	0.788		0.788
(ii)	High Support Hostel for Rough Sleepers - fit-out costs	G 5	0.355		0.355
<u>In principle Funding via 2021/22 New Bids</u>					
(iii)	Barbican Estate Fire Doors	G3/4	0.275		0.275
(iv)	BEMS* Upgrades to next gateway	G3/4	0.017	0.007	0.024
	Advance approval to support PSDS prog.	G3/4/5	0.256	0.171	0.427
(v)	CAS**: Carbon Removals Year 1	G 5		0.465	0.465
	Open Spaces Future Phases	G3/4		0.225	0.225
(vi)	CAS**: Cool Streets and Greening	G3/4	0.320		0.320
(vii)	CAS**: Pedestrian Priority Programme	G3/4	0.051		0.051
<b>Total Requested for Release of Funding</b>			<b>2.062</b>	<b>0.868</b>	<b>2.930</b>
* <i>BEMS: Building Energy Management System</i>					
** <i>CAS: Climate Action Strategy</i>					

Further details of the individual schemes are provided in Appendix 3 attached.

9. In accordance with step two of the capital funding mechanism, Members will wish to confirm that these schemes remain a priority for funding to be released at this time particularly in the context of the current financial climate.
10. The funding for these schemes can be met from the existing provisions set aside from the relevant reserves of City Fund and City's Cash as set out in Table 1, which were agreed via the 2020/21 and 2021/22 annual capital bids.

## Financial Discipline

11. Members will recall that financial disciplines currently in place allow for central project funding to be withdrawn for schemes that slip by more than one year unless an exceptional case is agreed by the Resource Allocation Sub Committee. Therefore, it is intended to undertake a review to identify any schemes which have not been progressed from the funding agreed as part of the fundamental review and 2020/21 annual capital bid round. This will ensure that funding is available to direct to the highest priority areas.

## Conclusion

12. Requests for the release of £2.93m to allow seven schemes to progress are set out in Table 1 (see paragraph 9 and appendix 3).

13. The funding for these schemes can be met from the existing provisions set aside from the relevant reserves of City Fund and City's Cash as set out in Table 1, which were agreed via the 2020/21 and 2021/22 annual capital bids.
14. Funding for these schemes can be met from the provisions set aside from reserves: £371k from the On-Street Parking Reserve, £1.691m from City Fund capital reserves and £868k from City's Cash reserves.
15. Members will recall that financial disciplines currently in place include that central project funding may be withdrawn for schemes that slip by more than one year. Therefore, a report detailing any unallocated central funding provisions will be brought to committee for review before the summer recess.

## **Appendices**

Appendix 1– 2020/21 Approved Bids

Appendix 2 - 2021/22 Approved Bids

Appendix 3 – Requests for Release of Funding – Scheme Details

## **Background Papers**

- Annual Capital Prioritisation Report, 12 December 2019 (Non-Public).
- Prioritisation of Remaining 2020/21 Annual Capital Bids (Deferred from December 2019 Meeting), 23 January 2020 (Non-Public)
- Re-prioritisation of 2020/21 Approved Capital Bids, 18 September 2020 (Non-Public)
- Capital Funding – Prioritisation of 2021/22 Annual Capital Bids – Stage 2 Proposals, 10 December 2020 (Public)

## **Dianne Merrifield**

Group Accountant, Capital

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Approved Bids 2020/21						THIS REPORT	
Project Name	City Fund £'m	City's Cash £'m	BHE £'m	Total Funding Allocation £'m	Funding Allocation After Re- prioritisation	Release of Funding Previously agreed	Release of Funding now requested
<b>Critical End of Life Replacement</b>							
Barbican Replacement of Art Gallery Chiller	0.300	-	-	0.300	0.300	0.018	-
Car Park - London Wall Joints and Waterproofing	2.000	-	-	2.000	2.000	-	-
Car Park - Hampstead Heath, East Heath Car Park Resurface	-	0.415	-	0.415	0.415	0.387	-
Central Criminal Court - Replacement for Heating, Cooling and Electrics for the East Wing Mezzanine including the sheriff's apartments.	1.000	-	-	1.000	1.000	1.000	-
Finsbury Circus Garden Re-installment	2.558	-	-	2.558	2.558	-	-
Guildhall - North and East Wing Steam Generator replacement – including Art Gallery	0.744	0.396	0.060	1.200	1.200	0.107	-
Guildhall - West Wing - Space Cooling - Chiller Plant & Cooling Tower Replacement	1.860	0.990	0.150	3.000	3.000	0.174	-
Guildhall event spaces - Audio & Visual replacement / upgrade	-	0.330	-	0.330	0.330	0.045	-
Guildhall Yard - Refurbishment/ Replacement of Paviments	-	3.000	-	3.000	3.000	-	-
I.T - Computer Equipment rooms (CER) Uninterrupted Power Supplies (UPS)Upgrades and Replacements	0.090	0.100	0.010	0.200	0.200	0.200	-
I.T - Essential Computer (Servers) operating system refresh programme	0.068	0.075	0.008	0.151	0.095	0.095	-
I.T - Personal device replacement (Laptops, Desktops and tablet/mobile device)	1.013	1.125	0.112	2.250	2.250	2.250	-
I.T - Rationalisation of Financials, HR & Payroll Systems	2.654	2.949	0.295	5.898	6.768	0.554	-
I.T - Telephony replacement	0.873	0.343	0.034	1.250	0.500	-	-
LMA : Replacement of Fire Alarm, Chillers and Landlords Lighting and Power	1.397	-	-	1.397	1.397	0.145	-
Oracle Property Management System Replacement	0.713	0.380	0.058	1.151	1.151	0.620	-
Structural - Lindsey Street Bridge Strengthening	5.000	-	-	5.000	5.000	0.030	-
Structural - Dominant House Footbridge	1.025	-	-	1.025	1.025	-	-
Structural - West Ham Park Playground Refurbishment	-	1.279	-	1.279	1.279	0.863	-
<b>Fully or substantially reimbursable</b>							
Barbican Turret John Wesley High Walk	0.043	-	-	0.043	0.043	0.043	-
Chingford Golf Course Development Project	-	0.075	-	0.075	0.075	-	-
<b>High Profile Policy Initiative</b>							
Bank Junction Transformation (All Change at Bank)	4.000	-	-	4.000	4.000	4.000	-
Culture Mile Implementation Phase 1 incl CM experiments and Culture Mile Spine	0.580	-	-	0.580	0.580	0.580	-
I.T - Smarter working for Members and Officers	0.113	0.125	0.013	0.251	0.185	0.185	-
Rough Sleeping - assessment hub	1.000	-	-	1.000	1.000	-	0.788
Rough Sleeping High Support Hostel - Option 3	0.500	-	-	0.500	0.500	-	0.355
Secure City Programme	15.852	-	-	15.852	15.852	4.116	-
<b>Statutory Compliance/Health and Safety</b>							
Barbican Exhibition Halls	5.000	-	-	5.000	1.549	1.548	-
Barbican Podium Waterproofing, Drainage and Landscaping Works (Ben Jonson, Breton & Cromwell Highwalk) Phase 2 – 1st Priority	13.827	-	-	13.827	13.827	1.517	-
Covid19 Phase 3 Transportation Response*	-	-	-	-	0.568	0.568	-
City of London Primary Academy Islington (COLPAI) temporary site	-	0.300	-	0.300	0.583	0.583	-
Golden Lane Lighting and Accessibility	0.500	-	-	0.500	0.500	0.500	-
Guildhall - Great Hall - Internal Stonework Overhaul	-	2.000	-	2.000	2.000	0.025	-
Guildhall - Installation of Public Address & Voice Alarm (PAVA) and lockdown system at the Guildhall (Security Recommendation)	0.930	0.495	0.075	1.500	1.500	0.118	-
I.T - Critical Security Works agreed by the DSSC	0.112	0.125	0.013	0.250	0.250	0.250	-
I.T - GDPR and Data Protection Compliance in addition saving money in being able to share and find information quickly	0.090	0.100	0.010	0.200	0.200	-	-
Confined and Dangerous Spaces - Barbican Centre	2.000	-	-	2.000	2.000	0.098	-
Confined and Dangerous Spaces - GSMD	-	0.400	-	0.400	0.400	0.019	-
Fire Safety - Car Park London Wall - Ventilation, electrics, lighting and fire alarm works	1.370	-	-	1.370	1.370	0.250	-
Fire Safety - Works in car parks	1.032	-	-	1.032	1.032	0.699	-
Fire Safety - Frobisher Crescent, Barbican Estate (compartmentation)	0.550	-	-	0.550	0.550	0.800	-
Fire Safety - Smithfield sprinkler head replacement and fire door replacement.	-	0.150	-	0.150	0.150	0.020	-
Queen's Park Public Toilet Rebuild	-	0.380	-	0.380	-	-	-
Spitalfields Flats Fire Door Safety	0.146	-	-	0.146	0.146	-	-
<b>Spend to save with a payback &lt; 5 years</b>							
Energy programme of lighting and M&E upgrade works (Phase 1)	0.440	0.489	0.049	0.978	0.978	0.050	-
I.T - GDPR Compliance Project Unstructured data	0.112	0.125	0.013	0.250	-	-	-
Wanstead Flats Artificial Grass Pitches (spend to save > 5 years)	-	-	-	-	1.700	-	-
The Monument Visitor Centre	-	2.500	-	2.500	-	-	-
<b>Total Approved Funding Bids</b>	<b>69.492</b>	<b>18.646</b>	<b>0.900</b>	<b>89.038</b>	<b>85.006</b>	<b>21.957</b>	<b>1.143</b>

