



Finance Committee

Date: TUESDAY, 16 SEPTEMBER 2025

Time: 1.30 pm

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

Members:	Deputy Henry Colthurst (Chairman)	Deputy Ann Holmes Sandra Jenner
	Deputy Andrien Meyers (Deputy Chair)	Deputy Paul Martinelli
	Shahnan Bakth	Alderman Bronek Masojada
	Alderman Alexander Barr	Deputy Benjamin Murphy
	Deputy Emily Benn	Alderman Jennette Newman
	Nicholas Bensted-Smith	Fraser Peck
	Deputy Timothy Butcher	Sushil Saluja, Coleman Street
	Deputy Bethany Coombs	Hugh Selka
	Deputy Anne Corbett	Deputy Oliver Sells KC
	Elizabeth Corrin	Deputy Sir Michael Snyder
	Simon Duckworth OBE DL	James St John Davis
	Susan Farrington	Deputy James Thomson CBE
	Steve Goodman OBE	James Tumbridge
	Alderman Martha Grekos	Mark Wheatley
	Deputy Madush Gupta	Deputy Christopher Hayward, Policy and Resources Committee (Ex-Officio Member)
	Stephen Hodgson	
	Adam Hogg	

Enquiries: John Cater

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**Ian Thomas CBE
Town Clerk and Chief Executive**

AGENDA

Part 1 - Public Agenda

1. **APOLOGIES**
2. **MEMBERS' DECLARATIONS UNDER THE CODE OF CONDUCT IN RESPECT OF ITEMS ON THE AGENDA**
3. **MINUTES OF THE PREVIOUS MEETING**
To agree the public minutes and non-public summary of the meeting held on 1st July 2025.

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

For Information
(Pages 15 - 16)
5. **PUBLIC UPDATE OF THE PROJECTS AND PROCUREMENT SUB-COMMITTEE MEETING OF 4TH SEPTEMBER 2025**
The Chairman of the Projects and Procurement Sub-Committee to be heard.

For Information
6. **CITY FUND AND PENSION FUND STATEMENT OF ACCOUNTS**
Report of the Chamberlain.

To follow.

For Information
7. **CITY RE LIMITED – PERFORMANCE MONITORING**
Report of the Chamberlain.

For Information
(Pages 17 - 20)

8. **CENTRAL LONDON FORWARD – GRANT RECEIPTS AND PROGRAMME DELIVERY**

Report of the Executive Director of Innovation & Growth.

For Decision
(Pages 21 - 56)

9. **INVESTMENT GOVERNANCE UPDATE**

Joint Report of the City Surveyor and the Town Clerk.

For Decision
(Pages 57 - 62)

10. **BUDGET MONITORING Q1**

Report of the Chamberlain.

For Information
(Pages 63 - 84)

11. **CHAMBERLAIN'S BUSINESS PLAN Q1 REPORT**

Report of the Chamberlain.

For Information
(Pages 85 - 88)

12. **RISK MANAGEMENT UPDATE REPORT**

Report of the Chamberlain.

For Decision
(Pages 89 - 92)

13. **CENTRAL CONTINGENCIES**

Report of the Chamberlain.

For Information
(Pages 93 - 96)

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

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

16. **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

17. **NON-PUBLIC MINUTES OF THE PREVIOUS MEETING**

To agree the non-public minutes of the meeting held on 1st July 2025.

For Decision
(Pages 97 - 100)

18. **NON-PUBLIC UPDATE OF THE PROJECTS AND PROCUREMENT SUB-COMMITTEE MEETING OF 4TH SEPTEMBER 2025**

The Chairman of the Projects and Procurement Sub-Committee to be heard.

For Information

19. **STAGE 2 AWARD PROCUREMENT REPORT - ENFORCEMENT AGENTS FOR REVENUES AND PARKING**

Report of the Chamberlain.

For Decision
(Pages 101 - 106)

20. **CONTINUATION OF WASTE MANAGEMENT SERVICE CONTRACT**

Report of the Executive Director, Environment.

For Decision
(Pages 107 - 114)

21. **EXTENSION OF WASTE COLLECTION, STREET CLEANSING AND ANCILLARY SERVICES CONTRACT**

Report of the Executive Director, Environment.

For Decision
(Pages 115 - 126)

22. **CENTRAL LONDON WORKS PROGRAMME - DELIVERY PARTNER INGEUS CONTRACT GROWTH**

Report of the Executive Director of Innovation & Growth.

For Decision
(Pages 127 - 132)

23. **CITY SCHOOLS BUDGETS 2024/25**

Report of the Chief Operating Officer, City Schools.

For Decision
(Pages 133 - 136)

24. **PRIVATE PLACEMENT LOAN - GREEN AND SUSTAINABLE FINANCING FRAMEWORK**
Report of the Chamberlain.
- For Information**
(Pages 137 - 144)
25. **PROVISION FOR BAD AND DOUBTFUL DEBTS**
Report of the Chamberlain.
- For Information**
(Pages 145 - 150)
26. **NON-PUBLIC APPENDIX TO RISK**
- For Decision**
(Pages 151 - 156)
27. **ALL ESTATES - REVIEW OF METRICS USED IN MAKING MAJOR PROPERTY DECISIONS - 1ST ANNUAL REVIEW**
Report of the City Surveyor.
- For Decision**
(Pages 157 - 170)
28. **INVESTMENT PROPERTY DELEGATIONS**
Report of the City Surveyor.
- For Decision**
(Pages 171 - 174)
29. **EFFICIENCY AND PERFORMANCE WORKING PARTY'S FORWARD PLAN**
- For Information**
(Pages 175 - 176)
30. **MPO DASHBOARDS REPORTING**
Report of the Chamberlain.
- For Information**
(Pages 177 - 182)
31. **NON-PUBLIC APPENDIX - CENTRAL CONTINGENCIES**
- For Information**
32. **NON-PUBLIC DECISIONS TAKEN UNDER DELEGATED AUTHORITY AND URGENCY PROCEDURES**
Report of the Town Clerk.
- For Information**
(Pages 183 - 186)

33. **NON-PUBLIC QUESTIONS ON MATTERS RELATING TO THE WORK OF THE COMMITTEE**
34. **ANY OTHER BUSINESS THAT THE CHAIRMAN CONSIDERS URGENT AND WHICH THE COMMITTEE AGREE SHOULD BE CONSIDERED WHILST THE PUBLIC ARE EXCLUDED**

FINANCE COMMITTEE

Tuesday, 1 July 2025

Minutes of the meeting of the Finance Committee held at Guildhall, EC2 on Tuesday, 1 July 2025 at 12.45 pm

Present

Members:

Deputy Henry Colthurst (Chairman)	Steve Goodman OBE
Deputy Andrien Meyers (Deputy Chair)	Alderwoman Martha Grekos
Brendan Barns	Adam Hogg
Alderman Alexander Barr	Sandra Jenner
Nicholas Bensted-Smith	Alderman Bronek Masojada
Deputy Timothy Butcher	Alderwoman Jennette Newman
Deputy Anne Corbett	Deputy Oliver Sells KC
Simon Duckworth OBE DL	James St John Davis
Susan Farrington	Deputy James Thomson CBE

Officers:

Caroline Al-Beyerty	- The Chamberlain
Greg Moore	- Deputy Town Clerk
Michael Cogher	- Comptroller & City Solicitor
Sonia Virdee	- Financial Services Director
Robert Murphy	- Investment Property Director
Genine Whitehorne	- Commercial Director
Alistair Cook	- Joint CFO for COL Police Force & Police Authority
Simon Gray	- ERP Programme Director
Nadhim Ahmed	- Chamberlain's Department
Jade Coombes	- Chamberlain's Department
John James	- Chamberlain's Department
Matt Lock	- Chamberlain's Department
Matt Miles	- Chamberlain's Department
Daniel Peattie	- Chamberlain's Department
John Hall	- City of London Schools
Tabitha Swann	- Corporate Strategy & Performance
John Cater	- Committee Clerk

1. APOLOGIES

In advance of the meeting, formal apologies for absence were received from Shahnaz Bakht, Deputy Bethany Coombs, Alderman Prem Goyal CBE, Deputy Madush Gupta, Stephen Hodgson, Deputy Paul Martinelli, Deputy Benjamin Murphy, Hugh Selka, Deputy Sir Michael Snyder, James Tumbridge, and Deputy Christopher Hayward.

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

There were no declarations of interest.

3. **MINUTES OF THE PREVIOUS MEETING**

RESOLVED: - that the public minutes and non-public summary of the meeting held on 4th June 2025 be approved as an accurate record.

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

The Committee received a Report of the Chamberlain outlining the forward work plan.

The Chairman asked that the next iteration should include detail on the first Finance Committee meetings of 2026.

RESOLVED – that the Committee noted the Report.

5. **PUBLIC UPDATE OF THE PROJECTS AND PROCUREMENT SUB-COMMITTEE MEETING 16 JUNE 2025**

On behalf of the Chairman of the Projects and Procurement Sub-Committee (PPSC), who was observing today's meeting, the Chairman informed Members that, in the public session at its last meeting, PPSC had approved a Report concerning the Pan-London Sexual Health eService contract (approved thereafter by Finance Committee and the Court of Common Council), and PPSC Members were informed about the main details from the City Corporation's Responsible Procurement Impact Report for 2024/25 prior to its wider publication.

RESOLVED – That the Committee noted the public update from the meeting of the Project and Procurement Sub-Committee on 16th June 2025.

6. **NEW PROJECT PROCEDURE / P3 FRAMEWORK**

The Committee considered a Report of the Chamberlain concerning the new Project Procedure/Project, Programme, Portfolio (P3) Framework.

The Chairman and several Members expressed their fulsome support for the proposals and commended the officers involved for the hard work which had gone into designing the new Framework. The proposals were intended to provide for greater simplicity, efficiency, and flexibility; the latter of which was particularly helpful, given the operational differences and non-local authority status of some of the City's institutions, such as the independent Schools.

In her introductory remarks, the Commercial Director highlighted that the Chairman of the Projects and Procurement Sub-Committee had requested that the tiering structure be revised; currently, the higher risk projects were designated as Tier 0/1 with lower risk projects then ascending up the ranking to Tier 3, the Chairman suggested that this ordering should be inverted more intuitively so that higher risk profile projects were designated as Tier 3, with lower risk items then descending through to Tier 0/1. It was agreed that this was not a substantive change which could be incorporated as a non-material revision prior to the formal roll out of P3 in the autumn.

A Member queried whether, after approval from the relevant service Committees and PPSC, red projects that had been re-baselined as green projects would still be monitored and tracked to ensure that any further delays or issues were picked up and escalated in good time. The Commercial Director emphasised that the City Corporation's new portfolio management software, Cora, brought significant benefit in this area, notably around tracking version control and change history which can then be escalated if required. In addition, she stressed that that re-baselining was a robust process, that depending on the risk value of the project, would need the formal approval of the Town Clerk's Portfolio Board or the relevant Committee(s).

Separately, noting the length of the Report (plus the appendices), a Member asked whether the number of pages of Finance Committee Reports could be kept to a minimum. The Chairman stressed that he had previously asked officers to keep reports succinct – ideally incorporating a two-page covering summary aimed at ensuring that key issues were always brought to Members' attention.

Noting that the Framework will apply for projects of the value of £250,000 and upwards, a Member asked what assurance was being put in place for projects below £250,000. The Commercial Director responded that sub-£250,000 projects would come under the oversight of Chief Officers with support provided by the corporate centre in the form of the new Enterprise Portfolio Management Office (EPMO); this will be in addition to the new policy and programme management framework which will include all the new guidance, tools, and training which will allow project managers to draw upon the expertise of the corporate centre. The Commercial Director also pointed out that most sub-£250,000 items would still come under governance frameworks e.g. the procurement governance framework (for which the Commercial Director had a remit). Processes were in place to ensure that sub-£250,000 items were being robustly managed, monitored, and flagged when necessary. The Chairman asked that a summary be regularly brought to the relevant Committees of those projects which fell under the £250,000 threshold.

Given its remit over these matters, the Deputy Chair asked that a reporting control summary also come back to the Finance Committee on a regular basis summarising, at a high-level, the activity in each of the Tiers.

RESOLVED: – that the Committee:

1. Approved the new P3 Framework, including:
 - a) Approve the new project gateways – paragraphs 16-21
 - b) Approve the increase of delegated authority to £5m for Chief Officers – paragraph 21
 - c) Approve the increase of the threshold for Court of Common Council to receive gateway submissions to £20m – paragraph 21
 - d) Note the increase to £250k threshold for entering the gateway process – paragraph 21

e) Approve that once a “Red” project approves a re-baselined plan with the Service Committee and Project and Procurement Sub-Committee, it can then proceed as a “Green” project – paragraph 21

f) Approve the SRO of a project or programme to have delegated authority to drawdown against the agreed costed risk profile – paragraph 21

2. Expanded the use of optimism bias with the established ‘optimism bias’ reserve to be authorised from the Service Committee and Finance Committee – paragraph 21

3. Noted that the new P3 Framework will take effect at a launch event on 25th November 2025

4. Approved that further updates can be made to the P3 Framework with approval from CoL Portfolio Board with Members approving changes to the delegation levels

5. Authorised the Chamberlain to make the necessary amendments to other documentation i.e. the Corporation's Financial Regulations and the Procurement Code in order to align these documents with the Framework.

7. **RESOLUTION FROM THE COMMUNITY AND CHILDREN'S SERVICES COMMITTEE TO THE FINANCE COMMITTEE**

The Committee considered a Resolution from the Community and Children's Services Committee.

RESOLVED: - The Committee supported the sentiment in the Resolution and issued its fulsome support for the Corporation's efforts in tackling homelessness. Nevertheless, Members were minded not to support ringfencing/hypothecation at this stage, and suggested that the Chairman meet with the Chairman of the Community and Children's Services Committee on these matters and report back.

8. **2024/25 OUTTURN REPORT FOR CITY FUND AND CITY'S ESTATE**

The Committee received a Report of the Chamberlain providing a summary of the 2024/25 draft outturn position for City Fund and City's Estate.

Responding to a query, the Chamberlain highlighted that, given the wider inflationary trends, this was a good opportunity to look in greater depth at whether the City Corporation's fees and charges were set at an appropriate level; her department would be examining levels in more detail in the autumn and would update the Committee in due course.

Whilst the slippage on the City Corporation's capital works in 2024/25 had helped cashflow and interest earnings, in the longer-term, the downside from slippage in areas such as repairs and maintenance in the HRA could present huge risk of increased longer-term costs. More detail about the potential upsides and downsides would come back to the Committee as part of the

preparation for the 2026/27 Budget. The Chamberlain added that the Commercial team's work via Project Cora would provide the Project and Procurement Sub-Committee greater oversight of slippage and pressures for lesser profile capital works, which would, in turn, provide Members with a greater understanding of the consequent impact on the City Corporation's broader financial outlook.

RESOLVED: - that the Committee noted the Report.

9. **REVENUE OUTTURN 2024/25 – FINANCE COMMITTEE OPERATIONAL SERVICES**

The Committee received a joint Report of the Chamberlain, the Town Clerk, the City Surveyor, the Remembrancer, and the Executive Director of Community and Children's Services.

RESOLVED: - that the Committee noted the Report.

10. **UPDATE ON BUDGET SETTING 2026-27**

The Committee received a Report of the Chamberlain concerning the preparation of the City Corporation's Budget for 2026/27.

After the Financial Services Director provided a presentation, a number of Members raised several points:

A Member highlighted the Ambition 25 project as the "elephant in the room"; although the changes were felt essential, the organisation had to pause to take stock of the current status of the project as well as the recent personnel changes in the City's HR Department.

The Deputy Chair highlighted that an Ambition 25 briefing session was to be set up with those Members of the Finance and the Policy & Resources Committees who were not also Members of the Corporate Services Committee. Alongside the challenges presented by the Corporation's Capital Programme, the Deputy Chair identified Ambition 25 as a key focus for 2026/27 planning.

A Member stressed that this process should serve as an opportunity to look radically and fundamentally about some of the services that the Corporation provides, particularly given the rising costs in recent years of some of these activities; it was apparent that given the organisation's size, the unit cost of some of these services, when benchmarked across other local authorities, was often significant. The Chamberlain welcomed these comments and pointed to the outcome of the Fair Funding Review as a key milestone in determining how radical the organisation would need to be to turn around the trajectory of City Fund. Additionally, the Chamberlain highlighted the upcoming Policy & Resources Away Day as an opportunity to think about the longer-term outlook, given that City Fund would take some time to restore its position whilst efforts to increase income generation by at least £10m also had to come to fruition.

The Chairman thanked Members for their contributions and, on behalf of the Committee, asked the Chamberlain and her team to carry on the work with updates to the Committee to follow in the autumn/winter.

RESOLVED: - that the Committee noted the Report.

11. UPDATE FROM INTERNAL AUDIT - ASSURANCE FINANCIAL CONTROL

The Committee received a Report of the Chamberlain concerning the City Corporation's internal financial controls.

The Chairman asked officers whether they felt that the controls around the use of City Corporation credit cards/purchase (P) cards were sufficiently robust and are they still providing the organisation value-for-money.

Officers responded that compliance with all of the City's frameworks for use of P Cards was relatively steady at around 75% and that they remained an effective solution for the organisation. Unlike in the commercial sector, P-Cards at the Corporation were not predominantly used for expenses for employees (which was dealt with by a separate reimbursement system), rather than for low value, operational purchases for which they proved efficient and agile way. It was emphasised that the timely provision of receipts and expenses forms remained of critical importance and internal audit continued to work with colleagues across the organisation to ensure that expectations were met.

A Member welcomed the training initiative and asked how its effectiveness would be measured; officers responded that, whilst the Corporation had benefited from a strong compliance environment for many years, some unacceptable practices had emerged which needed to be stopped. As a result, further training would be key. Results and performance over the coming year would be reported back in six months' time to the Audit & Risk Management Committee, and thence in summary to the Finance Committee, which had an overarching responsibility for financial control.

RESOLVED: - that the Committee noted the Report.

12. ERP PROGRAMME UPDATE (QUARTERLY)

The Committee received a Report of the Chamberlain updating Members on the progress of the ERP Programme.

Responding to a comment, the Chamberlain emphasised the critical importance of AI for efficiency going forward and highlighted as an example the HR department's recent rollout of the HR bot which could be used by anyone across the organisation to ask questions on HR policies. However, it was clear that to harness the full benefits of AI, underlying data must become more robust. Such upgrade would be a key focus for the organisation. Derby City Council had been cited as an example of an Authority which was leading the way on AI adoption, and the lessons from there would be carefully considered by the Corporation.

RESOLVED: - that the Committee noted the Report.

13. RISK MANAGEMENT UPDATE REPORT

The Committee received a Report of the Chamberlain concerning risks faced by the Chamberlain's Department.

RESOLVED: - that the Committee noted the Report.

14. 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). The decisions related to the Pan-London Sexual Health eService (SHL.UK) and the MRI Horizon property management software.

RESOLVED: – that the Committee noted the Report.

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

There were no public questions.

16. ANY OTHER BUSINESS THAT THE CHAIRMAN CONSIDERS URGENT

There were no urgent public items.

17. 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.

18. NON-PUBLIC MINUTES OF THE PREVIOUS MEETING

RESOLVED: - that the non-public minutes of the meeting held on 4th June 2025 be approved as an accurate record.

19. NON-PUBLIC UPDATE OF THE PROJECTS AND PROCUREMENT SUB-COMMITTEE MEETING 16 JUNE 2025

RESOLVED – That the Committee noted the non-public update from the meeting of the Project and Procurement Sub-Committee on 16th June 2025.

20. ART TRANSPORT FRAMEWORK - PROCUREMENT STAGE 2 AWARD REPORT

The Committee received a joint Report of the Chamberlain and the Interim CEO, Barbican Centre concerning the award of the Art Transport Framework.

21. CLSG FUNDING REVIEW

The Committee considered a Report of the Chamberlain concerning transition funding for the City of London School for Girls (CLSG).

