

Committee Finance Grants Oversight and Performance Sub-Committee	Dated: 22/09/2020
Subject Benefits in Kind Reporting – Interim Update	Public
Report of: Chief Grants Officer and Director of City Bridge Trust (CGO)	For Information
Report author: Jack Joslin, Head of Central Grants Unit	

Summary

The purpose of this report is for Members of this Sub-Committee to receive an update on the annual Benefits in Kind (BIK) data collected and the amount of time that officers have reported spending on volunteering or providing advice and guidance to external bodies/charities during the period between November 2019 and March 2020.

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

In the meeting of this Sub-Committee in November 2019 it was agreed to align the BIK reporting with the financial year to correspond with the Philanthropy Strategy reporting. This report is to provide an update of the interim period of November 2019 to March 2020, the BIK annual report will be received by this Sub-Committee in May 2020.

The quality of the data received from departments continues to improve, however, departments are still embedding the revised BIK policy as required under the Financial Regulations 2018. Work is ongoing by the Central Grants Unit to ensure comprehensive reports are completed by all departments. A review of the policy and its application across departments has been carried out to ensure that it is fit for purpose and being applied correctly.

A total of 312 BIKs have been reported for in the period between November 2019 and March 2020, with total monetary value of £1,964,955. 64 BIKs are considered new and have a total monetary equivalent of £120,144.

A total of 118 hours has been reported by departments across the CoLC in relation to the volunteering time, general support and the provision of advice or guidance to external bodies/charities that has been undertaken in the period.

Recommendations

Members are asked to note:

1. the summary of BIK relating to November 2019 – March 2020; and,
2. the summary of officer volunteering time relating to November 2019 – March 2020 (shown at Appendix 3)

Main Report

Background

1. It was recognised in the corporate Effectiveness of Grants Service Based Review 2014/15 that City of London Corporation (CoLC) offers support to the wider community in a number of ways – through direct financial contributions (or grants) often for charitable purposes; through the CoLC's support and trusteeship of many charities; and through non-monetary resources or BIK. The Grants Review excluded consideration of BIK, but as that report passed through the various committees the relevance of some of the findings to BIK were noted. It was requested by various Committees that BIK be considered in implementing the Grants Review outcomes.
2. Members highlighted that the key reputational and value-for-money risks and issues that were identified in relation to the payment of grants also apply to a BIK. Members identified that BIK would also benefit from the application of a similarly consistent, coherent and co-ordinated approach to ensure that there are no hidden financial costs to the organisation which are not being properly quantified and managed and to ensure reputational risks are mitigated by a fair decision making process.
3. To date, on an annual basis, the Chamberlain's Department requested that every department provide details of BIK that are provided to external organisations. This information formed the basis of an information report presented to the Finance Grants Sub-Committee (FGSC) every November. In 2016, FGSC was dissolved by the Finance Committee. Since that time, the BIK report has been the responsibility of this Sub-Committee to review.
4. In November 2017 a review of the BIK policy and framework was undertaken. Members of this Sub-Committee agreed that this refreshed and more comprehensive corporate BIK policy be submitted to the Finance Committee for approval. The corporate-wide BIK policy was agreed by the Finance Committee and is required to be followed as provided under the CoLC's Financial Regulations (Reg 15.18) which came into force on the 1st April 2018.
5. In the meeting of this Committee in November 2019 it was agreed to align the BIK reporting with the financial year to correspond with the Philanthropy Strategy reporting.

6. The BIK is policy works alongside any local charging policies which are already established and operate effectively, such as that of the City Remembrancer's Office.
7. A copy of the implemented BIK policy and framework is at **Appendix 1**.

Current BIKs

8. A summary of the data collected from departments between November 2019 and March 2020 is shown at **Appendix 2**.
9. A new requirement of CoLC departments was to report on Officer volunteering time and general support and the provision of advice or guidance to external bodies/charities. The amount of time reported is once again below what we had expected, however, as part of the Philanthropy Strategy's aim of modelling excellent philanthropy (the giving of time, money and skills) a new corporate The CoLC's Volunteering Strategy has now been agreed at the September 2019 Meeting of the Policy and Resources Committee, and a dedicated Corporate Volunteering Manager (CVM) was recruited and implementation of the strategy is being pushed forward. A key responsibility of this post is to increase the reporting of volunteering across the CoLC and the CGU is in discussion with the CVM about how they can work with departments across CoLC to achieve this. The information received is shown at **Appendix 3**.
10. During the Coronavirus Pandemic and the consequent lockdown lots of CoLC Officer time was spent on the Pan-London response. The CGU is keeping a track of this and will include this in reporting for 2020/21.
11. The CGU has reviewed the existing guidance and BIK policy on request of this Sub-Committee. From the review and discussion with officers across CoLC it is felt that the policy itself is robust and proportionate. However, it was noted that some departments would appreciate bespoke training on how to record the information.
12. The CGU will be working with departments going forward to ensure that they are aware of the requirements of the policy and offer support where required. The CGU Funding Officer will be providing this service on an ongoing basis and has already started working with officers across CoLC to implement it.
13. At the end of the Financial Year 2020/21 a survey for staff will be included with the BIK return to ensure that staff are happy with the process.