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Approved Bids 2021/22						
THIS REPORT						
Project Name	City Fund £'m	City's Cash £'m	BHE £'m	Total Funding Allocation £'m	Release of Funding Previously agreed	Release of Funding now requested
<b>Critical End of Life Replacement</b>						
OSD - Tower Hill Play Area Replacement Project	0.120			0.120		
SVY - BEMS Upgrade Project-CPG Estate – Phase 1	0.507	0.375	0.022	0.904		0.451
SVY - Smithfield Condenser Pipework Replacement		0.564		0.564		
CHB - IT SD WAN /MPLS replacement	0.320	0.145	0.035	0.500		
CHB - IT LAN Support to Replace Freedom Contract	0.096	0.043	0.011	0.150		
CHB - Libraries IT Refresh	0.220			0.220		
BBC - Barbican Centre - Catering Block Extraction	0.400			0.400		
<b>High Profile Policy Initiative</b>						
DBE - Secure City Programme Year 2	4.739			4.739	1.400	
SVY - Guildhall Complex Masterplan - initial feasibility and design work		0.350		0.350		
<b>Statutory Compliance/Health and Safety</b>						
DCCS - Fire Doors Barbican Estate	20.000			20.000		0.275
SVY - St Lawrence Jewry Church - Essential works (Top-Up Funding)		2.565		2.565	2.136	
SVY - Denton Pier and Pontoon Overhaul Works	1.000			1.000		
OSD - Hampstead Heath Swimming Facilities - Safety, Access and Security Improvements		0.755		0.755	0.064	
DBE - Public Realm Security Programme	1.238			1.238		
DBE - Beech Street Transportation and Public Realm project (Top-Up Bid)	0.900			0.900		
MAN - Central Criminal Courts, Fire Safety and associated public address system (Top-up bid)	0.683			0.683		
MAN - Central Criminal Court Cell Area Ducting and Extract System Balancing	1.000			1.000		
SVY - Riverbank House, Swan Lane - repairs to toreshore river defence	0.500			0.500		
CHB - Public Services Network replacement	0.064	0.029	0.007	0.100		
GSMD - Guildhall School - Silk Street Ventilation Heating and Cooling		2.000		2.000		
GSMD - Guildhall School - Milton Court Correction of Mechanical Systems		0.600		0.600		
GSMD - Guildhall School - John Hosier Ventilation and Temperature Control		0.700		0.700		
CHB - IT Security	0.192	0.087	0.021	0.300		
<b>Spend to save with a payback &lt; 5 years</b>						
SVY - Energy Reduction Programme – Phase 2	0.194	0.181		0.375		
<b>Sub-Total - Bids Fulfilling the Funding Criteria excluding</b>	<b>32.173</b>	<b>8.394</b>	<b>0.096</b>	<b>40.663</b>	<b>3.600</b>	<b>0.726</b>
<b>Climate Action :</b>						
DBE - Public Realm (Pedestrian Priority)	6.050			6.050		0.051
OSD - Climate Action Strategy		2.120		2.120		0.690
DBE - Embed climate resilience measures into Public Realm works (Cool Streets and Greening)	6.800			6.800		0.320
SVY -Energy Efficiency / Net Zero Carbon - Investment Estate - City Fund	4.340			4.340		
SVY - Energy Efficiency / Net Zero Carbon - Investment Estate - Strategic Estate City Fund	0.000			-		
SVY - Climate Resilience Measures	4.000	0.000		4.000		
SVY - Climate Action Strategy Projects CPG Operational Properties	11.723	7.138	0.649	19.510		
<b>Sub-Total - Climate Action</b>	<b>32.913</b>	<b>9.258</b>	<b>0.649</b>	<b>42.820</b>	<b>0.000</b>	<b>1.061</b>
<b>Total Bids Fulfilling the Funding Criteria</b>	<b>65.086</b>	<b>17.652</b>	<b>0.745</b>	<b>83.483</b>	<b>3.600</b>	<b>1.787</b>

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### **Requests for Release of Funding – Scheme Details**

The following provides details of the schemes for which approval to release central funding is now sought, as summarised in Table 1 of the main report.

- (i) Assessment Centre for Rough Sleepers – release of £788k to deliver the scheme
  - This project is to establish a rapid assessment centre to provide referral, emergency accommodation and access to specialist help to support rough sleepers in the City.
  - The ‘in principal’ funding from central City Fund resources was agreed as part of the 2020/21 capital bids to support the high profile Strategic Rough Sleeping Growth Programme.
  - The request is for the release of up to £788k (including risk) of which £86k is required to reach the next gateway, the remainder being subject to the approval of the Gateway 5 authority to start work report (delegated to Chief Officer).
- (ii) High Support Hostel for Rough Sleepers – release of up to £355k to meet fit-out costs
  - This project is related to the establishment of a High Support Hostel located in the LB of Southwark for those rough sleepers who have complex needs.
  - The ‘in principal’ funding from central City Fund resources was agreed as part of the 2020/21 capital bids to support the high profile Strategic Rough Sleeping Growth Programme. The provision of a bespoke facility offers a more sustainable source of longer term and is some 50% cheaper than the current solution in Carter Lane.
  - The request is for the release of up to £355k of funding for the fit-out of the premises by the service provider, of which £5k relates to costs of assessing and monitoring the works, the remainder being subject to the Gateway 5 approval by Chief Officer.
- (iii) Barbican Estate Fire Doors - £275k now requested to reach the next Gateway
  - This is a programme of works to replace all fire-rated doors (including any associated panel surrounds, fanlight windows, refuse cupboards and intake cupboards) within the residential blocks of the Barbican Estate to ensure they meet the requirements of the current building regulations in relation to fire safety.
  - The request is for the release of £275k of central funding for consultant fees and staff costs to develop the scheme to Gateway 3/4.
  - The ‘in principle’ funding for this scheme from City Fund central resources was agreed as part of the 2021/22 annual capital bids on health and safety grounds.
  - It should be noted that ordinarily long lessees make significant contributions towards the cost of works to the estate. However, in this instance these are works of improvement, and therefore under the terms of the leases, recovery of costs from Barbican Estate leaseholders is not possible.

