



Finance Committee

Date: TUESDAY, 14 JUNE 2022

Time: 12.45 pm

Venue: COMMITTEE ROOM - 2ND FLOOR WEST WING, GUILDHALL

Members:	Deputy Henry Colthurst (Chairman)	Alderwoman Susan Langley
	Deputy Randall Anderson (Deputy Chairman)	Gregory Lawrence
	Munsur Ali	Tim Levene
	Deputy Rehana Ameer	Paul Martinelli
	Shahnan Bakth	Catherine McGuinness
	Emily Benn	Deputy Andrien Meyers
	Nicholas Bensted-Smith	Deputy Brian Mooney
	James Bromiley-Davis	Eamonn Mullally
	Alderman Professor Emma Edhem	Deputy Nighat Qureishi
	Alderman Sir Peter Estlin	Paul Singh
	Sophie Anne Fernandes	Tom Sleigh
	Steve Goodman OBE	Deputy Sir Michael Snyder
	Martha Grekos	Deputy James Thomson
	Deputy Madush Gupta	James Tumbridge
	Deputy Ann Holmes	Mark Wheatley
	Alderman Robert Hughes-Penney	Deputy Philip Woodhouse
	Wendy Hyde	Deputy Christopher Hayward, Policy and Resources Committee (Ex-Officio Member)
	Elizabeth Anne King	Deputy Keith Bottomley, Policy and Resources Committee (Ex-Officio Member)

Enquiries: John Cater
john.cater@cityoflondon.gov.uk

Accessing the virtual public meeting

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

<https://youtu.be/o0bnhDh-4iw>

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.

Lunch will be served prior to the meeting

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. **VOTE OF THANKS**
The Town Clerk to be heard.

For Decision
4. **MINUTES OF THE PREVIOUS MEETING**
To agree the public minutes and non-public summary of the meeting held on 3 May 2022.

For Decision
(Pages 7 - 14)
5. **FINANCE COMMITTEE'S FORWARD PLAN**
Report of the Chamberlain.

For Information
(Pages 15 - 16)
6. **REPORT OF THE WORK OF THE SUB-COMMITTEES**
Report of the Town Clerk.

For Information
(Pages 17 - 18)
7. **CHAMBERLAIN'S & CHIEF OPERATING OFFICER'S DEPARTMENTAL RISK MANAGEMENT - MONTHLY REPORT**
Report of the Chamberlain

For Information
(Pages 19 - 34)
8. **RESPONSIBLE PROCUREMENT POLICY UPDATE**
Report of the Chief Operating Officer.

For Decision
(Pages 35 - 38)

9. **CENTRAL GRANTS UNIT - ANNUAL REPORT**
Report of the Managing Director, Bridge House Estates, City Bridge Trust
For Information
(Pages 39 - 60)
10. **BENEFITS IN KIND - ANNUAL REPORT**
Report of the Managing Director, Bridge House Estates, City Bridge Trust
For Information
(Pages 61 - 68)
11. **CENTRAL CONTINGENCIES**
Report of the Chamberlain
To be considered in conjunction with the non-public appendix at Item 17.
For Information
(Pages 69 - 70)
12. **QUESTIONS ON MATTERS RELATING TO THE WORK OF THE COMMITTEE**
13. **ANY OTHER BUSINESS THAT THE CHAIRMAN CONSIDERS URGENT**
14. **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 I of Schedule 12A of the Local Government Act.

For Decision

Part 2 - Non-Public Agenda

15. **NON-PUBLIC MINUTES OF THE PREVIOUS MEETING**
To agree the non-public minutes of the meeting held on 3 May 2022.
For Decision
(Pages 71 - 74)
16. **NON-PUBLIC REPORT OF THE WORK OF THE SUB-COMMITTEES**
Report of the Town Clerk
For Information
(Pages 75 - 76)

17. **NON-PUBLIC APPENDIX TO ITEM 11 (CENTRAL CONTINGENCIES)**

To be considered in conjunction with the report at Item 11.

For Information
(Pages 77 - 78)

18. **CITY FUND: 21-26 GARLICK HILL, EC4 - SALE OF A LONG LEASEHOLD INTEREST**

Report of the City Surveyor

For Decision
(Pages 79 - 86)

19. **NON-PUBLIC QUESTIONS ON MATTERS RELATING TO THE WORK OF THE COMMITTEE**

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

Part 3 - Confidential Agenda

21. **CONFIDENTIAL MINUTES**

To agree the confidential minutes of the meeting held on 3 May 2022.

For Decision

22. **IT SERVICE TRANSITION PROGRAMME**

Report of the Chief Operating Officer

For Decision

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FINANCE COMMITTEE

Tuesday, 3 May 2022

Minutes of the meeting of the Finance Committee held at Guildhall, EC2 on Tuesday, 3 May 2022 at 1.45 pm

Present

Members:

Deputy Rehana Ameer	Elizabeth Anne King
Deputy Randall Anderson	Alderswoman Susan Langley
Shahnan Bakth	Gregory Lawrence
Emily Benn	Tim Levene
Nicholas Bensted-Smith	Paul Martinelli
James Bromiley-Davis	Deputy Andrien Meyers
Deputy Henry Colthurst	Deputy Brian Mooney
Alderman Professor Emma Edhem	Deputy Nighat Qureishi
Sophie Anne Fernandes	Paul Singh
Steve Goodman OBE	Tom Sleigh
Martha Grekos	Deputy Sir Michael Snyder
Deputy Madush Gupta	Deputy James Thomson
Deputy Ann Holmes	Deputy Philip Woodhouse
Alderman Robert Hughes-Penney	Catherine McGuinness (Ex-Officio Member)
Wendy Hyde	Deputy Christopher Hayward (Ex-Officio Member)

Officers:

John Cater	- Committee Clerk
Bob Roberts	- Director of Communications
Caroline Al-Beyerty	- Chamberlain's Department
Emma Moore	- Chief Operating Officer
Michael Cogher	- Comptroller and City Solicitor
Paul Wilkinson	- City Surveyor
Sonia Virdee	- Chamberlain's Department
Simon Owen	- Chamberlain's Department

1. APOLOGIES

Apologies for absence were received from Munsur Ali, Alderman Sir Peter Estlin, Eamonn Mullally, James Tumbridge, and Mark Wheatley.

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

There were no declarations of interest.

3. **ORDER OF THE COURT OF COMMON COUNCIL**

The Committee received the Order of the Court of Common Council from Thursday, 21st April 2022 appointing the Finance Committee until the first meeting of the Court in April 2023.

4. **ELECTION OF CHAIRMAN**

A list of Members who had expressed an interest in and were eligible to stand was read by the Town Clerk; Deputy Henry Colthurst and Deputy Andrien Meyers both expressed a willingness to serve.

A ballot was therefore necessary.

A ballot having been taken, votes were cast as follows:-

Deputy Henry Colthurst	-	16 votes
Deputy Andrien Meyers	-	13 votes

RESOLVED – That Deputy Henry Colthurst be elected Chairman in accordance with Standing Order 29 for the year ensuing.

On being elected, the Chairman thanked the Committee for its support and pledged to ensure that the Committee meets its vital responsibilities to the City Corporation as it navigates what will be challenging times ahead.

5. **ELECTION OF DEPUTY CHAIRMAN**

A list of Members who had expressed an interest in and were eligible to stand was read by the Town Clerk; Deputy Rehana Ameer, Deputy Randall Anderson, and Tom Sleigh all expressed a willingness to serve.

A ballot was therefore necessary.

A ballot having been taken, votes were cast as follows:-

Deputy Rehana Ameer	-	11
Deputy Randall Anderson	-	9
Tom Sleigh	-	9

As a clear majority of the vote was required for an outright win in this first round) a run-off vote was required to determine the Member who would enter the final ballot against Deputy Ameer.

The run-off ballot votes were cast as follows:-

Deputy Randall Anderson	-	16
Tom Sleigh	-	13

Subsequently, the votes for the final ballot, to determine the Deputy Chairman, were cast as follows:-

Deputy Rehana Ameer	-	14
Deputy Randall Anderson	-	15

RESOLVED – That Deputy Randall Anderson be elected Deputy Chairman in accordance with Standing Order 30 for the year ensuing.

On being elected, the Deputy Chairman thanked the Committee for its support.

6. **MINUTES OF THE PREVIOUS MEETING**

RESOLVED – That the public minutes and non-public summary of the meeting held on 15th February be approved as an accurate record.

7. **APPOINTMENT OF SUB-COMMITTEES AND REPRESENTATIVES ON OTHER COMMITTEES**

The Committee considered a Report of the Town Clerk concerning the appointment of the Committee's Sub Committees for 2022/23, their composition and Terms of Reference, and the appointment of representatives to several other City Corporation positions.

At the Chairman's suggestion, the Committee agreed to reduce the minimum composition of the Efficiency & Performance Sub-Committee to six Members and to reduce its meeting frequency from six to four sessions annually.

The Chairman also proposed trialling an earlier start time for the Grand Committee of 12.45pm. This would, it was hoped, go some way to assisting many Members when planning the rest of their working day. A review would be undertaken at the September Finance Committee meeting to see if this new time should be made permanent.

RESOLVED - that the Committee:

Agreed the composition and Terms of Reference of the following Sub-Committees:

- Efficiency & Performance Sub-Committee
- Financial Investment Board (Joint with Policy & Resources Committee)
- Property Investment Board (Joint with Policy & Resources Committee)
- Operational Property & Projects Sub-Committee (Joint with Policy & Resources Committee)

Agreed that the Chairman and Deputy Chairman of the Grand Committee are appointed to the following Sub-Committees:

- Efficiency & Performance Sub-Committee
- Operational Property & Projects Sub-Committee

Agreed that the Chairman or Deputy Chairman, or their nominee from the Grand Committee are appointed to:

- Financial Investment Board
- Property Investment Board

Agreed to delegate to the Chairman and Deputy Chairman the appointment of the Chairman and Deputy Chairman of the Efficiency & Performance Sub-Committee.

Noted that the Chairman and Deputy Chairman of the following Sub-Committees are due to be elected from and by its Membership at their respective first meetings.

- Financial Investment Board
- Operational Property & Projects Sub-Committee
- Property Investment Board

Noted the appointment of the following members of other Committees to its Sub-Committees:

- Financial Investment Board (up to two Members of Policy & Resources Committee, up to two additional Members of the Court of Common Council and up to four External Members)
- Operational Property and Project Sub-Committee (up to four Members of Policy & Resources Committee and up to two additional Members of the Court of Common Council)
- Property Investment Board (up to two Members of Policy & Resources Committee, two additional Members of the Court of Common Council and up to four External Members.)

Agreed the appointment of Members to the following Sub-Committees:

- Efficiency & Performance Sub-Committee
 - **Nick Bensted-Smith**
 - **Deputy Philip Woodhouse**
- Financial Investment Board – 2 vacancies
 - **Shahnan Bakth**
 - **Nick Bensted-Smith**
- Operational Property & Projects Sub-Committee – 3 vacancies
 - **Paul Martinelli**
- Property Investment Board – 2 vacancies
 - **Martha Grekos**
 - **Paul Singh**

Agreed the appointments of representatives to the following Committees and Sub-Committees:

- Corporate Services (formerly Establishment) Committee - 1 vacancy
 - **Steve Goodman**
- Barbican Centre Board - 1 vacancy
 - **Ann Holmes**
- Streets and Walkways Sub (Planning & Transportation) Committee - 1 vacancy
 - **Paul Martinelli**

In addition to the Chairman and the Deputy Chairman, agreed the appointment of a representative for informal consultation with the Court of Aldermen and the Policy and Resources Committee on Mayoralty and Shrievalty Allowances

- **Nick Bensted-Smith**

Noted that the Chairman and Deputy Chairman of the Finance Committee will be Members of the:

- Fraud and Cyber Crime Reporting and Analysis Service Procurement Committee, Capital Buildings Board (Policy & Resources Committee),
- Civic Affairs Sub (Policy and Resources Committee) and:
- Resource Allocation Sub (Policy and Resources) Committee.

Noted that the Chairman and Deputy Chairman will be ex-officio Members of the following Committees and working parties:

- Policy & Resources Committee
- Audit and Risk Management Committee
- Digital Services Committee (or their nominee)

Noted that the Chairman (or his nominee) will be an ex-officio Member of the following Committees:

- Communications Sub Committee (Policy and Resources) Committee
- Resource, Risk & Estates (Police) Committee
- House Committee of the Guildhall Club
- Mayoral Visits Advisory Committee (Chairman only)

Agreed that the Committee should continue to meet “every fourth week on Tuesdays” with the exception of recess periods.