22. **WRITE OFF REPORT - BUSINESS RATES AND COUNCIL TAX**
The Committee considered a Report of the Chamberlain concerning write-offs of Business Rates and Council Tax.
23. **ERP UPDATE (NON-PUBLIC)**
The Committee received a Report of the Chamberlain concerning the ERP Programme.
24. **EFFICIENCY AND PERFORMANCE WORKING PARTY'S FORWARD PLAN**
The Committee received a Report of the Chamberlain outlining the Forward Plan for the Efficiency & Performance Working Party.
25. **MPO DASHBOARD**
The Committee received a Report of the Chamberlain outlining updates concerning the City Corporation's Major Programmes.
26. **NON-PUBLIC 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).
27. **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.
28. **ANY OTHER BUSINESS THAT THE CHAIRMAN CONSIDERS URGENT AND WHICH THE COMMITTEE AGREE SHOULD BE CONSIDERED WHILST THE PUBLIC ARE EXCLUDED**
The Committee considered two items of urgent business relating to social housing and investment properties.

The meeting ended at 2.15 pm

Chairman

Contact Officer: John Cater

FINANCE COMMITTEE – WORK PROGRAMME 2025-26

	Sept -25	Nov-25	Dec-25	Jan-26	Feb-26	April - 26	May-26	June - 26	July-25
Budget Setting Process & Medium-Term Financial Planning					City Fund Budget Report and Medium-Term Financial Strategy City Estates Budget report and Medium-Term Financial Strategy				Update on Budget setting 26/27
Effective Financial Management Arrangements for The City Corporation Page 15	MPO Dashboard Reporting (CHB) Budget Monitoring Q1 Provision for Bad and Doubtful Debts City Re update Efficiency and Performance forward plan Private Placement Loan – Green and sustainable Financing framework Updated Procurement Code Central London Forward – contract growth for Ingeus (Liz Millington / Monica Patel) Waste Collection, Street Cleansing and Ancillary Services – Veolia Contract Provision of a Comprehensive Waste Disposal Service to the CoL – Cory Environmental	MPO Dashboard Reporting (CHB) Budget monitoring Q2 Capital Projects – Forecasting	MPO Dashboard Reporting (CHB) Efficiency and Performance forward plan Review of Financial controls (Internal Audit update) /or Jan FC	MPO Dashboard Reporting (CHB) Efficiency and Performance forward plan	MPO Dashboard Reporting (CHB) Efficiency and Performance forward plan	MPO Dashboard Reporting (CHB) Efficiency and Performance forward plan Update of Finance Regulations - deep dive	MPO Dashboard Reporting (CHB) Efficiency and Performance forward plan	MPO Dashboard Reporting (CHB) Efficiency and Performance forward plan Review of Recharges - Barbican leaseholder service charges Interest Rates for Loan Facilities	MPO Dashboard Reporting (CHB) Efficiency and Performance forward plan Revenue Outturn report 24/25 Provisional Outturn report 24/25 Update from Internal Audit – Assurance Financial Control Write off report or Business Rates and Council tax
Financial Statements	City Fund and Pension Fund statement of accounts	City's cash financial statements City's Cash trust funds and sundry trust funds annual reports and financial statements							

Finance Committee as a Service Committee	Risk Management Update Report	Risk Management Update Report	Risk Management Update Report	Risk Management Update Report	Risk Management Update Report	Risk Management Update Report	Risk Management Update Report	Risk Management Update Report	Risk Management Update Report
	Central Contingencies (quarterly report)	Chamberlain's Business plan Q2 report	Business Plan 2026/27 (Decision)	ERP Programme Update (Quarterly)	Chamberlain's Business plan Q3 report	Chamberlains Business Plan End of Year update		Central Contingencies (Quarterly report)	ERP Programme Update (Quarterly)
	Chamberlain's Business plan Q1 report					ERP Programme Update (Quarterly)			
Other Departments reports	Annual Terms of Reference Review (Town Clerks)					Appointments (Town Clerks)			
	Central London Forward Integration Hub - growth and extension								

Committee: Finance	Dated: 16 September 2025
Subject: City Re Limited – Performance Monitoring	Public
Which outcomes in the City Corporation’s Corporate Plan does this proposal aim to impact directly?	All
Does this proposal require extra revenue and/or capital spending?	N/A
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: Kate Limna	

Summary

The City Corporation established a Captive Reinsurance Company (the Captive), City Re Limited, on 24 December 2010, as a separate legal structure to allow the City to share in the risks and benefits of insuring its property portfolio, whilst controlling the financial exposure.

This report provides information on the underwriting experience for the accounting period from 1 April 2024 to 31 March 2025 which produced a retained profit for the year of £339,459 (2023/24: £1,055,174), after declaring a dividend of £100,000.

At its meeting on 11 July 2025, the Board of City Re Limited agreed not to declare a dividend yet for 2024/25 but review the position again in December.

Included in this report is information on the governance arrangements for the Captive and of various matters discussed at the Board meeting on 11 July, including the adoption of the accounts, and the receipt of the auditors’ Management and Governance Letter, which states there were no material issues arising during the course of their audit.

The auditors’ Management and Governance Letter and the signed, audited Directors’ Report and Financial Statements are attached to this report.

Recommendation

Members are asked to note this report.

Main Report

Background

1. The Finance Committee, at its meeting on 26 October 2010, approved the principle of establishing a Captive Reinsurance Company (the City Captive). On 24 December 2010, such an entity, City Re Limited, was created, based in Guernsey, where the optimum managerial and administrative expertise is located to operate such a company. The City provided initial share capital of £500,000.
2. The Captive provides a separate legal structure which allows the City to share in the risks and benefits of insuring its property portfolio, whilst controlling the financial exposure. Effectively, the City is able to participate in its own insurance placement, benefit from underwriting profits but cap downside financial risk.
3. The Captive has received an annual reinsurance premium increasing from £1.664 million in 2010 up to £2.63 million in 2024. That retained figure currently represents 30.18% of total premium paid.

Main Characteristics of the Captive

4. The main elements of the Captive are set out below:
 - The Captive covers the first £250,000 of each and every property claim, effectively ceding liability for greater exposures to the main insurers, RSA and Aviva.
 - For 2024/25 the City Captive received an initial reinsurance premium of approximately £2.63m (2023/24: £2.58m), against which payments are drawn down.
 - The maximum aggregate retention of the Captive is limited to £250,000 per annum above the reinsurance premium received from RSA and Aviva. That currently totals £2.88m (£2.63m plus £0.25m) for the 2024/25 insurance period.
 - No terrorism exposure is accepted; instead terrorism risk is insured directly by RSA and Aviva and re-insured with Pool Re.

Financial Performance for period 1 April 2024 to 31 March 2025

5. The audited Financial Statements for the 2024/25 trading period of the City Captive were submitted for approval and signing to a meeting of the Board of Directors held in Guernsey on 11 July 2025. They are attached to this report. The City of London Corporation's Directors on the City Re Board, (the Chairman of the Finance Committee and the Chamberlain) attended the meeting in person.
6. The accounts also include an 'Incurred But Not Reported' (IBNR) loss reserve of £253,962 which was increased from £53,9620 in 2023/24. The IBNR is reviewed on an annual basis. In March 2025 Directors discussed in detail the level of the IBNR and decided to allocate it across more recent years to allow better for the likely pattern of deterioration rather than at the level of a single maximum loss. It was agreed to set the IBNR in diminishing percentages of 30%, 20% and 10% for the three most recent periods. Historic performance of the Captive has shown that at the fourth year of any one accounting period the reserve for outstanding losses has largely proved more than sufficient to cover further run off.

7. For the accounting period, City Re Limited made a profit of £339,459 (2023/24: £1,055,174). Under the Companies (Guernsey) Law 2008 and the Guernsey Insurance Business (Solvency) Rules 2015, and in order for any Captive to be able to carry out its business there are two solvency ratios that must be met - the Prescribed Capital Requirement (PCR) and the Minimum Capital Requirement (MCR). Both ratios were met comfortably.
8. After due consideration of the finances and solvency position of City Re, the Board agreed not to declare a dividend but review the position at the next meeting, depending on subsequent underwriting performance.
9. When the Captive was set up the City Corporation provided share capital of £500,000. In 2018/19 a further £250,000 was injected increasing total share capital to £750,000. To date, the City Corporation has received dividends totalling some £6.03m which demonstrates the benefit of the structure. Without a captive the net premium costs may have been higher, and the City would not have received any dividend. The table below sets out the dividends received in each financial year since inception.

Year	Dividend
2024/25	£100,000
2023/24	£500,000
2022/23	£500,000
2021/22	£500,000
2020/21	£1,000,000
2019/20	£500,000
2018/19	£0
2017/18	£0
2016/17	£161,341
2015/16	£140,984
2014/15	£830,013
2013/14	£92,569
2012/13	£810,883
15 months to 31/03/12	£1,097,747
	£6,033,537

Auditor's Management and Governance Letter and Company Compliance

10. Moore Stephens are the auditors for City Re Limited. Their Management and Governance Letter states that no material issues arose during the course of their audit that required being brought to the attention of the Board.
11. As in previous years, the audited Directors' Report and Financial Statements will be made available as a distinct item on the City of London Corporation's website following this Finance Committee Meeting.

Conclusion

12. At their Board meeting on 11 July 2025, the Directors of City Re Limited
 - confirmed that the IBNR should be set on a reducing formula applicable to the 3 most recent accounting periods;

- noted that City Re continued to meet the solvency test; and
- agreed to declare no dividend but review the position in December 2025.

Appendices

- Appendix – Auditors' Management and Governance Letter and Financial Statements to 31 March 2025

Kate Limna

Corporate Treasurer

T: 020 7332 3952

E: kate.limna@cityoflondon.gov.uk

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City of London Corporation Committee: Central London Forward grant receipts and programme delivery

Summary Report

Committee(s): Finance Committee – For decision Court of Common Council – For decision	Dated: 16/09/2025 09/10/2025
Subject: Central London Forward – grant receipts and programme delivery [A]: Central London Integration Hub [B]: Get Britain Working Trailblazer – Full Potential – Ovation to the City of London Corporation [C]: Growth within the Connect to Work Programme [D]: Central London Forward - other programmes	Public report: For Decision
This proposal: <ul style="list-style-type: none"> • delivers Corporate Plan 2024-29 outcomes • provides business enabling functions 	Diverse and engaged communities; Dynamic economic growth; Providing excellent services
Does this proposal require extra revenue and/or capital spending?	No
If so, how much?	n/a
What is the source of Funding?	Various – the Department for Work and Pensions, the Greater London Authority. No City of London Corporation funding is being sought.
Has this Funding Source been agreed with the Chamberlain’s Department?	Yes
Report of:	Damian Nussbaum, Executive Director, Innovation and Growth
Report author:	Shadi Brazell, Director, Central London Forward Laura Davison, Research and Intelligence Director, Innovation and Growth

Summary

Central London Forward (CLF) is the partnership of the 11 central London local authorities and the City of London Corporation. The City of London Corporation was a founder member of Central London Forward when it was founded in 2007, and has acted as the legal entity and contracting body for CLF since that time.

CLF runs high-performing employment support programmes, all entirely funded by Government either directly or via the Greater London Authority. It also acts as the collective voice for its members, promoting inclusive and sustainable growth in central London. More information about the work of CLF's work can be found in its [Annual Report for 2024/25](#) and in its adopted [Strategy](#).

CLF is governed and its delivery scrutinised by a Board comprising the Leaders of its member authorities (or a senior delegate) and is also subject to audit by the Government entities that fund it. CLF is currently running four core programmes which range in size from under £200,000 through to c.£14m per annum. CLF also has a policy function which supports member boroughs on issues ranging from the impact of Short-Term Lets on the central London housing market to developing proposals on improving employment rights services. These programmes are summarised in table 1 at paragraph 4.

While the programme decisions are taken by the CLF Board, and the funding is external, the City of London's role as contracting body means that approval for grant receipts and disbursement come through City of London Corporation Committees. CLF does not have a distinct legal identity from the Corporation.

CLF often receives offers of funding to grow or extend programmes at short notice, sometimes a matter of weeks before delivery needs to begin. That can make managing governance processes challenging and result in multiple, relatively low-value papers being taken through the Committee process every year, often with a bottleneck around financial year end.

In order to streamline this process, while still seeking the necessary scrutiny and approval, CLF is bringing one, multi-part, forward-looking paper for planned and predicted activities and decisions within the next eighteen months. The CLF recommendation is that an update paper is then brought to Finance Committee in February 2026, and subject to discussions regarding this paper, that future papers are brought annually to align with Corporation Budget setting (i.e. to Finance Committee in February and Court of Common Council in March), in consultation with and with the agreement of the relevant teams within the Corporation.

CLF is a high-performing organisation meeting its delivery targets, as detailed in the main body of this report, accountable for delivery to its funders and Board. This summary and sub-papers collate in one place the CLF team's best estimate for the decisions required over the next six months, bringing together information that would usually come to Committees as separate papers in the interests of efficiency. The requested delegations would enable faster decisions to be made around the acceptance of grant funding, to enable programme expansions or extensions, and the signing of agreements to enable this.

The requested delegations will all be managed in line with existing Corporation policies and procedures.

Recommendation(s)

- Members are asked to review the subsequent papers and issue approvals or endorsements of the recommendations for onward approval by the Court of Common Council as relevant. These approvals are summarised in Table 1 and outlined in the subsequent papers. They relate to:
 - Acceptance of funding for a new workstream in the current financial year (25/26); and acceptance of funding for Phase 2 in next financial year for the Central London Integration Hub. All funding from the GLA.
 - Ovation of the Full Potential (Get Britain Working Trailblazer) programme and associated agreements from the London Borough of Camden to the City of London Corporation, as well as authorisation to accept growth within the programme. All funding from DWP.
 - Acceptance of growth funding within the DWP-funded Connect to Work programme.
 - Acceptance or endorsement of: project funding within the Digital Connectivity Programme; funding for and management of the Local Skills Improvement Plan; extension of arrangement with GLA Economics for data analysis capability.
- Members are also asked to approve the recommended approach to governance, by which CLF would bring a single paper or grouped papers once annually where possible to improve efficiency.

Main Report

Background & Current Position

1. Central London Forward (CLF) is the sub-regional partnership of the 11 central London local authorities and the City of London Corporation. These local authorities are: Camden, Hackney, Haringey, Islington, Kensington and Chelsea, Lambeth, Lewisham, Southwark, Tower Hamlets, Wandsworth and Westminster.
2. CLF runs employment support programmes in partnership and on behalf of those boroughs, and promotes inclusive and sustainable growth in central London.
3. The City of London Corporation is the Contracting Body for CLF, and CLF does not have a distinct legal identity from the Corporation. As such, the City of London enters into contracts on behalf of the member authorities.
4. CLF is governed and its delivery scrutinised by a Board comprising the Leaders of its member authorities (or a senior delegate) and is currently running programmes of various sizes. These programmes are:

Table 1 - Summary of core CLF programmes

Programme name	Funding source	Current scale	Aims	Decision sought
Connect to Work	Department for Work and Pensions (DWP)	£70m over five years	To support over 17,000 Londoners with disabilities, long-term health conditions and complex barriers to employment into work.	Authorisation to accept growth within the programme
Full Potential Get Britain Working Trailblazer	Greater London Authority (GLA) (though funding originates with the DWP)	£5m for one year, to March 2026	To support over 1,000 care-experienced young people in central London to access employment, training and education opportunities.	Ovation of this programme and associated agreements from the London Borough of Camden to the City of London Corporation, as well as authorisation to accept growth within the programme
Central London Works	DWP	£13.4m from 2017-2025	To support over 6,300 Londoners who have been unemployed for a long time (over 2 years), as well as people with health conditions, into work.	n/a
Digital Connectivity	GLA	£875,000 from 2021 – 31 March 2028	Funds an officer to support CLF boroughs to improve connectivity and deliver related projects.	Delegation to accept additional project funding from the GLA
No Wrong Door (Integration Hub)	GLA	£625,000 from 2021 to 31 March 2026	Supports service integration and cooperation across skills and employment sector in central London.	Acceptance of funding for a new workstream in the current financial year

				(25/26); and acceptance of funding for Phase 2 from next financial year.
London Skills Improvement Plan (LSIP)	Department for Education, via BusinessLDN	Phase 1 was 2022-25. Phase 2 expected to be up to £350,000 for 2025-28.	LSIPs are a national Department for Education programme designed to play a key role in tackling skills shortages by bringing employers, educators and other key stakeholders together to create a blueprint for transforming the skills system to meet local needs. They are collaborations between local government and Employer Representative Bodies, of which BusinessLDN is one.	Acceptance of funding and approval of its use for a Phase 1 extension and for Phase 2 of the London Skills Improvement Plan
CLF policy function	Member authority subscription fees (core funding)	Share of core funding - £480,000 per annum	To support to member authorities and act as a collective voice for them on issues where central London has a particular experience of an issue.	Extension of arrangement with GLA Economics for data analysis capability

5. Except the policy function, all other CLF activity and programmes are externally funded by Government departments, regional government or other public sector bodies, as outlined in the table above. CLF's programme management costs, including recharges of officer time within Chamberlain's and Comptroller's teams, are covered by this external funding.
6. This funding is stringently governed via grant funding agreements and other legal agreements. These agreements – particularly when they are offered by central Government departments, are largely non-negotiable. CLF is also subject to audit by its funders.
7. As is common with public funding programmes, CLF often receives offers of funding to grow or extend programmes, or to undertake additional policy project work at short notice, frequently just a matter of weeks before delivery would need to begin.
8. CLF is a high-performing organisation, accountable for delivery to its funders and Board It consistently meets or exceeds contract KPIs across its programmes.

9. CLF also performs well functionally, meeting the audit and governance requirements of funders, attracting and retaining experienced talent for senior roles and being viewed positively by borough and commercial delivery partners.
10. Since 2018, CLF programmes have supported over 50,000 central London residents, with an average of 35% of those securing employment. Where national rankings are available and produced by DWP, CLF has ranked second in the country for performance.
11. CLF frequently out-performs targets. The three programmes which have either recently closed or are winding down all performed at above 100% of target.
12. Through delivery of these programmes, CLF has also consistently sought to increase capacity and capability within our member authorities, to ensure that central London residents have access to the best possible support.

Options

13. Options relating to specific programmes and decisions are outlined in each of the following papers. Approving these collectively will allow smooth continued delivery without multiple reversions to Committee this financial year. The consequences of not approving or requiring amendments are set out individually below.
14. To approve CLF bringing a single paper or grouped papers once annually where possible, to improve efficiency. The CLF recommendation is that an update paper is brought to Finance Committee in February 2026 and then that future papers are brought annually to align with Corporation Budget setting (i.e. to Finance Committee in February and Court of Common Council in March).
15. To approve this approach with amendments.
16. To not approve these recommendations would maintain the status quo. While workable, the current situation does not make the most efficient use of Member or Officer time. While no grants have had to be pulled as yet, the CLF team has had to resort to urgency procedures in order to confirm funding in time.

Proposals

17. This approach brings together an overview of CLF programmes and performance, and seeks approvals in the round and for a slightly longer timeframe in one set of papers. This is in order to ensure that Members have the right level of scrutiny and oversight of CLF activity in the most efficient way.
18. Subject to Members views, CLF recommends that it brings one regular annual paper of this kind, recognising sometimes papers will have to be brought outside of that schedule. To align with Corporation budget setting, from 2027 this will come to Finance Committee in February and then on to Court of Common Council in March.

Key Data

19. The population of the CLF member boroughs is just over 2.8million - the same as the whole of Greater Manchester. This comparison gives a sense of the scale and complexity of the areas that London's subregional partnerships operate in.
20. In 2022/23, more than half of Londoners in poverty were in work.
21. There are 392,000 working age (16-64) central London residents who have a disability. Employment rates among this group tend to be far lower; just over half (52.5%) of disabled Londoners are in work, compared to nearly four in five (78.5%) Londoners without a disability ([ONS 2021](#)). Disabled people who are in work tend to earn less. Across the UK, disabled workers earn £2.10 (19.6%) less per hour than non-disabled workers ([TUC, 2020](#)).
22. Since 2018, CLF programmes have supported over 50,000 central London residents, with an average of 35% of those securing employment. Where national rankings are available and produced by DWP, CLF has ranked second in the country for performance.

Corporate & Strategic Implications

Strategic implications

23. The funding will support the following outcomes of the City of London's Corporate Plan; Diverse and engaged communities; Dynamic economic growth; Providing excellent services.

