

Committee(s): Policy and Resources Committee – For Decision	Dated: 04/10/2022
Subject: Corporation representation on the Green Finance Institute Board	Public
Which outcomes in the City Corporation’s Corporate Plan does this proposal aim to impact directly?	7,8
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: Director of Innovation and Growth	For Decision
Report author: Simon Burns, Innovation and Growth	

Summary

The Green Finance Institute (GFI) was launched in 2019 with the Corporation as a majority funder, alongside HM Government. With this came an entitlement for the Corporation to appoint GFI board seats. Board Membership now needs to be updated.

Recommendation(s)

Members are asked to confirm the Corporation’s two GFI board members: Chairman of Policy and Resources Committee and Simon Duckworth until September 2023, then Chairman of Policy and Resources Committee and Deputy Chairman of Policy and Resource Committee thereafter.

Main Report

Background

1. Since 2019 the City Corporation and GFI have worked together to deliver on the mutual goals of greening finance and financing green. The intended impacts of this partnership are to ensure financial and professional services (FPS) firms can deliver on critical global environmental objectives and to anchor the relevant expertise in the UK. As one of the GFI’s founding supporters, the Corporation has provided funding to the GFI since its inception.
2. Since 2019 the GFI has grown its headcount, range of projects, and range of funding sources considerably. The GFI updated its Articles of Association (Articles) earlier this year to reflect this development. The new Articles detail that:
 - The Corporation has the right to appoint up to two Directors (previously three); and
 - The Corporation will no longer be the only member of GFI. The other non-CoLC Directors will join CoLC as Members of the company.

3. These changes reflected best practice in corporate governance. They also removed any potential for the perception of undue influence by the Corporation on the GFI's strategic decisions.
4. Under the terms of the new Articles, it is recommended that the Chairman of Policy and Resources Committee continues to occupy one GFI board seat, alongside a Deputy.
5. To ensure continuity, it is recommended that Simon Duckworth maintain his seat on the board until September 2023. This takes account of Simon's work supporting the GFI's quarterly risk reviews. In September 2023, Simon would stand down to be replaced by the Deputy Chairman of Policy and Resources Committee, who would assume the Corporation's second GFI board seat.

Current Position

6. Under the previous Articles the three members currently on the GFI's board were Chairman of Policy and Resources Committee, Simon Duckworth, and Alison Gowman.

Options

7. Members may choose to approve the Corporation's GFI board members.

Proposal(s)

8. The recommended Board membership ensures continuity and continued effectiveness in representing the Corporation's interests.

Key Data

9. None

Corporate & Strategic Implications

Strategic implications – Supporting innovation in the FPS sector is a priority under the Thriving Economy pillar of the Corporate Plan. By confirming our two board members we are committing to support a real hub of green innovation in the UK, in the GFI.

Financial implications – None.

Resource implications – None

Legal implications – None

Risk implications – None

Equalities implications – None

Climate implications - The work of the GFI enables the development of innovative climate-positive financial products. By supporting the GFI we are indirectly facilitating positive climate outcomes.

Security implications- None

Conclusion

10. Members are asked to approve the Corporation's two GFI Board members. They will continue to provide strategic input and guidance to the GFI on behalf of the Corporation.

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