

<b>Committee(s):</b> Policy and Resources Committee	<b>Dated:</b> 17 March 2022
<b>Subject:</b> Sub-Committee Terms of Reference	<b>Public</b>
<b>Which outcomes in the City Corporation's Corporate Plan does this proposal aim to impact directly?</b>	3, 7, 8
<b>Does this proposal require extra revenue and/or capital spending?</b>	<b>N</b>
<b>If so, how much?</b>	<b>£n/a</b>
<b>What is the source of Funding?</b>	<b>n/a</b>
<b>Has this Funding Source been agreed with the Chamberlain's Department?</b>	<b>n/a</b>
<b>Report of:</b> The Town Clerk and Chief Executive	<b>For Decision</b>
<b>Report author:</b> Polly Dunn, Principal Committee and Member Services Manager	

### Summary

In line with changes agreed by the Court of Common Council in response to the Governance Review in December 2021, this report sets out the new proposed structure of sub-committees that will sit under the Policy and Resources Committee.

The purpose of the report is to provide Members with an opportunity for early consultation. This will help officers to ensure that views of the Committee are properly captured and included in the final terms of reference, which are to be submitted for approval and appointment at the Committee's first meeting, in May.

### Recommendation(s)

Members are invited to:

- review and comment on the various areas of consideration in respect of the terms of reference as set out at appendices a-i, to be brought back for final approval in May 2022; and
- make recommendations to address the immediate need to schedule of meetings of its sub-committees.

### Main Report

#### Background

1. In September 2019, the Policy and Resources Committee proposed the undertaking of a comprehensive Governance Review of the City Corporation. Robert Rodgers, The Lord Lisvane, was appointed to conduct the Review.

2. The Committee received the Review in September 2020 and determined that the many proposals should be considered in a structured way in the coming period, with Members afforded sufficient time to read and consider the content and implications. It was noted that the recommendations were far-reaching and wide-ranging and it would be for Members to consider how far they were appropriate and which should be taken forward. It was also agreed that it would be of the utmost importance to ensure that the process provided for all Members of the Court to continue to have the opportunity to input and comment on the Review. To that end, a series of informal Member engagement sessions were arranged to afford all Members opportunities to express their views on the various aspects of the Review.
3. One of the primary drivers of the Review, was to facilitate a reduction and consolidation of committees, sub-committees and working parties, to streamline governance whilst ensuring the relevant Member-level scrutiny. On conclusion of the informal Member sessions final recommendations were drawn up, proposed to and agreed by the Court of Common Council in December 2021.
4. As a consequence of the Court's decisions at the end of last year, a number of amendments are required to implement a new committee structure, which includes changes to the terms of reference of this Committee's sub-committees.

### **Current Position**

5. For the 2021/22 the Policy and Resources Committee appointed the following sub-committees and working parties appointed:
  - Resource Allocation Sub-Committee (RASC);
  - Public Relations Sub-Committee (PRSC);
  - Projects Sub-Committee (PSC);
  - Outside Bodies Sub-Committee (OBSC);
  - Members' Privileges Sub-Committee (MPSC);
  - Hospitality Working Party (HWP);
  - Ceremonial Working Party (CWP);
  - Culture Mile Working Party (CMWP);
  - Members' Diversity Working Party (MDWP);
  - Members' Financial Assistance Working Party (MFAWP);
  - Tackling Racism Task Force (TRTF); and
  - Competitiveness Advisory Board (CAB).
6. Whilst Members have, to date, seen organigrams of what the newly proposed sub-committee structure will look like, they have not had an opportunity to review, in detail, how the existing responsibilities of the various sub-committees may be designated as a consequence.

### **Summary of Changes**

7. The proposed reassignment of responsibilities are summarised in the table below and represented within the appendices. In each case, the justification for the substantive Governance Review changes have not been re-stated, but can be found within the original [Governance Review Court report from 9 December 2021](#).