Financial implications

24. There are no financial implications for the City Corporation. Programme and project costs are externally funded, and the delegations requested in the subsequent papers will only be used where programme and project costs are fully funded.

Resource implications

25. The resource implications for the City Corporation are very limited. CLF is supported by colleagues within Innovation and Growth, Comptroller's and Chamberlain's. Services from Comptroller's and Chamberlain's are recharged internally, so the cost is met from CLF budgets.
26. The delegated authorities sought by the subsequent papers are being proposed in order to maximise efficiency and prevent duplication of work.

Legal implications

27. See subsequent papers for specifics. CLF works and will continue to work closely with Comptroller's to ensure compliance and consistency.

Risk implications

28. See subsequent papers for specifics (particularly relating to payment risk, which is where there is the most variance across CLF programmes), but overall there are limited risk implications for the City Corporation from any of these proposals. CLF has a strong track record of delivery in this area – see paragraphs 8-12, above, and these recommendations will enable CLF to work more efficiently, and to smooth delivery to maximise opportunities to retain existing experienced staff and programme infrastructure.

29. CLF is also subject to the reporting and audit requirements of its funders – predominantly the DWP and the GLA. The risk implications of this are open to interpretation, as any failure to comply may constitute a risk to the Corporation as CLF does not have a separate legal identity. However, CLF’s already solid internal governance is supported by Corporation governance and processes, and so this risk is effectively mitigated.
30. CLF’s work is managed and scrutinised both by its own Board, which mitigates risk to the City of London Corporation by providing another layer of senior-level oversight.

Equalities implications

31. CLF specifically works to tackle labour market inequalities and support residents with protected characteristics into good jobs.

Climate implications

32. There are no specific climate implications.
33. However, it is worth noting that CLF’s policy programme includes work on Net Zero and climate adaptation. CLF supports member authorities to deliver their climate programmes through facilitating network sessions, enabling officers to share best practise and overcome technical barriers. This is a relatively new area of work which will develop over the coming year.

Security implications

34. There are no security implications.

Conclusion

35. CLF supports central London residents into good work and enables member authorities to work together to support inclusive and sustainable growth. This approach to governance and the recommendations in the subsequent papers will facilitate that work.
36. The recommendations in this paper will enable CLF to run more efficiently as both a part of the Corporation and a separate organisation, and to make better use of Committee time.
37. CLF remains a high-performing organisation both in terms of outcomes for residents and financial management.

Appendices

Appendix 1 – [CLF Strategy](#)

Appendix 2 – [CLF Annual Report 2025](#)

Hard copies can be distributed on request – please contact Shadi Brazell via the details below.

Background Papers

[CLF joint venture agreement](#)

Hard copies can be distributed on request – please contact Shadi Brazell.

Shadi Brazell

Director, Central London Forward

T: 07534 501 521

E: shadi.brazell@cityoflondon.gov.uk

Laura Davison

Research and Intelligence Director, Innovation and Growth

T: 020 7332 3610

E: laura.davison@cityoflondon.gov.uk

Report [A]: Central London Integration Hub

Committee(s): Finance Committee – For decision	Dated: 16/09/2025
Subject: Central London Integration Hub	Public report: For Decision
This proposal: <ul style="list-style-type: none"> • delivers Corporate Plan 2024-29 outcomes • provides business enabling functions 	Diverse and engaged communities; Dynamic economic growth; Providing excellent services
Does this proposal require extra revenue and/or capital spending?	No
If so, how much?	n/a
What is the source of Funding?	The Greater London Authority. No City of London Corporation funding is being sought.
Has this Funding Source been agreed with the Chamberlain's Department?	Yes
Report of:	Damian Nussbaum, Executive Director, Innovation and Growth
Report author:	Shadi Brazell, Director, Central London Forward Laura Davison, Research and Intelligence Director, Innovation and Growth

Summary

The Central London Integration Hub programme has been delivered by CLF since 2022. It is funded through the Greater London Authority's No Wrong Door Initiative, alongside Integration Hubs in the three other subregional partnership areas of London (West London Alliance, Local London (East) and South London Partnership). These Hubs are the delivery aspect of the No Wrong Door initiative, which itself was originally conceived as part of the Mayor of London's Covid Recovery Programme.

The 3-year programme has been operating effectively – in Year 3 of the programme (2024-2025), the programme delivered **681%** of the residents engaged target and **323%** of the partners engaged target.

Phase 1 of the programme was due to wind down in March 2025, but was then extended to September 2025. Due to the success of the programme, as highlighted above and determined by an independently-commissioned evaluation, the GLA is now offering a further extension of Phase 1 until March 2026. This additional funding is intended as a transition measure to enable CLF to continue to support services across skills and employment sector, and to prepare for a possible Phase 2 of the No Wrong Door Programme which is expected to run for three years from April 2026.

In addition, as part of their future planning for the Integration Hubs, the GLA has asked London's subregional partnerships to establish and maintain youth integration networks. These will be funded via the pan-London Get Britain Working Youth Guarantee Trailblazer and will provide an additional £116,000 to the Central London Integration Hub for FY25-26. As referenced and discussed in detail in Paper B in this pack, it has been announced that the Youth Guarantee Trailblazers will be extended, so it is likely that there will be additional funding offered to CLF to extend the Youth Integration Network.

Recommendation(s)

On behalf of the CLF, Finance Committee Members are asked to approve:

- Acceptance of up to £200,000 from the Greater London Authority (GLA) for the extension of Phase 1 of the Central London Integration Hub to 31 March 2026, and the launch of the Central London Youth Integration Hub, also to 31 March 2026.
- Acceptance of future funding from the GLA for the Integration Hub programme up to a total value of £1.25m for a three-year programme (for delivery between April 2026 and March 2029). This includes a projected extension of the Youth Integration Network, and Phase Two of the No Wrong Door programme.
- To delegate authority to the Chamberlain and Executive Director, Innovation and Growth to finalise and enter into the relevant contractual information with support from the Comptroller & City Solicitor's Department.

Main Report

Background

1. The Central London Integration Hub is a programme funded through the Greater London Authority's No Wrong Door Initiative, managed and delivered by CLF. The programme supports service integration and cooperation across skills and employment sector in central London. The work of the programme focuses on two cohorts with significant barriers to work: refugees and disabled central Londoners. The programme was launched in 2022.

2. CLF has received £516,493 to date to deliver the programme, which is wholly funded by the Greater London Authority (GLA). The funding covers the cost of an Integration Hub Manager post, Integration Hub Officer post and residual funding to cover programme activity.

Current Position

3. The Central London Integration Hub is performing very well. It is part of a broader Integration programme (called No Wrong Door) funded by the GLA and delivered by the sub-regional partnerships in London. The programme overall seeks to improve collaboration and join-up within the employment and skills support system.
4. One of the networks is focused on bringing together organisations that support disabled Londoners into good work, and the other on organisations that support refugees.
5. Since its launch in July 2022, the Central London Integration Hub has launched two networks, delivered 53 meetings and events, engaged 5,374 residents (specifically targeting those furthest from the labour market) and 862 partners from central London and published two research reports.
6. In Year 3 (2024-2025), the programme delivered 323% of its target for number of partners engaged in central London.
7. The GLA recently commissioned a thorough evaluation of the programme in preparation for a Phase 2. That evaluation recommended continuation of the programme into Phase 2.
8. The GLA has also asked sub-regional partnerships to launch Youth Integration Networks this year to focus on supporting young people at risk of becoming Not in Employment, Education or Training (NEET) or already experiencing being NEET. They are providing £116,000 of funding to March 2026 to support this activity. The funding comes from a Trailblazer programme, which was extended by three years in the Government's 2025 Spending Review. We expect, therefore, that this funding will be extended to at least to March 2029.
9. CLF has delivered a successful programme despite short-term funding decisions by the GLA. Programme extensions and new projects to be run from within the Integration Hubs are frequently confirmed at very short notice. Given the relatively modest sums involved, that is why the Central London Integration Hub is included in this paper, to ensure that CLF is in a position to seamlessly continue delivery and offer as much certainty as possible to staff on fixed term contracts as programme funding changes.

Options

10. Approving the recommendations in full, enabling an extension of Phase 1 of the Central London Integration Hub and foundation of a Youth Integration Network. And approving the Executive Director of Innovation and Growth to accept funding for Phase 2 should it be confirmed. The delegation will enable smooth, continuous and efficient delivery of the programme, benefitting disadvantaged residents across central London.
11. Approving only the extension to Phase 1 of Central London Integration Hub and the acceptance of the funding for the Youth Integration Network to March 2026, and the signing of the deed of variation 2025/26, but not approving any further changes, or a delegation to facilitate Phase 2. This would enable the programme to continue to March 2026 but no further without recourse to governance processes.
12. Not approving the extension or the delegation to approve Phase 2. This would mean a gap in provision at the very least until the GLA has designed and approved Phase 2 of the programme, which would then be brought back through governance processes. It would also result in CLF having to decline the funding offered for the Youth Integration Network. During that time, no integration activity would take place to support services in central London, thus the work would lose momentum. A Central London Forward member of staff would likely need to be made redundant resulting in additional unnecessary redundancy costs, as their salary is paid directly from this funding. Due to differing governance arrangements, the Phase 1 extension and Youth Integration Network funding has already been agreed in two of the three other subregional partnerships, and therefore central London risks becoming an outlier.

Proposals

For the existing programme:

13. The refugee integration network is the more active network, and will be continued through to March 2026 and hopefully beyond into Phase 2 of the No Wrong Door programme.
14. As a result of the extension from September 2025 to March 2026 being funded at a reduced level, the disability network is likely to be wrapped up in September 2025. The CLF team are exploring options for the network to continue within the newer Connect to Work programme, which is specifically targeted at residents with long-term health conditions and disabilities. This would ensure that the network's expertise and collaboration is not lost.

For the new Youth Integration Network:

15. In the first six months of the Youth Integration Network, CLF will convene three meetings of the network, with a goal of creating a service map and referral guide for organisations seeking to support young people into education, employment or training. This currently doesn't exist. The wider aim of the Youth Integration Network activity is to ensure that young people receive the support they need to access training and/or enter world of work. Therefore the wider aim is to reduce the number of young people not in Education, Employment or Training,
16. The programme will be heavily influenced by youth participation, and CLF proposals include hosting a paid supported work placement for a young person with experience of care, and paid youth facilitators for the events and the network itself.
17. This work will improve access to employment support services for those young people who are either already NEET (Not in Education, Employment or Training), or at risk of becoming so.

Key Data

18. Nearly a million young people aged 16-24 are classed as NEET - almost 16 % of that age group. This rose 1.3% in the year to February 2025 (ONS). The reasons for this increase are varied: economic challenges, mental health needs, lack of access to good quality training and employment and a fragmented support sector.

Corporate and Strategic Implications

Strategic implications

19. The funding will support the following outcomes of the City of London's Corporate Plan; Diverse and engaged communities; Dynamic economic growth; Providing excellent services.

Financial implications

20. There are no financial implications for the City Corporation. The Greater London Authority will be providing grant funding to cover both the cost of the programme, and CLF's costs in managing the programmes.

Resource implications

21. The resource implications for the City Corporation are very limited. Completing the contractual documents with the Greater London Authority would require some support from City Solicitors.
22. While the CLF team manages the finances of the programme, there would be some support required from Comptrollers. In both cases, the work required is minimal, and CLF would be able to cover the cost from the GLA funding.

23. A delegated authorisation to accept and proceed with Phase 2 is included in this paper in order to maximise efficiency and prevent duplication of work. Timelines to accept funding for this programme are often short, and mis-aligned with governance processes. As the financial and legal implications of this programme for the City Corporation are so limited, it was thought appropriate to seek this delegation at this stage.

Legal implications

24. There are no legal implications. Extending the contract is permissible under Reg 72(1)(b) of the Public Contracts Regulations 2015.

Risk implications

25. There are very limited risk implications for the City Corporation from either the extension of Phase 1 or the acceptance of Phase 2. CLF has a strong track record of delivery in this area – see information provided at paragraph 5, above – and prompt extension of Phase 1 and acceptance of Phase 2 enable CLF to retain an existing member of programme staff and programme infrastructure.
26. Should the extension of Phase 1 and/or acceptance of Phase 2 not go ahead, the City Corporation may be open to reputational risk as this would lead to a gap in integration provision across central London.
27. This is a grant agreement, and the money will be drawn down from the GLA quarterly in line with the milestone payment schedule included in the deed of variation.

Equalities implications

28. The extension of this programme would have a positive impact on Londoners with protected characteristics as it specifically works to tackle the labour market inequalities they face.

Climate implications

29. There are no specific climate implications.

Security implications

30. There are no security implications.

Conclusion

31. The Central London Integration Hub programme currently supports refugees and disabled residents in central London into good work. The programme is performing effectively, as evidenced by the evaluation report commissioned by the funders (the GLA).
32. The GLA has the Central London Integration Hub to deliver a Youth Integration Network alongside the extant networks and is actively seeking to extend the programme for a Phase 2 from April 2026.

33. This paper seeks approvals and delegated authorisations to enable CLF to continue to meet the needs of Londoners and to deliver integration hub services uninterrupted in the context of short-notice decisions by funders.

Appendices

None.

Background Papers

Grant Agreement between the Greater London Authority and The Mayor and Commonalty and Citizens of the City of London (on behalf of Central London Forward) 11th March 2022: [gla_FA_NWD_CLF_V110322_final_signed.docx](#)

Report [B]: Get Britain Working Trailblazer – Full Potential – Ovation to the City of London Corporation

Committee(s): Finance Committee – For decision Court of Common Council – For decision	Dated: 16/09/2025 09/10/2025
Subject: Get Britain Working Trailblazer – Full Potential – Ovation to the City of London Corporation	Public report: For Decision
This proposal: <ul style="list-style-type: none"> • delivers Corporate Plan 2024-29 outcomes • provides business enabling functions 	Diverse and engaged communities; Dynamic economic growth; Providing excellent services
Does this proposal require extra revenue and/or capital spending?	No
If so, how much?	n/a
What is the source of Funding?	Various – the Department for Work and Pensions, the Greater London Authority. No City of London Corporation funding is being sought.
Has this Funding Source been agreed with the Chamberlain’s Department?	Yes
Report of:	Damian Nussbaum, Executive Director, Innovation and Growth
Report author:	Shadi Brazell, Director, Central London Forward Laura Davison, Research and Intelligence Director, Innovation and Growth

Summary

‘Full Potential’ is one of five Get Britain Working Trailblazer programmes funded by the Department for Work and Pensions (DWP), via the Greater London Authority (GLA). The Trailblazers were originally designed to be one-year, test-and-learn programmes aiming to bring together services and test new approaches.

Full Potential is focused on young people with experience of the care system.

Whereas ordinarily, the City of London Corporation acts as the contracting authority on behalf of CLF, on this occasion the London Borough of Camden took on a coordinating role. This is because the funding was offered and the programme designed in just three months, with the approvals being required during the time when the City of London Corporation was having its elections.

It has recently been announced that funding for the Trailblazer programmes will be extended for three years. While the GLA has not had much further detail, we understand that their intention is to fund Full Potential at the same level until 2029.

CLF's preference is therefore to bring the programme back in line with its usual governance arrangements for the duration. This means agreeing an ovation of the agreements between the GLA and Camden. These agreements follow a prescribed and standard form, as the funding flows ultimately from the DWP.

This paper also seeks approval for the acceptance of £15m of additional funding and the activities associated with running the programme, as the current programme is £5m for one year and has been extended for three.

Recommendation(s)

On behalf of CLF, Finance Committee Members are asked to endorse the following recommendations for onward approval by the Court of Common Council:

- Ovation of the agreement between the GLA and the London Borough of Camden, and the agreements between the London Borough of Camden and the other CLF member authorities in relation to this programme.
- Pursuant to that, acceptance of funding from the GLA or the Department for Work and Pensions (DWP) for an extension of and growth within the 'Full Potential' Get Britain Working Trailblazer programme, up to a total value of £15m and for delivery between April 2026 and March 2029, and the endorsement of the subsequently required contractual amendments or variations.
- Ovation of the agreement between the London Borough of Camden and the Learning and Work Institute for the evaluation of this programme, and the extension of that agreement to cover the extended programme period, to March 2029.
- To delegate authority to the Chamberlain and Executive Director, Innovation and Growth, with support from the Comptroller & City Solicitor's Department to finalise and enter into the relevant contractual information.

Main Report

Background

1. Published in late November 2024, the Government's Get Britain Working White Paper set out their proposals to reform employment, health and skills support to tackle economic inactivity and support people into good work. The white paper announced ambitions to reduce NHS waiting lists, reforms to Jobcentre Plus to increase the focus on careers and work rather than on administering benefits, the creation of a new national jobs and careers service, a greater focus on digital services in the employment and skills support system and a goal to create an inclusive labour market where everyone can participate and progress in work, aiming for an 80% employment rate within a decade.
2. The White Paper also set out plans for Trailblazer areas to bring together services and test new approaches, supported by £240million of investment.
3. Five Trailblazers will be delivered in London with the Greater London Authority acting as accountable body. Three focus broadly on economic inactivity, and two on delivering the Youth Guarantee:
 - a. One pan-London Trailblazer providing systems leadership and change in the youth employment, education and training (EET) and wraparound support space. This Trailblazer will also deliver discrete transitions, mental health, and youth participation focused pilots with the geographic specifics of delivery identified through mapping and data analysis conducted through set-up grant funding. Finally, resource within this Trailblazer will deliver a pan-London convening and coordination function for all four sub-regional Trailblazers across both youth and economic inactivity. London government partners want to ensure that all Trailblazer activity is coordinated to maximise the capital's allocation.
 - b. One Trailblazer focusing on care leavers aged 17-25 years old, delivered by CLF. It is this Trailblazer – now called Full Potential - that is the subject of this report.
4. Full Potential will support over 1,000 care-experienced young people

Current Position

5. Working with Camden and our other member authorities, CLF has already begun delivering the Full Potential programme. The programme aims to:
 - Support care leavers in central London to progress toward and move into employment, education and training;
 - Build capacity through helping boroughs and other stakeholders to innovate, to work together, and to learn from each-other;
 - Build the evidence base about what works in supporting care leavers into employment, education and training.

6. The exact interventions vary across boroughs but essentially provides intensive support from a personal advisor with a low caseload and work closely with employers to identify employment opportunities and provide pastoral support on the transition into work. There will be an intermediate labour market element, providing subsidised temporary roles, paid at least the London Living Wage, to give care leavers real-world experience. It is likely that at least one of those intermediate roles will be hosted by CLF itself, to demonstrate leadership in this area and to contribute in a new way.
7. Full Potential focuses on the following outcomes:
 - Number of care leavers engaged;
 - Care leavers supported into sustainable work;
 - Care leavers supported into education and training;
 - Increased confidence and employability of care leavers
8. CLF has procured, through a competitive process, the Learning and Work Institute to act as the evaluation partner for this programme, as per the GLA's requirements. The Learning and Work Institute is now in contract with Camden (on behalf of CLF).
9. There were some delays in programme delivery beginning as the GLA and DWP negotiated the legal agreements, and these were cascaded down to delivery partners. This means that year one delivery is challenging, but this is being managed and CLF is confident that it will deliver the relevant outcomes.
10. A three-year funding extension has been announced, but the full detail is not confirmed at this stage. Previous experience of this programme demonstrates that decisions will be made with very short lead-in or preparation time, and therefore approval for a funding envelope is sought at this stage to maximise efficiency and delivery time.

Options

11. Do not approve: the most likely outcome of this is that the programme will continue to run with Camden acting as the contracting body on behalf of CLF. While programme delivery will remain possible, and Camden's Cabinet is likely to approve accepting the additional funding, this undermines a functional status quo that CLF has worked to build up and maintain over a number of years. It also adds operational complexity to an already complex programme and delivery structure.
12. Approve: this would bring governance of this important programme to the City of London Corporation, and back in line with other CLF programmes. It would ensure that the structures that the Corporation and CLF Board are used to remain in place and remain consistent across programmes.

Proposals

13. The arrangement for Camden to be the contracting body for this programme was made for the purposes of expediency, and to ensure that CLF didn't miss out on this funding due to the City of London Corporation elections. However, that decision was made when the programme was only going to run for one year, which DWP and the GLA were previous immovable on.
14. These proposals are therefore to bring Full Potential back in line with CLF's usual governance processes in time for plans to be made for delivery of the extended programme.