8. **FINANCE COMMITTEE'S FORWARD PLAN**

The Committee received a Report of the Chamberlain outlining the Committee's workplan for the next several months.

RESOLVED – That the Report be noted.

9. **RISK MANAGEMENT - MONTHLY QUARTERLY REPORT**

The Committee considered a Joint Report of the Chamberlain and the Chief Operating Officer which provided updates regarding the top risks within the Departmental Risk Register.

In response to a Member's request to explain the methodology of the risk scoring matrix, the Chairman asked the Chamberlain to come back to the Member after the meeting with the relevant information.

RESOLVED – That the Report be noted.

10. **RENTAL INCOME AND BUSINESS RATE UPDATE**

The Committee received a Report of the Chamberlain concerning an update on rental income and Business Rates.

In response to a query concerning rental concessions, the City Surveyor confirmed that the City Corporation had entered into a number of turnover rents for twelve-month periods. Whilst several of these had been extended recently, the majority were due to expire in the next 3 – 6 months. As the government mandated moratorium preventing enforcement action against tenants who were in arrears had expired, the City was now negotiating with a number of tenants in this position. The Surveyor added that he was uncomfortable with the overall level of arrears the City faced. In response to a request from the Chairman, confirmed that he would provide the Committee with an overview paper setting out the schedule of arrears, after review by the Property Investment Board.

RESOLVED – that the Report be noted.

11. WATER CHARGES REFUND

The Committee considered a Report of the Chamberlain concerning HRA water charges refunds.

RESOLVED – that the Committee endorsed a grant from City's Cash of £730,897 to the Housing Revenue Account in 2021-22.

12. CHAMBERLAIN'S DEPARTMENTAL BUSINESS PLAN END OF YEAR UPDATE

The Committee received a Report of the Chamberlain concerning the Chamberlain's Departmental Business Plan.

RESOLVED – that the Report be noted.

13. INTEREST RATES FOR LOAN FACILITIES - ANNUAL REVIEW

The Committee considered a Report of the Chamberlain concerning the Corporation's loan facility arrangements to the institutional departments and third party bodies within the City of London Corporation 'family'.

RESOLVED – that :

- the interest rate for loan facilities for City's Cash should remain at 2.35%;
- the interest rate for loan facilities for City Fund should be the PWLB rate for the relevant tenure prevailing on the date the loan is agreed; and
- these rates should be reviewed in 12 months' time.

14. CENTRAL CONTINGENCIES

The Committee received a Report of the Chamberlain advising the current balance of the Finance Committee Contingency Funds for the current year.

RESOLVED – that the Report be noted.

15. DECISIONS TAKEN UNDER DELEGATED AUTHORITY AND URGENCY PROCEDURES

The Committee received a Report of the Town Clerk which provided information of the action taken by the Town Clerk since the last meeting of the

Committee, in consultation with the Chairman and Deputy Chairman, in accordance with Standing Orders 41(a) and 41(b).

RESOLVED – That the Report be noted.

16. QUESTIONS ON MATTERS RELATING TO THE WORK OF THE COMMITTEE

Questions were raised as follows -

In response to a Member's request that development training sessions be set up, the Chamberlain informed the Committee that several training opportunities were available, notably in conjunction with the Chartered Institute of Public Finance and Accountancy (CIPFA) and that she would speak to the Chairman after the meeting to discuss options. The Chairman added that he would like to introduce "open door surgery sessions" for Members on a weekly basis, where Members could meet the Chamberlain and the Chairman informally to raise questions and discuss relevant issues. Further details would be provided by the Committee Clerk in due course.

Separately, in response to a Member's suggestion that reports should include a short commentary regarding value-for-money and benefits realisation, the Chairman stressed that, where appropriate, reports and officers should focus on value-for-money as a core priority.

17. ANY OTHER BUSINESS THAT THE CHAIRMAN CONSIDERS URGENT

There were no urgent items.

18. EXCLUSION OF THE PUBLIC

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

19. NON-PUBLIC MINUTES OF THE PREVIOUS MEETING

RESOLVED – That the non-public minutes of the meeting held on 15th February be approved as an accurate record.

20. EXTENSION OF SECURITY SERVICES CONTRACT

The Committee considered a Report of the Chief Operating Officer concerning the procurement strategy to extend the existing security services contract.

21. CITY FUND - HEADLEASE RESTRUCTURE - 280 BISHOPSGATE, EC2

The Committee considered a Report of the City Surveyor concerning 280 Bishopsgate EC2.

22. CITY'S ESTATE - SURRENDER OF LEASE: 2ND FLOOR, THE COURTYARD, 1-7 ALFRED PLACE/220-226 TOTTENHAM COURT ROAD - BUSINESS CLUBS LIMITED

The Committee considered a Report of the City Surveyor concerning the 2nd Floor, The Courtyard, 1-7 Alfred Place/220-226 Tottenham Court Road .

23. **CITY'S ESTATE - LONG LEASE SALE OF 25-27 STORE STREET, LONDON, WC1**
The Committee considered a Report of the City Surveyor concerning 25-27 Store Street, London WC1.
24. **NON-PUBLIC APPENDIX (ITEM 14 - CONTINGENCIES)**
The Committee noted the non-public appendix to ITEM 14 (Contingencies).
25. **NON-PUBLIC DECISIONS TAKEN UNDER DELEGATED AUTHORITY AND URGENCY PROCEDURES**
The Committee noted a report of the Town Clerk detailing a non-public decision taken under urgency procedures since the last meeting.
26. **NON-PUBLIC QUESTIONS ON MATTERS RELATING TO THE WORK OF THE COMMITTEE**
There were no non-public questions relating to the work of the Committee.
27. **ANY OTHER BUSINESS THAT THE CHAIRMAN CONSIDERS URGENT AND WHICH THE COMMITTEE AGREE SHOULD BE CONSIDERED WHILST THE PUBLIC ARE EXCLUDED**
The Committee considered an item of urgent business relating to the City Fund Accounts.
28. **CONFIDENTIAL MINUTES**
RESOLVED – That the confidential minutes of the meeting held on 15th February be approved as an accurate record.

The meeting ended at 3.25 pm

Chairman

Contact Officer: John Cater
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FINANCE COMMITTEE – WORK PROGRAMME 2022

	May -22	June-22	July-22	Sept-22	Oct-22	Nov-22	Dec-22	Jan-23
Budget Setting Process & Medium-Term Financial Planning			Update on Budget setting approach 22/23			Finance Committee' s Estimate report	Autumn Budget	2023/24 Annual Capital Bids
Effective Financial Management Arrangements for The City Corporation	Rental Income and Business Rate update Interest rates for Loan Facilities		Capital Funding Update Q1 Capital Outturn Q1 Budget Monitoring Q1 Provision for Bad and Doubtful Debts Rental Income and Business Rate update Q1	City Re Limited – performance monitoring	Q2 Budget monitoring	Capital Projects - Forecasting		Q3 Budget monitoring
Financial Statements						City's cash financial statements City's Cash trust funds and sundry trust funds annual reports and financial statements	City Fund and Pension Fund statement of accounts	
Finance Committee as a Service Committee	Central Contingencies Risk Management – Quarterly Report Chamberlains Business plan End of Year update IT Division Q update	Central Contingencies Risk Management - Monthly Report City Procurement Q Update	Central Contingencies Risk Management Monthly Report Chamberlains Business plan Q report	Central Contingencies Risk Management Quarterly Report IT Division Q update	Central Contingencies Risk Management Monthly Report City Procurement Q update	Central Contingencies Risk Management monthly report Chamberlains Business plan Q update	Central Contingencies Risk Management Quarterly report IT Division Q update	Central Contingencies Risk management – Monthly report City Procurement Q update

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Committee(s)	Dated:
Finance Committee	14 June 2022
Subject: Report of the Work of the Sub-Committee(s)	Public
Which outcomes in the City Corporation's Corporate Plan does this proposal aim to impact directly?	N/A
Does this proposal require extra revenue and/or capital spending?	Y/N
If so, how much?	N/A
What is the source of Funding?	N/A
Has this Funding Source been agreed with the Chamberlain's Department?	N/A
Report of: Town Clerk	For Information
Report author: John Cater, Committee Clerk, Finance Committee	

Summary

On 19 July 2016, the Finance Committee agreed that, in addition to draft minutes of Sub-Committee meetings, short reports be provided to advise the Committee of the main issues considered by the Sub-Committees at recent meetings. This report sets out some of the main public issues considered by the following Sub Committees since 3rd May 2022:

Operational Property and Projects Sub Committee – 30th May 2022

At its inaugural meeting, the Sub Committee elected Alderman Tim Hailes as its Chair and Deputy Shravan Joshi as its Deputy Chair, and appointed Deputy Michael Cassidy and Anett Rideg as its Co-opted Members.

The Sub Committee considered a number of reports for decision and approved: -

- Project Governance: Interim Arrangements for Project Governance, including a temporary request for delegated authority to Tier 1 Chief Officers to approve all reports for projects with an estimated cost of below £1m (excluding risk).
- Responsible Procurement Policy Update
- Cyclical Works Programme 2021/22 Outturn and Carry Forward Report
- Gateway 1-4 – Barbican Estate Tower Lift Refurbishment
- Gateway 1-5 – IT Member Device Refresh
- Gateway 2 Issue – 1 Broadgate Section 278 Highway Works
- Gateway 2 – Wood Street Police Station S278
- Gateway 2 - 100 Fetter Lane s278
- Gateway 2 - Cool Streets and Greening Programme: City Greening and Biodiversity Project
- Gateway 2 - BEMS Upgrade Programme – Phase 2
- Gateway 2 - Parliament Hill Athletics Track Resurfacing
- Gateway 2 - Leadenhall Street Traffic Management- Eastern City Cluster
- Gateway 3-5 - Energy Reduction Programme: Tower Hill Coach & Car Park Lighting and Ventilation Upgrades

- Gateway 6 - 60 London Wall S278
- Gateway 6 - Provision of car park charging infrastructure across the Commons Division at car parks at Burnham Beeches, Riddlesdown and Farthing Downs

The Sub Committee also received a number of items for information.

Financial Investment Board – 31st May 2022

At its first meeting following its reconstitution, the Board elected Deputy Andrien Meyers as its Chair and Shahnaz Bakth as its Deputy Chair, and appointed Deputy Henry Pollard and Deputy Philip Woodhouse as its Co-opted Members.

The Board received a Treasury Management Update as at 31 March 2022 and agreed amendments to the Board's Risk Register.

Recommendations

The Committee is asked to note the report.

John Cater

Senior Committee Services Officer, Town Clerk's Department

john.cater@cityoflondon.gov.uk

Committee(s)	Dated:
Finance Committee	14 June 2022
Subject: Chamberlain's & Chief Operating Officer's Departmental Risk Management – Monthly Report	Public
Does this proposal require extra revenue and/or capital spending?	No
If so, how much?	N/A
What is the source of Funding?	N/A
Has this Funding Source been agreed with the Chamberlain's Department?	N/A
Report of: Chamberlain & Chief Operating Officer	For Information
Report author: Hayley Hajduczek, Chamberlain's Department Sam Kay, Chief Operating Officer's Department	

Summary

This report has been produced to provide Finance Committee with an update on the most significant risks faced by the Chamberlain's and Chief Operating Officer's departments.

There are currently no RED risks on the Corporate Risk Register within the responsibility of the Chamberlain or the Chief Operating Officer. There are no RED risks on the Chamberlain's departmental risk register or the Chief Operating Officer's departmental risk register.

The Chamberlain's and Chief Operating Officer's Senior Leadership Teams continue to monitor closely the progress being made to mitigate all risks on the risk register (appendix 1).

Recommendation(s)

Members are asked to note the report.

Main Report

Background

1. The Risk Management Framework of the City of London Corporation requires each Chief Officer to report regularly to Committee the key risks faced in their department. Finance Committee has determined that it will receive the Chamberlain's risk register on a quarterly basis with update reports on RED rated risks at the intervening Committee meetings. Due to the changes made to the organisation via target operating model the Chief Operating Officer has taken over the management of the IT division and City Procurement from the Chamberlain, so this report has been written jointly by both departments.

Current Position

2. This report provides an update on the current risks that exist in relation to the operations of the Chamberlain's department and Chief Operating Officer's Department. It is to be noted that there are currently no RED risks on the Chamberlain's or Chief Operating Officer's risk register, however close monitoring continues for all risks.
3. Following discussions at the last meeting of this committee CR35 Unsustainable Medium-Term Finances risk has been refocused to ensure it covers the most significant risks to the City Corporation's the Medium Term Finances. As of this update the risk score remains at 12 (amber). There has been no event to cause a trigger (as agreed by this committee) to increase this score the full detail of this risk can be found in appendix 1.