8. Generally speaking, where sub-committees have merged (particularly in the case of the Civic Affairs Sub-Committee and Operational Property and Projects Sub-Committee) the existing terms of reference have simply been listed altogether, to provide Members with a consolidated view of the existing responsibilities and where they would lie if a strict transfer were to be agreed.
9. Additional points of consideration have been included for completeness. This broadly includes:
  - Any initial suggestions for revision received from relevant departments;
  - Further Committee recommendations (specifically for the Communication Sub-Committee and Civic Affairs Sub-Committee); and
  - Consideration to devolve powers to sub-committees, if appropriate.
10. Any changes to responsibilities (as they are drafted within the 'current' structure) are marked in the appendices, with additions underlined and deletions ~~struck through~~, *with any remaining considerations, not provided for in the appendices, in italics within the summary table below.*
11. Particularly in relation to the Civic Affairs Sub-Committee and Operational Property and Projects Committee (OPPS), Members may wish to consider tasking officers to condense these down, ahead of the May meeting.
12. Members will likely be mindful of the volume of reports that the OPPS will be in receipt of given the breadth of its oversight. Separate reviews are pending on the Procurement and Projects Procedures, the outcome of which will likely involve a revision to reporting thresholds to ensure that officer delegation is at a suitable and appropriate level, in line with industry/Local Authority norms.
13. It is worth noting that there may also be subsequent changes required following the Court's consideration of its Standing Orders on 10 March 2022, which for obvious reasons could not be incorporated in this report due to the timing of publication.
14. Any final drafts will also take into account any residual changes that need to be made in response to the recent Scheme of Delegation revisions. Chief Officers will also be consulted.

## **PIB/FIB**

15. Members views on the future composition of the Property Investment Board (PIB) and Financial Investment Board (FIB) would be particularly welcomed. This specific request is made in light of a recent decision of the Bridge House Estates Board's against Governance Review recommendations.
16. This refers to the proposals for a co-ordinating body to replace the nominal role of the Investment Committee in monitoring overall investment performance but, more importantly, to provide a significantly enhanced role in the joint development of investment strategies for consideration by

P&R/RASC and Bridge House Estates Board (BHEB). It was suggested that this requirement be met through joint meetings of RASC (as the designated P&R Sub-Committee with responsibility for such activity) and BHEB, together with the Chairs and Deputy Chairs of the Finance Committee and the “refreshed” Property Investment and Financial Investment Boards.

17. The “refreshed” PIB and FIB were to become joint sub-committees of Policy & Resources, Finance, and the Bridge House Estates Board, with the view to ensuring coherent approach across the various funds. This was subject to approval by BHEB, but BHEB has since resolved against this.
18. The terms of reference for PIB and FIB, as set out in appendices G and H, include provision for BHEB representation. It is within the gift of this Committee (and the Finance Committee) to decide whether it still wishes to assign nomination rights to BHEB to give effect to the ambition of a coherent approach across funds.

### **Scheduling of Meetings**

19. Noting some of the significant changes proposed, some early thought as to the scheduling of the new sub-committees would be beneficial for Members (in terms of their diary management) and Officers (to ensure reporting deadlines are deliverable).
20. Whilst a wholesale revision of the committee timetable is forthcoming to improve reporting timelines, some interim provision is essential. It is therefore recommended that existing dates/times for committees be repurposed as set out below.
  - RASC (unchanged).
  - Communications Sub-Committee, to replace the Public Relations Sub-Committee.
  - Operational Property and Projects Sub-Committee, to meet monthly in place of Projects Sub-Committee.
  - Civic Affairs Sub-Committee to meet monthly in place of the Hospitality Working Party.
  - Equality, Diversity and Inclusion Committee – there are no dates presently scheduled of TRTF or MDWP. Dates to be diarised once the regularity of meetings have been agreed.
  - Capital Buildings Board is to meet in place of the Capital Buildings Committee.
  - A joint meeting for RASC/PIB/FIB to be arranged in the terms agreed within the Governance Review.
21. Even though this would mean that both Operational Property and Projects Sub-Committee and Civic Affairs Sub-Committee are to meet monthly, the total number of meetings of the combined sub-committees/working parties in their current form still represents a good saving of time.