- (iv) Building Energy Management System (BEMS) Upgrade Phase 1 - release of up to £451k requested
- This project is to upgrade the obsolete Building Energy Management Systems at the London Metropolitan Archives, Guildhall Yard East and Walbrook Wharf which will also contribute towards energy savings targets.
  - This request for release of funding is two-fold:
    - release of up to £24k to develop options for consideration at the next gateway
    - advance approval to the release of up to £427k to allow the Guildhall Yard East works to be fast-tracked as they are a dependency for the progression of the PSDS project which has a very challenging delivery timetable.
  - 'In principal' funding from a mixture of City Fund and City's Cash central resources was agreed as part of the 2021/22 annual capital bid round due to the essential nature of these end of life assets.
- (v) Climate Action Strategy: Carbon Removals Project – release of up to £690k to deliver Phase 1 works and to undertake feasibility studies for future phases
- This project will deliver a range of land management activities across the Open Spaces to increase carbon sequestration, ecosystem services and biodiversity to include arable reversion, tree planting, woodland and tree management and other activities.
  - This request for release of funding is two-fold:
    - up to £465k (including risk) to deliver Year 1 works on previously identified sites (quick wins), with full release subject to the approval of the Gateway 5 report under delegation to Chief Officer,
    - up to £225k to undertake feasibility studies to identify further opportunities for carbon sequestration to be delivered through later phases of the project.
  - 'In principle' funding from central City's Cash resources was agreed as part of the 2021/22 Climate Action capital bids.
- (vi) Climate Action Strategy: Cool Streets and Greening – £320k now requested to reach the next Gateway
- This is a programme of works to develop climate resilient streets and open spaces in the square mile.
  - The request is for the release of £320k to progress the year 1 plan for implementing climate resilience measures on between 4 and 7 pilot sites
  - 'In principle' funding from central City Fund resources (On-Street Parking Reserve) was agreed as part of the 2021/22 Climate Action capital bids.
- (vii) Climate Action Strategy: Pedestrian Priority Programme – £51k to reach the next gateway
- This is a three-year programme to implement pedestrian priority and pavement widening schemes across the square mile to enhance the comfort and safety of people walking. The Climate Action Strategy identifies pedestrian priority and improved pedestrian comfort as necessary conditions for Net Zero by 2050.
  - The request is for the release of up to 51k towards the cost of surveys etc required to develop year 1 street designs for consideration at the next gateway.

- 'In principal' funding from City Fund central resources (On Street Parking Reserve) was agreed as part of the 2021/22 Climate Action Capital Bids.

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<b>Committee:</b>	<b>Date:</b>
Resource Allocation Sub-Committee	26 May 2021
<b>Subject:</b> Governance Review: Committee Structures Part 1 – General Issues and Principles	<b>Public</b>
<b>Report of:</b> Town Clerk	<b>For Decision</b>

## Summary

In September 2020, Lord Lisvane submitted the findings of his review into the City Corporation's governances. Members 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 the opening part of Section 7 of the Lisvane Review, in relation to the general issues facing the current committee structure and principles in designing any new system. 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 this section of the Lisvane Review, in the context of Members' observations and reflections at the various informal sessions.

## Recommendations

That Members:-

- Note the proposals in relation to general issues and principles for the committee structure made by Lord Lisvane in the opening part of Section 7 of his Review (Appendix 1).
- Note the feedback provided by Members through the informal engagement process (Appendix 2).
- Consider the items in respect of the aforementioned 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. As part of this process, engagement sessions have now been held on Lord Lisvane's recommendations within the first part of Section 7 of the Governance Review. This section in totality looks at the City Corporation's committee system and proposes ways of improving efficiency, including restructuring; however, the opening part of this section (which is the focus of this paper) poses a number of preliminary questions or recommendations in relation to various guiding principles that are important in defining the context and form of the future committee structure.
6. In doing so, Lord Lisvane sets out his opinion that the current system is not fit for purpose, having noted a significant amount of criticism relating to this during his review. He cites three previously identified issues (which Members will recall from consideration of Section 4): the number of committees, the practice of multiple committees' involvement in a single issue, and the sequencing of these meetings resulting in unnecessary delays, which should be borne in particular mind when considering any new approach.

7. Views are now sought as to the various proposals put forward by Lisvane in relation to these sections, their implications, and how they might be taken forward.

#### **Lisvane's Recommendations: General Issues**

8. Before discussing any proposals for radical restructuring, Lisvane outlines a range of general issues relating to committees. In summary, these recommendations are:

- ***Are Members non-executives? (paragraphs 234 and 235)*** - Lisvane observes that there is a tendency for Members to micro-manage with an imbalance in Member/Officer relationships. He therefore suggests that a review of the scheme of delegations is required. This, in turn, would have a significant impact on the type of decisions made at committee meetings, the nature of the committees required in any new structure, and the operation of meetings themselves.
- ***Committee Staffs (paragraphs 236 and 237)*** - Lisvane argues that the quality of staff should be viewed as a strength of the Corporation but that this may be exemplified further if staff felt more empowered to be pro-active in contributing to the effectiveness of a committee.
- ***Committee reports (paragraph 238)*** - It is suggested that, going forward, efforts should be made for reports to be more concise and outline more clearly the relevant matters for decision.
- ***Committee and Court minutes (paragraph 239)*** - Lisvane advocates that, should webcasting of meetings continue, minutes could become more condensed and streamlined.
- ***Cancel when necessary (paragraphs 240 and 241)*** - Lisvane recommends there should be a greater willingness for committee and sub-committee meetings to be cancelled when there is little substantive business, making more use of urgency and delegated decision processes.
- ***Keep to Terms of Reference (paragraph 242)*** – Lisvane notes that committee terms of reference often change over time and that wording is subject to political compromise in meetings. Therefore, recommendations are made for these to be revisited to improve clarity and minimise overlap of responsibility.
- ***Limit Sub-Committees (paragraphs 243-244)*** – Commenting on the proliferation of sub-committees and their role in the lack of discipline around committee business, Lisvane makes recommendation to restrict significantly the ability to create them and to introduce a process to ensure they could not be set up off-the-cuff, but would be subject to robust consideration prior to establishment.
- ***Joint meetings (paragraph 245)*** – Although not an explicit recommendation, Lisvane comments on the utility of joint meetings of committees under the new structure.
- ***Member Briefing (paragraph 246)*** - Lisvane outlines the benefits of regular informal briefings in ensuring shared understanding of Committee matters

amongst Members and officers and promoting a sense of corporate endeavour.

- ***Chair training and appraisal (paragraphs 248 and 249)*** - Lisvane feels that Chairs should undergo routine training and light-touch appraisals, noting that Chairs should equally be involved in senior officer appraisals.
- ***Handling vacancies (paragraph 250)*** - Regarding vacancies on committees, Lisvane is against the re-advertising of such that might occur during the municipal year.
- ***Green impact assessments (paragraphs 251 and 252)*** - Lisvane recommends that a 'green impact assessment' should be submitted alongside any policy or project proposals and that a lead committee for climate matters should be identified.

#### **Lisvane's Recommendations: Making best use of the talent**

9. Next, in paragraphs 254 and 255, Lord Lisvane observes that, while there is a great wealth of talent and skills amongst the Court, appointments to Committees often focus instead on tenure of Court membership. This results in an ineffective application of relevant experience and skills.
10. Lord Lisvane therefore proposes the establishment of a Governance and Nominations Committee (paragraphs 256-263) to assess Members of the Court according to what they may contribute to a role before making recommendations for appointments on Committees.
11. There is no explicit recommendation made as to the composition of this Committee, other than that it should reflect the membership of the Court as a whole, and further detail on the remit of such a body is outlined later in the Review at paragraph 377.
12. However, the prospective establishment (or not) of such a forum and associated process for appointment to committees is a significant element of Lord Lisvane's Review and recommendations. It is, therefore, timely for Members to consider now whether or not they would support the creation of such a committee, or one with any analogous functions, to inform consideration of the overall committee structure at the next stage. Thought would also need to be given to the arrangements for appointments moving forwards (i.e. should the existing elections process, or a variation thereon, be retained).