Key Data

15. There are 19,000 Care Experienced young people in London aged 17-25.
16. Care leavers face significant social and economic disadvantage, and experience substantially worse outcomes than other young people:
 - a. Care leavers aged 19-21 are over three times more likely to be NEET.¹
 - b. Care leavers are around four times more likely to have a mental health disorder.²
 - c. Care leavers are more likely to lack of formal qualifications, and to have unstable housing, which acts as a barrier to education and employment.³

Corporate and Strategic Implications

Strategic implications

17. The funding will support the following outcomes of the City of London's Corporate Plan; Diverse and engaged communities; Dynamic economic growth; Providing excellent services.

Financial implications

18. There are no financial implications for the City Corporation. All programme costs, including management costs, are met by the funding from the DWP (via the GLA).

Resource implications

19. The resource implications for the City Corporation are very limited. CLF is supported by colleagues within Innovation and Growth, Comptroller's and Chamberlain's. Services from Comptroller's and Chamberlain's are recharged internally, so the cost is met from CLF budgets.

Legal implications

20. There are legal implications in that this paper seeks approval for the ovation of legal agreements to the City of London Corporation, but there are no implications beyond what is usual for CLF contractual arrangements.

¹ [The Independent Review of Children's Social Care, Final Report](#), May 2022

² National Children's Bureau, Achieving emotional wellbeing for looked-after children, July 2015

³ Education Development Trust, Entry and retention in the labour market: narratives and solutions for NEET and care leave employment support, 2023

21. The suggested approach is compliant with Section 1 of the Localism Act and There are no legal implications. Extending the contract is permissible under Reg 72(1)(b) of the Public Contracts Regulations 2015.

Risk implications

22. There are risks inherent in programme delivery but CLF's work is managed and scrutinised regularly by its own Board, which mitigates risk to the City of London Corporation by providing another layer of senior-level oversight.
23. Payment risk is limited on this programme as payment is made in arrears and on the basis of evidenced allowable spend.

Equalities implications

24. CLF specifically works to tackle labour market inequalities and support residents with protected characteristics into good jobs. The Full Potential programme specifically works to address the challenges of care-experienced young people. Experience of care is designated by some authorities as a protected characteristic in itself.

Climate implications

25. There are no specific climate implications.

Security implications

26. There are no security implications.

Conclusion

27. The extension of the Trailblazer programme by DWP offers an opportunity to increase the reach and effectiveness of this test-and-learn programme. In order to take full advantage of that opportunity, CLF seeks approval via this paper to bring the programme in line with existing governance arrangements.

Appendices

34. Camden Cabinet paper: [Decision - Youth Guarantee Trailblazer Funding 2025-2026 \(SC/2025/18\) - Camden Council](#) (this paper can be distributed in hard copy as required – please contact Shadi Brazell via shadi.brazell@cityoflondon.gov.uk to request).

Background Papers

None.

Report [C]: Growth within the Connect to Work Programme

Committee(s): Finance Committee – For decision Court of Common Council – For decision	Dated: 16/09/2025 09/10/2025
Subject: Central London Forward - Growth within the Connect to Work Programme	Public report: For Decision
This proposal: <ul style="list-style-type: none"> • delivers Corporate Plan 2024-29 outcomes • provides business enabling functions 	Diverse and engaged communities; Dynamic economic growth; Providing excellent services
Does this proposal require extra revenue and/or capital spending?	No
If so, how much?	n/a
What is the source of Funding?	Various – the Department for Work and Pensions, the Greater London Authority. No City of London Corporation funding is being sought.
Has this Funding Source been agreed with the Chamberlain’s Department?	Yes
Report of:	Damian Nussbaum, Executive Director, Innovation and Growth
Report author:	Shadi Brazell, Director, Central London Forward Laura Davison, Research and Intelligence Director, Innovation and Growth

Summary

The Connect to Work programme (formerly known as Universal Support), is a DWP-funded programme seeking to support economically inactive and disabled Londoners into work.

As per a Finance Committee and Court of Common Council approval from June 2024, CLF has developed and agreed a Delivery Plan with DWP, entered into a grant agreement with them and with member authorities, commissioned a commercial provider and begun delivery of the programme.

CLF has developed a hybrid delivery model, with some member authorities delivering the programme directly, and a CLF-commissioned provider delivering the programme in the other areas.

Under that June 2024 approval, the Court of Common Council delegated to the Finance Committee the authority to vary the grant agreement with DWP, vary grant agreements with those authorities delivering the programme, and vary the contract with the commissioned provider.

CLF are currently in discussion with DWP regarding additional funding of up to £1m for this financial year (2025/26), and those discussions have referenced likely

additional funding in future years. This year, the additional funding represents an additional 200 Londoners who will benefit from participation in the programme. This paper therefore seeks approval for CLF to accept this additional funding and the associated growth within the programme.

Recommendation(s)

On behalf of CLF, Finance Committee Members are asked to approve, under the authority delegated from Court of Common Council in June 2024:

- Growth within the Connect to Work programme of up to £1m in the financial year 2025/26.
- Growth within the Connect to Work programme of up to £2m in the financial year 26/27.
- To delegate authority to the Chamberlain and Executive Director, Innovation and Growth, with support from the Comptroller & City Solicitor's Department to finalise and enter into the relevant contractual information.

Main Report

Background

1. Connect to Work is a flagship DWP-funded programme, which went live over this summer (2025). In central London, CLF is the accountable body for the programme.
2. Connect to Work represents over £70m of investment in employment support for residents with long-term health conditions or disabilities. It will support around 18,000 residents over five years.
3. It employs a 'place and train' model, prioritising the needs of individual participants. This is an approach which has been increasing in use by DWP and other public sector organisations in the UK for some time and has been successful with comparable cohorts in other countries.
4. The CLF Partnership Board has approved a mixed delivery model, whereby some member authorities will deliver this service directly, in other areas a commissioned provider will deliver, and in some cases delivery will be hybrid, with the authority and commissioned provider working closely together. This model seeks to optimise outcomes for residents while building capacity and capability within member authorities.
5. The programme will ramp up over time, with over 4,500 residents starting on the programme at peak in 2026/27.

Current Position

6. CLF was among the first of the accountable bodies in England to 'go live', in July 2025. CLF's programme is also among the largest in the country.
7. CLF has entered into a grant agreement with DWP, commissioned a commercial provider, developed implementation guidance for member authorities and procured a provider for a sophisticated data management system. Delivery has begun and is on track to meet contract KPIs.
8. CLF has a track record of effectively managing similar employment support programmes and meeting or exceeding KPIs. For example, job outcomes performance on CLF's Pioneer Support programme (which uses the same 'place and train' methodology as Connect to Work), is 197% of target. It's the second highest performing of 11 national contracts.
9. DWP approached CLF and other Accountable Bodies for Connect to Work in June 2025 with the offer of additional funding for this financial year, and outlined the likelihood of this process repeating in future years.
10. CLF has worked with member authorities to develop a proposal for an additional £1m to come into the programme, to enable another 200 central London residents to access support. DWP are considering this proposal but CLF has conducted a robust deliverability assessment and early indications from DWP are positive.
11. If DWP approve the proposal, funding will be available from September 2025 and must be spent by March 2026, so the timelines are narrow.
12. This paper seeks approval for the increase in this financial year and a reasonable increase in the next financial year, as funding is likely to be offered at short notice. Ability to respond at speed supports delivery and maximises the opportunity to broaden access to the programme to as many Londoners as possible.

Options

13. Approve programme growth in 2025/26 and 2026/27. This would enable the programme to adapt quickly to offers of additional funding and maximise access to the programme for Londoners in need of support.
14. Approve programme growth for 2025/26 but not 2026/27. This would enable CLF to offer an additional 200 places on the programme this year. CLF would need to bring another paper to Finance Committee once DWP makes a firm offer of additional funding for 2026/27, which is unlikely to align with the approach outlined in the summary paper (above) of bringing one paper per year where possible.
15. Not approving programme growth. This would be contrary to the approach agreed by CLF Partnership Board and limit access to support for central London residents.

Proposals

16. Members are recommended to approve CLF accepting and managing growth within the programme for the next two financial years. This would implement the preferences of the CLF Partnership Board and maximise access to the programme for disabled central Londoners.

17. This is pursuant to paragraph 10 of the Report to Court of Common Council in June 2024, which also considered this eventuality.

Key Data

18. There are 1.3m economically inactive Londoners. Of these, over 300,000 are inactive as a result of a health or mental health condition. One in 6 economically inactive Londoners would like to work.
19. Over the last two years, CLF's employment and skills programmes supported 10,580 central London residents into work. This represents 116% of the cumulative job start targets for our programmes.
20. Every one of the 12 CLF member authorities has a local employment service. In 2023/24, the boroughs collectively supported over 10,000 residents. While we do not have aggregated subregional data, these services are successfully targeted at those residents most in need of support.
21. We estimate Universal Support will support 18,000 residents by March 2029, with at least 6,000 entering work.

Corporate and Strategic Implications

Strategic implications

22. The Connect to Work programme supports delivery of the following Corporate Plan outcomes: diverse, engaged communities, providing excellent services, and dynamic economic growth.
23. The programme will enable the delivery of priority 1 of the CLF Strategy.

Financial implications

24. Delivering the programme will require no funding from the City of London Corporation. Both the programme itself, and the costs of CLF in managing the programme, will be covered by DWP.
25. As the contracting body, the City Corporation would make payments to the delivery partners, and receive funding from DWP.
26. Chamberlain's Department are aware of the financial implications of the programme.

Resource implications

27. The City of London Corporation are delivering the Connect to Work programme directly, and will be able to benefit from programme growth.
28. There are some modest resource implications for City of London Corporation in setting up and managing the programme. These include:
- Support from Comptrollers and City Solicitors to agree the grant agreement with DWP and with delivery partners, and the contract with the commissioned provider;
 - Support from Commercial Services to support ongoing contract management of the procured commercial provider, Seetec;
 - Support from Chamberlain's to comply with DWP audits.

29. The resource implications will be relatively limited for the City of London Corporation. CLF will be able to cover the cost of any City of London resourcing required to support the programme, funded by the DWP grant.

Legal implications

30. The City of London Corporation has signed grant funding agreements with DWP, and with CLF member authorities who have opted to deliver the programme. And a contract with the commissioned provider – Seetec – as per the Stage 2 Procurement Report which came before Finance Committee under urgency in June 2025.
31. Comptrollers and City Solicitors are aware of the legal implications.

Risk implications

32. There are risks inherent in programme delivery, but CLF's work is managed and scrutinised regularly by its own Board, which mitigates risk to the City of London Corporation by providing another layer of senior-level oversight.
33. There are minimal financial risks relating to the programme, as Connect to Work is delivered on a 'cost' basis. This is not a payment by results programme, rather delivery partners are reimbursed for eligible costs incurred in delivering the programme. This means financial risks for the City of London Corporation are very limited.
34. There would be reputational risk for the City of London Corporation if performance of the programme was poor. However, the likelihood of this risk is minimal. CLF has a record of successfully delivering similar programmes as set out above. CLF has an experienced programmes team already in place to manage the programme.
35. There would also be potential reputational risk if the City of London Corporation did not approve growth within the programme as this would put it at odds both with the ambitions of the DWP and the approach agreed by the CLF Partnership Board. A gap in service provision for Londoners with long-term health conditions and disabilities who want to seek work but are – for the most part – currently reliant on the benefits system would increase pressure on local authority-funded services in an already challenging financial environment for councils.

Equalities implications

36. CLF specifically works to tackle labour market inequalities and support residents with protected characteristics into good jobs. The Connect to Work programme specifically supports disabled Londoners to find suitable good work.

Climate implications

37. There are no specific climate implications. CLF has ensured that all delivery partners put in place measures to minimise emissions as a result of the programme.

Security implications

38. There are no security implications.

Conclusion

39. This additional funding would enable CLF, member authorities and delivery partners to support approximately 400 more residents by March 2027.

40. Members are asked, further to the Court of Common Council decision from June 2024, to approve growth within the CLF Connect to Work programme for 2025/26 and 2026/27.

41. Members are asked to note that subsequent papers are likely in future years relating to additional growth and/or other changes to the programme.

Appendices

None

Background Papers

[Agenda item - Universal Support – Grant funding for new CLF employment programme](#)

[Stage 2 Report – Connect to Work Delivery Partner](#)

Hard copies can be provided on request – please contact
Shadi.Brazell@cityoflondon.gov.uk

Report [D]: Central London Forward - other programmes

Committee(s): Finance Committee – For decision	Dated: 16/09/2025
Subject: Central London Forward – other programmes	Public report: For Decision
This proposal: <ul style="list-style-type: none"> • delivers Corporate Plan 2024-29 outcomes • provides business enabling functions 	Diverse and engaged communities; Dynamic economic growth; Providing excellent services
Does this proposal require extra revenue and/or capital spending?	No
If so, how much?	n/a
What is the source of Funding?	Various – the Department for Work and Pensions, the Greater London Authority. No City of London Corporation funding is being sought.
Has this Funding Source been agreed with the Chamberlain’s Department?	Yes
Report of:	Damian Nussbaum, Executive Director, Innovation and Growth
Report author:	Shadi Brazell, Director, Central London Forward Laura Davison, Research and Intelligence Director, Innovation and Growth

Summary

As outlined in the initial summary paper, CLF runs a range of programmes of various sizes.

This paper brings together a number of relatively small CLF programmes, and seeks approvals for them all. This is in order to ensure that Members have the right level of scrutiny and oversight of CLF activity in the most efficient way.

CLF often receives offers of funding to grow or extend programmes at short notice, sometimes a matter of weeks before delivery needs to begin. That can make managing governance processes challenging and result in multiple, relatively low-value papers being taken through the Committee process every year, often with a bottleneck around financial year end.

This paper therefore outlines decisions likely to be required in the next eight months to one year, relating to three programmes in particular.

First, the London Local Skills Improvement Plan (the LSIP). This is part of a national programme funded by the Department for Education and run through Employer Representative Bodies. In London, the Employer Representative Body is BusinessLDN, and so the funding flows through them. Phase One of the LSIP has been extended to March 2026, partly to fund a strategic LSIP refresh which is required in Autumn 2025. BusinessLDN remain committed to delivering this programme with subregional partnerships and therefore we anticipate funding at an equivalent level for Phase Two.

Second, the CLF Digital Connectivity Programme, which is directly funded by the GLA via their Connected London programme. This programme has recently been extended to March 2029, and that extension was approved under urgency provisions in March 2025. The turnaround time for acceptance of that funding was incredibly short, and we believe there may be opportunities to identify and secure additional funding in the next couple of years. New funding secured via competitive processes, and additional funding offered by the GLA for specific projects are likely to be offered on tight turnaround timescales. That is why both growth within the current programme and acceptance of funding from other sources are included in this paper.

Finally, all four of London's subregional partnerships have identified a lack of capacity in data analysis as an impediment to our work to support Londoners to secure good jobs and to encourage and facilitate inclusive economic growth. This has previously resulted in high consultancy costs and lack of control over the quality of analysis. Following discussions with partners across London, the four Directors are recommending a partnership with GLA Economics to support us all to make better use of socioeconomic data. This approach is currently being trialled, and this paper seeks approval to enter more formally into that partnership for an initial period of 3 years. The cost of this will be met partially from the LSIP budget (as the consultancy budget will be repurposed) and partially from CLF reserves, which are healthy. There is therefore no cost to the City of London Corporation. The CLF Partnership Board are supportive of this approach.

Recommendation(s)

On behalf of CLF, Finance Committee Members are asked to approve:

- An extension of the existing trial arrangement between CLF and GLA Economics for the provision of data services, up to a total of £150,000 and until March 2029.
- Acceptance and management of up to £310k of funding for the central London Local Skills Improvement Plan Phase One, to be used in line with priorities agreed with the Department for Education and BusinessLDN by the end of March 2026.
- Delegation to the Chamberlain and Executive Director, Innovation and Growth, with support from the Comptroller & City Solicitor's Department to finalise and approve and enter into the relevant contractual information for the above.

On behalf of CLF, Finance Committee Members are asked to grant a standing delegation to the Town Clerk, in consultation with the Chairman and Deputy Chairman, to approve the following extensions to or growth within existing CLF programmes (to be exercised no later than September 2026):

- Acceptance and management of funding for Phase 2 of the London Skills Improvement Plan from Business LDN, up to a value of £500,000 and for delivery between March 2026 and March 2031, subject to the details of this being confirmed by BusinessLDN.
- Acceptance of funding from the GLA of up to £300,000 and from the UKRI Local Innovation Partnership Fund or similar programmes for growth and expansion of the Digital Connectivity programme, within its current programme timeline (to March 2029), subject to confirmation of available funding envelopes.
- Delegation to the Chamberlain and Executive Director, Innovation and Growth, with support from the Comptroller & City Solicitor's Department to finalise and approve and enter into the relevant contractual information for the above.

Main Report

Background & Current Position

The London Local Skills Improvement Plan (LSIP)

1. Local Skills Improvement Plans (LSIPs) are an employer-led initiative funded by the Department for Education. They are designed to play a key role in tackling skills shortages by bringing employers, educators and other key stakeholders together to create a blueprint for transforming the skills system to meet local needs.
2. In London, the LSIP is managed by BusinessLDN with the support of the Mayor of London and London Councils, and delivered through the four sub-regional partnerships. Priorities and projects are agreed by BusinessLDN in consultation with the Central London Forward (CLF) Board and the Department for Education.
3. For example in central London, the LSIP programme has supported and launched the Bridge Partnership, a collaboration between 14 colleges and further education providers working with industry leaders to tackle the skills gaps in Central London's green and digital sectors.
4. This is a programme where funding and timelines are confirmed at very short notice.
 - a. Central London Forward was initially allocated £140k for development of the original LSIP (delivered between April 2022 and August 2023).
 - b. An additional £87k for LSIP Phase One was offered in 2023 and ran to March 2025.
 - c. In December 2024, an additional £35k was offered to keep the programme running between March 2025 and September 2025.
 - d. Most recently, in August 2025, c.£41k was offered for October 2025 to March 2026 to bring Phase One to a close and conduct a strategic refresh of the LSIP in preparation for a Phase Two.

- e. This amounts to a total of £303k for Phase One. The amount for the six months from October 2025 to March 2026 remains unconfirmed, which is why the approval stipulates up to £310k.
5. Given the low values and a mistake by the previous leadership of CLF, Committee approval was never sought for LSIP Phase One. This paper seeks to rectify that as well as seeking approval for Phase Two, which we expect will be offered at short notice between December 2025 and March 2026, and be required to begin delivery from April 2026.
 6. Phase One funding has been used as follows:
 - a. To cover CLF staff costs
 - b. On external consultancy and data analysis support for the development of the original LSIP report, published in 2023.
 - c. Over £100k to directly fund projects which make progress on the priorities identified in the LSIP, such as the Bridge Partnership. There are two payments due before March 2026, and these will be released only upon approval of this paper.
 7. Phase Two is expected to be of similar value and structure.

The Central London Forward Digital Connectivity Programme

8. The Digital Connectivity programme at CLF was recently extended by the GLA for another four years.
9. The programme does not have numeric KPIs, but provides expertise and support to both boroughs, the GLA, and private sector actors in the telecoms market to foster constructive dialogue aimed at enabling improvements in connectivity infrastructure.
10. The CLF Board recently approved a new workplan for the programme, which aims to supplement that reactive support with proactive projects addressing some of the key challenges in this space. For example, CLF is running a project to definitively identify fibre not spots in central London, which will enable more informed decisions about future infrastructure.
11. This more proactive approach has already garnered some interest, and there may be opportunities to identify and secure additional funding in the next couple of years. That is why both growth within the current programme and acceptance of funding from other sources are included in this paper.
12. Sources of this additional funding are likely to include: the GLA itself, as the Connected London programme is reviewed and its strategy updated; the UK Research and Innovation Local Innovation Partnership Fund which includes an allocation to Greater London to support innovation clusters; potentially Project Gigabit.

