

# City of London Corporation Committee Report

<b>Committee(s):</b> Policy & Resources Committee – For decision	<b>Dated:</b> 16/10/2025
<b>Subject:</b> Benefits-in-Kind 2024/25 reporting and proposals for future management.	<b>Public report:</b> For Decision
<b>This proposal:</b> <ul style="list-style-type: none"> <li>• <b>Delivers Corporate Plan 2024-29 outcomes</b></li> </ul>	Diverse Engaged Communities; Dynamic Economic Growth; Leading Sustainable Environment; Vibrant Thriving Destination; Providing Excellent Services; Flourishing Public Spaces
<b>Does this proposal require extra revenue and/or capital spending?</b>	Yes
<b>If so, how much?</b>	£31k 26/27 £14k 27/28
<b>What is the source of Funding?</b>	Policy Initiatives Fund
<b>Has this Funding Source been agreed with the Chamberlain's Department?</b>	Yes
<b>Report of:</b>	Simon Latham, Interim Managing Director of City Bridge Foundation  Greg Moore, Deputy Town Clerk
<b>Report author:</b>	Jack Joslin, Head of Central Funding and Charity Management Ben Dixon, Head of the Policy Unit

## Summary

This report provides an overview of the level of support provided by the City of London Corporation to external organisations through Benefits in Kind (BIK) and grant funding.

The Policy & Resources Committee asked the Charity Management Team (CFCMT) and the Policy Unit to undertake a deep dive into Benefits in Kind, working with departments and institutions of the City Corporation.

The data provided in this report represents the most comprehensive picture to date and provides data on the level of BIK and grant funding provided, sorted by external organisation.

This data is currently collected manually and this report makes recommendations to improve the collection of BIK data, bringing its management more into line with grant management.

It asks for agreement to commission further piece of work to establish a common process for management and renewal of accommodation provided to external organisations (accommodation BIK). Furthermore, the report recommends measures to ensure proper recognition by external organisations of BIK support provided by the City Corporation.

### **Recommendation(s)**

Members of the Policy & Resources Committee are asked to:

- **Note** the report which sets out the level of grant and Benefit in Kind support provided to external organisations during 2024/25 as requested.

In line with the proposals at Option 2:

- **Approve** the allocation of £45,000, over 2 years from April 2026, from the Policy Initiative Fund for the proposed extension of the system used for funding management. This system will improve the annual collection, management, reporting and analysis of BIK data. The funding will cover the implementation, running costs and departmental training until March 2028.
- **Approve** the introduction of twice annual reporting to Resource Allocation Sub-Committee on approved BIK to provide additional scrutiny and oversight to BIK approvals.
- **Authorise** the Head of the Central Funding and Charity Management Team in consultation with the Comptroller to implement new BIK Terms and Conditions with the aim of ensuring proper acknowledgement of City Corporation support by BIK recipients.
- **Approve** the commissioning of a further piece of work to assess the status of organisations currently in receipt of accommodation BIK with a view to standardising the process for agreement and renewal of such arrangements.

# Main Report

## Background

1. The City of London Corporation'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 Corporation. This includes Officer volunteering time, general support and the provision of advice or guidance to external bodies/charities. The CFCMT collects this data from departments and institutions each year in the spring for Autumn reporting. The full policy can be found at **Appendix 1**.

2. In September 2024 the Chamberlain requested for further data to be secured from departments and institutions to show what funding arrangements there are in place for outside bodies. When this data was presented to the Policy and Resources Committee in early 2025, Members requested that a deep dive took place with additional support from the Policy Unit to ensure that members have the most comprehensive overview possible for 2024/25.

## Current Position

3. The current data suggests that the City Corporation made **287 BIK** with an overall value of **£3,739,484** in the 2024/25 Financial Year and **77 Grants** totalling **£13,024,572**. There was an **increase of 90 BIK recorded in 2024/25** from the year before at an additional monetary cost of £226,869. The combined total BIK and Funding provided was £16,764,056. This does not include the charitable grants provided by the City Bridge Trust.
4. The increase in BIK in 2024/25 is most likely the outcome of conducting a more intensive collection process with the support of the Policy Unit. Data was collected from the 18 departments and institutions across the City Corporation.
5. Out of the 77 funding arrangements, these are split across City Fund, City Estate and City of London Corporate Charities. The CFCMT have oversight and management of the majority of those grants awarded through the various programmes it oversees, namely the Central Grants Programme, Proceeds of Crime Act funding and the Community Infrastructure Levy Neighbourhood Fund. All funding awarded through programmes managed through the CFCMT have clear outcomes and impact frameworks which are monitored through grant management and end of year impact and learning reports.
6. Table 1 sets out the top 25 recipients of grant and BIK support provided by the City Corporation.