#### **Lord Lisvane's Recommendations: Restructuring Principles**

13. Lord Lisvane begins this part of his Review with an explanation of his guiding principles: Committees should align closely with the Corporate Plan but not be dictated by it; and Committee assigned Chief Officers is not a viable option, with this often resulting in silo working.
14. In summary, his restructuring recommendations are:

- **“Grand” and “Service” Committees (paragraph 266)** - Lord Lisvane argues that Committees should no longer be distinguished as Grand or Service Committees.
- **Size of Committees (paragraphs 267-269)** – Here, Lord Lisvane comments on the current size of Committees, recommending that membership of any one Committee should be between 12 and 15. It is noted that an exception may need to be made for Planning & Transportation, in accommodating his recommendation for panels.
- **[Ward Committees (paragraphs 270-272)]** - Recommendations are made for the abolishment of Ward Committees, including the repeal of SO 23 and the amendment of SO 24. *NB - Members have already discussed this aspect through a separate report].*
- **Multiple membership (paragraphs 273-275)** - These paragraphs outline recommended changes to SO 22 and the limits of membership on multiple Committees. Primarily, this is the introduction of a limit of two Committee posts for any one Member, or four including ex-officio posts, with some exceptions, down from the current eight (which also excludes ex-officio posts currently). The detail of any implication could have significant impact on the composition of certain committees.
- **Service on outside bodies (paragraph 276)** – Lord Lisvane recommends no change to SO 43, which limits service on outside bodies to six.
- **Chair terms (paragraph 277)** – Lord Lisvane suggests that, for consistency, all Chair terms should be for four years (rather than the mix of 3, 4, and 5 held currently).
- **Deputy Chairs (paragraph 278)** – He observes the potential complications of immediate past Chairs becoming Deputy Chairs for a year following their term, under SO 30.3.a. As such, he proposes amendment to this so that outgoing Chairs are ineligible to serve on that Committee during their successor’s term of office.
- **Member terms (paragraph 280)** - Lisvane advocates the introduction of a maximum period of service on all Committees (not including ex-officio memberships), which he recommends should be eight years, with four years then required to pass before reappointment. It should be noted that some existing committees already have maximum term limits or related arrangements.
- **Committee terms of reference (paragraphs 281 and 282)** – Lord Lisvane reflects on the need for changes to the ability of Committees to routinely amend their terms of reference, as well as the process through which this is achieved, so as to introduce more discipline and remove “mission creep” or duplication of purpose that arises across committees (thereby helping to simplify the decision-making process). Terms of references would be separated from the committee appointments process and be governed by their own Standing Order. Amendments to these, including the establishment

of a Sub-Committee, would only be considered by the Court after recommendation by the aforementioned Governance and Nominations Committee (or an alternative body, should such a Committee not be desirable).

- ***Aldermanic seats (paragraphs 283-285)*** – Lord Lisvane comments on the role of Aldermen on Common Council committees and recommends a move away from the convention that Aldermen do not stand for the Chair of certain committees.
- ***Rapporteurs (paragraph 286)*** – Although not an explicit recommendation, Lisvane does suggest thought should be given to the use of “rapporteurs” or “lead Members” on individual committees (as is already the practice on some), to help spread the workload of a committee and minimise the pressure on Chairs.

## **Conclusion**

15. Various proposals have been made by Lord Lisvane in relation to the general issues relating to the Corporation’s committee structure and guiding principles for any redesign, in the opening part of Section 7 of his Review. Members are now asked 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.
16. 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 meeting, to facilitate the finalisation and implementation of any new arrangements.

## **Appendices:**

- **Appendix 1:** Extract, first part of Section 7: Committees, Governance Review
- **Appendix 2:** Notes from Member Engagement Sessions.

## 7

## Committees

*The system isn't working*

232. Throughout my Review, the Corporation's Committee system has been a consistent target of strong and widespread criticism – so much so, in fact, that I was surprised that it has survived in its present form. It has become a means in itself rather than a means to an end.

233. In Part 4 I identified three particular problems of the Committee system: the number of Committees; the engagement of multiple committees with a single issue; and the sequencing of meetings of Committees involved, meaning that the convoy moves at the speed of the slowest ship. In this Part of my Report I identify some general issues relating to Committees, and then move on to propose a way in which the talent and expertise of Members could be put to better use, followed by proposals for a radical restructuring.

*General issues**Are Members non-executives?*

234. In the course of my Review I was often told that Members, especially in their Committee work, should be regarded as non-execs. I do not agree. In a normal corporate environment, non-executive members sit with executive members, sharing corporate responsibility. But (except in a few cases governed by local rules) the non-execs as a group do not take decisions on their own. In Corporation Committees, on the other hand, the Members do have to take decisions. The key issue is the level at which they engage.

235. There is a temptation to micro-manage; a temptation, moreover, which is too often not resisted. Committees should set policy in their areas; agree (or secure) overall resources; review delivery and risk; and hold Officers to account – but for overall delivery, not for day-to-day activities. **This, combined with the review of delegations which I recommend later in this Report, should rebalance the Member/Officer relationship to the general benefit (and should also allow Committees to do their work with significantly fewer meetings).**

### ***Committee staffs***

236. Earlier I identified the quality of staff as a Corporation strength.<sup>61</sup> The Corporation's Committees are served by highly competent Officers, but I think that **the work of Committees might be better enabled if Committee staff felt empowered to be more pro-active**, guiding Committees to a greater degree, perhaps commissioning papers (with Chair approval) when necessary. If my recommendations on restructuring the system are accepted, they will also have a role in diplomatically assisting Committees to keep to their terms of reference.

237. I am encouraged in this view by having been at one stage responsible for the staffing of House of Commons Select Committees. In that system Clerks, while of course not supplanting the primary role of Members, feel that they have an important complementary (and self-starting) role in contributing to a Committee's effectiveness and success.

### ***Committee reports***

238. I have been impressed by the quality of the reports submitted to Committees. They are authoritative, comprehensive and well – even stylishly – written. But they are often discursive, no doubt with the best of intentions, and this can encourage Committees to lose focus on matters for decision, or indeed to request further reports. **There should be a move to much shorter reports, focused on the single issue at hand, with the matters for decision clearly identified.** If my recommendation that the Corporation should go paperless is accepted, then there will be much less need to provide background; live links to the portal will access the necessary papers, and the concept of a free-standing “for information” paper, of which – as I noted earlier – there were more than 2,000 on agendas in 2018/19, should disappear.

### ***Committee and Court minutes***

239. **There is also scope for streamlining minutes throughout the organisation.** If my recommendation for webcasting all meetings<sup>62</sup> is accepted, there will be a permanent record. Minutes can then adopt the style of the Cabinet Office, focusing on *decisions*, and recording discussion as economically as possible: “in discussion the following main points were made...”

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<sup>61</sup> See paragraph 84.

<sup>62</sup> Paragraph 174.



### ***Cancel when necessary***

240. I have been struck by the number of very lightly loaded Committee and Sub-Committee meetings. **When there is little substantive business, Chairs should cancel meetings** (and Committee Clerks should feel free to suggest it).

241. A subset might be a planned reduction in the frequency of meetings, with the use of urgency/Chairman's decision when necessary.<sup>63</sup>

### ***Keep to Terms of Reference***

242. This should be obvious. However, terms of reference of committees have developed over time; they show some signs of political compromise; they are sometimes loosely phrased; and there are some overlaps. If my recommendations on restructuring are accepted, **there will need to be a careful revisiting of Committee terms of reference to improve clarity and minimise overlap.**

### ***Limit Sub-Committees***

243. Setting up a Sub-Committee has almost become a default setting. But if there is real discipline in Committee business, and a raising of the Member/Officer threshold, then **setting up a Sub-Committee should be very much the exception**, and the system should be greatly simplified thereby.

244. In order to achieve this, I recommend that **there should be no general Committee power to establish Sub-Committees, and that SO 27.1.a should be repealed.** Any genuinely necessary Sub-Committee should be provided for in the terms of reference of the parent Committee (as the Resource Allocation Sub-Committee is to the Policy and Resources Committee). **And there would be merit in sunsetting Sub-Committees so that explicit revival would be required if the Sub-Committee concerned were still needed.** I make further recommendations about terms of reference and Sub-Committees in paragraphs 281 and 282 below.

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<sup>63</sup> Under SO 41.

### *Joint meetings*

245. I am told that joint meetings of Committees have proved very useful on occasion, and such meetings may have merit in the restructured system.<sup>64</sup>

### *Member briefing*

246. If the leaner Committee structure which I propose is to realise its full potential, Members will need to have a really good understanding of their own Committee's business. I do not say that this does not happen already; but there are undoubted benefits to be had if all the Members of a Committee have a shared understanding of current developments in their area, and also an insight into the challenges with which Officers are dealing. **So regular briefings, in informal surroundings, not part of a Committee meeting, have a part to play.** This has occasionally happened with existing Committees, but should become a general practice.
247. My proposals will greatly reduce the number of Committee places available; but there will be merit in involving the wider membership of the Court nevertheless. One possibility might be **occasional briefings by individual Committees and their supporting Officers, whereby any Member of the Court can keep up with other Committees' current work and challenges.** This might also encourage the sense of collective effort which is lacking at the moment.