Current Body / New Body	Summary of changes to responsibilities	Summary of changes to composition <sup>†</sup>
<p><b>New Body:</b> Resource Allocation Sub-Committee (RASC)</p> <p><b>Current Body:</b> Resource Allocation Sub-Committee (RASC)</p>	<p>At Court, it was agreed that there be no changes to the RASC terms of reference, but that the Grand Committee consider granting it greater power to act. As such, it is proposed that RASC be given the ability to approve items it had previously only made recommendations on (i.e. the allocation of financial resources in respect of the City Corporation's capital and revenue expenditure and matters relating to property).</p>	<p>The composition is agreed by Court and there are no suggested changes to this.</p>
<p><b>New Body:</b> Communications Sub-Committee (CSC)</p> <p><b>Current Body:</b> Public Relations Sub-Committee (PRSC)</p>	<p>The only Governance Review recommendation was a change of name to the "Communications Sub-Committee."</p> <p><i>A separate proposal has been included and refers to initial consideration of proposals for 'promoting London', as per discussions at the 17 February 2022 Policy &amp; Resources Committee meeting.</i></p>	<p>There is no change proposed to its membership.</p>
<p><b>New Body:</b> Operational Property and Projects Sub-Committee (OPPS)</p> <p><b>Current Bodies:</b> Projects Sub-Committee (PSC)</p> <p>Procurement Sub (Finance) Committee</p> <p>Corporate Asset Sub (Finance) Committee</p>	<p>Proposals are to merge the function of PSC with Procurement Sub (Finance) Committee and Corporate Asset Sub (Finance) Committee to form the new Operational Property and Projects Sub-Committee (OPPS). OPPS will be designated as a 'joint' Policy &amp; Resources and Finance Sub-Committee. As currently drafted in the appendices, the terms of reference are quoted exactly from that of the existing subs.</p> <p><i>There have been ongoing discussions during the course of the Governance Review and Service Based Review regarding how best to monitor the use of corporate assets. Pursuant to SO 56, a requirement for annual reporting by service departments and committees has been added as a means by which the monitoring can be conducted. This is proposed for Members' consideration although further consultation with the City Surveyor's Department will be undertaken to ensure this is appropriately provided for.</i></p> <p>Members should note that these proposals will also require the approval of the Finance Committee.</p>	<p>The Membership suggested has been revised to reflect the joint nature of the sub-committee, ensuring both Grand Committees are equally represented. The proposal also follows the Court recommendation that committees should comprise of no more than 12-15 Members.</p>