Conclusion

14. The purpose of this report is for Members of this Sub-Committee to receive an update on the BIK data collected for 2018/2019.

Appendices:

Appendix 1: Corporate Wide BIK policy and framework

Appendix 2: Summary of BIK data 2018/2019

Appendix 3: Summary of Officer Volunteering time November 2019 – March 2020

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

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

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

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

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

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

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

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

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

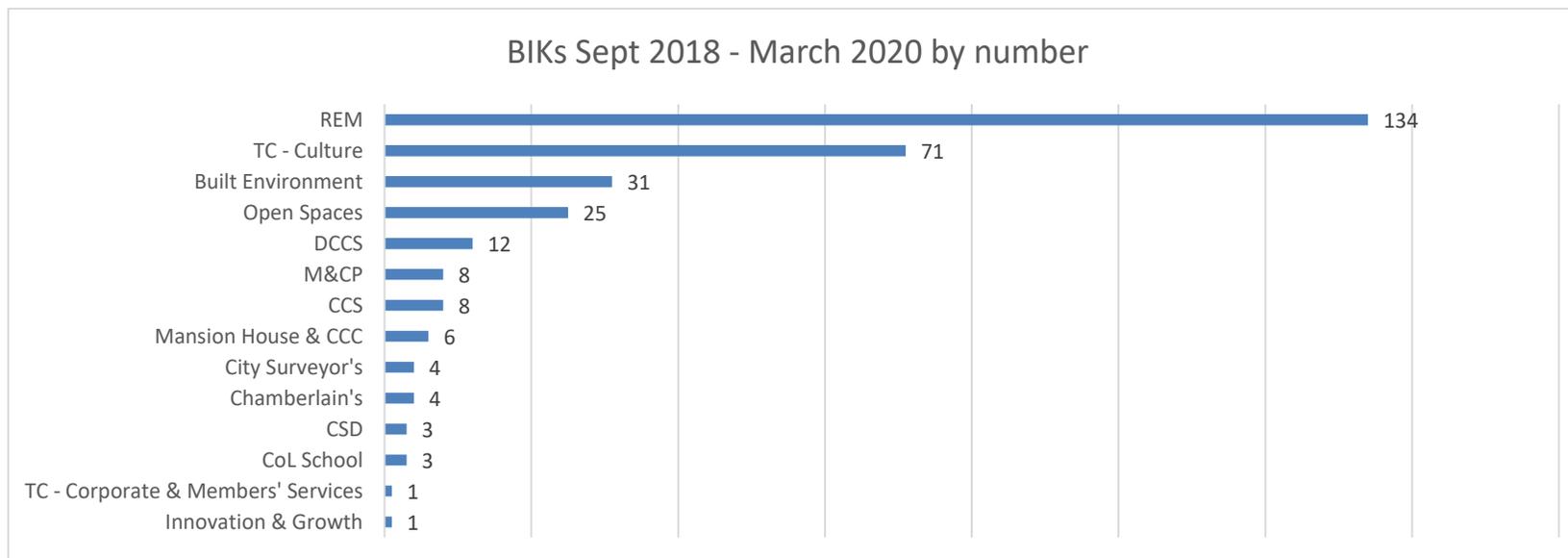
2. At the time of agreement of a BIK, a review or end date must be included.
3. All data from internal volunteering programmes must be included. This would include any Officer time provided in terms of general support, advice or guidance to external bodies/charities. An aggregation of data (time spent and equivalent cost) is acceptable from each department. This data collection does not apply to City of London Corporation Members.
4. All BIK allocated to external organisations over a value of £10,000 should be acknowledged in any relevant publicity. City of London Corporation branding