Provision of data services by GLA Economics

13. London's subregional partnerships (SRPs) play a key role in promoting London's sub-regions to decision-makers and investors within and outside London, mitigating some of the governance and coordination challenges arising from London's scale, population and formal administrative arrangements.
14. Timely and reliable economic data is an important input for SRPs which can help them to fulfil both of these roles. However, there are a number of barriers:
 - a. It is often difficult to obtain timely economic data at the right geography.
 - b. Approaches and tools vary significantly between and within boroughs, and relevant data is spread across a number of organisations and geographical tiers.
 - c. There is limited capacity and capability for data analysis within SRPs, constraining collective understanding of sub-regional economies within London and how boroughs, SRPs and pan-London institutions can work together for a more productive and inclusive London economy.
15. In the round, this has also led to an overreliance on external consultants, which is not a flexible or financially viable solution to this need.
16. SRPs need to be able to maintain and monitor a set of key metrics (across the economy, skills, housing, health, infrastructure, environment and other topics of relevance to London government) on an ongoing basis as new data becomes available; and to undertake more granular and bespoke analysis to help identify trends and in response to specific challenges and opportunities.
17. In the longer term, there is clear scope for closer joint working across London government to ensure that data is accessible and that it is being used effectively and efficiently to inform decisions, identify priorities (sectors, places, themes) on which to focus limited resources, and make a compelling case for investment, devolution and policy flexibilities.
18. SRP Directors have discussed this proposal with a number of prospective partners. London Councils do not have the relevant expertise or capacity at this time, and may in fact choose to become part of the arrangement in future, and it was felt that a formalised partnership with London's Strategic Authority would be beneficial in this case.
19. It is not feasible for SRPs to host individual roles at this stage because:
 - a. There is not management capacity that would provide the right kind of support.
 - b. SRPs do not in themselves subscribe to many of the relevant datastores or tools, which would incur additional cost.
 - c. Each SRP is unlikely to require a full-time member of staff and identifying qualified and high-quality candidates for part time roles of this kind is difficult.

20. GLA Economics have priced the per annum cost at approximately £125,000, which will be divided evenly between the four SRPs and therefore CLF's contribution will be around £32,000 per annum.

Options

21. To approve the recommendations relating to the LSIP, the Digital Connectivity Programme and the data work by GLA Economics.
22. To not approve the recommendations, either in full or in part. To do so would undermine the approach outlined in the summary paper of aggregating CLF's required approvals.
- a. This would prevent CLF from improving the quality and specificity of the data currently used for decision-making.
 - b. It may also mean that CLF is not able to fulfil its strategic objectives as endorsed by the CLF Board, and/or incurs additional consultancy fees and damages relationships with other stakeholders and funders.

Proposals

23. If these approvals are granted, there are cumulative benefits. For example, the partnership with GLA Economics will support CLF's work to update the LSIP (due to begin in the autumn). The partnership with GLA Economics will also support our work on digital connectivity and in other areas as it will provide additional mapping and analysis capabilities currently lacking.

Corporate and Strategic Implications

Strategic implications

24. The programmes outlined in this paper support delivery of the following Corporate Plan outcomes: diverse, engaged communities, providing excellent services, and dynamic economic growth.
25. The programme will enable the delivery of the CLF Strategy.

Financial implications

26. Delivering these programmes and their associated outcomes will require no funding from the City of London Corporation. Both the programmes themselves itself, and CLF's management costs will be covered by programme funding.
27. Chamberlain's Department are aware of the financial implications of the programme.

Resource implications

28. There are some modest resource implications for City of London Corporation in supporting CLF. These include: support from Comptrollers and City Solicitors;

support from Chamberlain's to comply with DWP audits; support from Innovation and Growth on strategy and governance.

29. The resource implications will be relatively limited for the City of London Corporation.

Legal implications

30. Comptrollers and City Solicitors are aware of the legal implications, which are limited. The contract amendments to extend the LSIP and accept additional GLA funding for the digital connectivity programme are likely to be standard and in line with those we already have in place. The agreement with GLA Economics is new but is with an organisation we work with regularly already.

Risk implications

31. There are very limited risk implications for the City Corporation. There is an annual break clause in the contract, should the GLA or CLF decide to cease the programme.
32. There would be potential reputational risk if the City of London Corporation did not approve these recommendations as this would put CLF at odds both with the other London subregional partnerships, and the approach agreed by the CLF Partnership Board.

Equalities implications

33. CLF specifically works to tackle labour market inequalities and support residents with protected characteristics into good jobs. The Digital Connectivity Programme supports boroughs to improve connectivity infrastructure and counter digital exclusion

Climate implications

34. There are no specific climate implications. CLF has ensured that all delivery partners put in place measures to minimise emissions as a result of the programme.

Security implications

35. There are no security implications.

Conclusion

36. These approvals would allow CLF to continue to deliver a high-quality service to its member authorities and achieve its strategic objectives (as established by the CLF Partnership Board).

Appendices

None

Background Papers

[March 2025 Digital Connectivity Extension - APPROVED PAPER.docx](#)

City of London Corporation Committee Report

Committee(s): Investment Committee – For decision Finance Committee – For decision Policy & Resources Committee – For Decision	Dated: 21 July 2025 16 September 2025 18 September 2025
Subject: Investment governance update	Public report: For Decision
This proposal: <ul style="list-style-type: none"> delivers Corporate Plan 2024-29 outcomes 	All outcomes - the City Corporation's investment portfolio provides the financing behind delivery of the Corporate Plan outcomes
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:	City Surveyors (CS 170/25) Town Clerk
Report author:	Robert Murphy Ben Dunleavy

Summary

The Court of Common Council approved increases to the thresholds for investment property transactions as set out in Standing Orders at its meeting in May 2025, on the recommendation of the Policy & Resources Committee following consideration by the Investment and Finance Committees. One effect of changes was to raise the threshold under which transactions could be approved under officer delegation to £20 million. As part of the approval process, officers undertook to return to Members with further information on the internal procedure that will be applied for taking those delegated decisions. This report explains the procedure and also seeks approval for an additional amendment to the Standing Orders to include leasehold restructurings.

Recommendation(s)

Members are asked to note the procedure for approving investment property transactions as set out at paragraph 5 and 2.

Members of the Investment and Finance Committees are asked to endorse the following to the Policy and Resources Committee, for onward recommendation to the Court of Common Council:

- Amend the thresholds for investment property transactions in Standing Orders as set out at paragraphs 3 to 5 and in Appendix 1.
- Authorise the Town Clerk to make the necessary amendment to the Scheme of Delegation to Officers to give effect to these changed thresholds.

Main Report

Property transaction thresholds

Delegated Authority Procedure

Background

1. The thresholds for property transactions (both investment and operational) are contained at Part 9 of the Standing Orders. In 2024, Members at various meetings directed officers to review these thresholds as they had stood for some time. Members of the Resource Allocation Sub Committee, at their informal annual away day in 2024, also noted that the current arrangements hindered the dynamic management of the investment property portfolio, especially at a time when funds were required to support the City Corporation's capital commitments.
2. At their February 2025 meetings, the Investment and Finance Committees and the City Bridge Foundation Board were presented with proposed revisions to the Standing Orders, as part of wider reports on investment governance and the City Bridge Foundation Board's governance arrangements respectively. They endorsed the recommendations to increase the thresholds so that all transactions below £20million would be approved under delegation to officers. Transactions of £20million to less than £50million would require approval from the relevant Committees, while any transactions of £50million and over would require further approval from the Court of Common Council. This was subsequently recommended by the Policy & Resources Committee to the Court of Common Council and approved in May 2025.
3. Members supported the changes as it was felt they would allow for more dynamic management of the investment portfolios; the increased authorisation to officers would allow for decisions on property transactions to be made in a more agile manner, while still allowing Members to retain oversight of the strategic direction of the investment portfolio.
4. Members also noted that delegation procedure controls would be reviewed and updated proportionally, and that officers would return with an update on these.

Current Position

5. The City Surveyor has reviewed the delegation procedure controls for City's Estate and City Fund, to be applied as follows:
 - a. The Annual Plan for both City Fund and City Estate to include the planned property interests for disposal.
 - b. If an acquisition or a disposal which has not been included in the Annual Plan is brought forward, approval to the principle of the transaction is to be agreed by the City Surveyor and Chamberlain.
 - c. The terms of transactions of up to a value of £10 million value is subject to the approval of the Director Investment Property Group.
 - d. The terms of transactions of between £10 million and £20 million value is subject to the approval of the City Surveyor.
 - e. All transactions will be subject to verification by the Valuation Panel.

- f. The Terms of Reference for the Valuation Panel for investment property transactions will be extended to include approval of the rationale, terms and value of the transaction.
- g. All proposed transactions will be subject to a report similar to a Committee Report which will be circulated for consultation across all the relevant departments specifically including the Chamberlain, City Surveyor, Comptroller and City Solicitor, Town Clerk.
- h. Town Clerk and City Surveyor will establish a system for auditing and recording all transactions within this procedure.
- i. Investment and Finance Committees will be notified of all transaction under delegated authorities in accordance with the current practice of updating on actions taken under delegation.

Proposed update to approved increases to the thresholds for investment property transactions

- 6. The thresholds for property transactions (both investment and operational) are contained at Part 9 of the Standing Orders (SO 54, 56 and 57.)
- 7. This report refers only to the investment property assets for City Fund and City's Estate as defined at SO 54.1 and does not include operational property assets or those managed for City Bridge Foundation.
- 8. Leasehold Restructurings, set out in SO 57, currently require that the grant of any lease at less than full rack rent of 175 years or less is subject to the approval of the Investment Committee. The recommendation is to add grants of leases of at less than full rack rent of less than 175 years with premiums to be subject to the same delegation to officers.
- 9. For clarity, the changes to the Standing Order is included in the relevant appendices.
- 10. The approved increases to the thresholds for investment property transactions changes Standing Orders, so that all transactions below £20m would be approved under delegation to officers, with transactions of £50m and over requiring approval from the Court of Common Council. All transactions between these two limits would require approval from both the Investment and Finance Committees. The City Surveyor Scheme of Delegations is to be amended to incorporate the amended delegation in respect of City Fund and City's Estate property acquisitions and disposals.
- 11. Members were also asked to consider if, in the long-term, the thresholds for property transactions should be separated out from the Standing Orders into a set of guidelines, similar to the Procurement Code, with authority to amend this delegated by the Court to the Investment, Finance and Policy and Resources Committees; however, no opinion was given on this.

Corporate & Strategic Implications

Strategic implications

- 12. The changes will support the delivery of the Corporate Plan 2024-2029 through improving the governance around the City Corporation's investments which help provide funding for the services in the Corporate Plan and in supporting the Investment Strategy.

Financial implications

13. The changes would not require any additional spending.

Resource implications

14. The recommendations will not require any additional resource. Raising the Standing Order thresholds would also reduce the number of transaction reports written by officers for Committee approval.

Legal implications

15. The Comptroller and City Solicitor's department has been consulted, and their comments incorporated in the report.

Equalities implications

16. The proposals in the report will not have any impact (positive or negative) on people protected by existing equality legislation.

Climate implications

17. There are no climate implications.

Security implications

18. There are no security implications.

Conclusion

19. The recommended revisions to the above aspects of the governance of the City Corporation's investment assets will allow for more agile and dynamic decision-making at a time when the City Corporation is required to draw on its investment portfolio to support a range of activities, including its capital programme.

Appendices

Deletions are in the appendices are marked by being struck through; additions are underlined

- Appendix 1 – Revisions to Standing Orders

Standing Order 57 - Leasehold Disposals/SurrendersCity Fund & City's EstateAll lettings shall be subject to the following: -

- (a) lettings for a period of 30 years or less, including lease renewals and the grant of easements, wayleaves and similar arrangements as well as all rent reviews, shall be solely subject to the approval of the Committee having control of such property or any properly authorised Officer (under the scheme of delegations): -
- (b) for City Fund and City's Estate the grant of any lease at less than full rack rental value for a period of 175 years or more (including optional extensions of term) shall require the approval of the Investment Committee (investment property assets), The grant of any lease at less than full rack rental value for a period of 175 years or less (including optional extensions of term) shall be delegated to officers. Any premium being subject to the following approvals: -

Anticipated Receipt	Approval by
Less than £20,000,000 £2,500,000	Officer Delegation
£20,000,000 to less than £50,000,000 £2,500,000 to less than £5,000,000	Investment Committee and Finance Committee
<u>£50,000,000 and above</u>	Investment Committee, Finance Committee and Court of Common Council

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City of London Corporation Committee Report

Committee(s): Finance Committee – For information	Dated: 16/09/25
Subject: Budget Monitoring Quarter 1 2025/26	Public report: For Information
This proposal: <ul style="list-style-type: none"> • delivers Corporate Plan 2024-29 outcomes • provides statutory duties • provides business enabling functions 	The budget provides the funding to deliver all of the Corporation's corporate objectives either directly or indirectly.
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:	The Chamberlain
Report author:	Daniel Peattie, Assistant Director – Strategic Finance

Summary

The report below outlines the forecast position for the 2025/26 financial year as at the end of Quarter 1 (June). This report combines the monitoring for both revenue and capital. The total position per fund is shown in the table below and explanations for variances highlighted in the main report. Members should note that income and favourable variances are shown in brackets which is a change from previous reports. This change shifts focus to adopting the new SAP system instead of adapting.

Revenue forecast variance by fund – Q1

	City Fund £'000	City's Estate £'000	Guildhall Administration £'000	Total £'000
Local Risk	4,002	827	3,270	8,099
Central Risk	(16,810)	(7,277)	393	(23,695)
Total	(12,808)	(6,450)	3,663	(15,595)

It should be noted that although the overall position per fund (exc Guildhall Admin) is forecasting a surplus, the Local risk (Chief Officer cash limited budgets) are forecasting an overspend across all funds. This position has remained consistent across a number of financial years indicating mitigations are not resolving the underlying pressures. A number of actions are being taken to address the gaps

including a series of Star Chambers which are led by the Town Clerk and will challenge certain areas such as HRA, Barbican and GSMD. Explanations for large variances are included in this report.

Main report – City Fund Dashboard

Revenue

1. At the end of quarter 1, the 2025/26 forecast revenue outturn is an underspend of £12.8m against budget which comprises £4m overspend on Local risk and an underspend of £16.8m on central risk. The underspend is largely due to an increased forecast of interest earned on cash balances which is shown in para 25. Unallocated contingencies, currently amounting to £9.2m will be transferred to reserves at year end and are therefore showing a nil variance in the forecast. Adverse variances in the Barbican (£2.2m), Police (£0.9m) and Children Services (£1.1m) are explained in more detail in appendix 4. This appendix also outlines the measures being implemented to address the overspends and restore expenditures to within budgetary limits.
2. It should be noted that the Housing Revenue Account is currently forecasting an overspend on revenue amounting to £64k which is due to increased demand for breakdown and emergency repairs along with additional contractual costs associated with the R&M contract.

Chart 1 – City Fund local risk forecast Q1

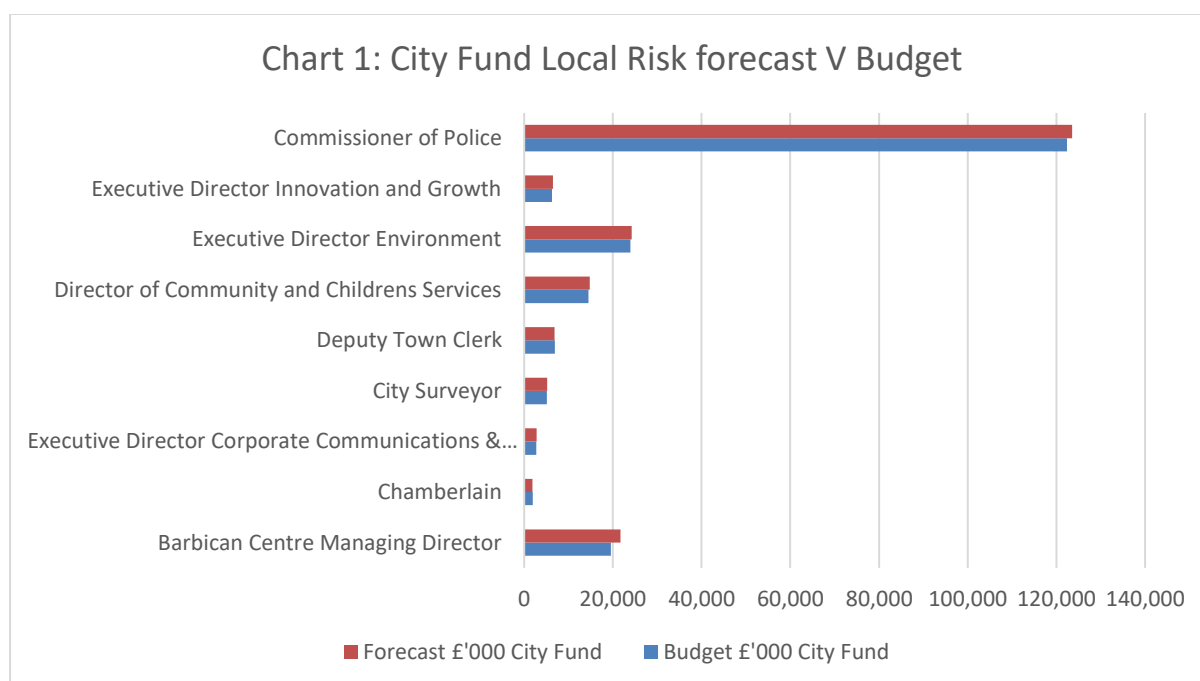


Chart 2 – City Fund central risk forecast Q1

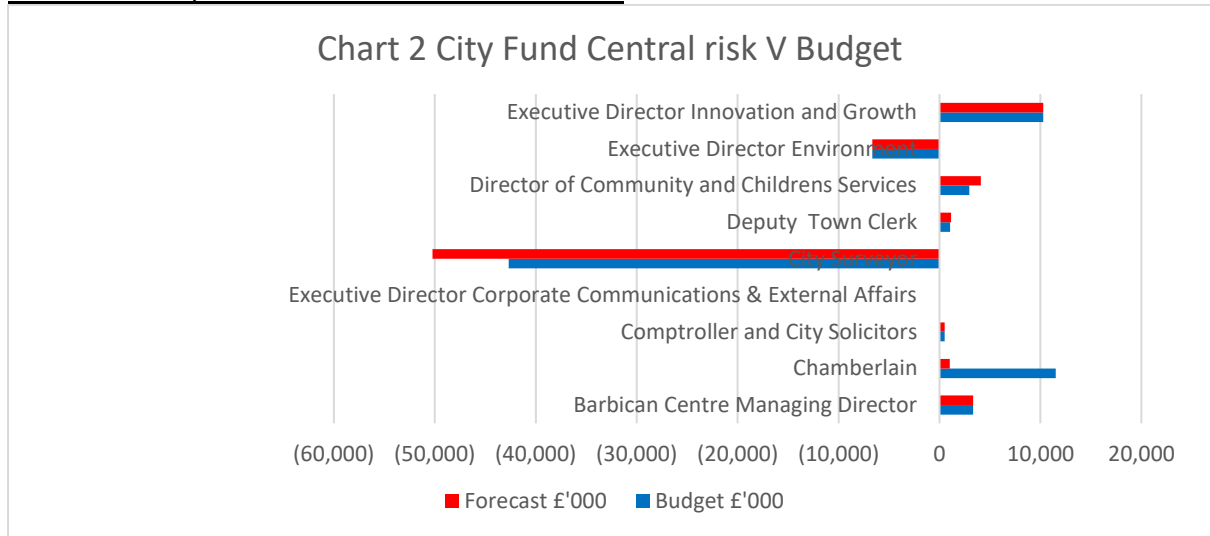


Chart 3 – City Fund savings forecast Q1 (£9.2m total)