Conclusion

4. Members are asked to note the actions taken by Chamberlain's Department and Chief Operating Officer's Department to manage all risks. Actions aim to continue monitoring and reducing the risk level and will be reported on at future Finance Committees.

Appendices

- Appendix 1 - Departmental Risk Registers

Background Papers

Quarterly Reports to Finance Committee: Finance Committee Risk

Hayley Hajduczek

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Chamberlain's Department

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Samantha Kay

Head of IT Business Management & Performance
Chief Operating Officer

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Appendix 1 - CHB & COO Corporate and departmental

Report Author: Hayley Hajduczek

Generated on: 31 May 2022

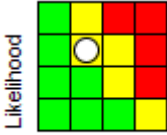
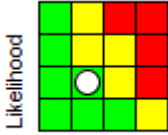



Risk no, title, creation date, owner	Risk Description (Cause, Event, Impact)	Current Risk Rating & Score		Risk Update and date of update	Target Risk Rating & Score		Target Date/Risk Approach	Current Risk score change indicator
<div>Page 21</div> 135 Unsustainable Medium Term Finances	<p>Causes: High inflation –Office for Budget Responsibility forecasting peak in Autumn 2022 Contraction in key income streams and increase in bad debts following post pandemic change in working practices Police Transform programme fails to realise the budget mitigations anticipated within the MTFP Anticipated decline in public sector funding (local government and Police), increasing demands (revenue and capital) and an ambitious programme of major project delivery threaten our ability to continue to deliver a vibrant and thriving Square Mile</p> <p>Event: Inability to contain financial pressures within year (2022/23) and compensatory savings and/or income generation to meet the Corporation's forecast medium term financial deficit will not be realised.</p> <p>Effects: Additional savings over and above those identified through the Fundamental Review to meet this challenge are required, reserves are utilised and/or services stopped.</p>	<div> <div>Likelihood</div> <div>Impact</div> </div>	12	Retail Price Index rose by 9% and Consumer Price Index rose by 7% in 12 months to March 2022. OBR are forecasting further increases, peaking in Autumn 2022, which will create pressures on service/departmental 2022/23 budgets and on the Housing Revenue Account. Pinch points are currently being identified by finance business partners. Mitigations currently include inflation contingencies and tight financial disciplines. Further mitigations to be discussed at Resource Allocation Sub Away Day in June. Income from investment property and from business rates holding up well. Reserves are not being utilised.	<div> <div>Likelihood</div> <div>Impact</div> </div>	8	31-Mar-2023	

31-May-2022 Caroline Al-Beyerty	The City Corporation's reputation is damaged due to failure to meet financial objectives or the need to reduce services / service levels to business and community. Being unable to set a balanced budget which is a statutory requirement for City Fund. Spend is not aligned to Corporate Plan outcomes resulting in suboptimal use of resources and/or poor performance. Stakeholders experiencing reduced services and service closures.			The risk score is being maintained at amber 12, although the trajectory of risk is increasing. No trigger points reached. Possible further mitigations: Review major commitments, including options for re-profiling cyclical works programme. 31 May 2022				
							Accept	Constant

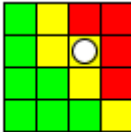
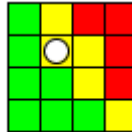
Action no	Action description	Latest Note	Action owner	Latest Note Date	Due Date
CR 35d Page 22	Inability of some ratepayers to pay rates due to change in working patterns post pandemic, especially retail, hospitality and leisure sectors. A reduction in demand for office space in the square mile, leading to lower occupation and business rate income. Triggers • Change to business rate reset (further deferral will result in a positive impact). • Shift from commercial to residential. • Reduction in Rateable Value (the risk is minimal). • Changes to methodology in business rate calculations.	Monthly monitoring in place. The 2021/22 collection rate figure is 95.29%, which is 0.97% up on last year and only 2.07% down on 2019/20 (97.36%). • The Covid Additional Restriction Relief scheme (CARF) will provide approximately £64m relief to business rate bills. • Collection fund deficit to be factored into the MTFP. • There has been an increase in the amount of empty property resulting in more relief being claimed. • Business Rate appeals linked to COVID have been ruled out due to Govt legislation, but we are seeing an increase in appeals on other grounds. • Impacts will continue to be monitored.	Phil Black	31-May-2022	31-Mar-2023
CR 35i	Impact on the HRA • Rising inflationary pressures in construction costs outstripping rental increases • Delays in residential units coming on stream delaying income • Increasing bad debt / long term reduction in commercial rent • Expenditure risks around recovery of leaseholder contributions Great Arthur house cladding case Inability to fund future major works programme.	There is small upside in the MTFP • Prudent assumptions have been used in forecasting when income from new residential units will come on stream. • Additional sources of capital funding including climate actions funding for major works and 106 housing for new build. • Need to monitor identified expenditure risks around recovery of leaseholder contributions • Current works programme prioritised and fully funded as at December 2021. Future works programme following new Asset condition survey will need to be incorporated towards end of the 5-year planning period. • Housing 30 year Business Plan to be updated by the department by September 2022 alongside a review of existing risks'. Interim report will go to Housing Sub Committee in May 2022.	Mark Jarvis; Paul Murtagh	31-May-2022	31-Mar-2023
CR 35j	Impact of inflation • Rising inflationary pressures on energy costs	The MTFP approved on 10th March 2022 included the following mitigations: 1) Inflation contingency held: 3% 22/23 and 1% 23/24 (23/24 includes 2% inflation increase within departments);	Sonia Virdee	31-May-2022	31-Mar-2023

	<ul style="list-style-type: none"> • Rising inflationary pressures on construction and labour costs 	2) CF - £3m contingency ringfenced for construction inflation under Major Projects reserve. 3) CC - £1m contingency ringfenced for construction inflation under capital programme. Initial exercise to capture key pressure points across CF and CC carried out by Finance Leadership Group and monitoring arrangements being put in place through finance business partners, in liaison with departmental management teams. Mitigations to be discussed at Resource Allocation Sub Committee Away Day, including top up of contingencies from 2021/22 underspends.			
CR35e	A reduction in key income streams and increase in bad Debt <i>Triggers:</i> <i>Increase in loss of property investment portfolio income over £5m p.a.</i>	This is being monitored monthly, with action being taken to reduce spend where possible. Budget forecast for 22/23 includes reduced income, with recovery profiled across the medium term. In addition, Chief Officers continue to work with tenants on a payment plan to mitigate potential issues. The moratorium against legal action for recovery has now lifted. Sums to mitigate risk are being held in Reserves - £30m in City Fund.	Sonia Virdee	31-May-2022	31-Mar-2023
CR35k	The effect of the war in Ukraine on finances and sanctions carried out.	Department of Community & Children's Services are monitoring the likely demands on services caused by the situation in Ukraine. The experience with Afghan refugees was that the related costs were fully funded by central government grants, although this will not necessarily be the position with the Ukraine.	Sonia Virdee	31-May-2022	31-Mar-2023
CR35l	Achievement of current Savings Programme – includes flight path savings (Fundamental Review) and securing permanent year on year savings (12%).	Biggest risk relates to Police - £13m p.a. cumulative sustainable savings included in MTFP. To date much has been met with one-off savings. To monitor and manage residual risks to the Police MTFP post-BRP increase (including increased inflation, mitigation delivery risks and new areas of pressure or grant reduction).	Alistair Cook; Sonia Virdee	31-May-2022	31-Mar-2023

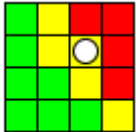
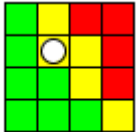

Risk no, title, creation date, owner	Risk Description (Cause, Event, Impact)	Current Risk Rating & Score		Risk Update and date of update	Target Risk Rating & Score		Target Date/Risk Approach	Current Risk score change indicator
CHB 001 Chamberlain's department transformation and knowledge transfer <div>Page 24</div>	Cause: The TOM changes are insufficient or implementation of radical change fails. The flexible retirement scheme has been taken up by many long term colleagues who will all be leaving the corporation by March 2022. The TOM is also creating anxiety which in turn could cause colleagues to find roles elsewhere. Event: Culture change is insufficient. Corporate memory is lost. The Chamberlain's Department is not fit for the future. Effect: Chamberlain's Department fails to deliver it's objectives.	 Likelihood Impact	6	The Chamberlain's Department Senior Leadership Team has developed a Target Operating Model proposal which has now begun to be implemented. Recruitment is ow underway where vacancies have been held, with key roles being prioritised. A training plan is under development to provide colleagues with the skills they need to be effective in their roles in the future. The Chamberlains transformation programme is also under development in collaboration with a change partner. Transformation workshops have been held with staff and the outcomes of these are now under review. 31 May 2022	 Likelihood Impact	4	31-Mar-2023	
							Reduce	Constant

Action no	Action description	Latest Note			Action owner	Latest Note Date	Due Date
CHB 001a	Team's are working to ensure they have effective knowledge sharing plans in place particularly where there are members of the team preparing for retirement.	SLT have identified areas where lack of knowledge transfer has a potential to occur. Mitigation plans are in train to retain business knowledge to enable business continuity.			Phil Black; Hayley Hajduczek; Kate Limna; Matt Lock; Sonia Virdee	31-May-2022	30-Jun-2022
CHB 001c	Chamberlain's TOM structure design and culture is fit for purpose.	The Chamberlain's target operating model has been carefully designed by SLT and consultation has concluded. Feedback has been carefully considered and final structures have been decided upon. The structure has been built to ensure capacity is in place where it is			Hayley Hajduczek	14-Apr-2022	31-Mar-2023

		required. Cultural change plans are to be developed to ensure effect transformation is delivered to maximise the effectiveness of the new proposed structure.			
CHB001b	Colleagues are provided with the training they need to fulfil their role.	A departmental training plan is being developed to ensure colleagues have the skills they need in order to effectively perform within the new structure.	Mark Jarvis	31-May-2022	30-Jun-2022

Risk no, title, creation date, owner	Risk Description (Cause, Event, Impact)	Current Risk Rating & Score		Risk Update and date of update	Target Risk Rating & Score		Target Date/Risk Approach	Current Risk score change indicator
<div>CR16 Information Security (formerly CHB IT 030)</div> <div>May-2019</div> <div>Emma Moore</div>	<p>Cause: Breach of IT Systems resulting in unauthorised access to data by internal or external sources. Officer/ Member mishandling of information.</p> <p>Event: The City Corporation does not adequately prepare, maintain robust (and where appropriate improve) effective IT security systems and procedures.</p> <p>Effect: Failure of all or part of the IT Infrastructure, with associated business systems failures. Harm to individuals, a breach of legislation such as the Data Protection Act 2018. Incur a monetary penalty of up to €20M. Compliance enforcement action. Corruption of data. Reputational damage to Corporation as effective body.</p>	<div>Likelihood</div> <div></div> <div>Impact</div>	12	<p>E5 Licences are now implemented for email malware. Further security features are being implemented until June. Further mandatory training to be required during June 2022 for all staff and Members</p> <p>Work on a simulated cyber attack is being planned with the IT Security Team for completion by the end of June 2022.</p> <p>We have heightened cyber threats with the war in Ukraine with attacks arising from malicious state actors or those sympathetic to those state actors and some near misses. To help further mitigation of this risk we are investigating the options and costs of 24x7 security monitoring with a specialist partner.</p> <p>20 Apr 2022</p>	<div>Likelihood</div> <div></div> <div>Impact</div>	6	31-Mar-2023	<div>↑</div>
							Reduce	Increasing

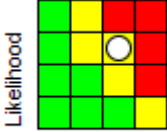


Action no	Action description	Latest Note	Action owner	Latest Note Date	Due Date
CR16k	Final stages of completing information security projects which will mean that we can assure Members that the City of London Corporation has implemented all the national government recommended security practices and technology achieving a maturity level of 4.	With the agreement of the E5 business case by Members the improvements to our security stance can now begin with resources procured to support implementation – Email Malware protection in place – proceeding with further security functional changes enabled by having E5 licence which we will completing by the end of June	Gary Brailsford-Hart	06-Apr-2022	30-Jun-2022
CR16n	Work on a simulated cyber attack is being planned with the IMS Team	A White Hat activity – this is where we employ an Ethical Hacker to try to gain access to COL systems using typical hacking tools and techniques	Gary Brailsford-Hart	06-Apr-2022	30-Jun-2022

