

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

Summary

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

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

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

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

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

Recommendations

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

Main Report

Background

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

Current BIKs

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

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

Conclusion

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

Appendices:

Appendix 1: Corporate Wide BIK policy and framework

Appendix 2: Summary of BIK data 2021/22

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

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

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

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

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

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

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

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

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

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

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

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

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

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

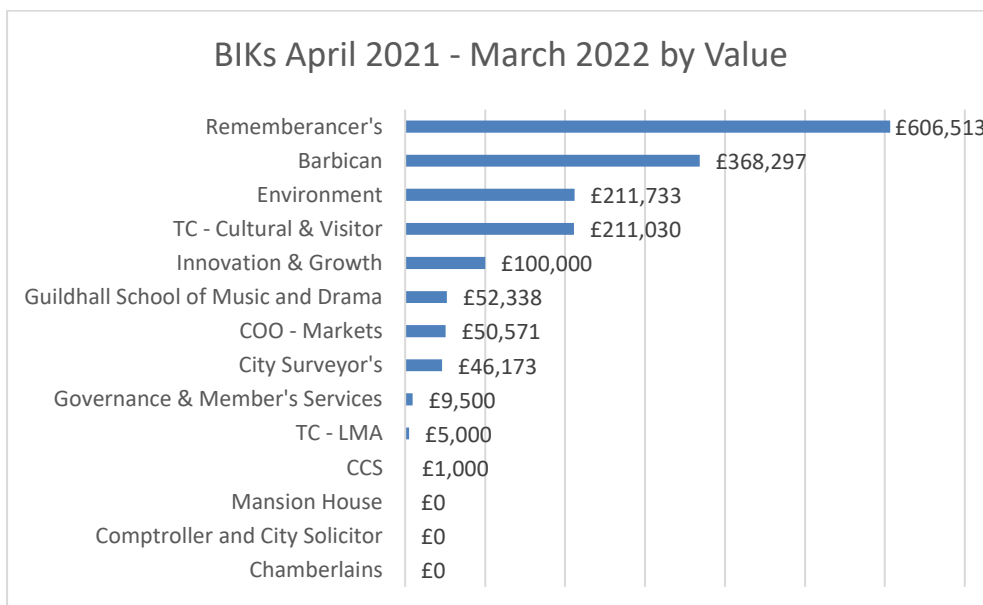
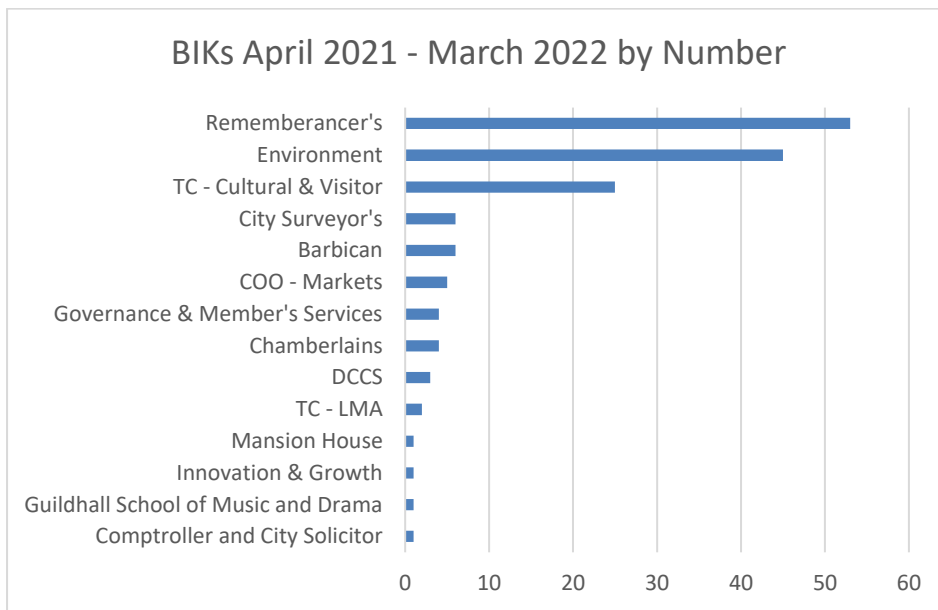
5. All departments are expected to maintain a rolling register of BIK, in a standard format rather than relying on end of year data capture. These will be fed into the CGU who will maintain a central, transparent register.
6. All BIK to be reported to the Finance Committee, annually in May/ June. A standardised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