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

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

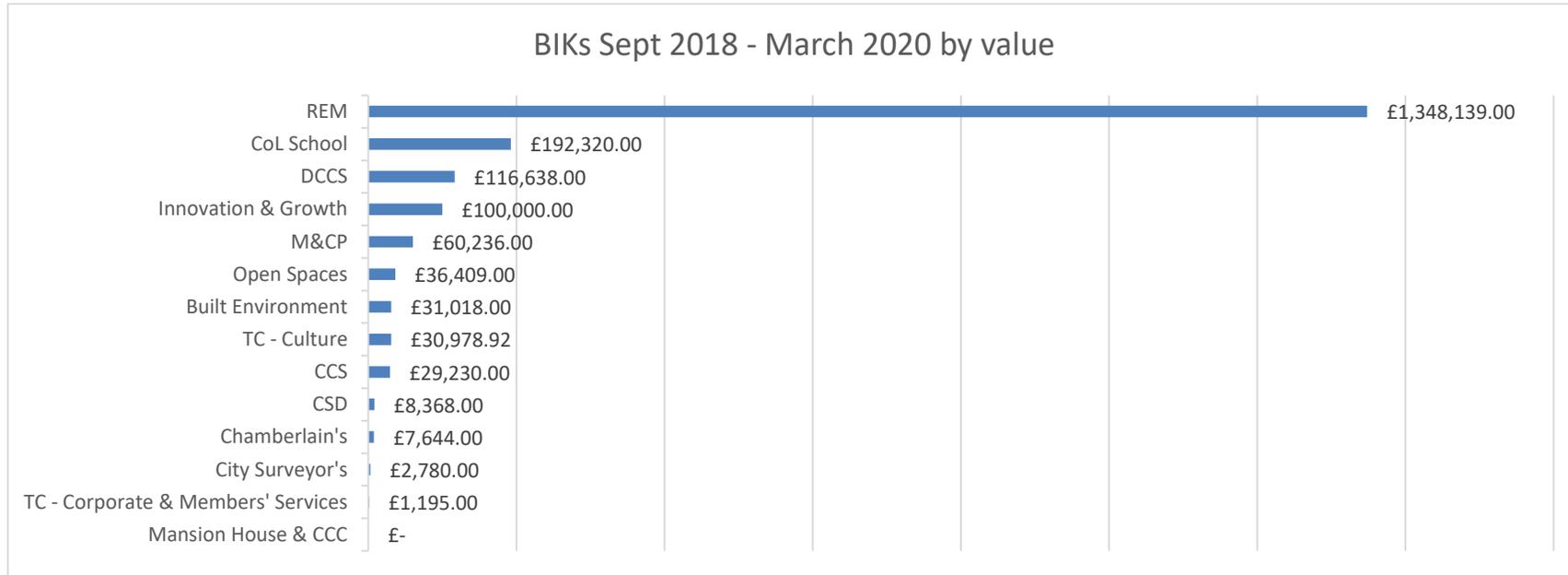
Appendix 2: Summary of BIK interim data November 2019 – March 2020

1. A total of 312 BIKs, 64 new BIKs have been reported in the period
2. The total number of BIKs issued per department is shown below:

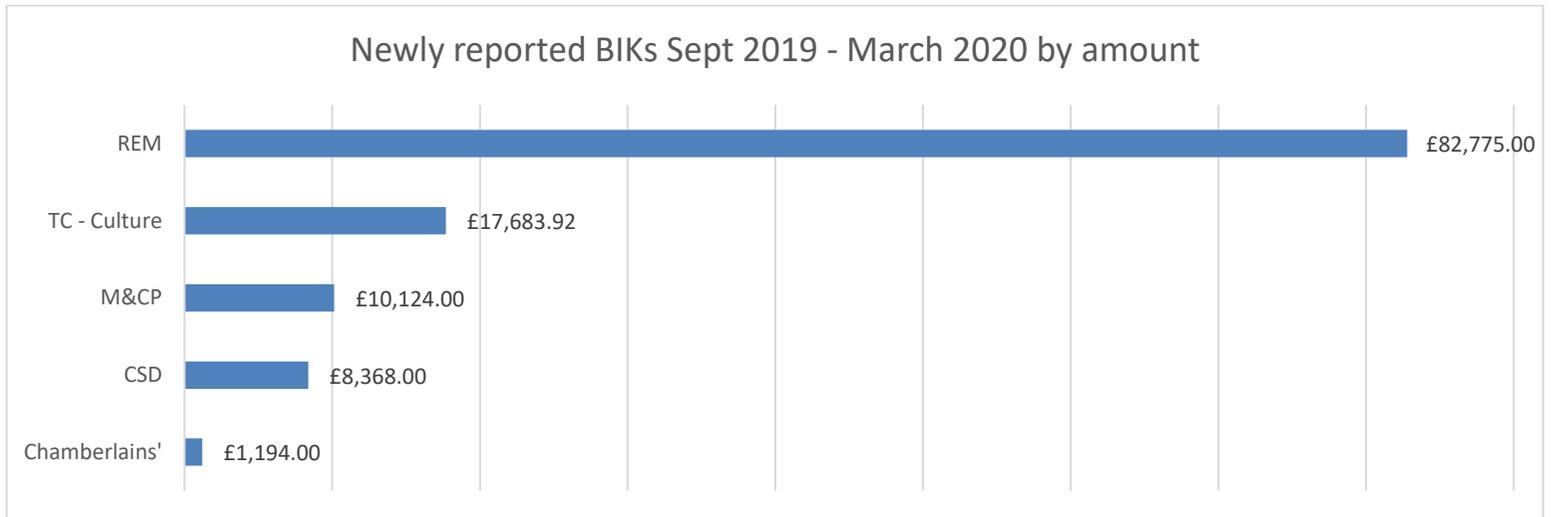
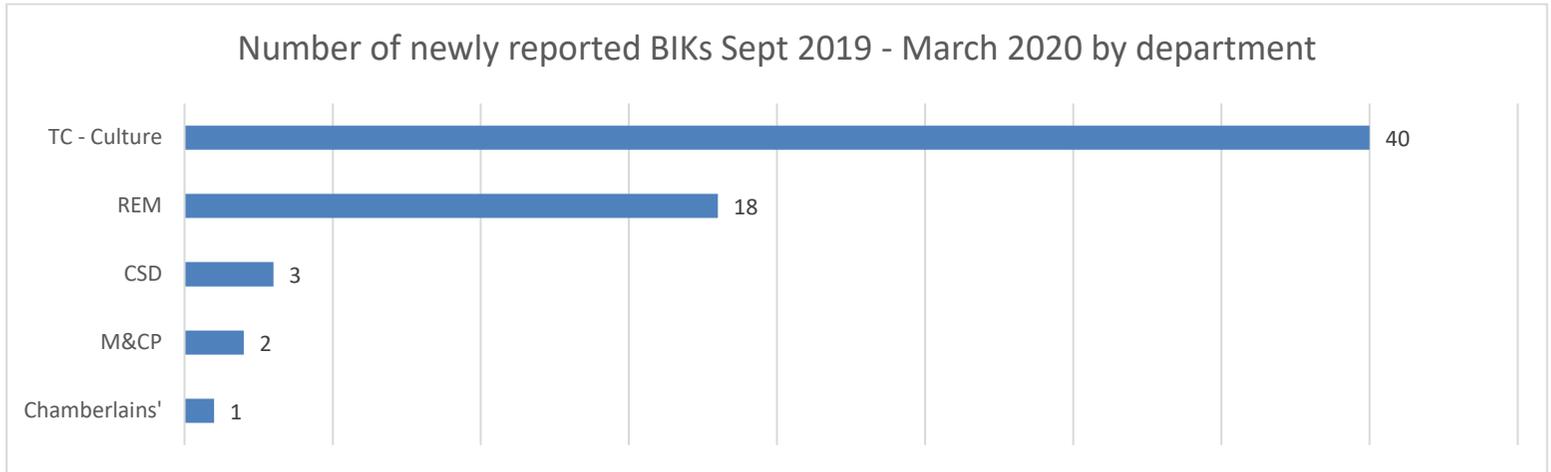


3. The 312 BIKs have a total monetary equivalent of £1,964,955

4. The total monetary equivalent of BIKs issued per department is shown below:



5. There are 64 new BIKs, with a monetary value of £120,144. The two tables below detail these by number and amount:



Appendix 3: Summary of Officer Volunteering time 2018/2019

1. A total of 56 hours has been reported by departments across the CoLC in relation to the volunteering time, general support and the provision of advice or guidance to external bodies/charities that has been undertaken in the period.

Officer Name	Organisation supported	Brief description of work undertaken	Number of hours
Chamberlain's	Charity Tax Group	Committee member & Honorary Treasurer.	24 hours /year
TC – Corporate Strategy & Member Services	Livery Committee	Supported them to develop a strategy for their Committee, comprising two half day workshops, two one-hour meetings with their Chair and one and half days for drafting and redrafting.	19.5 hours/year
TC – Corporate Strategy & Member Services	Livery Committee	Supported them to develop a strategy for their Committee, comprising two half day workshops, two one-hour meetings and half a day support with drafting (editing/reviewing etc.)	12.5 hours/year
TOTAL			56 Hours