### *Chair training and appraisal*

248. Some may see it as unnecessary or even demeaning, but a professional system requires the best possible approach to chairing, and **periodic training (even if only in the form of a mentoring discussion) should be routine.**
249. For the same reasons, **there should be a light-touch 360-degree appraisal of Chairs; and Chairs should be involved in the appraisal of senior Officers.**

### *Handling vacancies*

250. At the moment vacancies on Committees are re-advertised, sometimes more than once. Vacant Committee places may be much rarer under my proposals, but in any event I recommend that **there should be no re-advertising of Committee vacancies.** A

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<sup>64</sup> See SO 28, and my comments on the drafting of that SO in paragraph 158.

Committee should run with a vacant place which can be filled on a casual basis later if necessary. A Member can easily find out at any time which Committees have vacancies.

### ***Green impact assessments***

251. **I recommend that a “green impact assessment” should accompany every policy or project proposal submitted to Committee.** Other impact assessments are already used (and have been used for Brexit implications) but, given the headline commitment to environmental sustainability in the Corporation’s Corporate Plan, **green impact assessments seem to me to be essential.**

252. Even though environmental awareness should pervade the organisation, **there is much to be said for assigning climate issues, and the Corporation’s response, to a lead Committee.**<sup>65</sup>

### ***Committee not Ward***

253. It is important that Members sitting on Committees should remember that as Committee Members their role is not to represent their Wards but to contribute in a dispassionate way to the Committee’s deliberations and decisions. I deal with Ward Committees in paragraphs 270 to 272 below.

## ***Making best use of the talent***

### ***The challenge***

254. There is a great deal of talent, skill and relevant experience among the Members of the Court of Common Council, but it is not effectively deployed on Committees.

255. This is partly because of the somewhat opaque method of appointment, and partly because of a culture that feels that new Members must serve an extended apprenticeship before getting Committee places that they may particularly want, or for which they are especially fitted or qualified.<sup>66</sup> This may also act as a deterrent to new Members who may have a lot to contribute to the Corporation.

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<sup>65</sup> The Policy and Resources Committee has (Order of Appointment, paragraph 4(o)) sustainability issues as part of its portfolio, but this needs to be framed in rather more prescriptive terms.

<sup>66</sup> I acknowledge that the orders of appointment of certain committees provide that the membership should include a small number of Members with shorter periods of service on the Court; but these provisions as drafted have no link to skills and experience.

### ***A Governance and Nominations Committee***

256. I think the time has come for a wholly new approach. **I recommend the establishment of a Governance and Nominations Committee (G&NC), whose task would be to recommend Members for appointment to Committees on the basis of what they could contribute.**
257. As a first step in an appointment round, Members could put in for Committee places, setting out how they were qualified and what they could contribute.<sup>67</sup> The Committee would no doubt also take into account their attendance records at the Committees of which they had been members.
258. The Committee would make recommendations in respect of each Committee, to be decided upon by the Court. To provide a discretionary element, the Committee could recommend as appointable a number larger (by say 20%) than the number of places to be filled.
259. The same procedure could be followed with casual vacancies, or the Committee might be empowered to appoint in such cases without a Court decision.
260. As I observed in respect of the Competitiveness Committee, I am loath to recommend a new Committee while trying to simplify the structure but, as will be clear from later proposals, I have in mind that the Governance and Nominations Committee will absorb functions from elsewhere, so contributing to the overall reduction.
261. I do not make detailed recommendations about the membership of this Committee (although I think the Chief Commoner might be an appropriate *ex officio* member); but to give the Committee's nomination functions authority and credibility, **the membership should reflect the make-up of the Court of Common Council as a whole, rather than being limited to the "usual suspects"**. This does not mean, of course, that a modest number of "usual suspects" will not have a role to play in a total membership of about 15.

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<sup>67</sup> This principle is recognised to a very limited extent in the current arrangements, as for example in the membership of the Capital Buildings Committee of two Court of Common Council Members "with appropriate experience, skills or knowledge", but the principle should operate across the whole system.

262. It may be thought that a Committee of this sort could become unduly influential; but, if applications were open, so also would be the degree to which the Committee discharged its functions objectively and impartially.

263. In paragraph 377 I list responsibilities which should go to the G&NC from Committees which I recommend should be re-organised or abolished.

## ***Restructuring***

### ***Principles***

264. I have proceeded on the basis that Committees need to align fairly closely to the activities needed to deliver the Corporate Plan. However, I do not think it wise to allow the elements of the Corporate Plan to dictate the Committee structure. Changes in the Plan should not then require changes in Committees.

265. I have rejected the possibility of each Committee having “its own” Chief Officer. Although individual Chief Officers will naturally work more closely with one Committee than with others, to formalise that relationship would be a recipe for creating silos at a time when the priority must be to break down silos and foster a corporate approach.

### ***“Grand” and “Service” Committees***

266. I do not see much point in the distinction between Grand Committees and Service Committees, and **I recommend that it is discontinued.** Committees should be simply Committees.

### ***Size of Committees***

267. Almost all Committees are much too big. The Committees/Boards listed below are in the order in which they appear in the *Appointment of Committees* document. The numbers of Members of some Committees cannot be definitive, as the orders of appointment contain provisions such “at least” and “not fewer than”.

- |                        |    |
|------------------------|----|
| • Policy and Resources | 38 |
| • Finance              | 39 |
| • Capital Buildings    | 18 |

• Investment	27
• Audit and Risk Management	16
• Planning and Transportation	35
• Port Health and Environmental Services	33
• Markets	33
• Police Authority Board	13
• Crime and Disorder Scrutiny	8
• Culture, Heritage and Libraries	35
• Governing Bodies: City of London School	21
City of London Girls' School	21
City of London Freemen's School	22
• Guildhall School of Music and Drama	21
• Education Board	18
• Community and Children's Services	37
• Gresham (City Side)	12
• Establishment	17
• Open Spaces and City Gardens	12
• West Ham Park	15
• Epping Forest and Commons	16
• Hampstead Heath, Highgate Wood and Queen's Park	18
• Freedom Applications	10
• Barbican Residential	21
• Barbican Centre Board	20
• City Bridge Trust	17
• Standards	19
• Standards Appeals	12
• Licensing	15
• Health and Wellbeing Board	13
• Health and Social Care Scrutiny	7
• Local Government Pensions Board	7

268. Committees of 30 Members or more are not really Committees; they are in effect sub-plenaries: debating bodies, not fora for taking decisions. Even the smaller Committees in the list above are unwieldy; and the three Boards of Governors, together with the Boards of the Guildhall School of Music and Drama and of the Barbican Centre, are well above the recommended size for such bodies. I return to this latter point in Part 9 of this Report.

269. **I recommend that Committees should have no more than 15 Members, with an optimum size of between 12 and 15.** It may be that Planning and Transportation may need to be slightly larger in order to cope with the need to provide non-overlapping panels to consider applications.

### ***Ward Committees***

270. I can see no argument for the retention of Ward Committees. I have been told that they are desirable because they give new Members a chance to serve on Committees. I suggest that that clearly indicates that Ward Committees are there to provide a role, not to do a job, and I am not convinced.
271. **I therefore recommend the abolition of all the Ward Committees as Ward Committees: Finance; Planning and Transportation; Port Health and Environmental Services; Markets; Culture, Heritage and Libraries; and Community and Children's Services;** Where their role survives into the new structure, they should be reconstituted as subject Committees of between 12 and 15 Members.
272. This means that **SO 23 should be repealed and SO 24 amended.**

### ***Multiple membership***

273. SO 22 sets a maximum number of Committees on which Member may serve at eight. Moreover, the limit does not apply to additional, *ex officio*, membership of Committees; and it also allows membership of a Committee on which a Member is filling a twice-advertised vacancy to be added above the limit. I find this extraordinary. It also suggests that a Committee's work is not sufficiently valued. Full participation in a Committee's work, taking into account time needed for preparation and for events outside a Committee's formal sittings, should be demanding and will be time-consuming.
274. Setting *ex officio* memberships outside the limit is illogical. Such memberships will usually be because the Member concerned chairs another, relevant, Committee. That should mean more work, not less, if the liaison role is to be carried out effectively.