<p><b>New Body:</b> Civic Affairs Sub-Committee</p> <p><b>Current Bodies:</b> Outside Bodies Sub-Committee (OBSC)</p> <p>Member Privileges Sub-Committee (MPSC)</p> <p>Hospitality Working Party (HWP)</p> <p>Ceremonial Working Party (CWP)</p> <p>Members Financial Assistance Working Party (MFAWP)</p> <p>Benefices Sub (Culture Heritage and Libraries) Committee</p>	<p>A new Civic Affairs Sub-Committee has been proposed to bring together the responsibilities of these sub-committees and working parties.</p> <p>As currently drafted in the appendices, the terms of reference have quoted exactly those of the existing subs, with deletions made where would be a lack of continued relevance.</p> <p><i>Members may wish to consider granting additional power to act if relevant and appropriate, where responsibility previously lay with a working party.</i></p> <p>For completeness, Members should note that the recommendation for the responsibilities of the Freedom Applications Committee to be assumed into this new body, were not adopted by the Court of Common Council and so are not included here.</p> <p><i>The Benefices Sub-Committee met to discuss this proposal on 7 February 2022 (full draft minute is provided at appendix j). Members wished for the new Sub-Committee to go beyond the legal remit of patron by:</i></p> <ul style="list-style-type: none"> <li>• <i>Preserving the liaison links between the Members and the Benefices;</i></li> <li>• <i>The informal support that the sub-committee has provided;</i></li> <li>• <i>The advice from the City that has been provided e.g. the Property Session with City Surveyors; and</i></li> <li>• <i>Maintaining the Benefices Lunch, which allows incumbents to meet each other and the Members</i></li> </ul> <p><i>Emphasis was put on the first bullet. Members also proposed that this work could be continued effectively by a 'Lead Member'.</i></p>	<p>A draft Membership has been constructed based on the various areas of interest. The proposal also follows the Court recommendation that committees should comprise of no more than 12-15 Members.</p> <p><i>Noting that the Civic Affairs Sub-Committee will be taking on responsibilities from the Benefices Sub-Committee, it is suggested that for the first year only, the Policy &amp; Resources Committee issue one of its four allocated places to the outgoing Chairman of the Benefices Sub. This will ensure the new Sub adequately captures the requirements associated with that committee.</i></p>
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<p><b>New Body:</b> Equality, Diversity and Inclusion Sub-Committee (EDISC)</p> <p><b>Current Bodies:</b> Member Diversity Working Party (MDWP)</p> <p>Tackling Racism Taskforce (TRTF)</p>	<p>The MDWP and TRTF is to be dissolved, with their responsibilities to be taken up by the new Equality, Diversity and Inclusion Sub-Committee. This will be a further joint sub-committee, this time between Policy &amp; Resources and Establishment (noting that Establishment Committee is to be renamed Corporate Services Committee).</p> <p>As currently drafted in the appendices, the terms of reference have quoted exactly those of the existing working parties.</p> <p><i>Members may wish to consider granting additional power to act, if relevant and appropriate, given the working party status of the previous bodies were limited in this respect.</i></p> <p><i>Members may wish to consider the explicit provision for any remaining actions relating to the work of the Statues Working Party.</i></p> <p>Members should note that these proposals will also require the approval of the Establishment [Corporate Services] Committee.</p>	<p>The Membership suggested has been revised to reflect the joint nature of the sub-committee, ensuring both Grand Committees are equally represented. The proposal also follows the Court recommendation that committees should comprise of no more than 12-15 Members.</p>
<p><b>New Body:</b> Capital Buildings Board (CBB)</p> <p><b>Current Body:</b> Capital Buildings Committee (CBC)</p>	<p>Given its strategic importance and resource allocation requirement, it was agreed by Court that the Capital Buildings Committee become a sub-committee to Policy &amp; Resources Committee.</p> <p>It is to be renamed “Capital Buildings Board”.</p> <p><i>Following input from the Major Capital Projects Team, the terms of reference have been updated to provide additional distinction over the City’s role in delivery and as major funder. With regard to the latter, CBB will monitor progress and be responsible for the release of funding.</i></p> <p>The notes (i) and (ii) are no longer relevant as CBB will be a sub-committee.</p>	<p>The proposed membership remains largely unchanged to the present CBC composition.</p> <p>Changes have been made to reflect the proposed Standing Order changes with respect to vice-chairs and to the Chairmanship of the Board</p>

