

RESOURCE ALLOCATION SUB (POLICY AND RESOURCES) COMMITTEE

Tuesday, 19 July 2022

Minutes of the meeting of the Resource Allocation Sub (Policy and Resources)
Committee held at Committee Rooms, 2nd Floor, West Wing, Guildhall on Tuesday,
19 July 2022 at 3.00 pm

Present

Members:

Deputy Christopher Hayward (Chairman)	Catherine McGuinness
Deputy Henry Colthurst (Deputy Chairman)	Deputy Andrien Meyers
Deputy Randall Anderson	Deputy Sir Michael Snyder
Mary Durcan	Alderman Sir William Russell
Deputy Shravan Joshi	
Deputy Edward Lord	

In Attendance

Members Observing Virtually:

Deputy Andrien Meyers
Tijs Broeke
Ruby Sayed
Deputy Marianne Fredericks

Officers:

John Barradell	- Town Clerk and Chief Executive
Caroline Al-Beyerty	- Chamberlain
Sonia Virdee	- Chamberlain's Department
Mark Jarvis	- Chamberlain's Department
Emma Moore	- Chief Operating Officer
Polly Dunn	- Town Clerk's Department
Alistair Cook	- City of London Police
Jack Joslin	- Central Grants Unit
James Lee	- Central Grants Unit

1. APOLOGIES

Apologies have been received from the Deputy Chairman, Alderman & Sheriff Nicholas Lyons, Deputy Keith Bottomley, and Tom Sleigh. Tijs Broeke and Ruby Sayed were observing virtually.

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

There were no declarations.

3. MINUTES

RESOLVED, that the public minutes and non-public summary of the meeting held on 17 May 2022, be approved as an accurate record

4. **CAPITAL FUNDING UPDATE**

Members considered a report regarding Capital Funding of programmes, release of funding for the current financial climate and seeking agreement to the release of any funding, to allow schemes to progress.

RESOLVED, that Members,

- i) Approve in light of inflationary pressures highlighted, the capital programme is paused and reviewed to allow only essential/contracted programmes to proceed;
- ii) Approve to review the schemes summarised in Table 2 and, particularly in the context of the current financial climate, to confirm their continued essential priority for release of funding at this time and accordingly;
- iii) Approve to pause and carry out a review on projects requesting funding to progress to the next gateway (prior to Gateway 5) of up to £1.479m – City Fund (£1.294m) and City's Cash (£0.185m)
- iv) Approve the release of up to £1.603m for the schemes progressing to implementation (post Gateway 5) in Table 2 from the reserves of City Fund (£1.139m) and City's Cash (£0.464m) as appropriate, subject to the required gateway approvals.
- v) Approve a contribution of £112k towards the cost of progressing the Members IT Refresh and IT Managed Service projects, to be met from the provision set aside from the Unrestricted Income Fund

5. **HOUSING REVENUE ACCOUNT - UPDATE ON 5 YEAR PLAN AND 30 YEAR FINANCIAL PROJECTIONS**

Members considered a joint report of the Chamberlain and Director of Community & Children's Services presenting an update on the 5 -year finance plan for the Housing Revenue Account (HRA) and sets out financial projections for the 30-year period.

Members were presented with two options to ensure the HRA retains positive reserves going forward. After queries from Members, the Chamberlain clarified that an external review of the HRA could be conducted either by peer review or alternatively outsourced to a property firm and noted that £5.0m of funding was being received by self-help and cash flow and the other £5.0m would come from City Fund reserves.

After discussion, Members agreed to proceed with Option 2 as outlined in the recommendation in the report under ii).

RESOLVED, that Members,

- i) Note the following adverse implications of the latest 5-year financial plan for the HRA and the 30-year financial projections:
- ii) Approve that the HRA is currently projected to go into deficit by the end of 2023-24 and seek to fund the capital fire safety works at a cost of up to £15.0m outside the HRA envelope from £5.0m City Cash and £10.0m City Fund, of which half would be on the basis of being ultimately repaid, potentially from the value of property surplus to housing requirements. Additionally, an external review should be carried out to suggest areas of potential savings to enable longer-term remodelling of the HRA and ensure its ongoing financial viability.
- iii) Note there remains a risk of delays to the delivery of new build projects at Sydenham Hill and York Way causing further loss of related rental income.
- iv) Note further remaining risks include significant construction inflation above current levels of provision and the potential for non-recovery of leaseholder elements of the cost of planned major works given the outcome to the Great Arthur House cladding case.
- v) Note that the 30-year financial projections show headroom for new major works programme begins to emerge from 2025/26 under Option 2 as the revenue position recovers.