275. I recommend that

- **no Member should be a member of more than two Committees;**
- **that membership of *one* of the governing bodies of the independent schools and of the Guildhall School of Music and Drama; of the Barbican Centre Board; and of the Police Authority Board should not count against this limit (I later recommend that these Boards should be taken out of the committee structure);**
- ***ex officio* membership of a Committee or Committees should raise the limit to four. It may occasionally be that a single Chair carries with it more than four *ex officio* memberships. In such cases the limit should not apply; and**
- **SO 22 is amended accordingly.**

### ***Service on outside bodies***

276. SO 43 provides that a Member may not serve as a representative of the City Corporation on more than six outside bodies at a time. This does not include *ex officio* appointments. This limit seems high, but on the basis that such membership may not be unduly demanding **I do not recommend a change.**

### ***Chair terms***

277. SO 29 specifies the terms<sup>68</sup> for which a Chair may be held: Policy and Resources, five years; Finance, five years; the Police Authority Board, four years; and other Committees, three years. These seem reasonable, but for consistency **there is a case for making all Chair terms four years.**

### ***Deputy Chairs***

278. Under SO 30.3.a, an immediate past Chair becomes Deputy Chair for the first year of the new Chair. I do not think that this is a good idea, and is certainly not in accordance with current best practice. The new occupant of the Chair needs to start a term afresh

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<sup>68</sup> Expressed in years consecutively.



without the possibly brooding presence of his or her predecessor. Any guidance from experience that may be needed can be drawn upon informally. **I therefore recommend that a Chair ending a term of office should not be eligible to rejoin that Committee during the successor's term of office. The SO will need amendment accordingly.**

### ***Chairs-in-waiting***

279. There is a current practice whereby the Member who is to take the Chair is identified and becomes a Chair-in-waiting for two years. This seems an unnecessarily long time. A year should be long enough.

### ***Member terms***

280. There will be a degree of “institutional churn” as a result of elections, personal preferences and other factors. However, there are examples of Members remaining on Committees for a very long time. **I therefore recommend that the maximum period of service on a Committee should be eight years, with four years to pass before rejoining. *Ex officio* memberships should be excluded from this rule. SO 24 will need to be amended accordingly.**

### ***Committee terms of reference***

281. Under SO 21 Committees are “reconstituted” each year at the first regular meeting of the Court in April. The terms of reference of each Committee are included in the *Appointment of Committees* document. The opportunity is frequently taken by individual Committees to seek amendment of their terms of reference, and such requests are routinely approved. **This seems to me to be a recipe for mission creep and overlap.**

282. **I therefore recommend that:**

- **following the restructuring of the Committee system, the terms of reference of each Committee should be in its own Standing Order;<sup>69</sup> and that**
- **amendment of any set of terms of reference (including a request to establish a Sub-Committee) should be considered by the Court only following a recommendation by the Governance and Nominations Committee.**

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<sup>69</sup> And so not combined with the Order of Appointment.

### *Aldermanic seats*

283. Even though they have their own Court of Aldermen, Aldermen sit as Members of the Court of Common Council, and, depending upon the terms of reference of individual Committees, have seats reserved for them.
284. In order to draw fully upon the resource represented by the Aldermen, **I recommend that there should be no bar, formal or by convention, to an Alderman being Chair of any Committee.**
285. If Aldermen were to be represented *pro rata* in the new Committee structure, they would account for one seat in every five. However, I do not recommend reserved places, which may well vary from Committee to Committee; this will be something for the new Governance and Nominations Committee to consider in making their recommendations.

### ***“Rapporteurs”***

286. In the leaner Committee structure, taking into account the considerable workload that will continue to fall upon Chairs of Committees, there may be a role for *rapporteurs*, in the Continental usage: Members taking the lead on particular subjects within a Committee’s area. This happens to some extent already, but in the context of smaller Committees it may be worth using more extensively.

**Governance Review: Member Engagement Sessions**  
**Committee Structures: General Issues, Making Best Use of Talent, and Principles**  
**Session 1, 24 March 2021**

**Present**

Sheriff Christopher Hayward (in the Chair)	Alderman Nicholas Lyons
Randall Anderson	Alderman & Sheriff Michael Mainelli
Deputy John Bennett	Paul Martinelli
Mark Bostock	Deputy Catherine McGuinness
Deputy Keith Bottomley	Deputy Robert Merrett
Deputy David Bradshaw	Deputy Brian Mooney
Mary Durcan	Deputy Barbara Newman
John Edwards	Graham Packham
Anne Fairweather	Susan Pearson
Helen Fentimen	Deputy Henry Pollard
Sophie Fernandes	Deputy Elizabeth Rogula
Marianne Fredericks	John Scott
Tracey Graham	Deputy Tom Sleigh
Caroline Haines	Deputy John Tomlinson
Ann Holmes	Mark Wheatley
Michael Hudson	Deputy Philip Woodhouse
Deputy Edward Lord	Alderman Sir David Wootton

**Introduction**

Sheriff Hayward, in the Chair, opened the meeting and thanked Members for joining today's session. He then introduced the session, setting out the process for Member consultation on relevant aspects of the review, with documents to inform the consultation session having been circulated in advance. Sheriff Hayward then summarised the references and recommendations with Lord Lisvane's review regarding the principles of committee structure.

**Recommendations: Members' Comments and Observations**

Members then proceeded to debate the various recommendations.

**Making best use of talent (Governance and Nominations Committee)**

With reference to Lord Lisvane's comments around making the best use of Members' skills and experience, the following comments were made either through discussion or in the chat bar:-

- Many Members spoke to express their robust opposition to the establishment of a Governance & Nominations Committee.
- In particular, Members expressed their concerns that Lord Lisvane had not taken into account adequately the democratic responsibility and accountability of Members, with it observed that ensuring this was accounted for was no less

important than identifying people to serve based on other desirable skills or expertise.

- The practice of the Corporation in electing to all committees and granting each the ability to elect its own chair was valued as being highly democratic, with it urged this not be unpicked.
- A Member observed that such a Committee could come into conflict with the Policy and Resources Committee at some stage, which would not be desirable.
- It was also suggested that the question of who selected the membership of such a Governance & Nominations Committee would be problematic, with it added that there was a risk around opacity in such a Committee's processes which were obviated by the straightforward votes at Court meetings.
- Members reflected on the current arrangements, whereby it was the responsibility of Members to do their best in convincing others they should be elected to assist a particular Committee or Board. Noting that Common Councillors were independents who were elected on the basis of what they individually had to offer, with their skills and experience usually forming a significant part of that offer, then part of Members' accountability to their electorate was to ensure that our internal processes make the most of those skills and experience.
- A Member commented on Lisvane's observations concerning the wealth of skills and experience amongst Members and the inabilities of the current structures and processes to facilitate their being put to best use. Whilst agreeing with Lisvane's assessment, they also felt that his proposed solution was not optimal, not least because of the potential problems around how that committee itself would be selected.
- Noting the appeal of such a Committee in terms of it potentially establishing a more consistent, open and transparent appointment process, a Member suggested that an alternative might be to make changes to the existing processes to allow for more informed and intelligent decision-making by the Court, using information on relevant skills, attendance records, and so on.
- It was also suggested that records should be kept of who stood for election to committees against who succeeded in being elected, and how that compared with the skills that relevant candidates had indicated they were able to offer. The rationale proposed was that, were Members cognisant that this was to happen and the relationship between ability and election being monitored, they might give more attention when casting their votes to the candidates' stated abilities to do the job, rather than simply voting for those they knew best.
- The use of skills matrices for committees, identifying the skills and experience they required to enhance their memberships, was also advocated, with it suggested that these be utilised when advertising for vacancies so as to help guide voting. It was noted that such skills shortlists were already utilised by some committees when advertising vacancies to good effect.

- The importance of finding some mechanism by which to get the right skills on to the right committees was emphasised, with Members echoing the feeling that considering how the election process worked and making refinements could be fruitful. In particular, if the Corporation was serious about supporting some of its institutions in being leading international brands, then there needed to be a concerted effort towards a greater understanding of those Boards' needs and an intelligent approach to meeting those needs.
- Some Members reflected on the recent work around competitiveness and the approaches taken to ensure the right skills could all feed in there, urging that thought be given to how aspects might be replicated across all of the Corporation's areas of activity.
- It was suggested that attendance records could be made known prior to elections, to help inform Member voting, perhaps together with information on how long that Member has already served on the committee in question.
- Whilst agreeing with the unsuitability of the nominations aspect of the proposed committee, a Member urged others not to forget the "governance" aspect of that prospective Committee. They advanced the need for a specific body to have oversight for corporate governance matters, noting that Policy & Resources Committee itself simply did not have the time to keep on top of such things; conversely, on those occasions when it did seek to exert some oversight, it faced criticism around acting in an executive or overbearing manner.