Risk no, Title, Creation date, Owner	Risk Description (Cause, Event, Impact)	Current Risk Rating & Score		Risk Update and date of update	Target Risk Rating & Score		Target Date/Risk Approach	Current Risk score change indicator
CR29 Information Management 08-Apr-2019 John Barradell	Cause: Lack of officer commitment and investment of the right resources into organisational information management systems and culture. Event: The City Corporation's IM Strategy (2018-2023) is not fully and effectively implemented Effect: <ul style="list-style-type: none"> • Not being able to use relevant information to draw insights and intelligence and support good decision-making • Vulnerability to personal data and other information rights breaches and non-compliance with possible ICO fines or other legal action • Waste of resources storing information beyond usefulness 	 Likelihood Impact	12	W Drive closedown and move to SharePoint completed New role created to lead on IM in the Digital, Information and Technology Team Chief Officers being provided with local SIRO training 10 May 2022	 Likelihood Impact	6	30-Jun-2022	
							Reduce	

Action no, Title,	Action description	Latest Note			Action owner	Latest Note Date	Due Date
CR29g IM Audit Actions to be implemented	IM Audit Actions to be implemented	Several audit actions now need to be considered and planned for implementation up to the end of June. Dependent on a resource uplift bid within the IT TOM proposal.			Sam Collins	10-May-2022	30-Jun-2022
CR29h W Drive moved to Sharepoint	W Drive moved to Sharepoint	W: Drive now frozen with a view to remove shortly			Sam Collins	10-May-2022	31-Jul-2022
CR29i Local SIRO training for the Chief Officer Team	Local SIRO training for the Chief Officer Team	Training being delivered to Chief Officers up until the end of May 2022			Nick Senior	10-May-2022	31-May-2022
CR29j IM Maturity Plan	IM Maturity Plan	More detailed mitigation actions for cultural, infrastructure and information tooling to be developed – this is resource dependent and will not start till after the new TOM is implemented in April 2022			Sean Green	10-May-2022	30-Jun-2022

Risk no, title, creation date, owner	Risk Description (Cause, Event, Impact)	Current Risk Rating & Score		Risk Update and date of update	Target Risk Rating & Score		Target Date/Risk Approach	Current Risk score change indicator
COO IT 037 Service transition (time) 19-May-2022 Matt Gosden	Cause: Information is not forthcoming, or decisions are not made in a timely fashion, at the appropriate level. Event: A consensus on the future critical service elements is not reached, or decisions on these are not made in time to ensure delivery by the end of the current contract. Effect: on the future critical service elements is not reached, or decisions on these are not made in time to ensure delivery by the end of the current contract. Further detail is documented in the CPO Risk Register for the programme.	 Likelihood Impact	12	A RACI for the design, decision and approval process, alongside a key decision milestone plan should be produced to ensure the right approvals are obtained from the right people at the right time to ensure progress. 19 May 2022	 Likelihood Impact	2	31-Aug-2023	 Constant

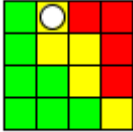
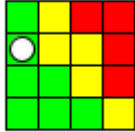

Action no	Action description	Latest Note		Action owner	Latest Note Date	Due Date
COO IT 037a	Decision milestones	Clearly define and share the key decisions, when they need to be made and by whom with the project team and stakeholders. To be managed by Paul Goodwin		Matt Gosden	20-May-2022	31-Mar-2023

Risk no, title, creation date, owner	Risk Description (Cause, Event, Impact)	Current Risk Rating & Score		Risk Update and date of update	Target Risk Rating & Score		Target Date/Risk Approach	Current Risk score change indicator
COO IT 039 Service transition (quality) 19-May-2022 Matt Gosden	<p>Cause: The new service design (Future Operating Model) is not based on the right information or does not allow for the advancements and investments in technology or processes made by the organisation.</p> <p>Event: The future technology service being designed and delivered by the programme does not evolve through the adaptation of the new technology and/or new processes we have, or will have available.</p> <p>Effect: The service continues to be sub-optimal during and beyond transition, or the Agilisys contract needs to be extended as-is, rather than driving modernisation and cost reduction.</p> <p>Further detail is documented in the CPO Risk Register.</p>	 <p>Likelihood</p> <p>Impact</p>	12	degradation of service during transition and beyond into the FOM; inc cust satisfaction, service availability; contract extensions. 19 May 2022	 <p>Likelihood</p> <p>Impact</p>	2	31-Aug-2023	 Constant


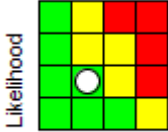

Action no	Action description	Latest Note	Action owner	Latest Note Date	Due Date
COO IT 039a	Ensure FOM designs are practical, achievable and fit for purpose	Using data where available, an factoring in new technology, capability and processes to ensure the new FOM design is practical, efficient and fit for the future purpose for the next 3-5 years.	Matt Gosden	20-May-2022	31-Oct-2022

Risk no, title, creation date, owner	Risk Description (Cause, Event, Impact)	Current Risk Rating & Score		Risk Update and date of update	Target Risk Rating & Score		Target Date/Risk Approach	Current Risk score change indicator
COO IT 040 Resilience and complexity 19-May-2022 Matt Gosden	Cause: A lack of end-to-end resilience of critical services remain, or technology areas remain complex. Event: There is a major failure in critical parts of the IT infrastructure, which is difficult to avoid, remediate or recover from. Effect: Significant incident could lead to an impact to productivity of the business with loss of access to Critical systems. Could lead to financial and reputational impact	 Likelihood Impact	12	Although most critical systems are now in the cloud, there remains some elements of our connectivity or technology which remain complex or non-resilient. There is a Business Continuity Plan for IT. The DITs team will plan and deliver a DR test for the next 12 months, consisting of series of tests of the main areas of risk. 19 May 2022	 Likelihood Impact	8	30-Jun-2023	 Constant

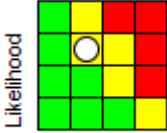
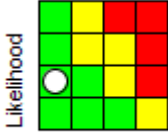

Action no	Action description	Latest Note			Action owner	Latest Note Date	Due Date
COO IT 040a	Carry out analysis workshop to identify SPoFs and areas of unnecessary complexity.	Workshop to be scheduled prior to end of May 2022.			Matt Gosden	20-May-2022	31-May-2022
COO IT 040b	<i>Plan DR Testing</i>	Implement MS SCCM across all of the estate			Matt Gosden	19-May-2022	30-Jun-2022

Risk no, title, creation date, owner	Risk Description (Cause, Event, Impact)	Current Risk Rating & Score		Risk Update and date of update	Target Risk Rating & Score		Target Date/Risk Approach	Current Risk score change indicator
COO IT 034 IT Capacity 19-May-2022 Sam Collins	Cause: The DITS TOM has resulted in several critical vacancies. There has also been two leadership team resignations with the incumbents leaving CoL in June 22. Event: It is likely to take 3-6 months to fill vacancies which will need contractors to back-fill where this is authorised. Contractor costs will place additional pressures on the DITS budget Effect: Staff in post are more stretched. They experience stress and the DITS team fail to deliver against all their requires priorities and SLA's.	 Likelihood	8	Recruitment for all vacancies to be accelerated during June 2022. Monitor stress levels of team and report back to HR Business Partner for mitigating support 19 May 2022	 Likelihood	3	31-Oct-2022	 Constant


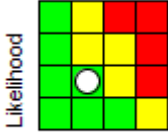

Action no	Action description	Latest Note		Action owner	Latest Note Date	Due Date
COO IT 34a	Recruitment of vacancies commenced	Vacancy authorisation completed		Sam Collins	19-May-2022	30-Jun-2022

Risk no, title, creation date, owner	Risk Description (Cause, Event, Impact)	Current Risk Rating & Score		Risk Update and date of update	Target Risk Rating & Score		Target Date/Risk Approach	Current Risk score change indicator
COO IT 031 IT Revenue Budget 10-May-2021 Sam Collins	Cause: The DITS team has had a revenue budget cut of £2m for 22/23. Event: There is on-going pressures on the DITS budget from variable spend on licences, storage and unplanned maintenance. There is also DITS contracts that could be subject to in year inflationary pressure. There are unplanned recruitment costs for several vacancies that will need to be filled. Effect:. The DITS budget could be overspent in 2022/23 The services provided by IT to the organisation have already been descoped to achieve the revenue reductions required in this financial year.	 Likelihood Impact	6	The DITS budget is monitored monthly with Finance and the COO. DITS are holding some vacancies and will be implementing projects in 22/23 that should reduce revenue spend 19 May 2022	 Likelihood Impact	4	31-Mar-2023	 Decreasing

Action no	Action description	Latest Note		Action owner	Latest Note Date	Due Date
COO IT 31c	Holding Vacancies	Some vacancy savings being achieved from delays in recruiting some senior roles.		Matt Gosden	19-May-2022	30-Sep-2022
COO IT 31d	Implement new Telephony Project to remove Mitel	Project plan in place to remove substantial Telephone costs by end of August 2022		Sam Collins	19-May-2022	30-Sep-2022
COO IT 31e	Cross charge SIP costs to relevant departments	Reporting for cross charging being produced		Samantha Kay	19-May-2022	31-Jul-2022

Risk no, title, creation date, owner	Risk Description (Cause, Event, Impact)	Current Risk Rating & Score		Risk Update and date of update	Target Risk Rating & Score		Target Date/Risk Approach	Current Risk score change indicator
COO IT 035 Recruitment and retention 19-May-2022 Sam Collins	Cause: The recent Target Operating Model exercise and ongoing uncertainty within the Division has led to a number of vacant posts and key individuals leaving the organisation. Event: That the Division fails to successfully recruit to the vacant posts and departing staff result in a significant loss of corporate knowledge and expertise Effect: This results in a general loss of capacity, expertise and knowledge within the division, severely limiting the ability of the division to provide a stable and secure IT Service and Key Programmes of work are disrupted or put at risk.	 Likelihood	6	3 days a week and getting the right people 19 May 2022	 Likelihood	2	30-Sep-2022	 Constant

Action no	Action description	Latest Note	Action owner	Latest Note Date	Due Date
COO IT 035a	Progress with recruitment of vacant posts, ensuring that consideration is given to the correct recruitment approach in terms of advertising and partnering with recruiters as required,	Several vacant roles have been advertised and applications have been received, recruitment will now progress to interview. MFS have now been approved for the Architect roles and recruitment should now progress utilising Hays or another recruitment partner.	Sam Collins	23-May-2022	31-Jul-2022

Risk no, title, creation date, owner	Risk Description (Cause, Event, Impact)	Current Risk Rating & Score		Risk Update and date of update	Target Risk Rating & Score		Target Date/Risk Approach	Current Risk score change indicator
COO IT 044 Head of profession 20-May-2022 Sean Green	Cause: Failure to establish a Head of Profession role in Corporation due to the Director leaving Event: Disparate technology and standards applied across the Corporation Effect: Wasted investment, lack of economies of scales and increased cyber threats	 Impact	6	The role needs to influence stakeholders with Digital and Technology responsibilities and apply consistent good practice and standards across the Corporation and Institutions 20 May 2022	 Impact	4	31-Mar-2023	 Constant

Action no	Action description	Latest Note		Action owner	Latest Note Date	Due Date
COO IT 044a	Set up Quarterly meetings with Institutions Heads of IT to exchange best practice	First Meeting arranged		Sam Collins	20-May-2022	31-Oct-2022
COO IT 044b	Review policy and standards to communicate to all Institutions to adopt	Policies being reviewed		Matt Gosden	20-May-2022	30-Sep-2022

Committee(s): Operational Property and Projects Sub Committee Policy and Resources Committee Finance Committee	Dated: 26 May 2022 9 June 2022 14 June 2022
Subject: Responsible Procurement Policy Update	Public
Which outcomes in the City Corporation's Corporate Plan does this proposal aim to impact directly?	1, 2, 3, 5, 8, 10, 11, 12
Does this proposal require extra revenue and/or capital spending?	N
If so, how much?	£
What is the source of Funding?	
Has this Funding Source been agreed with the Chamberlain's Department?	N/A
Report of: Chief Operating Officer	For Decision
Report author: Lisa Moore, Responsible Procurement Manager	

Summary

This paper seeks approval to refocus the commitments in the Responsible Procurement (RP) Policy using the efficiency principles under the Target Operating Model (TOM), better align with the TOM's strategic priorities of Climate Action and Equality, Diversity and Inclusion, and the broader ESG objectives of the Corporation.

The current RP policy has 18 commitments which have been a barrier to self-service for both procurement officers and wider stakeholders. This paper proposes to make RP more accessible and provide greater clarity for implementation while maintaining the integrity of the current RP Policy.

Additionally, Members are asked to consider the recommendation to separate the RP weighting from the quality score so that it forms part of the overall score. This would bring us in line with central government, our peers and future proof against potential changes to procurement legislation.

Recommendation(s)

Members are asked to:

- Approve changes to the Responsible Procurement Policy, in particular refocusing from 18 commitments to the proposed six.
- Approve amendment to the responsible procurement weighting establishing it as an overall score of 10% from 1 September 2022.
- Approve an uplift in the responsible procurement weighting to 15% of the overall score effective 1 April 2023.