6. **INTERIM POLICE CAPITAL LOAN FUNDING REQUIREMENT 2022-23**

The Sub-Committee received a report requesting approval of an 'interim' capital loan funding requirement of £3.936m to progress work on the Fraud & Cyber Crime Reporting & Analysis Service (FCCRAS) programme, fleet replacement and other near-term priorities.

Regarding funding arrangements, the Chamberlain noted that unlike other forces in the country, City of London Police cannot approach the Public Works Loan Board or a bank to borrow money.

RESOLVED, that Members:

- i) Note the requirement to undertake a CoLP portfolio review
- ii) Approve the 'interim' capital requirement for 22/23 of £3.936m to be funded through the Corporation loan facility.
- iii) Note that although the release of central funding is normally subject to further RASC approval at Gateway 4(a), the Committee delegates authority for the release of police loan funding to the Chamberlain in consultation with the CoLP.

7. **POULTRY MARKET - SURPLUS DECLARATION**

Members received the joint report from the Chief Operating Officer, Chamberlain, Comptroller & City Solicitor, and City Surveyor. The report was for information only following agreement by the Markets Board.

RESOLVED, that Members:

- a) Note that subject to completion of all Deeds of Surrender for leases within the Poultry Market and suitable alternative arrangements being made for relocation of services provided to the East and West Markets from the Poultry Market as explained in this report, the Markets Board resolve that the Poultry Market (save for the three first floor plant rooms containing cooling towers and related apparatus) is no longer required to be retained for market purposes and can be disposed of or used for other purposes.
- b) Note that the Town Clerk be delegated, in consultation with the Chairman and Deputy Chairman of Markets Board, authority to determine when the provisos to Recommendation a) have been satisfied, if not fully satisfied by the date of this Board, and when Recommendation a) therefore comes into effect.

8. **COMMUNITY INFRASTRUCTURE LEVY NEIGHBOURHOOD FUND - APPLICATIONS FOR APPROVAL**

Members considered a report on the Community Infrastructure Levy Neighbourhood Fund and were asked to approve the second year of funding for the Barbican Centre Trust Limited, as agreed in principle by the Sub-Committee in May 2021.

RESOLVED, that Members:

1. Note and endorse the evaluation report submitted by the Barbican Centre Trust Limited at **Appendix 1**.
2. Approve the second year of funding of £273,370 to the Barbican Centre Trust Limited, as agreed in principle by the Committee at its meeting 10 May 2021.

9. **REPORT OF ACTION TAKEN BETWEEN MEETINGS**

Members were asked to note a report, concerning an approval taken under delegated authority since the last meeting.

RESOLVED, that Members note the report.

10. **QUESTIONS ON MATTERS RELATING TO THE WORK OF THE SUB-COMMITTEE**

There were no questions.

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

There was no other business.

12. **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 1 of the Schedule 12A of the Local Government Act.

13. **NON-PUBLIC MINUTES**

RESOLVED, that the non-public minutes of the meeting held on 17 May 2022, be approved as an accurate record.

14. **MINUTES OF THE RESOURCE ALLOCATION SUB-COMMITTEE AWAY DAY**

Members received the minutes of the Resource Allocation Sub-Committee Away Day,

15. **QUESTIONS ON MATTERS RELATING TO THE WORK OF THE SUB-COMMITTEE**

There were no questions.

16. **ANY OTHER BUSINESS THAT THE CHAIRMAN CONSIDERS URGENT AND WHICH THE SUB-COMMITTEE AGREE SHOULD BE CONSIDERED WHILST THE PUBLIC ARE EXCLUDED**

There was no other business.

The meeting ended at 3.58 pm

Chairman

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