### **General Issues and Restructuring Principles**

During discussion of the various Lisvane recommendations in relation to general issues and restructuring principles, the following comments were made through discussion or in the chat bar:-

- With reference to the question as to whether the role of Members was executive or non-executive, it was suggested that this was a false dichotomy given the elected political nature of the organisation. In particular, the requirements of Members in relation to decision-making and accountability that emerged from these arrangements meant that Members were significantly more than non-executives in many areas. However, comments were made that Members should be focused more on questions of policy, strategy, and scrutiny than they necessarily always were in some cases.
- A Member spoke against proposals for officers to be more active in managing proceedings, noting this implied Members would be less active than now and would detract from their role and accountability to the electorate. Similarly, they argued against any move towards a reduction in report or minute length, as this could remove information Members required to make informed decisions.
- It was suggested that the current review presented a real opportunity to think about changes in terms of the assessment of committee effectiveness, with it argued that a process of evaluation enabling committees to assess their own

performance confidentially would be welcome. This would allow the Chair and other Members to assess what they were doing and continually improve the Committee or Board's efficacy.

- Several Members commented on the beneficial nature of 360 or other types of appraisals they had submitted themselves to whilst serving as a Chair.
- With reference to the advertising of vacancies and Lisvane's opposition to this, a Member observed that they struggled to see the rationale for not reminding people what vacancies were available.
- The proposal to strengthen terms of reference, reducing areas of overlap and guarding against mission creep, was supported.
- Similarly, a Member cautioned against the practice of ad hoc incremental changes to the structure once set, suggesting that this should be safeguarded against as piecemeal tinkering and picking apart of arrangements would otherwise lead to problems down the line.
- A suggestion was made that there might be a "one in, one out" principle applied to committees and related bodies, to help keep a tight grip on the governance structure.
- It was advised that there was no appetite from the Court of Aldermen to move away from the current convention concerning their eligibility for chairmanships, with it noted that very few committees were affected in any case and that it was already within the gift of a committee to go against this should it deem it appropriate in a certain case.
- With reference to the proposal relating to green impact assessments, a Member observed that this was vital and that plans were already in place through the Climate Action Strategy to embed this.
- The proposal for standardised Chair terms was challenged, with it observed that an increase to four years represented a significant additional ask in terms of commitment. The rationale for such a change and the benefits it would bring over current arrangements were also not immediately apparent; further, there was a risk that four-year terms would clash with electoral cycles.
- Several Members spoke against the recommendation to prevent past Chairs remaining on committees or serving as Deputy Chairs after their term of office, reflecting on the extremely useful nature of that handover process and the support provided in the transition. At a minimum, it was suggested by one Member, this should be a decision reserved to individual committees to determine as they saw fit in their own circumstances.
- A number of Members commented on the matter of term limits, observing that it was common practice in the corporate world and beyond. There were also several existing Corporation Committees with them in place. Whilst it was occasionally disappointing to lose an element of experience and continuity on Boards or Committees, it was vital in allowing fresh talent and ideas on board and, in the

Corporation context, would allow the Court to make better use of the broader skill sets of its Membership.

- Other Members echoed these comments, noting the predilection for serving Members on committees to be re-elected and a subsequent aversion to challenging incumbents. Term limits would be a useful mechanism by which to force the issue of turnover and allow for improved diversity of thought and background on committees.
- Conversely, other Members argued that blanket limits on maximum service were not helpful and risked losing invaluable expertise or skills from a particular forum. In particular, there was a suggestion that flexibility and pragmatism would be needed in the case of serving our outgoing Chairs.
- It was observed that there might be merit in pursuing a segmented approach, looking at the different types of organisations the Corporation supported and ensuring arrangements reflected best practice on Boards in each sector.
- In relation to the size of Committees, several Members agreed with Lisvane's general assertion that committees with more than a maximum of 15 Members were not well-suited to decision making, with smaller and more agile groups being more effective and facilitating a more expeditious decision-making process. However, there would need to be exceptions made in the case of Ward Committees, such as Planning, although some suggestions were made in relation to slimming down Ward Committees somewhat, such as through smaller Wards sharing appointment rights.
- It was observed by some that size in and of itself was no guarantee of effectiveness, with some of the current large committees being effective and some smaller ones being ineffective; size represented only part of the picture.
- There was some support for tightening the restrictions around the number of committees on which any Member could serve, although the view was expressed that a move to two was too extreme and a slightly larger number would be preferable.

### **Close**

Sheriff Hayward, in the Chair, then thanked Members for their attendance and contributions, and advised that one further session had been scheduled, which Members present could also attend if they wished to contribute more. Members were also encouraged to make further representations via email.

**Governance Review: Member Engagement Sessions**  
**Committee Structures - Principles: Session 2**  
**29 March 2021**

**Notes of Discussion**

**Present**

Sheriff Christopher Hayward (in the Chair)	Ann Holmes
George Abrahams	Deputy Jamie Ingham Clark
Randall Anderson	Deputy Clare James
Alexander Barr	Alderman Gregory Jones
Doug Barrow	Shravan Joshi
Peter Bennett	Alderman Vincent Keaveny
Mark Bostock	Alderwoman Sue Langley
Deputy Keith Bottomley	Vivienne Littlechild
Deputy Roger Chadwick	Deputy Edward Lord
Henry Colthurst	Alderman Ian Luder
James De Sausmarez	Paul Martinelli
Mary Durcan	Jeremy Mayhew
Deputy Kevin Everett	Deputy Catherine McGuinness
Helen Fentimen	Wendy Mead
Sophie Fernandes	Deputy Robert Merrett
John Fletcher	Alderman Sir Andrew Parmley
Marianne Fredericks	Judith Pleasance
Alderman John Garbutt	Ruby Sayed
Alderman Sir Roger Gifford	Deputy Tom Sleigh
Alderman Alison Gowman	Deputy John Tomlinson
Caroline Haines	James Tumbridge
Graeme Harrower	Alderman Sir David Wootton
Deputy Tom Hoffman	Dawn Wright

**Introduction**

Sheriff Hayward, in the Chair, thanked Members for joining and reminded attendees of the purpose and structure of today's informal engagement session.

**Recommendations: Members' Comments and Observations**

Members then proceeded to debate the various recommendations.

**Making best use of talent (Governance and Nominations Committee)**

With reference to Lord Lisvane's comments around making the best use of Members' skills and experience, the following comments were made either through discussion or in the chat bar:-

- Whilst recognising the need to improve the exploitation of Members' skills within decision-making arrangements, Members nevertheless were opposed to the establishment of a Governance & Nominations Committee, arguing that this would



not be the correct way to address this problem and that such a body felt inherently undemocratic.

- One Member suggested that the committee proposal sought to address the problem from the wrong end; rather, there should be compiled a directory of Members' skills so that on voting Members could see which candidates had what skill sets, compared with the relevant committee's needs. This would allow for Members to make informed and reasoned choices. Several Members echoed the proposal for a skills register of this nature, with it suggested that forms could be completed on election and updated regularly thereafter.
- Linked to this were various comments in relation to the importance of committees undertaking self-assessment and identifying required skills, allowing for these to be advertised and for election processes to be informed accordingly.
- A suggestion made at the previous session was reiterated, advocating that records should be kept of who stood for election to committees against who succeeded in being elected, and how that compared with the skills that relevant candidates had indicated they were able to offer. The rationale proposed was that, were Members cognisant that this was to happen and the relationship between ability and election being monitored, they might give more attention when casting their votes to the candidates' stated abilities to do the job, rather than simply voting for those they knew best.
- A suggestion was also made that attendance records should be published prior to elections, although there was some difference of opinion on this proposal.
- Some Members expressed their concern in respect of any limitation or bar on service linked to skills, arguing that it was for the City's electorate alone to determine who they wished to serve on their behalf in discharging the various duties of the Corporation. Responding to this point, another Member observed that it was not only the electorate whom Members needed to bear in mind as there were many other stakeholders with a key voice, given the City's wider non-local authority functions. For instance, there were various consultative partners at the open spaces, students at the family of schools, housing residents outside City, those to whom the Corporation had Trustee duties, and so on, who should not be forgotten.
- Other Members, whilst agreeing it would be helpful to identify skills needed and create a corresponding skills register, cautioned that the elephant in room was that it relied on Members voting fairly and honestly; it was urged that the structures and culture of the process be altered to ensure efficacy.
- Another note of caution was expressed insofar as it may well transpire the skills sought by committees were concentrated in the hands of too few Members; training, therefore, would be of the utmost importance to ensure that Members were able to acquire any skills required.