Recipient	BIK value	Grant Funding	Total Value (in £ equivalent)
A New Direction	£174.00	£3,649,998.00	£3,650,172.00
London Symphony Orchestra	£6,300.00	£2,488,642.00	£2,494,942.00
City of London Academy Trust	£50,750.00	£2,226,000.00	£2,276,750.00
The City UK		£450,000.00	£450,000.00
University of East Anglia		£417,963.00	£417,963.00
Friends of the Elderly		£399,548.00	£399,548.00

CoL Housing - New Developments & Special Projects Team		£390,419.00	£390,419.00
Barbican Centre Trust	£300,000.00		£300,000.00
Innovate Finance	£133,950.00	£150,000.00	£283,950.00
International Investment	£245,220.00		£245,220.00
Mental Fight Club		£195,971.00	£195,971.00
New London Architecture	£194,580.00		£194,580.00
Family Action		£162,184.00	£162,184.00
The Lord Mayor's Appeal	£157,411.00		£157,411.00
Sculpture in the City Partner Board - Various Recipients	£150,000.00		£150,000.00
Maggie Keswick Jencks Cancer Caring Centres Trust		£145,500.00	£145,500.00
Centre for Finance, Innovation & Technology		£143,625.00	£143,625.00
City of London Crime Prevention Association		£131,600.00	£131,600.00
Age UK City of London		£108,980.00	£108,980.00
Green Finance Initiative		£100,000.00	£100,000.00
Impact Investing Institute		£100,000.00	£100,000.00
Shoreditch Trust		£97,030.00	£97,030.00
Thames Festival Trust		£96,960.00	£96,960.00
Financial Services Skills Commission		£95,000.00	£95,000.00
Partnership for Young London	£38,000.00	£53,000.00	£91,000.00

**Table 1: Top 25 external organisations supported by total of grant funding and BIK.**

**NB** The largest grant awarded was to *A New Direction*. This was awarded from the City Educational Trust Fund a charity where the City of London is the Corporate Trustee. This is a one-off grant provided to deliver a specific project, supporting the City Educational Trust Fund to spend down its Endowment and close in line with the work of the Corporate Charity Review.

#### Public acknowledgement

- Only 33% of BIK items were publicised or acknowledged by recipients, highlighting a clear gap in promoting the wider contributions of the City Corporation through the BIKs.

#### Accommodation BIK

- During the course of the BIK collection officers noted that there are several organisations that benefit from desk space and accommodation on the Guildhall Estate and across other buildings owned by the City of London. From discussion with the Surveyors department, it is not clear on what basis these agreements have been made which will require further investigation.
- £2,933,679 of BIK awarded were for office space in City of London Buildings or an Abatement of a full commercial rent. This makes up a significant amount of the BIK portfolio and this report asks for agreement to a further piece of work to standardise the process for agreeing and renewing accommodation BIK.

### Collection

10. Manual collection of BIK data makes it challenging to obtain a full picture from across the whole organisation. Some of the data collected is incomplete and there are different approaches to the agreement, review and allocation of BIK across the City of London and its institutions.
11. There is also a clear difference in the rigour with which grants are managed when compared to how BIK is managed.

### **Options**

12. Two options are set out below for consideration.
13. The first option is to retain the current system for BIK collection, recognising that there has been a greater level of reporting than in previous years.
14. The second option sets out measures that would enhance the recording and reporting of BIK data, to ensure recognition in publicity and to carry out further work to standardise the process for agreement and renewal of accommodation BIK.

### **Option 1 – Maintain current reporting processes**

15. Maintain the current BIK process. This will ensure that the Policy and Resources Committee still receive an annual report on BIK awarded across City Corporation institutions and departments. The CFCMT will continue to collect this data and support colleagues in ensuring the data is up to date. Collection this year has demonstrated greater depth and completeness compared to previous years.
16. The current BIK policy has robust procedures in place for Chief Officers to manage BIK but is lacking any specific member scrutiny other than the annual reporting requirements.