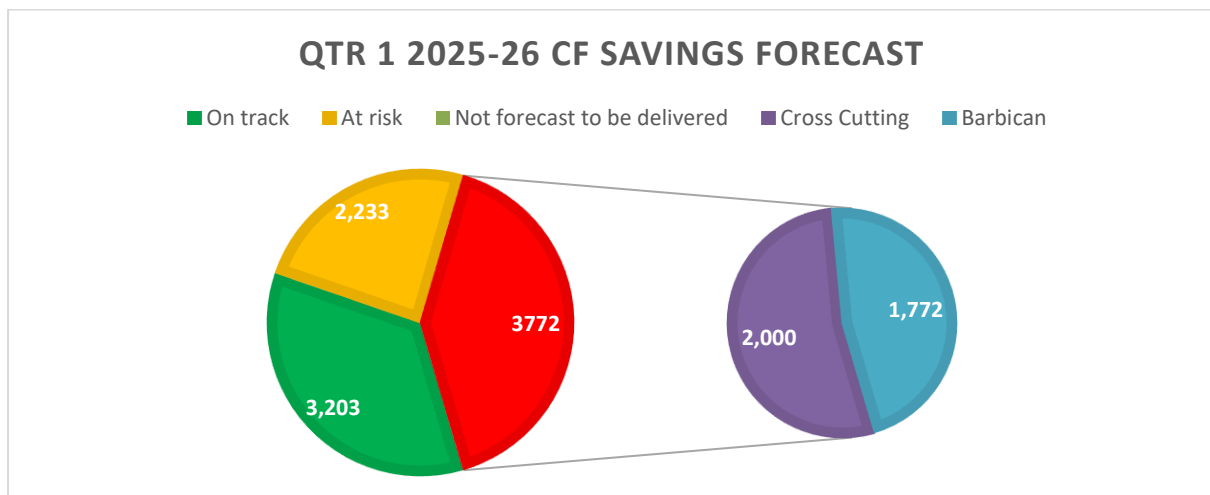
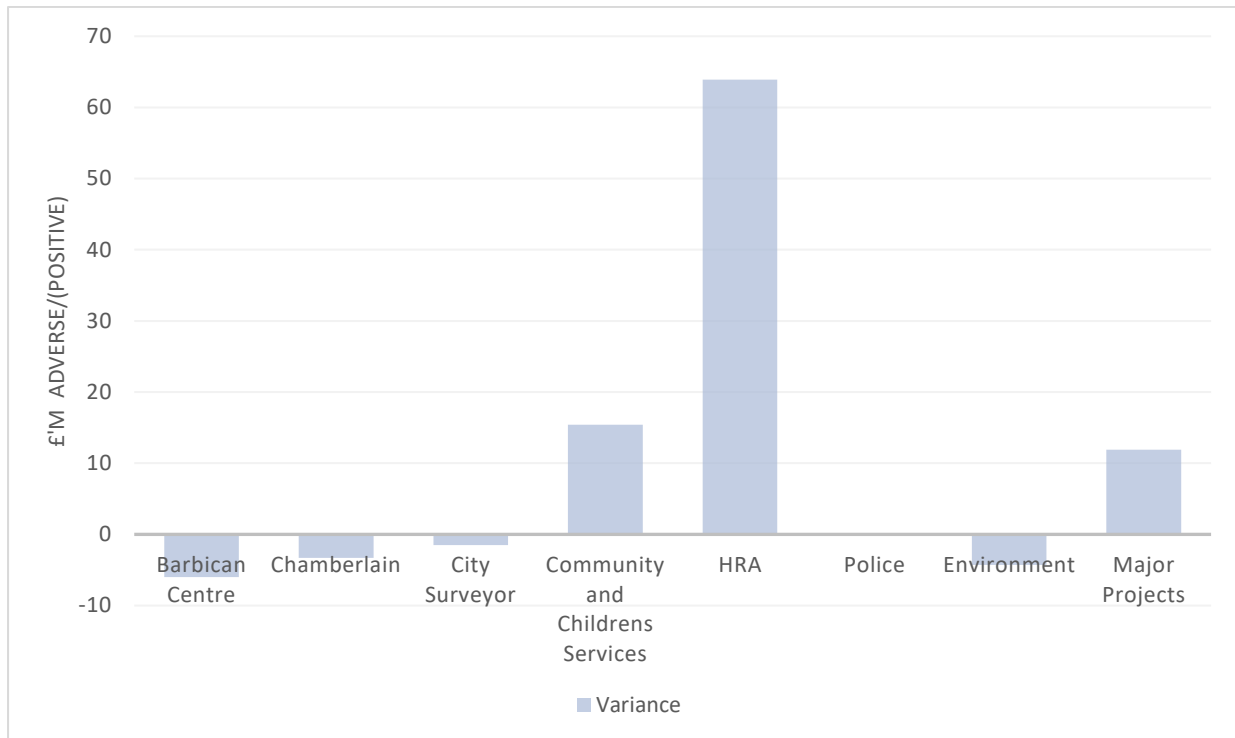


Chart 4 - City Fund Capital forecast project variance

3. Significant adverse variances are forecast on the HRA capital programme, Barbican podium works and SSD, FPEP programme. More detail is within appendix 4.



Key points – City Fund

- Local risk overspends continue to be supported by additional central income.
- Forecast, overspend in Barbican has remained around £2m for a number of years.
- HRA and Children's Services capital programme contains significant forecast overspends requiring bespoke funding solutions.

Main report – City’s Estate Dashboard

Revenue

4. At the end of quarter 1, the 2025/26 forecast revenue outturn is an underspend of £6.4m which comprises an adverse variance of £0.8m on Chief Officer’s local risk budgets offset by an underspend of £7.2m on central risk budgets. This is due in the main to increased dividend income which is explained in para 15. Unallocated contingencies currently amount to £9.9m and will be transferred into reserves at year end and therefore showing a nil variance in the forecast.

Chart 5 – City’s Estate local risk forecast Q1

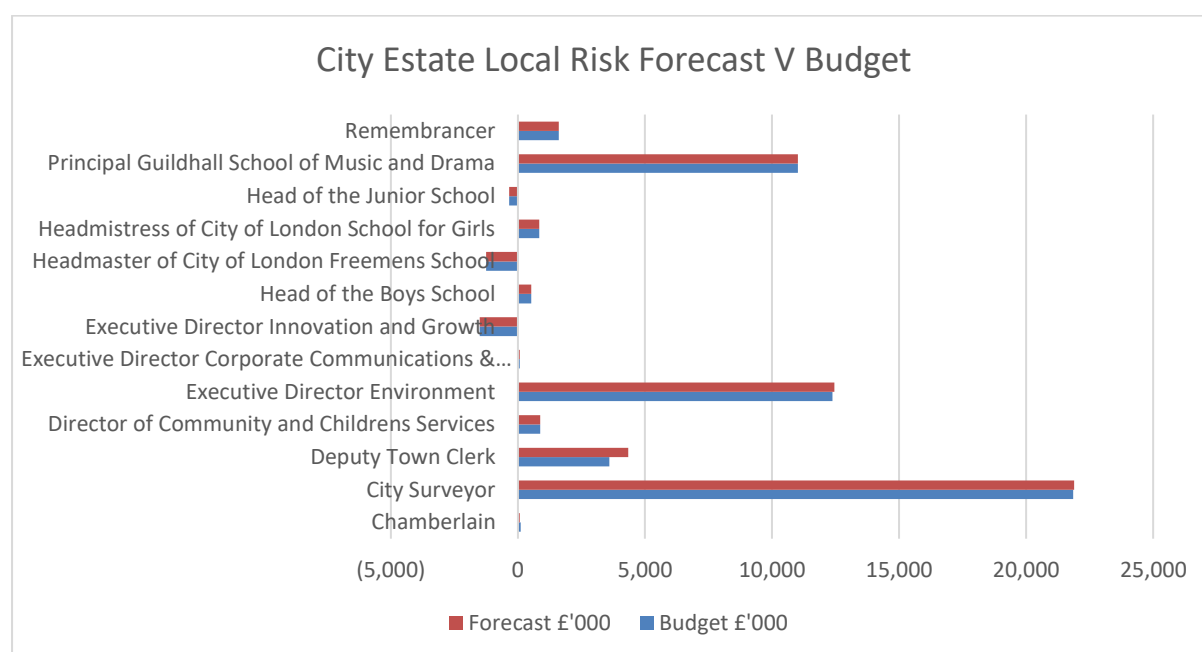
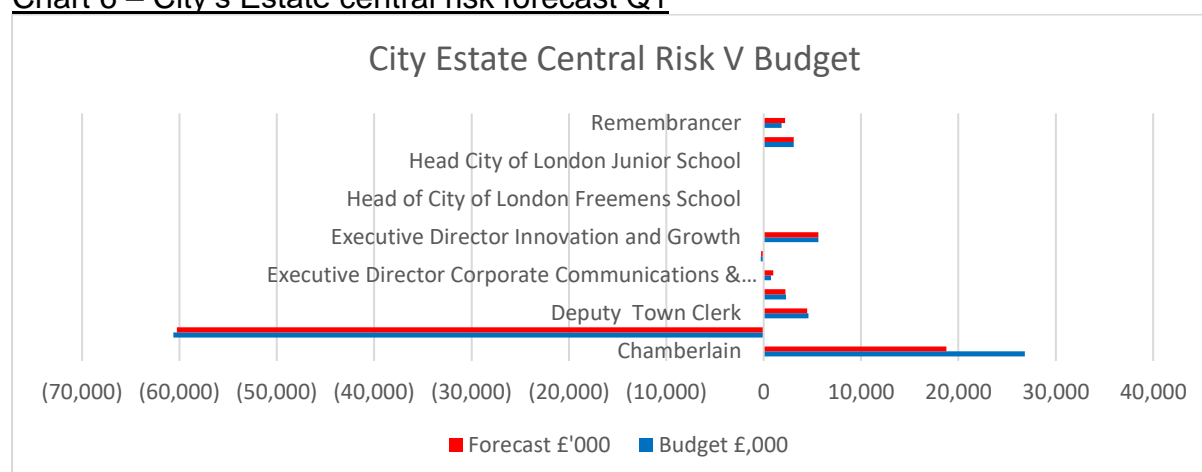


Chart 6 – City’s Estate central risk forecast Q1



5. There is one saving that has a very high risk of non-delivery amounting to £0.2m which is in relation to improved income at Monument. Based on the last couple of years income performance it is not expected to materialise these savings in full however there are a number of options being looked into as part of income

generation but unsure currently if they can be achieved this year. Of those items 'at risk' £2.5m are within GSMD where actions are required to mitigate ongoing financial pressures. This is currently showing an 'at risk' status as at the time of writing this report, carry forwards were yet to be agreed. Since the conclusion of Q1, carry forward bids have now been reviewed and as a result £2.9m has been added to GSMD budget which will offset this risk in 2025/26. Mitigating strategies to meet this pressure from 2026/27 onwards are being developed.

Chart 7 – City's Estate savings forecast Q1 (£4.9m total)

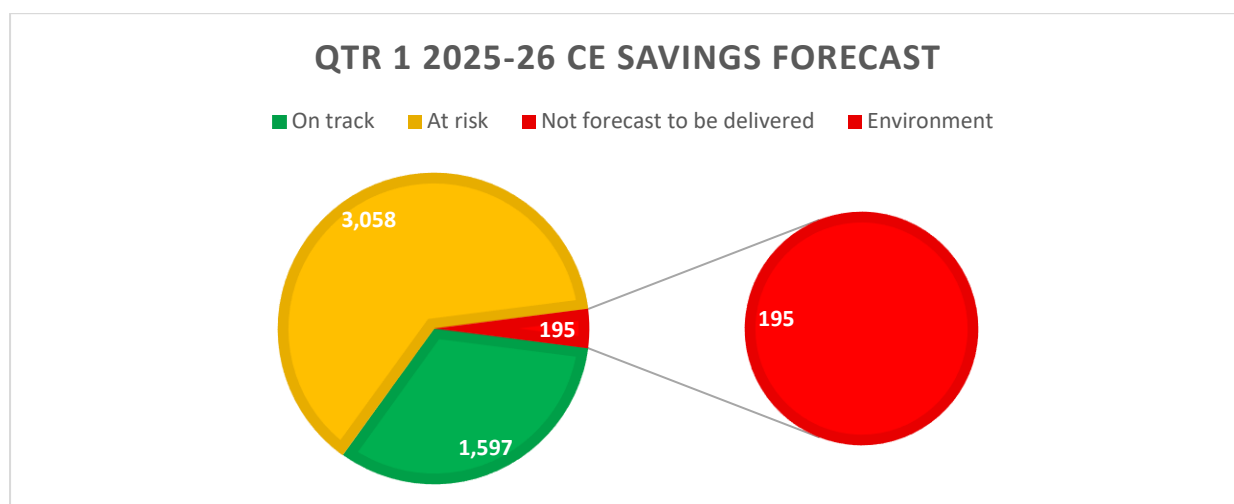
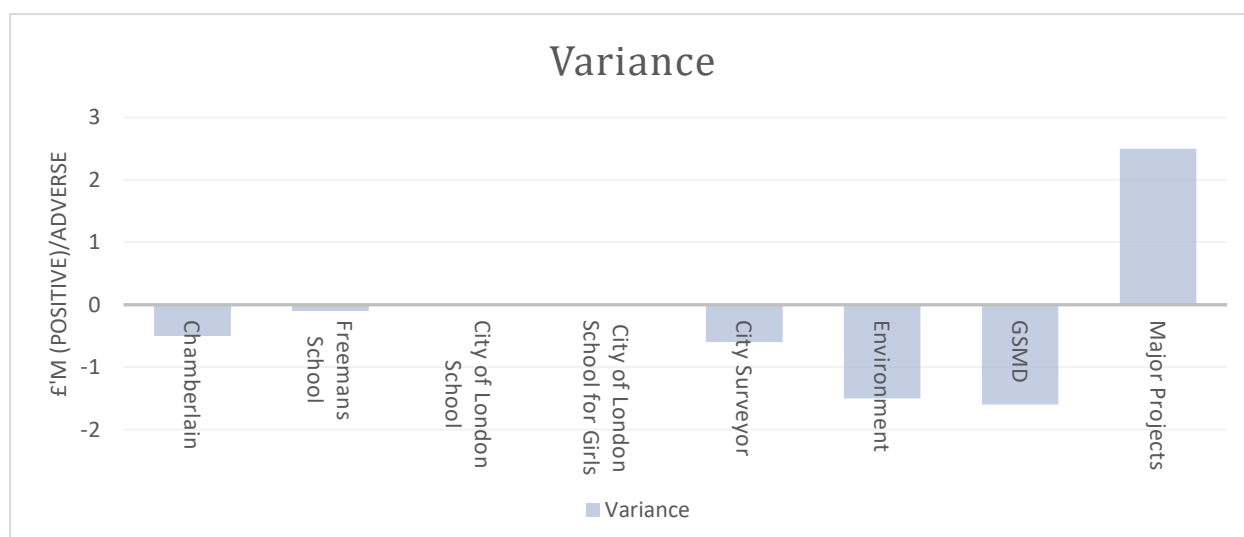


Chart 8 – City's Estate Capital

6. Adverse variances forecast on the Museum of London project relates to the optimism bias of £2.5m which was not included within the original MTFP budget.



Key points – City's Estate

- Local risk overspends continue to be supported by additional central income
- Two thirds of savings required to balance the revenue position in 25/26 are either at risk or not on track.

Main report – Guildhall Admin Dashboard

Revenue

7. Guildhall Administration budgets are central costs which are recharged to the relevant funds (inc City Bridge Foundation), these budgets are currently forecasting an overspend of £3.6m (£3.2m overspend on local risk and £0.4m overspend on central risk), therefore any variance will have a direct impact on City Fund and City's Estate.

Chart 9 – Guildhall Admin local risk forecast Q1

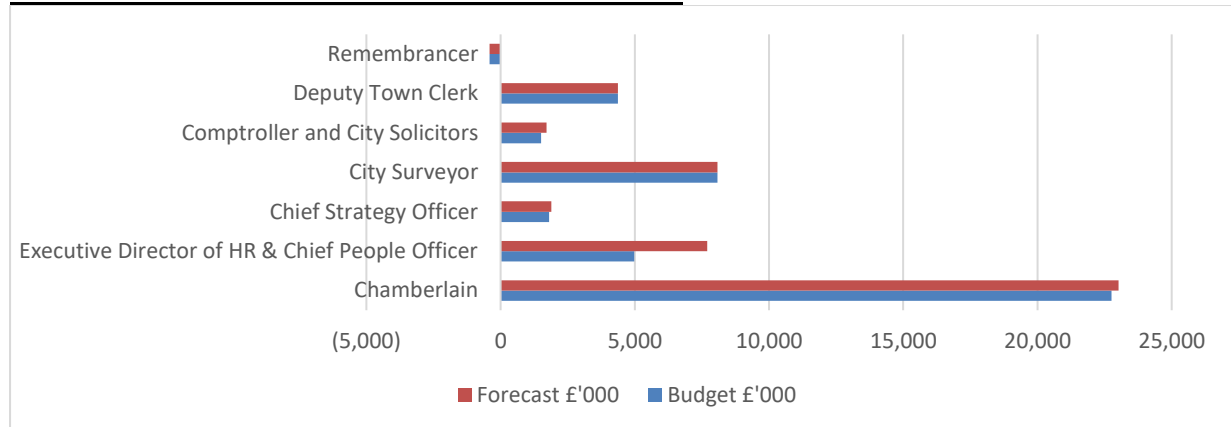


Chart 10 – Guildhall Admin central risk forecast Q1

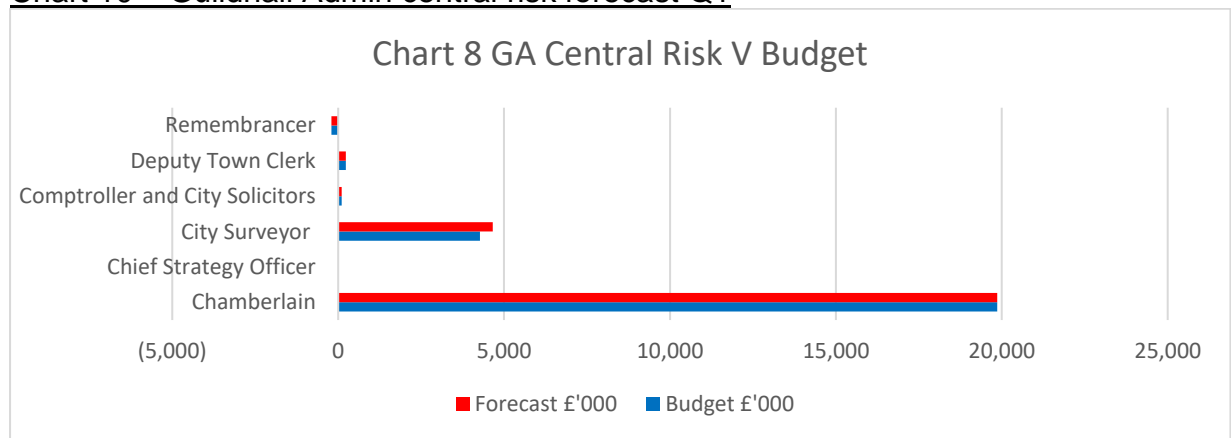
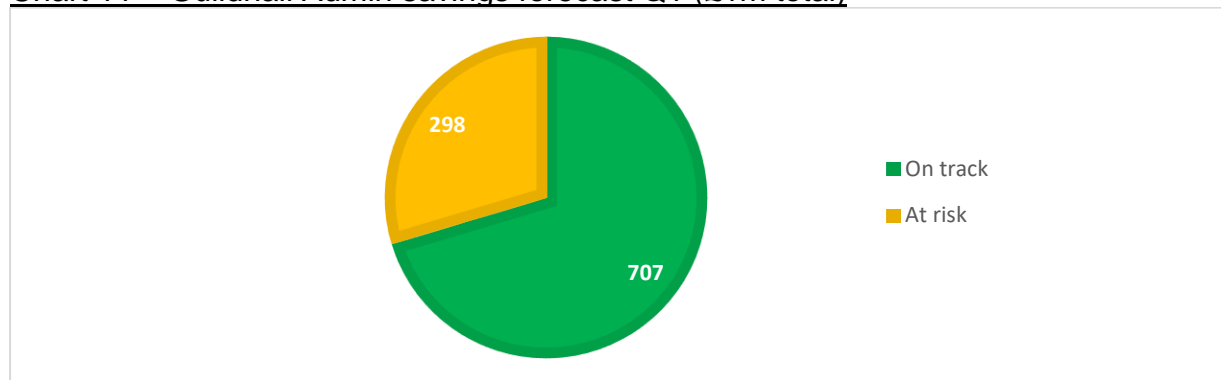


Chart 11 – Guildhall Admin savings forecast Q1 (£1m total)



Corporate and Strategic implications

Strategic implications – The budget is developed in conjunction with corporate plans to ensure it aligns with strategic objectives. Any variances and impacts on delivery are noted within the report.