## **General Issues and Principles**

During discussion of the various Lisvane recommendations in relation to general issues and restructuring principles, the following comments were made either through discussion or in the chat bar:-

- With reference to the question as to whether the role of Members was executive or non-executive, several Members commented on the tendency to get too involved on the executive side and urged for more of a focus on strategic matters.
- A suggestion was made that Members should be more non-executive in their approach whilst still retaining accountability, utilising greater delegation and better-quality reports from officers.
- However, Members also reflected on the fundamentally different nature of their role to those of councillors at local authorities or non-executives in the corporate world, noting that there was much greater accountability and power vested in Members at the City Corporation, so the analogy was not a helpful one.
- The range of local authority, policy authority, private, and charitable functions meant that it was too nuanced and complex a piece to apply business nomenclature such as “non-executive” to Members, as this created confusion and misunderstood the role of elected politicians as responsible to the electorate for decisions. Instead, it would be better to consider identify and define the distinction between officer and Member roles more effectively.
- A Member observed that different types of organisations needed different governance arrangements and that this was also true within the City Corporation, with the different services it oversaw, so variation across committees could be sensible to reflect what was required by service area; however, the Member role must be clearly differentiated in each case, with a focus on policy and strategy and the application of resources, so that officers can then implement the decisions, with members scrutinising and holding them to account for delivery.
- In relation to the convention by which Aldermen did not serve as Chair of certain committees, a Member reflected on potential continuity problems caused should a Commoner be elected as an Alderman during their tenure as Chair. They suggested that it would be reasonable to at least say that individuals so-affected to be permitted to continue their term, adding that they saw no need for the more generally in any case if the individual had the ability, time, inclination, and support of the Committee to serve.
- A Member endorsed the proposal to reduce the size of committee reports and agendas, with another suggesting that committee reports should comprise a two-page summary, with absolute clarity on the relevant issues to consider. It was also proposed that, when setting agendas, decision-making items should be brought to the fore.
- It was suggested that reports were overly discursive at present and could be altered to provide more of “pros and cons” approach, succinctly setting out issues, advantages and disadvantages, and making recommendations based on analysis.

- An argument was also advanced that there should be much stricter rules around “for information” items, with them either omitted from agendas or placed in a separate appendix. However, it was observed that there were some information items, particularly on the local authority side, where discussion or input was necessary (or even required for inspection purposes); a means of differentiating should be sought.
- A suggestion was made for a “best practice in committees” guide to be produced, to help remind Chairs and Members how they should be seeking to operate.
- The heavy workload of Chairs was referenced, as was their importance in ensuring committees were effective: appropriate training should be made available to assist in this role.
- Some Members expressed support for the streamlining of minutes proposed by Lord Lisvane, with one suggestion being that they should largely be limited to decisions and actions; however, others commented that the current quality of minutes was high and that, should they be shortened, there was a transparency concern as it made it much more difficult for those not present at a meeting to understand what had taken place. Comments were also made following the meeting in relation to the requirement to evidence discussion of certain items under various inspection regimes.
- Whilst some Members agreed with the suggestion that a Chair should step down from a committee once they had finished their term and not act as Deputy Chair, others disagreed and spoke of the value inherent in the transition process and their support for a new Chair.
- In relation to committee size, several Members ventured that smaller committees were better at making decisions and agreed that 12-15 was a good target for new sizing; however, ward committees would need to be retained for some functions, with it suggested that they perhaps be reserved for local authority roles or services.
- A Member also commented that there were some benefits to larger committees, such as the greater cross-pollination of thoughts, and reflected on their own experiences in finding such larger bodies no more difficult to chair than a smaller group.
- A Member observed that term limits would be an important part of achieving the move towards smaller committees, with others adding that the refreshment and churn of membership provided through term limits was vital.
- Broad support for term limits was expressed by several Members, with it noted this was the norm in the world of corporate governance and that it was useful in achieving turnover and introducing diversity to Boards.
- However, it was also observed that the Corporation already had many such term limits in place where required and that, in other cases, the importance and value corporate memory from those with long service on committees should not be underestimated. This had been a strength of the Corporation for years and some Members urged that this not be dispensed with so readily.

- One Member agreed with the suggestion to cease re-advertising vacancies, suggesting a bulletin board could be used instead; however, another Member stated they saw no reason to change from the current process.
- There was some support for the decrease in the number of committees Members were permitted to serve on, although it was felt perhaps too extreme to reduce the limit to two, with four suggested as an alternative.
- A Member observed that a key problem with the current system was that too many items went to too many committees, arguing that a guiding principle for any new system should be that decisions and consideration of reports be limited to no more than a certain small number of bodies (for example, one spend committee and one corporate committee), as well as the Court if of sufficient magnitude. The importance of setting and maintaining clear Terms of Reference to facilitate this was emphasised. Several Members echoed the views expressed.
- Whilst some support for greater or enhanced delegations to officers was expressed, there was some caution articulated in relation to reducing the number of meetings if this meant relying on urgency procedures more.
- Other Members echoed the need for greater delegations, which would be integral to achieving a more efficient process, reflecting on such steps which had worked well for the Property Investment Board or City Bridge Trust, allowing the committee to focus properly on more strategic matters. There was a tendency to micro-manage on some committees at present due to their size; refocusing delegations could help with this.
- It was suggested that existing officer delegations should be reviewed with a view to identifying where delivery problems were and then make suggestions based on those outcomes.
- There was some support expressed for the appraisal of Chairs, although this would need to be managed in a suitable way.
- The use of joint committees was supported, provided they were used in the right way.
- With reference to the proposal for “rapporteurs” or lead Members, it was observed this was in place already for some committees and worked well, so should be replicated.

#### **Additional Comments received after the Engagement Session meetings**

Following the two engagement sessions, a number of further comments / points of clarification were submitted by Members who had either been in attendance and wished to make additional points, or who had not been able to attend due to personal circumstances and wished for their views to be recorded:

- Firm opposition was expressed in relation to any Governance & Nominations Committee. One Member suggested it would constitute failing the electorate if every Member did not have an equal opportunity to serve on every committee, adding that the prospect of a cohort of Members deciding upon the fitness of their colleagues to serve was entirely unsavoury.

- A Member provided an analysis relating to those standing for election at the next meeting of the Court of Common Council, noting that of the 20 existing Committees or Boards with vacancies:
  - In 12 cases, 60%, all exiting members are seeking re-appointment;
  - In just 4 cases, 20%, members are standing down voluntarily.
  - In 4 cases, 20%, a maximum length of service is forcing a change.

Therefore, if the Court was serious about wishing to enhance its good governance, then there was a clear need to put in place more restrictions on length of service in order to help with the change of personnel on Committees.

- Several Members articulated support for a change to the cycles associated with committees, reducing frequency of meetings and staggering their scheduling more appropriately to facilitate a more expeditious decision-making process. This would go hand-in-hand with a reduction in the number of committees to which any report might be presented, as well as improved methods relating to delegations (whether that be to officers or enhancing the Court's own delegated authority arrangements in Standing Orders).
- A Member also expressed frustration at the prevalence with which they saw the same items at different committees, causing unnecessary duplication of effort and a drain on Members' time.
- Whilst recognising the need for certain skills on particular Boards, a Member also observed the important role played by those without a specialist background, who could provide a challenge or critique by looking through a different lens and help identify novel solutions to problems.
- Similarly, there was a need to allow for individuals to be trained and develop certain skills, rather than simply appointing those with weighty experience each time. This was particularly true in relation to the lack of diversity in certain areas and the importance of helping to cultivate diversity of thought and background on Boards generally. Appropriate training should be made readily available throughout Members' tenure on committees.
- A Member expressed their view that the current operation of committees was not overly problematic and could be refined minimally to achieve improvements, without overturning the entire structure necessarily.
- There was some support for term limits, with 9 years being generally favoured.

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