<p><b>New Body:</b> Financial Investment Board (FIB)</p> <p><b>Current Body:</b> Financial Investment Board (FIB)</p>	<p>It was not considered appropriate to move the FIB activities to the Finance Committee, given the substantially differing natures of the two areas of focus and the need for dedicated oversight of investment across asset classes. Equally, Members were minded that property investment in general was significantly different from questions of the maintenance of operational property and were reticent to support such a merger. For both, the same questions around ensuring coherent approaches across the various funds also arose.</p> <p>It was therefore agreed that both PIB and FIB become joint sub-committees of Policy &amp; Resources, Finance Board (and BHEB – which has since agreed against its formal involvement). This will therefore be subject to approval by Finance Committee only.</p>	<p>Membership is proposed to ensure each Grand Committee has nominating representatives with a number of places reserved for direct election by the Court.</p> <p>An allowance for BHEB nominees has also been included as described earlier within the report.</p> <p>It also retains the power to co-opt external expertise as they see fit, as well as to report directly to the Court.</p>
<p><b>Current Body:</b> Property Investment Board (PIB)</p> <p><b>New Body:</b> Property Investment Board (PIB)</p>	<p>As above (see FIB).</p>	<p>As above (see FIB).</p>
<p><b>Current Body:</b> Competitive Advisory Board</p> <p><b>New Body:</b> Competitive Advisory Board</p>	<p>There are no changes proposed to CAB, but its terms of reference are included within the appendices for completeness.</p>	<p>No changes proposed.</p>

†All Memberships have been revised to reflect the current proposed changes to the Standing Orders (to be considered by Court at its meeting on 10 March 2022). This includes provision for the Chairman of the Sub-Committee to be the Chairman of Policy & Resources, or their nominee. It also includes deletion of references to Vice-Chairs. These changes would need to be rethought should approval by Court not be forthcoming.



## 22. Corporate & Strategic Implications

- **Strategic implications** – These changes will facilitate efficiencies in the delivery of the City of London Corporation Strategy.
- **Financial and Resource implications** – the move towards more efficient processes will inevitably lead towards reduced costs of bureaucracy and facilitate associated contributions to Target Operating Model and Fundamental Review savings. For instance, expedited processes will lead to a reduction in costs associated with delays to approvals; a lesser volume of time spent by officers in producing reports for low-level items and presenting them to multiple committees will also release capacity within the workforce. A reduced central administration burden (through devolving support responsibilities in certain areas) will also provide for flexibility within the Committee & Member Services team to realign service output and requirements
- **Legal implications** – the changes proposed in this report, will change internal organisational administrative procedures at the City of London Corporation.
- **Risk implications** – as with any process of significant change, there are risks associated with implementation and unforeseen challenges as the new system embeds. The approval of a post-implementation review, to identify and address any such issues, will be an important mitigating factor.
- **Equalities implications** – Under the Equality Act 2010, all public bodies have a duty to ensure that when exercising their functions they have due regard to the need to advance equality of opportunity between people who share a protected characteristic and to take steps to meet the needs of people with certain protected characteristics where these are different from the needs of other people and encourage people with certain protected characteristics to participate in public life or in other activities where their participation is disproportionately low. The proposals contained in this report do not have any potential negative impact on a particular group of people based on their protected characteristics.
- **Climate implications** - The proposals included in this paper do not carry any significant implications for the Climate Action programme.
- **Security implications** – None

## Conclusion

23. It is recommended that your Committee provide an initial steer on its new sub-committee framework in order for any changes to be incorporated in time for final consideration in May. This will ensure that remaining elements of the Governance Review recommendations can be progressed and delivered efficiently and following due consideration.
24. Members are also invited to agree an immediate course of action in terms of the scheduling of meetings of its proposed sub-committees.

## **Appendices**

- A – Resource Allocation Sub Committee Terms of Reference
- B – Communications Sub Committee Terms of Reference
- C – Operational Property and Projects Sub Committee Terms of Reference
- D – Civic Affairs Sub Committee Terms of Reference
- E – Equality, Diversity & Inclusion Sub Committee Terms of Reference
- F – Capital Buildings Board Terms of Reference
- G – Financial Investment Board Terms of Reference
- H – Property Investment Board Terms of Reference
- I – Competitiveness Advisory Board
- J – Draft minutes of the Benefices Sub Committee meeting (7 February 2022)

## **Background Papers**

[Governance Review \(9 December 2021\)](#)

[Standing Orders Review \(10 March 2022\)](#)

### **Polly Dunn**

Principal Committee and Member Services Manager

E: [polly.dunn@cityoflondon.gov.uk](mailto:polly.dunn@cityoflondon.gov.uk)