Financial implications – Contained within the body of the report

Resource implications – Contained within the body of the report

Legal implications – No direct implications

Risk implications – Financial variances highlighted and contained within the body of the report

Equalities implications – No direct implications

Climate implications – No direct implications

Security implications – No direct implications

Conclusion

8. At the end of Quarter 1 2025/26 the revenue forecast position for City Fund is an underspend of £12.8m which comprises a favourable variance on central risk of £16.8m offset by an adverse variance of £4m on Chief Officer Cash Limited Budgets. City's Estate is in a similar position showing an overall revenue forecast of £6.4m underspend of which £7.3m favourable central risk forecast offset by an £0.8m overspend on the Chief Officers Cash Limited budgets. Guildhall Admin is showing a total forecast of £3.7m overspend which comprises £0.4m on central risk and £3.3m Local risk.
9. It should be noted that although the overall position per fund (exc Guildhall Admin) is forecasting a surplus, the Local risk (Chief Officer cash limited budgets) are forecasting an overspend across all funds. This position has remained consistent across a number of financial years indicating mitigations are not resolving the underlying pressures. Reasons for large variances are set out in appendix 4.
10. Carry forwards were reviewed in July 2025 and have therefore not been included in QTR 1 data. All approvals have been transferred to Chief officers' budgets and will be reported from QTR 2 onwards. Please see Appendix 4 for more information on carry forwards.
11. It should be further noted that central contingencies are currently underspent by £18.6m (£9.9m City's Estate and £9.2m City Fund), however this will be transferred to reserves at the end of the year and therefore showing as nil variance in the monitoring.
12. City Fund capital is forecasting an in-year slippage of £46.8m and an in-year City's Estate of £36.3m, the City Estate major projects are showing an overspend of £2.5m. Over the life of the projects the forecast is an overspend of £76.1m for City Fund, this is due to HRA expenditure of £64m, that has not been factored into the Medium-Term Financial Plan and additional costs of the fit out of £10m for Salisbury Square project/FPEP. On City Estate the projects over their lifetime are coming in approximately to budget apart from the Museum of London works, which has a slight overspend of £2.5m.

Appendices

- Appendix 1 – Chief Officer Cash Limited Budgets by Fund, Central Risk Budgets by Fund, Chief Officer total budgets by Fund
- Appendix 2 – City Fund Capital breakdown by Service
- Appendix 3 – City's Estate Capital breakdown by Committee
- Appendix 4 – Detailed narrative by fund

Daniel Peattie

Assistant Director – Strategic Finance

02038348915

Daniel.Peattie@cityoflondon.gov.uk

Appendix 1 - Chief Officer Cash Limited Budgets by Fund

Chief Officer	Full Year Forecast as at 30 June 2025			
	Budget £'000	Forecast £'000	Variance (Better) / Worse £'000	%
City Fund				
Barbican Centre Managing Director	19,551	21,714	2,163	11%
Chamberlain	1,972	1,861	(111)	(6%)
Executive Director Corporate Communications & Exter	2,732	2,832	100	4%
City Surveyor	5,113	5,194	81	2%
Deputy Town Clerk	6,028	6,028	0	0%
Director of Community and Childrens Services	14,523	14,807	284	2%
Executive Director Environment	23,954	24,213	259	1%
Executive Director Innovation and Growth	6,270	6,471	201	3%
Total City Fund (excluding Police)	80,143	83,120	2,977	17%
City's Estate				
Chamberlain	112	74	(38)	(34%)
City Surveyor	21,852	21,890	38	0%
Deputy Town Clerk	3,594	4,339	745	21%
Director of Community and Childrens Services	880	880	0	0%
Executive Director Environment	12,378	12,460	82	1%
Executive Director Corporate Communications & Exter	71	71	0	0%
Executive Director Innovation and Growth	(1,499)	(1,499)	0	0%
Head of the Boys School	530	530	0	0%
Headmaster of City of London Freemens School	(1,250)	(1,250)	0	0%
Headmistress of City of London School for Girls	845	845	0	0%
Head of the Junior School	(344)	(344)	0	0%
Principal Guildhall School of Music and Drama	11,013	11,013	0	0%
Remembrancer	1,612	1,612	0	0%
Total City's Estate	49,794	50,621	827	2%
Guildhall Administration				
Chamberlain	22,761	23,023	262	1%
Executive Director of HR & Chief People Officer	4,974	7,702	2,728	55%
Chief Strategy Officer	1,811	1,890	79	4%
City Surveyor	8,083	8,083	0	0%
Comptroller and City Solicitors	1,507	1,708	201	13%
Deputy Town Clerk	4,370	4,370	(0)	(0%)
Remembrancer	(413)	(413)	0	0%
Total Guildhall Administration	43,093	46,363	3,270	8%
Grand Total (excluding Police)	173,030	180,104	7,074	4%
Commissioner of Police	122,437	123,552	1,115	1%
Police Authority Board	928	839	(89)	(10%)
Grand Total	296,395	304,494	8,099	3%

Appendix 1 - Central Risk Budgets by Fund

Chief Officer	Full Year Forecast as at 30 June 2025			
	Budget	Forecast	Variance (Better) / Worse	
	£'000	£'000	£'000	%
City Fund				
Barbican Centre Managing Director	3,330	3,330	0	0%
Chamberlain	11,506	1,008	(10,498)	(91%)
Comptroller and City Solicitors	508	508	0	0%
Executive Director Corporate Communications & External Affairs	0	0	0	0%
City Surveyor	(42,688)	(50,235)	(7,547)	18%
Deputy Town Clerk	1,035	1,146	111	11%
Director of Community and Childrens Services	2,966	4,090	1,124	38%
Executive Director Environment	(6,666)	(6,666)	0	0%
Executive Director Innovation and Growth	10,289	10,289	0	0%
Total City Fund	(19,720)	(36,530)	(16,810)	85%
City's Estate				
Chamberlain	26,834	18,769	(8,065)	(30%)
City Surveyor	(60,607)	(60,269)	338	(1%)
Deputy Town Clerk	4,598	4,473	(125)	(3%)
Director of Community and Childrens Services	2,291	2,226	(65)	(3%)
Executive Director Corporate Communications & External Affairs	747	997	250	
Executive Director Environment	(284)	(249)	35	(12%)
Executive Director Innovation and Growth	5,617	5,617	(0)	(0%)
Head of the Boys School	15	0	(15)	(100%)
Head of City of London Freemens School	(50)	0	50	(100%)
Head of City of London School for Girls	21	0	(21)	(100%)
Head City of London Junior School				
Principal Guildhall School of Music and Drama	3,086	3,077	(9)	(0%)
Remembrancer	1,838	2,188	350	19%
Total City's Estate	(15,894)	(23,171)	(7,277)	46%
Guildhall Administration				
Chamberlain	19,863	19,863	0	0%
Chief Strategy Officer	0	2	2	0%
Executive Director of HR & Chief People Officer	0	0	0	0%
City Surveyor	4,269	4,660	391	9%
Comptroller and City Solicitors	110	110	0	0%
Deputy Town Clerk	227	227	0	0%
Remembrancer	(204)	(204)	0	0%
Total Guildhall Administration	24,265	24,658	393	2%
Grand Total	(11,349)	(35,043)	(23,695)	2

Appendix 1 – Forecast by Chief Officer

Appendix 3: Chief Officer total budget by fund	Full Year Forecast as at 30 June 2025			
	Chief Officer	Budget	Forecast	Variance (Better) / Worse
		£'000	£'000	£'000 %
City Fund				
Barbican Centre Managing Director		22,881	25,044	2,163 9%
Chamberlain		13,478	2,869	(10,609) (79%)
Comptroller and City Solicitors		508	508	0 0%
Executive Director Corporate Communications & Extern		2,732	2,832	100 4%
City Surveyor		(37,575)	(45,570)	(7,995) 21%
Deputy Town Clerk		7,063	7,174	111 2%
Director of Community and Childrens Services		17,489	18,897	1,408 8%
Executive Director Environment		17,288	17,547	259 1%
Executive Director Innovation and Growth		16,559	16,760	201 1%
Total City Fund (excluding Police)		60,423	46,060	(14,363) (32%)
City's Estate				
Chamberlain		26,946	18,843	(8,103) (30%)
City Surveyor		(38,755)	(38,379)	376 (1%)
Deputy Town Clerk		8,192	8,812	620 8%
Director of Community and Childrens Services		3,171	3,106	(65) (2%)
Executive Director Corporate Communications & Extern		747	997	250 34%
Executive Director Environment		12,094	12,211	117 1%
Executive Director Innovation and Growth		5,617	5,617	(0) (0%)
Head of the Boys School		545	530	(15) (3%)
Headmaster of City of London Freemens School		(1,300)	(1,250)	50 (4%)
Headmistress of City of London School for Girls		866	845	(21) (2%)
Head of the Junior School		(344)	(344)	0 0%
Principal Guildhall School of Music and Drama		14,099	14,090	(9) (0%)
Remembrancer		3,450	3,800	350 10%
Total City's Estate		35,328	28,878	(6,450) (18%)
Guildhall Administration				
Chamberlain		42,624	42,886	262 1%
Executive Director of HR & Chief People Officer		4,974	7,702	2,728 55%
Chief Strategy Officer		1,811	1,892	81 4%
City Surveyor		12,352	12,743	391 3%
Comptroller and City Solicitors		1,617	1,818	201 12%
Deputy Town Clerk		4,597	4,597	(0) (0%)
Remembrancer		(617)	(617)	0 0%
Total Guildhall Administration		67,358	71,021	3,663 5%
Grand Total (excluding Police)		163,109	145,958	(17,151) (11%)
Commissioner of Police		122,437	123,552	1,115 1%
Police Authority Board		928	839	(89) (10%)
Grand Total		286,474	270,349	(16,125) (6%)

Appendix 2 - City Fund Capital Breakdown by Service

CAPITAL PROGRAMME - CITY FUND	2025/26 Budget	2025/26 Actuals	2025/26 Forecast Q1	Forecast Variance	Future Years Budget	Future Years Forecast	Forecast vs Budget in Future Years	Total Budget vs Total Forecast
CAPITAL & SRP - BAU	£m	£m	£m	£m	£m	£m	£m	£m
Barbican Centre	12.1	0.3	5.2	(6.9)	5.6	6.5	0.9	(6.0)
Chamberlains & Chief Financial Officer	24.1	0.3	14.3	(9.8)	37.5	44.0	6.5	(3.3)
City Surveyor & Property	12.8	0.4	12.6	(0.2)	71.3	70.0	(1.3)	(1.6)
Community & Children's Services (Non HRA)	15.8	0.7	11.0	(4.9)	13.2	33.4	20.2	15.4
Community Services - HRA	44.5	7.8	46.9	2.5	52.9	114.4	61.5	63.9
City of London Police	9.3	1.6	11.8	2.5	15.0	12.5	(2.5)	0.0
Environment	44.6	2.4	38.5	(6.1)	87.1	88.9	1.8	(4.3)
Sub-Total	163.2	13.6	140.4	(22.9)	282.7	369.7	87.0	64.1
CAPITAL & SRP - MAJOR PROJECTS								
Museum of London	92.8	(0.3)	92.8	0.0	11.3	11.3	(0.1)	(0.1)
- Bastion House	5.0	0.1	1.1	(3.9)	0.0	3.9	3.9	0.0
Salisbury Square Development	263.1	25.7	256.4	(6.7)	127.0	164.1	37.1	30.4
Future Police Accommodation	40.9	1.4	33.1	(7.8)	87.4	75.6	(11.8)	(19.6)
Barbican Renewal	44.4	2.3	38.9	(5.5)	253.9	260.6	(6.7)	1.2
Sub-Total	446.1	29.2	422.2	(23.9)	528.0	515.5	35.8	11.9
TOTAL CAPITAL PROGRAMME	609.3	42.8	562.6	(46.8)	762.4	885.2	122.8	76.1

Appendix 3 - City Estate Capital Breakdown by Service

CAPITAL PROGRAMME - CITY'S ESTATE	2025/26 Budget	2025/26 Actuals	2025/26 Forecast Q1	Forecast Variance	Future Years Budget	Future Years Forecast	Forecast vs Budget in Future Years	Total Budget vs Total Forecast
CAPITAL & SRP - BAU	£m	£m	£m	£m	£m	£m	£m	£m
Chamberlains & Chief Financial Officer	34.8	1.8	15.8	(19.0)	41.5	60.0	19	(0.4)
City of London Freeman's School	-	0.1	0.0	0	0.1	-	-	(0.1)
City of London School	2.6	0.2	2.6	0	2.1	2.1	0.02	0
City of London School For Girls	0.9	-	0.9	0	1.3	1.3	-	0
City Surveyor & Property	27.6	0.3	9.6	(18.0)	39.6	57.0	17	(0.6)
Environment	2.4	0.2	3.2	1.0	2.7	0.4	(2.4)	(1.6)
Principal GSMD	2.1	0.4	2.1	0	2.4	0.8	(1.6)	(1.6)
Sub-Total	70.5	2.8	34.2	(36.3)	89.6	121.6	32	(4.3)
CAPITAL & SRP - MAJOR PROJECTS								
Museum of London	17.5	8.3	20.0	2.5	0.0	-	0.0	2.5
City Fund (Combined Courts)	105.2	0.0	105.2	0.0	50.9	50.9	0.0	0.0
Sub-Total	122.7	8.3	125.2	2.5	50.9	50.9	(0.0)	2.5
TOTAL CAPITAL PROGRAMME	193.2	11.1	159.4	(33.8)	140.5	172.5	32.0	(1.8)

Appendix 4 – Detailed information by Fund

City Fund – Detailed appendix

Chart 1 compares the local risk outturn forecast to the budget for each Chief Officer.

13. Significant variances on Chief Officer Cash Limited budget are;

- a) Barbican Centre (adverse variance of £2.2m) The initial performance impact on box office from Barbican Immersive and Visual Arts has been worse than originally expected and is forecast to see a reduction in income of £0.9m, and there's added caution on the potential revenue from touring opportunities in 25/26. There's a delay on the buildings target (£0.5m). The Centre is working with the surveyor's department to realise this, however it is taking longer than expected and is unlikely to be realised in 25/26. Forecasting additional costs of £0.4m as there's additional uncertainty around the AEX department being able to realise efficiencies for coordinating their pool of casual staff that help with hosting events at the Barbican. In addition to the £2.2m adverse variance highlighted, it was agreed as part of the carry forward review that we recoup £1m from their current year budget in relation to their final adverse 24/25 outturn position. Due to timings, it was not possible to reflect this in the data for QTR1 but will be included from QTR 2 onwards. The tight controls on spending introduced in 24/25, still remain in place for 25/26. However, in order to have a clear, accountable and collective approach to reducing this position, a 3% target has been given to all directorates to be managed locally with their teams.
- b) Commissioner of police (adverse variance of £0.9m) At Q1 the Police revenue budget is forecast to be overspent by £0.9m/1% against the planned budget. The underlying overspend is predominately due to the revised implementation plan for the Fraud and Cyber Crime Reporting and Analysis Service (FCCRAS) programme. This is an improved position compared to the estimated £1.5m budgetary pressure identified in the 25/26 revenue estimates - and CoLP will continue to endeavour to manage this down through revenue underspends / savings where possible. It should be noted, however, that at the time of budget setting, there was an expectation, and recognition by the Police Authority Board, that 25/26 project implementation pressures for FCCRAS may require recourse to an internal loan facility.

Chart 2 compares the central risk outturn forecast to the budget for each Chief Officer.

14. Significant variances on central risk budgets are

- a) Executive Director Community & Children's Services (£1.1m overspent) There is an expected shortfall between the housing benefits awarded for temporary accommodation to what we receive from DWP. The intention is to meet this from the DCCS reserve which consists of the Afghan Surplus grant set aside for ongoing and future DCCS commitments which will be

reflected in Q2. In addition, the Supplementary revenue project on landlords services for fire door replacement is expected to be over budget however discussions will be had to see if any costs should be capitalised. The department are taking action now with the aim of reducing this overspend – this involves independently reviewing statutory homelessness and rough sleeping services to find efficiencies and compare best practice examples elsewhere, possibility of out supply of social tenancies which will help discharge main housing duties quicker which limits exposure to high rents in temporary accommodation.

- b) City Surveyor (£7.5m underspent) The rental income is forecast to exceed budget by £8.1m as per paragraph 25. This is primarily due to the disposal of Worship Street Estate which has been postponed until March 2027, resulting in additional income in 2025/26 and 2026/27. As well as income from 69 Mansell Court, where the disposal has completed but the City has retained the rental income until the expiry of the sole occupier's lease in September 2025, resulting in additional income of £0.7m in 25/26. This income has been partly offset by an increased in rates.
- c) Chamberlain (£10.5m underspend) This is due to additional interest receivable on money market funds of £13.2m as per paragraph 25 offset by a savings target of £2m which has not yet been identified. This savings target is a crosscutting initiative that spans all departments, encompassing business events and income generation activities.

City Fund Capital

15. At the end of Q1, the City Fund is forecasting spend of £562.6m in year budget slippage of £46.8m. Overall there is a £76.1m is the projected overspend across the lifetime of the programme, £63.9m is for the HRA major works, the figures are subject to changes upon on surveys and will be presented to members in a October committee update.

CAPITAL PROGRAMME - CITY FUND	2025/26 Budget	2025/26 Actuals	2025/26 Forecast Q3	Forecast Variance	Future Years Budget	Future Years Forecast	Forecast vs Budget in Future Years	Total Budget vs Total Forecast
	£m	£m	£m	£m	£m	£m	£m	£m
Capital & SRP - BAU	163.2	13.6	140.4	(22.9)	282.7	369.7	87.0	64.1
Capital & SRP - Major Projects	446.1	29.2	422.2	(23.9)	479.7	515.5	36	11.9
Total	609.3	42.8	562.6	(46.8)	762.4	885.2	123	76.1

16. Appendix 2 shows the forecast expenditure for City Fund Capital and Supplementary Revenue Projects (SRP), split between Business as Usual (BAU) and Major Projects. The forecast for the year is £609.3m for the year, comprising £163.2m BAU projects and £446.1m across the City Fund Major Projects.
17. The HRA projects are showing a projected underspend of £2.5m for 25/26 and overall overspend of £63.9m. This is due to additional major refurb requirements that were yet to have funding approved at Q1. The Finance team is well progressed on funding options for members to review, which will be presented to this committee in October.

18. The overall forecast spend on the Children's and Community Services (Non-HRA) is a £15m overspend, this is due to the Barbican podium works not having sufficient funding. This shortfall will need to be addressed prior to the project commencing to Gateway five. A review of existing programmes is currently underway to support prioritisation. The in-year underspend of £4.9m is due to slippage of Barbican residential fire door works, this budget will be phased into future years.
19. Chamberlain's have a projected underspend in year of £9.8m this is due to the Enterprise Resource Planning (Programme SapPhire) contingency not currently being assigned to projects and is carefully being monitored.
20. The £6.9m underspend is due to the Barbican Centre fire safety works being coordinated with the Barbican Renewal Programme, therefore has led to slippage and phasing of the programme.

Major Projects

21. **Museum of London** – Overall, the programme is on budget, though there is a risk that the Corporation will need to jointly-underwrite alongside the GLA or forward-fund some expenditure should anticipated fundraising fail to materialise to the quantum or timings forecast. The forward funding is likely to occur during 2026/27. Should this materialise, a report will be brought before Members for decision. The total project forecast excludes the Museum's own financing element (£120m).
22. **Salisbury Square Development (SSD) / Future Police Estate Programme (FPEP)** — has a combined forecast of c£750m against a revised funding envelope of £780m, inclusive of £30m of new optimism bias (OB). Though there remains risks against this, including a third-party funding contribution towards the firing range not materialising. Options are currently being considered and will be brought back to the Capital Buildings Board for further consideration. There is also the possibility of further cost increases given that some of the FPEP projects are still in their preliminary stages – which will be a call on the OB budget.
23. **Barbican Renewal** – This has been added to the Major Projects section in appendix 4 following the approval of the £287m funding by the Court of Common Council in December 2024. This includes £230.6m of core project budget, plus £57m of centrally held contingency. The £230.6m is also partially funded by a fundraising target of £40m, leaving a net budget of £190.6m. Critical infrastructure works are currently being undertaken, but the main renewal programme is currently at RIBA stage three (design), and the main works will commence in Jan 2027. As the Barbican has now been confirmed as a High-Risk Building (HRB) under the Building Safety Act (being at least seven storeys and containing at least two residential units), a different planning route is required than first envisaged. This will impact the early stages of delivery but is unlikely to impact the five-year plan.