Main Report

Background

1. In 2020, 18 separate responsible procurement (RP) commitments were agreed upon as part of the City Procurement Strategy forming the RP Policy 2020 – 2024.

2. The City Corporation has long supported RP as part of the tendering process and assigned 10% of the quality score to RP in 2011. This was ahead of the Public Services (Social Value) Act 2012.
3. In September 2020, Central government issued Procurement Policy Note (PPN) 06/20 'Taking account of social value in the award of central government contracts' which established a 10% weighting of the overall score for social value (equivalent to the City Corporation's RP) for all central government departments, executive agencies and non-departmental bodies.

Current Position

4. A review of the RP Policy was brought forward as part of the Commercial Service redesign. This process considered the broader principles of the TOM and ensured a greater focus on the strategic priorities of Climate Action and Equality, Diversity and Inclusion (EDI).
5. A consultation process was undertaken with the Commercial Service officers and Chairs of the procurement category boards on recommendations to update the RP commitments and the RP weighting in the tender process.
6. Responsible procurement is currently 10% of the overall quality score. A typical procurement might assign 60% quality and 40% to price. This would mean responsible procurement would make up 6% of the overall score.

Options

7. As this paper is recommending two different changes to RP policy the options have been separated to provide clarity.

Options for the RP Policy Changes

8. **Keep the RP Policy as is and provide supplementary guidance.**
This option is not recommended. The current policy does not support the TOM principles, specifically, to 'increase the pace of decision making'. It is not easy to use and does not help suppliers understand the City Corporation priorities. As a result, there would still be a requirement to publish additional information for officers and suppliers.
9. **Approve the updated Responsible Procurement Policy commitments**
This is the recommended option. The changes support the TOM principles and the new ways of working. The new commitments have been ordered based on the priorities of the City Corporation but are consistent with the social value themes across central government and other local authorities.

Options for changes to the RP Weighting

10. **Keep RP weighting at 10% of the quality score**
This is not the recommended option. There is reputational risk as we have fallen behind most of our peers in London. Additionally, with the upcoming changes to procurement legislation, we may have to make this change with shorter implementation time. The current benefits include officer familiarity and a greater emphasis on quality and price.

11. Bring weighting in line with central government – 10% overall

This is not the recommended option, but it is an acceptable option and would be consistent with our peers. It would also future proof us against further policy changes from central government to include local authorities in PPN 06/20. The aim is to elevate RP and allow it to be a differentiating factor.

12. Responsible Procurement Leader - Implement 10% weighting overall for 2022/23 to increase 15% in April 2023

This is the recommended option. This option would bring us in line with current good practice but indicate to our market that we are moving toward being a RP leader. This recommendation proposes a stepped approach to implementation based on the feedback from consultation with category board chairs.

13. Responsible Procurement Leader - 15% overall weighting

This is not currently the recommended option based on the consultation with category board chairs.

Proposals

14. The RP policy has been updated with the revised set of commitments and guidance as to how they should be considered throughout the commercial process (appendix 1). The new policy is outward facing providing suppliers with more information on what is expected when working with the City Corporation. A full list of changes is provided in Appendix 2.

15. The recommended RP weighting is based on feedback from category board chairs. While the feedback was supportive of an increase to 15%, there was some concern for SMEs. This risk can be mitigated through practices we already employ to facilitate SMEs in our supply chain and the delay will allow us to produce better guidance and RP questions. The RP Policy allows for some flexibility. As 10% is already standard practice, we do not expect this to be used regularly.

16. The September 2022 start date for the 10% would allow the Commercial Service time to communicate changes, update guidance and provide notice for pre-market engagement discussions on upcoming procurements.

Key Data

17. At least 20 London boroughs and central government separate RP weighting so that it is part of the overall assessment. The large majority are using 10% as an overall assessment, but there are some with as little as 5% or as high as 20%.

Corporate & Strategic Implications

18. Strategic implications – Commitments in this policy are aligned to and seek to advance objectives of the Corporate Plan, Responsible Business Strategy, Climate Action Strategy, Social Mobility Strategy and other corporate priorities.

19. Financial implications – Social value could be delivered at no additional cost, but higher weighing for RP may have cost implications in some instances. Cost will be considered on a case-by-case basis as part of individual contracts or where

systematic change is recommended e.g. procurement standards under the climate action strategy. As part of the delayed implementation, we will monitor impact of the changes and seek to benchmark any identified costs.

20. Resource implications – No significant resource implications. Contract managers and purchasing officers should already be assessing RP.
21. Legal implications – Changes proposed are in line with what we expect from upcoming procurement legislation as outlined in the procurement green paper.
22. Risk implications – While low, there is a risk that the SME market may be negatively impacted. Mitigations including the proposed step change are recommended. We will provide guidance on how to bid and what good looks like, as well as retaining principles that the RP is relevant and proportionate to contract length, value and market. Additionally, one of the RP commitments is to facilitate access for SMEs so the RP policy will actively work towards reducing barriers which includes RP criteria.
23. Equalities implications – The commitments in the RP policy should positively impact or seek to reduce negative impacts on people with protected characteristics through our commitment to Supplier Diversity, Equality Diversity and Inclusion in our supply chain, and meaningful work related opportunities to promote social mobility. Impact assessments for equalities implications will be done at project level.
24. Climate implications – The policy commitments are in line with the Climate Action Strategy and will be supported by the Purchased Goods and Services project plan.
25. Security implications – None

Conclusion

26. The recommendations in this paper seek to align our RP offering to that of our peers and continue the City Corporation's commitment to being a responsible business. They consider the principles outlined in the TOM and the strategic priorities of the business.

Appendices

- Appendix 1 – Updated Responsible Procurement Policy (2022)
- Appendix 2 – Changes to the Responsible Procurement Policy 2020
- Appendix 3 - Responsible Procurement Policy 2020

Background Papers

24 March 2020 - Procurement Sub Committee Paper – Responsible Procurement Policy 2020 – 2024

Lisa Moore

Responsible Procurement Manager

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Committee(s): Finance Committee	Dated: 14 June 2022
Subject: Central Grants Unit – Annual Report	Public
Which outcomes in the City Corporation’s Corporate Plan does this proposal aim to impact directly?	2,3,4,9, 10, 11, 12
Does this proposal require extra revenue and/or capital spending?	N
If so, how much?	N/A
What is the source of Funding?	N/A
Has this Funding Source been agreed with the Chamberlain’s Department?	N/A
Report of: Managing Director of BHE and Chief Charities Officer	For Information
Report author: Jack Joslin, Head of the Central Grants Unit	

Summary

This annual report provides an update on the work of the Central Grants Unit (CGU). The report includes the outcomes of the four Central Grants Programme (CGP) grant themes delivered in 2021/22 and an overview of additional work overseen by the Unit.

Recommendations:

- a) To note the Central Grants Unit Annual Report

Main Report

Background

1. In March 2018 the Resource Allocation Sub-Committee and Policy and Resources Committee met and both agreed to support the implementation of the CGP and CGU on a permanent basis from the 1st April 2018.
2. The CGU is co-located with the City Bridge Trust (CBT) team within the BHE Institution in order to facilitate consistency of approach and harmonise service standards across grant-making activities by the City Corporation (in its various capacities, including as trustee of a number of charities which form part of the CGP). A full report on the activities of the CGP over the last year is part of this Agenda.
3. The CGU supports the ambitions of the 'role-modelling' pillar of the Joint Philanthropy Strategy, approved in May 2018, by enabling a more joined up, consistent and ultimately impactful approach to all grant-making taking place across the City of London Corporation.

4. A number of small charities of which the City Corporation is trustee, or where the majority of trustees are appointed through the Corporation, are administered through the CGU in a manner consistent with their charitable objects and governing documents, it being considered in each case to be in the charity's best interests for their most efficient administration and effective application of funds to do so, these matters being kept under review in the normal way. Consistent with the powers of a charity trustee to recover the reasonable costs and expenses of administering their charity, in each case these costs are recovered from each of the charities operating as part of the CGU.

Overview of the work of the CGU

5. The CGU Team has continued to respond to the disruptions wrought by Covid-19 and has maintained good relationships with grantees, providing flexibility on projects and giving advice where required.
6. The CGU has maintained its existing deadlines across all programmes to ensure that organisations still have access to support and could plan projects for the future. The dates for each grant round are stated below:

Enjoying Green Spaces and the Natural Environment – 11 October 2021

Inspiring London Through Culture – 5 November 2021

Stronger Communities – Applications received year round

CIL Neighbourhood Fund – Applications received year round

7. The CGP & CIL Neighbourhood Fund websites has been updated to create a more accessible environment for applicants and improve the user experience.
8. The table below outlines the total number of grants and donations awarded from the Central Grants Unit in 2021/21.

12 Month Grant Period April 2020 – March 2021		
Funding Programmes	Number of Grants	Amount Awarded
Education & Employment	0	0
Inspiring London through Culture	10	£86,313
Enjoying Green Spaces and the Natural Environment	8	£76,300
Stronger Communities	7	£66,009
Combined Relief of Poverty Charity (Stronger Communities)	1	£60,000
CIL Neighbourhood Fund	20	£2,050,344
International Disaster Fund	6	£375,000
Emanuel Hospital Charity	2	£442,584
Total	26	£3,156,550

Central Grants Programme

9. The CGP has run successful grant programmes this year. The CGU has worked collaboratively with departments across CoLC to ensure that grant opportunities are well publicised. The CGU provides support to applicants throughout the year.
10. Further details of each of the CGP Themes, their performance and the grants awarded, rejected, and withdrawn can be found at **Appendix 1**.

Community Infrastructure Levy Neighbourhood Fund (CILNF)

11. The CILNF Launched on 1st September 2020. Since opening it has attracted a lot of interest and the CGU deals regularly with enquiries about the fund and what it can support. In May, the neighbourhood portion of the City CIL stood at £5.8 million in available funds.
12. The City CILNF, Members and Officers have worked together to provide £2,050,344 in funding to City communities in 2021/22. A breakdown of all of the grants awarded, rejected and withdrawn can be viewed at **Appendix 2**.
13. A public consultation on the first 18 months of the CIL is currently being undertaken. A paper outlining the proposal from the public consultation is going to the Policy and Resources Committee for decision in July 2022.

The Corporate Charities (CC) Review

14. In 2020 the CGU became directly involved in the CC Review and in implementing outcomes provides grant making and management support for the Emanuel Hospital charity (EH) (206952). The CGU has supported EH to implement new strategic policies and refresh administration arrangements to support the charity achieving maximum impact from its funds.
15. The CGU has oversight of the CC Review, working in collaboration with the Charity Finance Team and City Solicitors. The project is in its implementation stages. The CGU will be taking on further grant making and management services to City of London Corporate Charities and continue to provide support and advice to departments on Charity matters. This supports the objectives of the Joint Philanthropy strategy in 'role modelling' best practice' in grant making and Charity management.

International Disaster Fund

16. The City Corporation holds £125,000 within its City's Cash contingency budgets, allocated to the International Disasters Fund (IDF) administered by the Finance Committee. The CGU provide advice and make recommendations to the Finance Committee about where to distribute IDF in response to International Appeals. The HCGU has refined the policy for the IDF which was approved at the January 2021 meeting of the Finance Committee.

17. Five Donations of £25,000 have been awarded in the 2021/22 Financial Year. An additional donation of £250,000 from Finance Committee Contingency was approved in March 2022 to support the Disaster Emergency Committee Ukraine Appeal. A schedule of all donations awarded from the IDF can be found at **Appendix 3**.

General

18. The CGU is responsible to the Philanthropy Director to ensure that the CGU is reflecting the aspirations of the City Corporation's Joint Philanthropy Strategy and role-modelling best practice in grant making across its programmes, advice and support. Ongoing work is planned through the development of a Centre for Charitable Excellence to increase collaboration with and support for other departments and ensure role modelling of best practice in philanthropy and charitable activity.
19. The Head of the CGU remains the City Corporation nominated London local authority Grants Officer to attend the London Borough Grants Officer Forum, hosted by London Councils.

Conclusion

20. Although operating in a changing environment, the CGU has continued to provide support to communities to access funding for an increasing range of projects, supporting green space management, cultural activity, community development and capital infrastructure. The CGP continues to role-model best practice in grant making and works collaboratively across CoLC to ensure the grants awarded make the maximum impact.