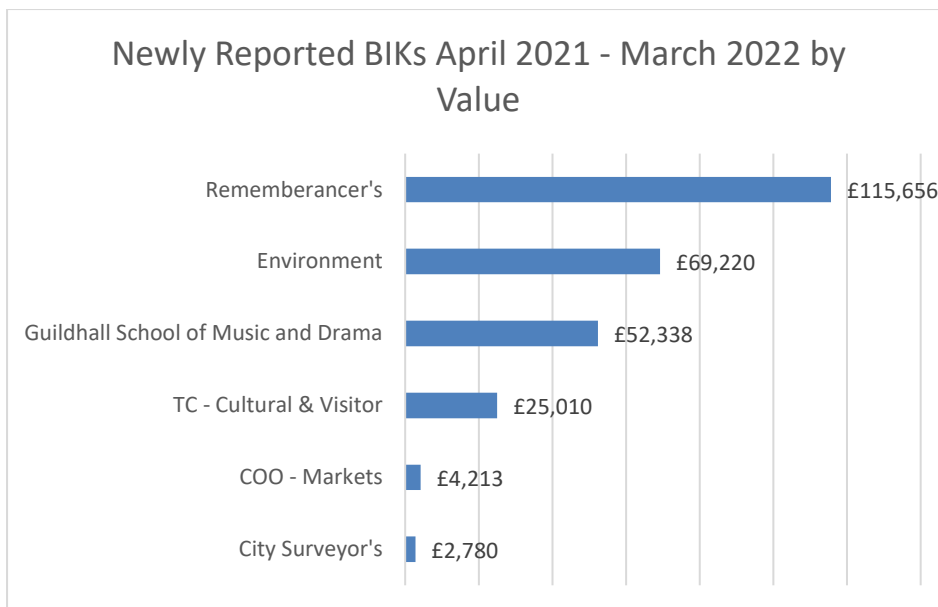
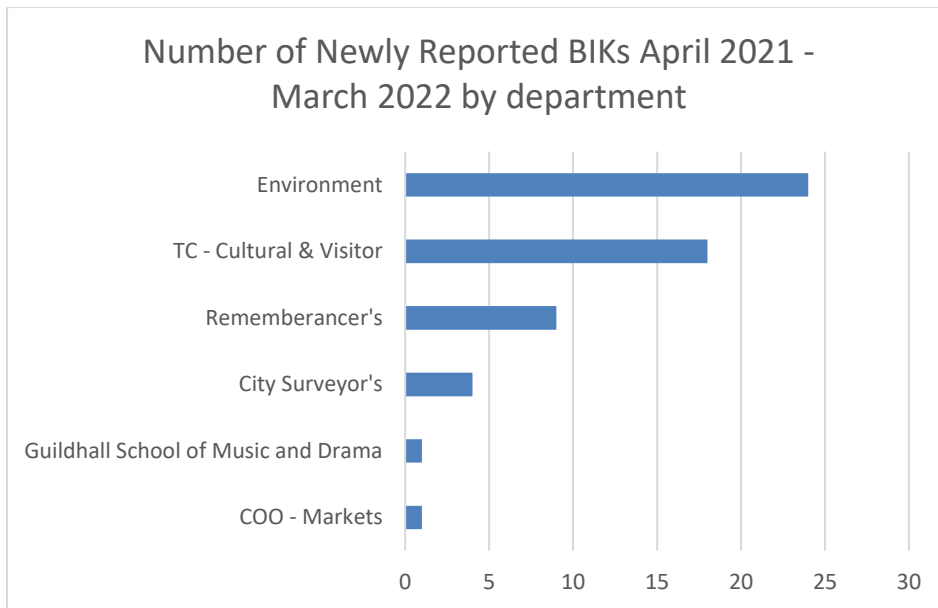
Appendix 2 - BIK Report Data

April 2022

2021-22

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





2020-21 v 2021-22

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

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

Appendix 3:

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

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