

Report – Finance Committee

Report of Urgent Action Taken: Funding request to support an extension of Heart of the City's responsible business programme (and consequent revision to the 2020/21 Budget)

To be presented on Thursday, 10th September 2020

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

SUMMARY OF ACTION TAKEN

1. Heart of the City is a unique charity founded, hosted, and core-funded by the City Corporation. It works with smaller businesses across London to start and develop responsible business/corporate social responsibility activities. It does this through a pioneering peer-learning model, engaging experts from large companies to mentor and advise Small and Medium Enterprises.
2. The charity is governed by an experienced and high-calibre board of senior business leaders. It is delivering against an ambitious five-year business plan which sees it reach hundreds of companies across London and in targeted regional cities.
3. Heart of the City currently delivers the City Corporation's Corporate Strategy Objective 5, points c and d¹. The charity also works alongside others in the City Corporation to deliver its Responsible Business Strategy and the Social Mobility Strategy.
4. Normally, the request for funding is submitted to the January meeting of your Policy & Resources Committee (and Resource Allocation Sub-Committee) and, following approval of an appropriate sum, is incorporated within the Corporation's budget submitted to the February meeting of your Finance Committee, and the March meeting of the Court of Common Council.
5. However, in January this year, the Policy & Resources Committee asked officers to come back with revised proposals. This was done, and a revised sum was approved at the February meeting of your Policy & Resources Committee.

5. ¹ 'Businesses are trusted and socially and environmentally responsible
c. Support, celebrate and advocate responsible practices and investments.
d. Advocate and facilitate greater levels of giving of time, skills, knowledge, advice and money.'

6. Unfortunately, as a consequence of the month's delay and the timing around the budget submission, this sum was missed out of the budget. It was not immediately noticed due to the unfolding COVID-19 crisis but became apparent thereafter, and so an in-year budget adjustment was required to facilitate the award of the money – in essence, it was an unfortunate administrative error.
7. The funding was for core funding of the organisation, primarily covering salaries. As a result of the commitment given by the Policy and Resources Committee in February, the charity continued its operations in 2020-21 in good faith.
8. Approval was, therefore, granted by the Finance Committee and the Court of Common Council under urgency procedures to agree to one-year's funding of Heart of the City for 2020/21, totalling £202,000, to be met from City's Cash, resulting an in-year revision to the 2020/21 budget which we now report to you.

RECOMMENDATION

9. We **recommend** that the action taken be noted.

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

DATED this 10th day of July 2020.

SIGNED on behalf of the Committee.

Jeremy Paul Mayhew
Chairman, Finance Committee