Appendix 1 – Overview of GGP & Approved, Rejected and Withdrawn Grants 2021/22

Appendix 2 – CIL Neighbourhood Fund – Approved, Rejected and Withdrawn Grants 2021/22

Appendix 3 – Schedule of donations made from the IDF in 2021/22

Background Papers:

- Policy and Resources Committee, January 2017, 'Review and Reclassification of Former Finance Grants Sub-Committee Grants'.
- Policy and Resources Committee, March 2018, 'Central Grants Programme Review'

Jack Joslin
Head of Central Grants Unit
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Appendix 1 – Overview of CGP - Grants Approved, Withdrawn & Rejected

Education and Employment

- The Education and Employment theme of the Central Grants Programme is responsible for the distribution of funds from the City Educational Trust Fund (290840) and The City of London Corporation Combined Education Charity (312836). Grant decisions for this programme are made by the Education Board.
- The CC Review has undertaken a review of these two education charities and has submitted proposals to the relevant Committees for improved policy and administration arrangements in the best interests of each charity.
- CC Review proposals for the two education charities¹ that the CGU administers as part of the CGP were submitted to the Community and Children's Services Committee on 11 June 2021 and the Education Board on 1 July 2021 and were approved.
- The CGU will play a pivotal role in developing policy for and administering the proposed grant programmes with support from the CC Review Working Group. The proposal will release at least £4.4m in funding over the next 4 years. The CGU is working with the City of London Education Strategy Team to formulate proposals to be taken to the Education Board for consideration in June 2022.

Inspiring London through Culture

- One of the three City's Cash Grants Programmes, the Inspiring London through Culture programme, remains one of the most in demand themes under the Central Grants Programme. The panel had used their expertise to prioritise decisions this year as the programme was heavily over-subscribed.

¹ City Educational Trust Fund (290840) and City of London Corporation Combined Education Charity (312836)

- The budget for *Inspiring London through Culture* was £76,600 for 2021/22. At the February grant panel, a total of £86,313 grants were approved. The programme benefitted from an underspend in the *Stronger Communities* programme to provide an additional grant to support City of London Communities.
- This approach was approved at the Culture Heritage and Libraries Committee in March 2021. A new application deadline for 2022/23 has been set for November, with decisions in February 2023.

Stronger Communities

- The Stronger Communities Programme is funded from City's Cash and from the City of London Corporation Combined Relief of Poverty Charity (1073660).
- The City's Cash Grants Budget for the *Stronger Communities* Programme was £76,600 for 2021/22.
- 1 Grant was awarded in 2020/21 through the City of London Combined Relief of Poverty Charity in June 2021 to support the First Love Foundation over 12 months to provide food parcels and associated project costs of delivering a bespoke foodbank and advice service for beneficiaries in the City of London and in bordering boroughs.
- The CGU is undertaking further work with DCCS Officers to explore ways to promote the *Stronger Communities* Fund further.

Enjoying Green Spaces and the Natural Environment

- This programme is funded solely from City's Cash. *Enjoying Green Spaces and the Natural Environment* delivered one funding round in 2021/22. The grant budget for the funding round was £76,600 in 2021/22. The October grant awarded 8 grants totalling £76,300.

- This grant programme is also heavily oversubscribed, and the panel needed to use their expertise to prioritise applications this year. The CGU will continue to offer one funding round a year, with the next deadline for this programme in October 2022.

Approved Grants

ID/Ref	CoL Programmes	Organisation Name	Grant Amount	Project Description
18962	Enjoying Green Spaces & the Natural Environment	Aldersbrook Families Association	£10,100	£10,100 for the boundary safety fence, self-closing entrance gate, emergency access gate, double litter bin, benches, entrance signage, safety signage and play area disclaimer and age advice signage.
18955	Enjoying Green Spaces & the Natural Environment	Capital Kids Cricket	£12,134	£12,134 towards cricket, educational and exercise activities with girls and their families in West Ham Park.
18960	Enjoying Green Spaces & the Natural Environment	Epping Forest Conservation Volunteers	£3,300	£3,300 towards the purchase of tree removing tools to be used over a two-year period.
18951	Enjoying Green Spaces & the Natural Environment	Hampstead Garden Suburb Residents Association	£7,500	£7,500 to support the overall costs of improvements to the Hampstead Heath Extension Playground.
18953	Enjoying Green Spaces & the Natural Environment	London Natural History Society	£8,900	A grant of £8,900 over 2.5-year to map and monitor the flora, fungi, and lichens of a sample of representative habitats in Hampstead Heath.

18958	Enjoying Green Spaces & the Natural Environment	People's Trust for Endangered Species	£13,400	£13,400 over three years towards mapping, recording and DNA analysis of crab apple trees on City of London Corporation green spaces.
18964	Enjoying Green Spaces & the Natural Environment	Queens Crescent Community Association (QCCA)	£11,066	£11,066 to deliver GO Heath! project activities to encourage women and children from the BAME communities of Gospel Oak to visit Hampstead Heath.
18963	Enjoying Green Spaces & the Natural Environment	Tinder Sticks CIC	£9,900	£9,900 for the project costs to deliver wellbeing nature connection activities in Epping Forests.
Enjoying Green Spaces & the Natural Environment Sub Total			£76,300	<i>8 grants</i>
19007	Inspiring London through Culture	Avant Garde Dance Company	£9,970	£9,970 to cover the performance, workshop, and associated project costs of delivering contemporary hip-hop performances in the City of London.
19005	Inspiring London through Culture	Baluji Music Foundation	£10,000	£10,000 towards the costs of world music performances in the City of London in the Summer of 2022 by the Inner Vision Orchestra.
18988	Inspiring London through Culture	London Arts and Health Forum	£7,000	£7,000 for a project that develop an arts and wellbeing hub in the city. Open to all communities and workers.
18998	Inspiring London through Culture	London Youth Choirs	£6,062	£6,062 for London Youth Choir to bring 4 'pop-up' performances to the City, enabling young people to experience the City through song.
18999	Inspiring London through Culture	Mental Fight Club	£9,787	£9,787 to deliver a pilot engagement programme, involving two events to revive cultural interest in the City's churches and improve wellbeing
19002	Inspiring London through Culture	Mousetrap Theatre Projects	£4,144	£4,144 to support subsidised trips to top London theatre shows for low-income families based in the City of London.

18994	Inspiring London through Culture	Open City Architecture	£9,550	£9,550 for the delivery of a programme engaging primary school children with design professionals and the City's architecture to encourage them to think about their own heritage, sense of belonging and future opportunities in this arena.
19001	Inspiring London through Culture	The Arab British Centre	£9,800	£9,800 for delivery of SAFAR Film Festival @ Barbican Centre, Summer 2022: Screenings, Industry Development Programme, Young SAFAR Programme and Ticket Scheme.
18956	Inspiring London through Culture	The Baytree Centre	£10,000	£10,000 to support the running costs of delivering educational and cultural visits to the City of London to support the integration of migrant women and girls.
19003	Inspiring London through Culture	The Experimental Weave Lab (TEWL)	£10,000	£10,000 towards the cost of resident stipends, under the condition the organisation recruits a third member to its board.
Inspiring London through Culture Sub Total			£86,313	<i>10 grants</i>
19198	Stronger Communities	Age UK City of London	£9,991	£9,991 to support the health, wellbeing and social support to older Black and Minority Ethnic women on Mansell Street estate
18508	Stronger Communities	Barbican Association	£20,000	£20,000 to contribute to the costs associated with the preparatory design/costing work for a community room in the Barbican Library to support bid to CILN Fund.
19052	Stronger Communities	Coney	£9,878	£9,878 towards workshops targeting Middlesex Estate residents, exploring the pandemic's impact on mental health, towards the co-creation of a public artwork.
18908	Stronger Communities	Forget me not project	£10,000	£10,000 towards fortnightly workshops engaging City of London residents in an upcycling/recycling project aiming to reduce household waste.

18854	Stronger Communities	Golden Lane Estate Residents' Association	£2,800	£2,800 towards the costs of the 2021 summer fair.
19244	Stronger Communities	Mental Fight Club	£10,000	£10,000 towards Dragon Cafe in the City providing free, accessible creative wellbeing events to support and empower those with mental ill health.
18870	Stronger Communities	St Philip's Church, Avondale Square	£3,340	£3,340 towards a series of summer workshops for children from the Avondale Square Estate.
Stronger Communities Sub Total			£66,009	<i>7 grants</i>

18826	Stronger Communities Combined Relief of Poverty Charity	First Love Foundation	£60,000	£60,000 over 12 months for a project worker (FT), provision of food parcels and associated project costs of delivering a bespoke foodbank and advice service for beneficiaries in the City of London and in bordering boroughs.
Stronger Communities Combined Relief of Poverty Sub Total			£60,000	<i>1 grant</i>
TOTAL			£288,622	<i>26 grants</i>

Applications Withdrawn and Rejected

Ref	CoL Programmes	Organisation Name	Type/Status	Request Amount	Project Title
18950	Enjoying Green Spaces & the Natural Environment	Butterfly Conservation	Rejected	£6,108	A ground-breaking project testing new approaches to butterfly and moth conservation in a major urban landscape, engaging with local communities.
18967	Enjoying Green Spaces & the Natural Environment	Downlands Trust	Rejected	£14,954	Biodiversity enhancement in the South London Downs National Nature Reserve
18959	Enjoying Green Spaces & the Natural Environment	Epping Forest Field Centre	Rejected	£12,420	To connect communities and increase positive engagement with nature and wildlife in Epping Forest, through planned and pop-up events.
18957	Enjoying Green Spaces & the Natural Environment	Epping Playground Association	Rejected	£10,000	Refurbishment of a children's play space adjoining forest land to encourage outdoor activity and enjoyment of green spaces.
18965	Enjoying Green Spaces & the Natural Environment	Hampstead and Highgate Angling Association	Rejected	£10,000	Free angling tuition for children and those with disabilities on Hampstead Heath
18968	Enjoying Green Spaces & the Natural Environment	Heath Hands	Rejected	£14,000	This project will engage volunteers to help survey precious habitats and monitor threatened wildlife on Hampstead Heath and Highgate Wood.

18952	Enjoying Green Spaces & the Natural Environment	Kentish Town St Martin with St Andrew	Rejected	£3,000	To set up a Green Fingers conservation group to support conservation on Hampstead Heath and in St Martin's church garden.
18954	Enjoying Green Spaces & the Natural Environment	London School of Mosaic	Rejected	£15,000	Create and install a unique, culturally significant 20m2 mosaic map on Hampstead Heath depicting the Heath's landmarks, flora and fauna.
18961	Enjoying Green Spaces & the Natural Environment	Umoja Health Forum	Rejected	£14,500	A programme of activities on Hampstead Heath to boost the mental and physical wellbeing of the local Black African community.
19009	Inspiring London through Culture	4TY Ltd	Rejected	£9,128	To create installations in the windows of local businesses using visuals and live music to display London's migrant culture.
19006	Inspiring London through Culture	City Music Foundation	Rejected	£10,000	'Piece of Mind' - a relaxing series of free monthly lunchtime recitals of words and music in Barts Great Hall
19004	Inspiring London through Culture	Eat Club	Rejected	£4,140	Facilitate interactive youth visits to City institutions that integrate a curated meal experience, cooked and shared with local, cultural experts.
18995	Inspiring London through Culture	Enabling Enterprise	Rejected	£10,000	To create a collaborative network of 12 Arts-based youth organisations that build their beneficiaries' essential skills, including teamwork and problem-solving.

18996	Inspiring London through Culture	Kanlungan Filipino Consortium	Rejected	£10,000	The project aims to hone and exhibit the Filipino culture and heritage through an exhibition, performances, food, and grassroots activities.
18966	Inspiring London through Culture	Keynote Opera	Rejected	£7,632	A performance of a new chamber opera 'A Silver Spoon' (composer Lisa Logan), at St Giles of Cripplegate Church, Barbican.
19008	Inspiring London through Culture	London Symphony Orchestra	Rejected	£9,473	Barbican at 40: LSO mini festival of community performances and new music celebrating the Barbican's 40th anniversary in March 2022.
18997	Inspiring London through Culture	SIMPLICIOUS Good Living CIC	Rejected	£10,000	Transformation of the Royal Exchange through design, fashion and performance
19000	Inspiring London through Culture	The British Pilgrimage Trust CIO	Rejected	£9,600	To develop four 1-day City pilgrimage routes celebrating cultural heritage around the themes of Royalty, Martyrdom/Slavery, Becket and City Walls.
18987	Inspiring London through Culture	Youth & community connexions	Rejected	£9,940	Within this project we will run 12 drama scratch nights once a month, each night will revolve around culture.
18879	Stronger Communities	Dulwich Sports Club Ltd	Rejected	£10,000	To install a new boiler for the facility as well as making improvements to the toilets and changing facilities.
18907	Stronger Communities	EFA London	Withdrawn	£9,981	ESOL for Work: English & Employability Courses for Migrants in Southwark

18931	Stronger Communities	Good work good future	Rejected	£3,000	Company van Billboard and transportation marketing promotional too provide opportunities for our communities for interaction
18867	Stronger Communities	JS Community Association	Rejected	£3,000	A project to build capacity, skills and well-being of BAME community. We provide advice, advocacy, NHS visits, health improvement and IT training
18844	Stronger Communities	Simply Beauty Pamper Services C.I.C	Rejected	£3,000	A pilot project, group training session for 16-24 yr olds to gain an accredited Beauty Qualification and raise aspirations.
18829	Stronger Communities	St Luke's Parochial Trust	Rejected	£10,000	St Luke's Over 55s Programme - supporting older residents living in EC1 affected by poor health, loneliness or poverty
19109	Stronger Communities	The Reanella Trust	Rejected	£10,000	The project will be an online course aimed at residents which will aid in maintaining mental health and build resilience.
18846	Stronger Communities	Ultra Education C.I.C	Withdrawn	£10,000	Asset-based project that brings diverse young people and residents together in the community for improved understanding, connections and wellbeing.