City's Estate – Detailed narrative

24. There are no significant variances on local risk under City's Estate to report at QTR1

25. Significant variances on Central risk budgets are:

a. Chamberlain: (£8m underspent) which is due to increased dividend income which includes an estimate of income from the new fixed interest gilts, index-linked gilts and corporate bonds allocation, and invest & private equity income distributions.

b. The remainder of Chief Officers had minor variances as at QTR 1 (under £500k)

26. Whilst additional funding has been provided to The Guildhall School of Music & Drama to support the current years pressures, a significant amount of activity continues to be undertaken to address financial pressures. Detailed budget reviews and benchmarking have been completed and are underway with the latest 5-year plan retuning to Efficiency and Performance Working Party in September to confirm next steps, timeline and any strategic investment that may be required.

City's Estate Capital

27. City's Estate is forecasting an in-year slippage of £36.3m on the BAU and £2.5 overspend on the major projects

Chart 7: City's Estate capital forecast

CAPITAL PROGRAMME - CITY'S ESTATE	2025/26 Budget	2025/26 Actuals	2025/26 Forecast Q3	Forecast Variance	Future Years Budget	Future Years Forecast	Forecast vs Budget in Future Years	Total Budget vs Total Forecast
	£m	£m	£m	£m	£m	£m	£m	£m
Capital & SRP - BAU	70.5	2.8	34.2	(36.3)	89.6	121.6	32	(4.3)
Capital & SRP - Major Projects	122.7	8.3	125.2	2.5	50.9	50.9	0	3
Total	193.2	11.0	159.4	(33.8)	140.5	172.5	32	(1.8)

i. Appendix 5 shows the breakdown of the forecast for City Estate, with £125.2m projected on major projects and a further £34.2m on BAU Capital and SRP.

ii. The primary in year slippage is £19m in the Chamberlains area owing to, additionally there is slippage on the surveyors for BAU DSP programme, from the MTFP figures.

iii. **Museum of London Landlord works** - the works are now nearing completion, with the forecast spend representing the remaining drawdown from the museum. The forecast for 2025/26 is £20m against the MTFP estimate of £17.5m which represents the correction of an understatement in the original estimate.

The remaining spend for Major Projects within City Estate relates to the contribution towards the Salisbury Square Development, which is within City Fund.

Guildhall Administration – Detailed Information

28. Significant variances on Local risk budgets are:

- a) Executive Director of HR & Chief People Officer (£2.7m overspent) this is due to the restructure being finalised and agreed for 25/26. This was later than planned due to change in staff however all changes will be made for QTR2 and budget realigned. Transformation funding of approx. £1.8m is to be transferred which will be added to the budget for QTR 2 and mitigate some of the pressure.
- b) Remainder of Chief Officers had minor variances, which are expected to be managed within budget envelopes.

29. Significant variances on central risk budgets are:

- a. City Surveyor (£0.4m overspent) This principally comprises additional business rates costs for the Guildhall complex over what was anticipated in the budget and some historic costs in relation to Citigen heating. Consideration will be given to see if any savings in other central risk budgets could be used to offset these costs. .

30. There are no other significant variances currently on Guildhall Administration central risk to report as at QTR 1.

Savings Guildhall Administration:

31. The 2025/26 budget includes savings targets of £1m across Guildhall Administration services. Of this amount, £707k is expected to be found during the year which equates to 70% of the overall target with the remaining 30% showing as amber rated. No savings are currently showing as high risk of non-delivery however we will continue to monitor and report back at Q2

Additional Revenue information

32. Contingency budgets (including central provisions, Finance and P&R) are currently holding unallocated budgets of £15.7m (£7.8m City Fund and £7.9m City's Estate) however it is anticipated that the majority of the contingency balance will be drawn down and utilised throughout the year. Any remaining funds at the end of the year will be transferred to reserves and is therefore showing a nil variance.

33. Corporate Income Budgets are forecast to be better than budget by £20.2m and are summarised in the table below.

Table 4: Major income budgets

	Budget	Forecast	Forecast Variance (Better) / Worse	
	£'000	£'000	£'000	%
<u>Property Investment Income</u>				
City Fund	(32,882)	(41,045)	(8,163)	(25%)
City's Estate*	(60,206)	(59,825)	381	1%
Total Property Investment Income	(93,088)	(100,870)	(7,782)	(8%)
<u>Interest on Cash Balances</u>				
City Fund	(22,603)	(35,832)	(13,229)	(59%)
City's Estate	(2,050)	(1,275)	775	38%
Total Interest on Cash Balances	(24,653)	(37,107)	(12,454)	(51%)
Grand Total	(111,741)	(137,977)	(20,236)	17%

*Recommendation all surplus income under City's Estates is ringfenced to repay back the private placement loan.

- i. Property Investment Income is forecast to be £41m on City Fund and £59.8m on City Estate which reflects the June 2025 rental estimates.
- ii. The higher income forecast under City Fund is primarily due to the disposal of Worship Street Estate which has been postponed until March 2027, resulting in additional income in 2025/26 and 2026/27. As well as income from 69 Mansell Court, where the disposal has completed but the City has retained the rental income until the expiry of the sole occupier's lease in September 2025, resulting in additional income of £0.7m in 25/26.
- iii. Rental income on City Estates is slightly under budget (£0.4m) and reflects the June 2025 forecast.
- iv. Income from interest on average cash balances is currently forecast to exceed budget by £13.2m for City Fund, principally due to changes in the level of average cash balances held, and hence available for investment, and upon which interest is applied, compared to that anticipated when the budget was set in November 2024. This is largely as a result of the re-phasing of capital and major project expenditure, and the timing of receipts from the planned property disposals.
- v. For City's estate the income is forecast to be approx. £0.7m short of the target due to the changes in average level of cash balances held.

Cyclical Works Programme (CWP)

34. The Cyclical Works Programme (CWP) is a critical component of the City's approach to maintaining the operational property portfolio, focusing on essential health and safety repairs and cyclical maintenance. Historically, CWP expenditure has been treated as revenue due to its similarity to routine repairs and maintenance. However, where programmes exceed materiality thresholds, they may be capitalised. In recognition of the growing backlog and the need for urgent remedial works, the Resource Allocation Sub-Committee and Finance Committee approved a significant funding package in 2024/25. A total of £133.7

million has been allocated over a five-year period to address immediate and high-priority repairs across the operational estate. After this 5-year period, a further £15m pa has been agreed by Court of Common Council (£7.5m each for City Fund and City's Estate).

Table 5: CWP Quarter 1

	Budget £'000	Actual & Commitments £'000	Percent Spent %
City Fund	13,026	3,444	26
City's Estate	12,154	2,706	22
Guildhall Complex	5,586	1,376	25
Grand Total	30,766	7,526	

Capital – observations on risks

35. For the Major Projects there is joint underwriting (alongside GLA) of up to £50m should the Museum not achieve their fundraising target or be unable to generate sufficient funds to repay their loan from the GLA. The Museum is due to spend the extra £50m in the next two years, but fundraising totals will be confirmed retrospectively, so they have requested another loan to cover this. This is yet to be approved, and discussions are continuing.
36. Appendix 5 shows the trend of spend vs forecast for 24/25 compared to actual spend through the year.
37. The Court of Common Council on 26 November 24, ratified a decision to end the City Corporation's interest in co-locating the wholesale food markets of Smithfield and Billingsgate to a new site at Dagenham Dock. Instead, a new agreement has been reached with market traders that would see them receive financial support to relocate to new premises. The City Corporation is already actively supporting Traders to identify suitable new sites to ensure that they can continue their essential role in London's food supply chain and is in close dialogue with them and other wholesale markets about this already.
38. There is additional capital expenditure on the HRA which was not factored into the Medium-term financial plan and additional funding sources are currently being identified in order for this to be met over the coming years.

Carry forwards

39. Chief Officer bids (from unspent 2024/25 funds) were reviewed by the Chair and Deputy chair of RASC in July 2025 and have therefore not been included in QTR1 monitoring. The following areas have received approval, and will be included in the reporting from QTR2 onwards:

Chief Officer Local Risk	City Fund (£'000)	City's Estate (£'000)	Guildhall Admin (£'000)
Chamberlain and Chief Financial Officer			235
Deputy Town Clerk	314		70
Chief Strategy Officer			94
Executive Director Community and Children's Services	345		
Executive Director Environment		53	
Remembrancer			590
Total Local risk	659	53	989

In addition to the above, the following central risk carry forwards were approved:

Central Risk	City Fund (£'000)	City's Estate (£'000)	Guildhall Admin (£'000)
Finance Committee Contingencies	1,473	212	
Project contingencies	200	625	
Policy & Resources Committee		391	
Policy Initiative Fund		1,327	
Central provisions (including Inflation, reward Refresh, Transformation)	11,953	10,079	302
Managing Director GSMD		2,900	
One off pressures agreed by Court of Common Council	150	2,604	251
Total Central Risk	13,783	18,183	553

Committee(s): Finance Committee – For information	Dated: 16 September 2025
Subject: Chamberlain’s Business Plan Quarter 1 2025/26 update	Public report: For information
This proposal: <ul style="list-style-type: none"> • delivers Corporate Plan 2024-29 outcomes • provides statutory duties • provides business enabling functions 	Chamberlain’s Department as a support service aims to impact all six outcomes in the Corporate Plan directly or indirectly.
Does this proposal require extra revenue and/or capital spending?	No
If so, how much?	N/A
What is the source of Funding?	Budgets already agreed by this committee for 2025/26
Has this Funding Source been agreed with the Chamberlain’s Department?	Yes, within budget estimate and capital funding already agreed
Report of:	The Chamberlain
Report author:	Hayley Puhlhofer, Head of Chamberlain’s Office

Summary

This report provides an update on the progress of Chamberlain's Department against Business Plan during quarter one of 2025/26. The Finance Committee are receiving this report to review progress against workstreams that relate to the work it oversees only. All digital related workstreams are to be taken by the Digital Services Committee.

The Chamberlain's Department has made significant progress on its business plan, with key programmes advancing well. Six workstreams, relevant to this committee, are marked green, while those with amber and red statuses have next steps in place to get back on track.

One workstream is currently rated red: the Income Generation workstream. Progress has been slow due to a lack of capacity and skills across the organisation that are needed to develop income generation opportunities. Focus areas were recommended through Efficiency and Performance Working Party (EPWP) in March 2025, which include Heathrow Animal Reception Centre, Guildhall School of Music and Drama (GSMD), Natural Environment Charities Review, Advertising and Lord Mayors Show are all underway showing good progress. In addition, governance arrangements have been strengthened with the creation of the Income Generation Working Party (IGWP)

approved through Policy and Resources Committee in June 2025, this has demonstrated a step change in developing a commercial culture. The Income Generation Working Party, chaired by the Chair of the Policy and Resources Committee, has since made recommendations on the development of an Income Generation Strategy and priority areas. This further supports the Lord Mayors Show as a proof of concept for a number of income generation initiatives to scale up, and the development of an advertising programme. A proposal on progressing advertising initiatives will be considered by the Policy and Resources Committee in September. In addition, expertise will be sought in relevant areas including Intellectual Property Rights (IPR) and through the development of the Transformation Strategic Partner to build capacity gaps.

Highlights from quarter one include:

- **Internal Audit:** On track to deliver 1,000 audit days this year, despite long-term sickness absence within the team. This is 400 more than last year's target.
- **Programme SAPphire:** The first wave of Programme SAPphire (SuccessFactors) has gone live, introducing new modules for e-learning, performance management, and recruitment. The project team provided hyper care for a period of one month following the launch, the services have transitioned to business as usual, with recruitment due to transition in July. Ongoing support from ERP HR subject matter experts will continue throughout the implementation. The handover includes the Benefits Realisation plan which will be owned by the new People Directors to ensure delivery of the long term benefits of ERP SuccessFactors.
- **Learning and Development:** The Chamberlain's Learning and Development group has made good progress following a 're-boot' on approach, including well attended lunchtime learning sessions. Training plans are being developed within teams, and professional qualification requests are being approved to support career progression.

The details of the key updates, challenges and future priorities are detailed in Appendix 1.

Recommendation

Members are asked to note the report.

Main Report

Background

1. The Chamberlain's Department provides quarterly updates to Finance Committee on the activities and achievements against the approved business plan. This report provides an update on the department's performance during quarter one of 2025/26.

Current Position

2. Good progress is being made across all workstreams within the Chamberlain's Business Plan, with one exception – the Income Generation workstream details of this can be found above and within the appendix attached.
2. Full updates for each workstream can be found in appendix 1.

Conclusion

3. The Chamberlain's Department have made good progress on the 2025/26 business plan and will work to build on this success in the next quarter.

Corporate & Strategic Implications

Strategic implications – Strategic priorities and commitments are expressed in Appendix 1.

Financial implications – The 2025/26 Business Plan has been prepared in line with the 2025/26 budget any capital funding has also been agreed.

Resource implications – The department is currently fully resourced with a handful of vacancies due to normal turnover.

Legal implications – None.

Risk implications – Key risks managed by the department are included in the Risk Update Report also received by this committee.

Equalities implications – The department has a separate Equalities and Inclusion Plan which aims to improve the department's Equalities position for employees. Where appropriate the department will complete Equality Impact Assessment for upcoming changes.

Climate Implications – Under the Climate action strategy the departments Corporate Treasury function is responsible for delivering Scope 3 emission actions related to our financial investments.

Security implications – None.

Background Papers

Draft Chamberlain's Business Plan for 2025/26 – 18 February 2025

Appendices

Appendix 1 – Chamberlain's Business Plan progress report

Hayley Puhlhofer

Head of Chamberlain's Office

T: 0207 332 1033 E: Hayley.Puhlhofer@cityoflondon.gov.uk

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City of London Corporation Committee Report

Committee(s): Finance Committee – For Decision	Dated: 16 September 2025
Subject: Chamberlain’s Departmental Risk Management Update	Public report: For Decision
This proposal: <ul style="list-style-type: none"> • delivers Corporate Plan 2024-29 outcomes • provides statutory duties 	Providing Excellent Services
Does this proposal require extra revenue and/or capital spending?	No
If so, how much?	£0
What is the source of Funding?	n/a
Has this Funding Source been agreed with the Chamberlain’s Department?	n/a
Report of:	Caroline Al-Beyerty, Chamberlain
Report author:	Leah Woodlock, Chamberlain’s Department

Summary

This report provides the Finance Committee with an update regarding the risks being managed by the Chamberlain’s department, with particular emphasis on Financial Corporate and Departmental risks. Presently, there is one RED risk listed on the Corporate Risk Register and one RED risk identified on the Departmental Risk Register within the Chamberlain’s area of responsibility. The Chamberlain’s Senior Leadership Team, along with divisional management teams, conducts regular reviews and updates of the risk registers to ensure that potential risks and opportunities are appropriately identified and addressed.

In May, the Court of Common Council established the risk appetite boundaries for the **nine** identified corporate themes. Following this determination, Service Committees responsible for overseeing Corporate Risks are requested to confirm the appropriate appetite level for each corporate risk. This committee is responsible for agreeing the Risk Appetite statement for CR35 Unsustainable Medium-Term Finances – City Fund and CR38 Unsustainable Medium-Term Finances – City’s Estate.

Recommendation

Members are asked to:

- Note the risk updates
- Agree the risk appetite level for Corporate Risks; CR35 Unsustainable Medium-Term Finances – City Fund and CR38 Unsustainable Medium-Term Finances – City’s Estate.

Main Report

Background

1. The Risk Management Framework of the City of London Corporation requires each Chief Officer to report regularly to the Committee the key risks faced in their department. The Finance Committee has determined that it will receive the Chamberlain's Risk Register at each meeting.
2. The Digital Information Technology Service (DITS) risks are overseen by the Digital Services Committee, while Commercial, Change and Portfolio Delivery (CCPD) risks are reported to the Projects and Procurement Sub-Committee.
3. The Finance Committee is responsible for the Corporate Risks **CR35 Unsustainable Medium-Term Finances – City Fund** and **CR38 Unsustainable Medium-Term Finances – City's Estate**. The City of London Corporation's Risk Management Policy establishes the organisation's framework for addressing risk. In accordance with this policy, it has been determined that all Corporate Risks must be accompanied by a clearly articulated risk appetite level.

Current Position – Risk Updates

4. The Chamberlain and Financial Services Director have proposed the risk appetite statements for Corporate Risks CR35 and CR38 which are detailed in Appendix 2 (non-public).
5. The Chamberlain's department currently has one financial RED Corporate Risk and one RED Departmental risk, all risks are regularly reviewed, and several mitigating measures are in place to prevent the realisation of these risks or future risks
6. The risk score for CR35 **Unsustainable Medium-Term Finances – City Fund (current score RED 16)** is unchanged.
7. **CHB002 Housing Revenue Account (HRA) Finances** has a risk score of **RED 16** and is unchanged since June.

Conclusion

8. Members are asked to note the actions taken by Chamberlain's Department to manage all risks. Actions aim to continue monitoring and reducing the risk level, which will be reported on at future finance committees. The risk appetite levels set for the Corporate Risks will be regularly monitored and reviewed.

Appendices

- Appendix 1 – Departmental Risk Register
- Appendix 2 - Risk Appetite Statements (Non-Public)
- Appendix 3 – Risk Appetite Boundaries (Non-Public)

Background Papers

Chamberlain's Departmental Risk Management Update Reports

Leah Woodlock

Chamberlain's Project Manager

Chamberlain's Department

E: Leah.Woodlock@cityoflondon.gov.uk

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Committee(s): Finance Committee – For Information	Dated: 16 September 2025
Subject: Central Contingencies 2025/26	Public report: For Information
This proposal: <ul style="list-style-type: none"> provides business enabling functions 	
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
Report author:	Laura Yeo, Financial Services Division

Summary

This report provides Members with a quarterly update on the Central Contingencies 2025/26 uncommitted balances.

Recommendation(s)

Members are asked to:

- Note the Central Contingencies 2025/26 uncommitted balances.

Main Report

Background

- 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.
- In addition to the Central Contingencies, the Committee has two specific City's Estate Contingencies, the International Disasters Fund to support international humanitarian emergencies and a Project Reserve to support project type spend.

Current Position

3. The uncommitted balances that are currently available for 2025/26 are set out in the table below.

2025/26 Central Contingencies – Uncommitted Balances 28 August 2025			
	City's Estate £'000	City Fund £'000	Total £'000
Central Contingencies			
2025/26 Provision	950	800	1,750
2024/25 Brought forward	212	1,673	1,885
Total Provision	1,162	2,473	3,635
Previously agreed allocations	(234)	(1,342)	(1,576)
Pending request on the agenda	(0)	(0)	(0)
Total Commitments	(234)	(1,342)	(1,576)
Uncommitted Balances	928	1,131	2,059
Specific Contingency - International Disaster Fund			
2025/26 Provision	100	0	100
2024/25 Brought forward	0	0	0
Total Provision	100	0	100
Previously agreed allocations	(25)	0	(25)
Total Commitments	0	0	0
Uncommitted Balance	75	0	75
Specific Contingency – Project Reserve			
2025/26 Provision	0	0	0
2024/25 Brought forward	625	0	625
Total Provision	625	0	625
Previously agreed allocations	(215)	0	(215)
Pending request on the agenda	(0)	0	(0)
Total Commitments	(215)	0	(215)
Uncommitted Balance	410	0	410

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

Corporate & Strategic Implications

Strategic Implications – None
Resource Implications – Contained within body of report
Legal Implications - None
Risk Implications - None
Equalities Implications - None
Climate Implications - None
Security Implications - None

Conclusion

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

Appendices

- Appendix 1 - Allocations from 2025/26 Contingencies

Laura Yeo

Group Accountant

Financial Services Division

E: Laura.Yeo@cityoflondon.gov.uk

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