Appendix 2 – CIL Neighbourhood Grants – Approved, Rejected & Withdrawn

Approved Grants

ID/Ref	Organisation Name	Grant Amount	Project Description
18506	Age UK City of London	£48,171.00	£48,171 over two years (£23,847; £24,324) towards the salary and associated costs of a Coordinator role, plus the costs of delivering a range of activities.
18557	Barbican Centre Trust Limited	£191,067.00	£191,067 over 12 months to deliver a Creative Communities programme, collaborating with partners across the City to strengthen connections with and between neighbours and the culture on their doorstep; future funding for this work is conditional on receipt and approval of sufficient monitoring and evaluation.
18919	Barbican Centre Trust Limited	£39,663.00	£39,663 Funding towards the cost of increasing project delivery for the Creative Communities programme within its first year.
18847	City Property Association Limited	£100,000.00	£100,000 over two years (£50,000; £50,000) to support the One City project, the City of London's digital community. Funding for year two is conditional on the CPA providing significant evidence of the impact of this work.
18948	CurvingRoad	£24,000.00	£24,000 in one year to support two weekend festivals of performances and exhibitions featuring 20 artists from the Square Mile and beyond.

18616	Fleet Street Sundial CIC	£31,250.00	£31,250 over five years (£23,250; £5,600; £800; £800; £800) to create the Fleet Street Sundial Artwork with its associated information plaques and to upgrade the website and provide ongoing maintenance on the condition that the Head of the Central Grants Unit must provide final approval of the installation's design.
18558	Globe Studios Limited	£198,633.00	£198,633 over two years (£131,816; £66,817) to develop a creative studio and architecture/design library alongside a regular schedule of public, private and corporate creative classes.
18863	Golden Lane Estate Residents' Association	£50,000.00	£50,000 to improve cycle parking and accessibility for residents and visitors on the Golden Lane estate.
18896	Historical Royal Palaces	£300,000.00	£300,000 over one year for the hard-landscaping and infrastructure that will enable the Platinum Jubilee 'Superbloom' celebration.
18614	Learning Through The Arts	£49,984.00	£49,984 over two years (£24,992; £24,992) to provide a series of children and family workshops for residents using multiple art forms from African drumming to Storytelling during the school breaks and holidays.
18871	New Diorama	£154,640.00	£154,640 over nine months towards salary, operational and related project costs at the NDT Broadgate creative hub.
18864	Outset Contemporary Art Fund	£110,932.00	£110,932 over one year to support a delivery partnership securing long-term creative infrastructure, and rapid activation using short-term projects, to achieve "Fuelling Creative Renewal" and "Culture/Commerce Taskforce" strategic aims.

18880	Parochial Church Council of the Ecclesiastical Parish of St Mary-le-Bow, Cheapside	£18,274.00	£18,274 towards the modernisation and adaptation of the sound panels and sound control doors to improve sound control and safety of the Bow Bells.
18909	Pollinating London Together (an initiative of the Wax Chandlers' Charitable Trust)	£230,000.00	£230,000 over two years (£112,500; £117,500) towards the post of a full-time Ecologist/Project Manager, administrative support, and related project costs.
18838	Repowering Limited	£33,660.00	£33,660 over two years (£26,877; £6,783) to support the capital costs for a 50kWp solar array to be installed on the Middlesex Street Estate and towards a two-year Community Champion role.
18949	Royal Society for Blind Children	£48,646.00	£48,464 over one year towards the costs of the first year's operating costs of the Life without Limits Centre.
18843	TEMPLE BAR TRUST	£250,000.00	£250,000 over five years (£50,000; £50,000; £50,000; £50,000; £50,000) to provide an educational programme for the local community, children and visitors, based in the refurbished Temple Bar and adjoining accommodation in Paternoster Lodge. As a condition of the grant, following the first year of funding (£50,000), subsequent years of funding will only be released following review by the CILNF team and receipt of satisfactory financial reporting from TBT.
18837	The World Reimagined Limited	£100,000.00	£100,000 to fund the World Reimagined Sculpture Trail in May 2022.

18855	The Worshipful Company of Chartered Architects	£24,600.00	£24,600 over one year to increase public and professional awareness of sustainability issues by supporting the initial phase of a competition for a 21st century EcoHome design to be constructed for temporary public exhibition in Paternoster Square.
18986	XLP	£46,824.00	£46,824 over three years (£15,000; £15,600; £16,224) to support the 'Ready to Work' programme which equips young people who are not in employment, education or training (NEET) to be work ready and to remain in employment.
	Total	£2,050,344.00	

Rejected and Withdrawn Grants

ID/Ref	Organisation Name	Req/Granted	Project Title
18461	City Property Association Limited	£360,000	To support the One City project, the City of London's digital community
18872	Art4Space	£24,150	To offer our expertise as community artists to create an inside out gallery of stunning collaborative street community art in the City's square mile.

18559	BeBox Limited	£43,660	Create OPO wellness solutions to inspire exploration of CoL public spaces while supporting mental health. Create community share-ability of wellness solutions. Support community wellness outreach.
18759	Queen's Quay Residents' Association	£25,000	To install a sedum blanket on the raised roof area of the roof terrace and complement that with grasses and shrubs.
	Total	£452,810	

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Appendix 3 - Summary of Charitable Donations from the IDF 2021/22

Date	Donation To	Reason for Donation	Amount
May 2021	Disaster Emergency Committee	DEC India Coronavirus Appeal	£25,000
July 2021	British Red Cross	Haiti Earthquake Appeal	£25,000
January 2022	Disaster Emergency Committee	Afghanistan Crisis Appeal	£25,000
February 2022	British Red Cross	Tonga Appeal	£25,000
March 2022	UNICEF	Ukraine Crisis Appeal	£25,000
March 2022	Disaster Emergency Committee	Ukraine Crisis Appeal	£250,000
		Total	£375,000

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Committee(s): Finance Committee	Dated: 14 June 2022
Subject: Benefits in Kind (BIK) – Annual Report	Public
Which outcomes in the City Corporation's Corporate Plan does this proposal aim to impact directly?	2,3,4,9, 10, 11, 12
Does this proposal require extra revenue and/or capital spending?	N
If so, how much?	N/A
What is the source of Funding?	N/A
Has this Funding Source been agreed with the Chamberlain's Department?	N/A
Report of: Managing Director of BHE and Chief Charities Officer	For Information
Report author: Jack Joslin, Head of the Central Grants Unit	

Summary

The purpose of this report is for Members of this Sub-Committee to receive an update on the annual Benefits in Kind (BIK) data collected and the amount of time that officers have reported spending on volunteering or providing advice and guidance to external bodies/charities during the period between April 2021 and March 2022.

CoLC's definition of BIK is: Abatement of a full commercial rent; abatement of a fee or charge for services provided; or the provision of goods or services to a third party at either a nil or reduced charge by the City of London Corporation. This includes Officer volunteering time and general support and the provision of advice or guidance to external bodies/charities.

In the meeting of the now dissolved Finance Grants Oversight and Performance Sub-Committee (FGOPS) in November 2019 it was agreed to align the BIK reporting with the financial year to correspond with the Joint Philanthropy Strategy reporting.

The Joint Philanthropy Strategy, approved by the Policy and Resources Committee in 2018, looks to map the giving of Time, Space and Funding across the City of London Corporation. BIK reporting plays a pivotal role in mapping the giving of space and time. The Central Grants Unit (CGU) manages the annual collection of data to ensure comprehensive reports are completed by all departments. Since the final meeting of the FGOPS in February 2022 it was agreed that BIK data would be provided to the Finance Committee annually.

A total of 157 BIKs have been reported for in the period between April 2020 and March 2021, with total monetary value of £1,662,154. 57 BIKs are considered new and have a total monetary equivalent of £269,217.

Recommendations

- a) To note the summary and analysis of BIK relating to April 2021 and March 2022

Main Report

Background

1. It was recognised in the corporate Effectiveness of Grants Service Based Review 2016 that CoLC offers support to the wider community in a number of ways – through direct financial contributions (or grants) often for charitable purposes; through the CoLC's support and trusteeship of many charities; and through non-monetary resources or BIK. The Grants Review excluded consideration of BIK, but as that report passed through the various committees the relevance of some of the findings to BIK were noted. It was requested by Members of various committees that BIK be considered in implementing the Grants Review outcomes.
2. Members highlighted that the key reputational and value-for-money risks and issues that were identified in relation to the payment of grants also apply to a BIK. Members identified that BIK would benefit from the application of a similarly consistent, coherent and co-ordinated approach to ensure that there are no hidden financial costs to the organisation which are not being properly quantified and managed and to ensure reputational risks are mitigated by a fair decision-making process.
3. To date, on an annual basis, the Chamberlain's Department requested that every department provide details of BIK that are provided to external organisations.
4. In November 2017 a review of the BIK policy and framework was undertaken. Members of this Sub-Committee agreed that this refreshed and more comprehensive corporate BIK policy be submitted to the Finance Committee and Policy and Resources Committee for approval. The corporate-wide BIK policy was agreed by both committees and is now part of the Corporation's Financial Regulations which came into force on the 1st April 2018.
5. This policy forms part of the City Corporation's Financial Regulations and works alongside any local charging policies which are already established and operate effectively, such as that of the Remembrancer's Department. Annual reporting on BIK is now to be presented to the Finance Committee in May/June each year, since the FGOPS was dissolved in February 2022.
6. A copy of the implemented BIK policy and framework is at **Appendix 1**.

Current BIKs

7. A summary of the data collected from departments between April 2021 and March 2022 is shown at **Appendix 2**.

8. City Corporation departments are required to report on pro-bono Officer volunteering time and general support and the provision of advice or guidance to external bodies/charities. It should be noted that the data does not include time spent on work supporting charities associated with the City Corporation which is re-charged in accordance with a policy approved by the Finance Committee in February 2021. **Appendix 3** outlines the extent of pro-bono volunteering provided by officers between April 2021 and March 2022.
9. Members will note that there has been a significant increase in BIKs recorded this year. 101 more BIK were recorded in 2021/22 than in 2020/21. This will be mainly due to the impact of the Coronavirus Pandemic in the previous year and the City's ability to offer space to external bodies. It is also due to a combined effort from the CGU and Chamberlains Department to ensure that all departments were collecting and recording BIKs this year.
10. A new process has been implemented for this year's collection of data. All departments have been asked to review all existing BIK and ongoing BIK to ensure they are still relevant to departmental strategies. This process has seen all departments submit returns to give the most accurate picture of BIK across the City since data collection began.
11. The CGU will continue to provide bespoke sessions this year with departments on why this reporting is important. The CGU will continue working with departments going forward to ensure that they are aware of the requirements of the policy and offer support where required.

Conclusion

12. The purpose of this report is for Members of this Committee to receive an update on the BIK data collected for 2021/22.

Appendices:

Appendix 1: Corporate Wide BIK policy and framework

Appendix 2: Summary of BIK data 2021/22

Appendix 3: Staff Pro-Bono Volunteering Time 2021/22

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Appendix 1: Corporate Wide Benefits In Kind (BIK) policy and framework

The City of London Corporation's definition of BIK is:

- a) Abatement of a full commercial rent;
- b) Abatement of a fee or charge for services provided; or
- c) The provision of goods or services to a third party at either a nil or reduced charge by the City of London Corporation. This is to include Officer volunteering time and general support and the provision of advice or guidance to external bodies/charities

1. In accordance with the existing corporate governance framework, all BIK should be approved by either a Chief Officer (or delegate), or relevant service Committee (or Sub-Committee):

a. Any BIK decisions with a monetary equivalent of under £10,000 may be taken by Chief Officers –

i. In relation to property matters, subject always to the advice of the City Surveyor, in both managing the physical assets, including land and buildings for which they are responsible; and in approving the casual or occasional use of land, premises or equipment under the control of the department (as provided under the officer Scheme of Delegations); and

ii. otherwise in respect of goods and services in accordance with any properly approved charging policy (as provided for in the Financial Regulations).

iii. If the aggregate value of the delegated BIK's (agreed by a single department) in any financial year reach £100k, the relevant service Committee (or Sub-Committee) must receive notification, including a breakdown of all decisions to be taken.

b. Any BIKs with a monetary equivalent over the threshold of £10,000 shall, subject to a specific discretion otherwise granted to a Chief Officer (as provided for in the Financial Regulations), be reported to the relevant service Committee for approval in setting any charging policy.

2. At the time of agreement of a BIK, a review or end date must be included.

3. All data from internal volunteering programmes must be included. This would include any Officer time provided in terms of general support, advice or guidance to external bodies/charities. An aggregation of data (time spent and equivalent cost) is acceptable from each department. This data collection does not apply to City of London Corporation Members.

4. All BIK allocated to external organisations over a value of £10,000 should be acknowledged in any relevant publicity. City of London Corporation branding

should be used in each such instance (in line with the current guidance of the Communications Department).

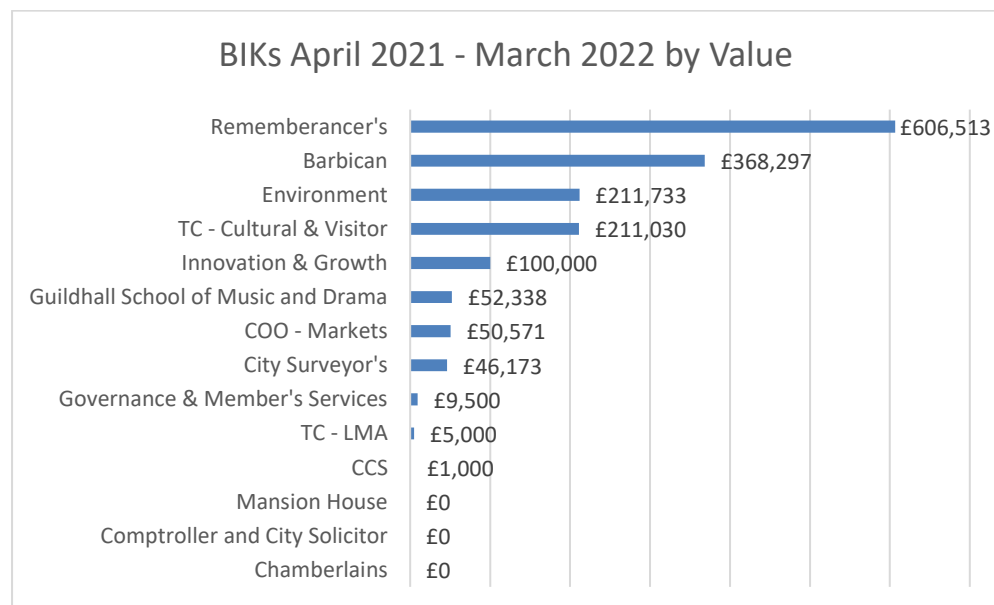
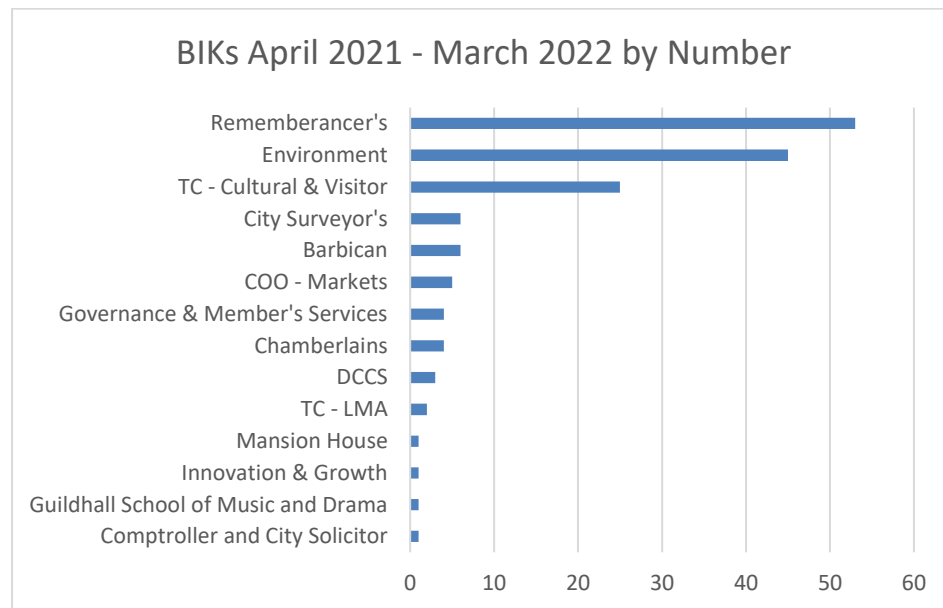
5. All departments are expected to maintain a rolling register of BIK, in a standard format rather than relying on end of year data capture. These will be fed into the CGU who will maintain a central, transparent register.
6. All BIK to be reported to the Finance Committee, annually in May/ June. A standardised template will be provided to all departments for completion throughout the year.

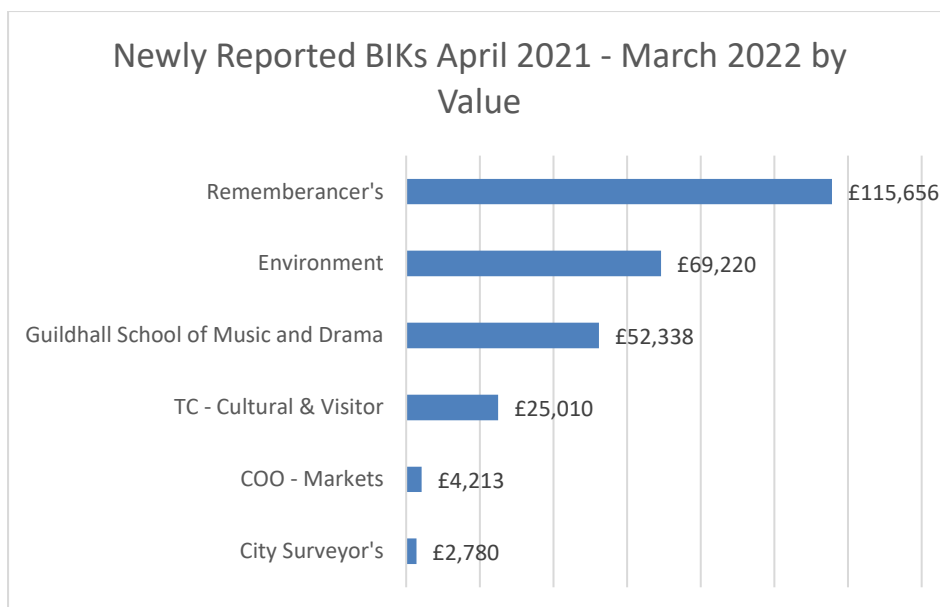
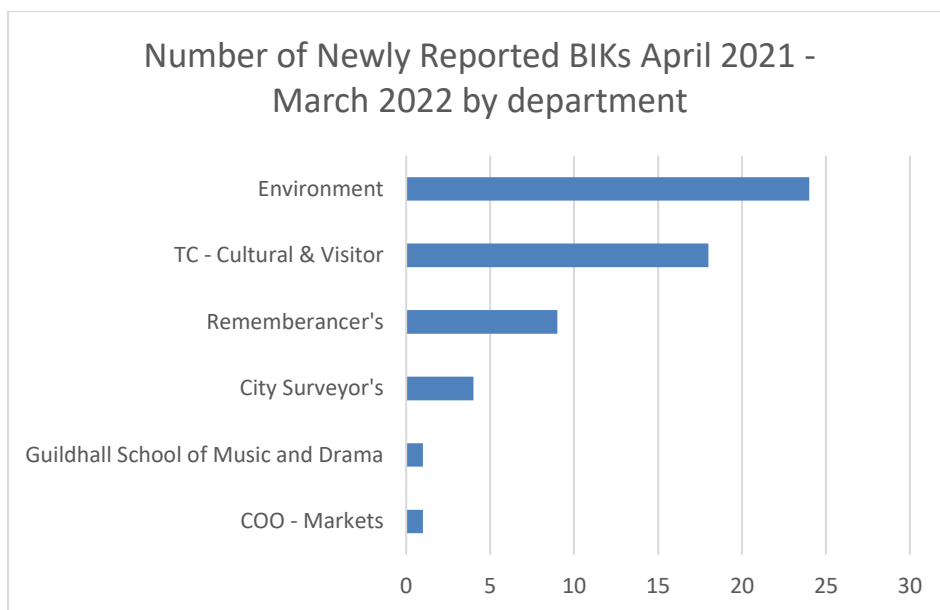
Appendix 2 - BIK Report Data

April 2022

2021-22

Total BIKs	157
Total new BIKs	57
£ BIKs	£1,662,154
£ new BIKs	£269,217





2020-21 v 2021-22

	2021-22	2020-21	% Change
Total BIKs	157	56	180.4%
Total new BIKs	57	14	307.1%
£ BIKs	£1,662,154	£607,744	173.5%
£ new BIKs	£269,217	£329,161	-18.2%

Due to department changes - mergers and new departments, we are unable to provide a percentage change analysis by department this year.

Appendix 3:

1. A total of 2,114 hours of pro-bono departmental volunteering has been reported for the year 2021-2022.

Department	Type of Volunteering	Hours
Guildhall School of Music & Drama	Admin time	1,636
TC : Corporate Strategy & Performance	Mentoring	4
DCCS Housing & Barbican	Crisis Support Volunteers	100
DCCS Housing & Barbican	Afghan support	200
Bridge House Estates	Chair of London Funders	49
Bridge House Estates	Charterhouse Governor	20
Town Clerks	Chair of CSSC Cross Sector Safety and Security Communications	24
Town Clerks	Board member of City of London Crime Prevention Association	36
Town Clerks	Board of Directors of the Security Institute	45

Committee(s): Finance Committee	Dated: 14 June 2022
Subject: Central Contingencies 2022/23	Public
Which outcomes in the City Corporation's Corporate Plan does this proposal aim to impact directly?	n/a
Does this proposal require extra revenue and/or capital spending?	N
If so, how much?	n/a
What is the source of Funding?	n/a
Has this Funding Source been agreed with the Chamberlain's Department?	n/a
Report of: The Chamberlain	For Information
Report author: Amanda Luk, Financial Services Division	

Summary

This report has been produced to provide Members with an update on the Central Contingencies 2022/23 uncommitted balances.

Recommendation(s)

Members are asked to:

- Note the Central Contingencies 2022/23 uncommitted balances.

Main Report

Background

1. Service Committee budgets are prepared within the resources allocated by the Policy and Resources Committee and, with the exception of the Policy and Resources Committee, such budgets do not include any significant contingencies. The budgets directly overseen by the Finance Committee therefore include central contingencies to meet unforeseen and/or exceptional items that may be identified across the City Corporation's range of activities. Requests for allocations from the contingencies should demonstrate why the costs cannot, or should not, be met from existing provisions.
2. In addition to the Central Contingencies, the Committee has a specific City's Cash Contingency of £125,000 to support humanitarian disaster relief efforts both nationally and internationally.

Current Position

3. The uncommitted balances that are currently available for 2022/23 are set out in the table below.

2022/23 Central Contingencies – Uncommitted Balances 31 May 2022			
	City's Cash	City Fund	Total
	£'000	£'000	£'000
Contingencies			
2022/23 Provision	950	800	1,750
2021/22 Pending brought forward	234	608	842
Total Provision	1,184	1,408	2,592
Previously agreed allocations	(153)	(358)	(511)
Pending recommended allocation	0	0	0
Pending request on the agenda	0	0	0
Total Commitments	(153)	(358)	(511)
Uncommitted Balances	1,031	1,050	2,081
National and International Disasters			
Total Provision	125	0	125
Previous allocations	0	0	0
Uncommitted Balance	125	0	125

4. In the case of a request for additional funding for a project that affects all three funds, the Bridge House Estates Board would approve its portion of any such joint project. All requests specific to BHE only are considered solely by the BHE Board.
5. At the time of preparing this report, this report, there are no requests for allocations from contingency funds elsewhere on the agenda.

Conclusion

6. Members are asked to note the Central Contingencies uncommitted balances.

Appendices

- Appendix 1 - Allocations from 2022/23 Contingencies

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