### **Option 2 – Enhance collection, reporting and communication of BIK. Commission a further report to make recommendations on accommodation BIK.**

17. The CFCMT and Policy Unit have spent a significant amount of time during the spring collecting the most comprehensive list of BIK to date across CoLC departments and institutions. The current process is administratively resource intensive and requires considerable officer resource to collate and report data, ensuring it is complete and accurate and that all departments and institutions are following the approved BIK process.
18. Officers recommend a new solution to managing the BIK process which will both enhance reporting and analysis on BIK but also provide a central point for BIK and grant data.
19. The CFCMT use a grant management system to manage all its funding commitments. The developer of the system has outlined that BIK data could also be held on this system, with a bespoke online form created to support departments with logging Individual BIK throughout the year. In addition, there would be training developed for departments and institutions on how to upload BIK to the new system.
20. An application is being made to the Policy Initiative Fund (PIF) to fund the set-up of the grant management system to accept BIK and implement the new process. The bid also includes a request for maintenance over the next two years and a

contribution to officer time to manage the system, analyse the data on a quarterly basis and provide enhanced support to departments on how to upload BIK.

21. If approved, the grant management system will be designed and implemented at the start of the 26/27 Financial Year. BIK data for 2025/26 will be carried out in the usual way for the final time. The new process for departments to record BIK into the new system will commence in June 2026, with training provided. The oversight and management of the data will continue over a 24-month period, with twice annual reporting provided to the Resource Allocation Sub-Committee. It is anticipated that the ongoing costs for the work will be covered by any savings made from a more robust and informed BIK process.
22. In addition, the new process will allow for BIK to be tracked against the Corporate Plan Objectives, allowing for members to see the impact of the BIK awarded.
23. This option includes an enhanced governance process for BIK. Appendix 1 outlines amendments that need to be made to the BIK policy to ensure there is more robust scrutiny of BIK. Members are asked to agree that RASC is given oversight of BIK and reported to on a Bi-annual basis for 2026/27 on agreed BIK in year.
24. Officers are seeking delegated authority to the Head of the Central Funding and Charity Management Team in consultation with the Comptroller to develop Terms and Conditions for BIK awarded.
25. In addition, further work should be endorsed by members to ensure that all BIK which include the use of desk space and accommodation needs to be investigated further, with a clear set of principles established in consultation with the Surveyors department to ensure all of these agreements remain relevant and continue to deliver outcomes to the City of London.
26. The total cost of this option will be £45,000 over 2 years.

## **Proposals**

27. In line with Option 2, the following measures are proposed:

### Digital collection

28. It is proposed to implement a digital solution for the collection and reporting of Benefits in Kind across the City Corporation and its institutions.
29. This solution would:
  - a. Enable officers to see in real time what other grant and BIK support is being provided to an external organisation by the City Corporation and its institutions.
  - b. Reduce the administrative burden of annual whole-organisation BIK data collection.
  - c. Enable better quality and more regular reporting to Members.

### Reporting

30. Once the digital solution is implemented, it is proposed that the system is used to provide in year reporting to Resource Allocation Sub-Committee on BIK on a bi-annual basis.

### Budget

31. The estimated costs of designing and implementing the digital system are:

<b>Budget</b>	<b>2026/27</b>	<b>2027/28</b>
Design & Implementation	£10,000	
Maintenance	£4,000	£4,000
Training module for users	£2,000	
CFCMT Time	£15,000	£10,000
<b>Total</b>	<b>£14,000</b>	<b>£14,000</b>

32. Subject to approval of funding, the proposed digital system could be rolled out for use from June 2026. Funding is being requested until the end of March 2028 to allow for the CFCMT to manage the implementation and test the new process. It is anticipated that the new process will ensure departments are reviewing BIK to ensure they are relevant. It is anticipated that this will reduce the total BIK amount over time creating savings.
33. From April 2028 it is anticipated that the ongoing costs of the management of the digital system could be funded through savings made. It would require between 1 to 2% in savings across BIK awarded to fund this on an ongoing basis. A report will be brought back to Policy & Resources Committee setting out the impact of the digital system. If the rollout has been successful then a proposal will be made to encompass the change into Business as Usual.

#### Publicity and acknowledgement

34. Under the new process each BIK of more than £10,000 will be sent Terms and Conditions in a similar way to funding awards. The Terms will lay out how the City should be acknowledged in any publications or marketing with the CFCMT providing links to Communications colleagues when requested.

#### Accommodation BIK

35. Members are asked to agree a further piece of work specifically in relation to accommodation BIK. The aim of this piece of work is to understand the terms under which external organisations are provided with accommodation BIK, and to standardise the process for agreement and renewal of accommodation BIK.

#### **Key Data**

- The City Corporation made 287 BIK to outside bodies with an overall value of £3,739,484 and 77 Grants totalling £13,024,572 in FY2024/25.
- The combined total BIK and Funding provided was £16,764,056. This does not include the charitable grants provided by the City Bridge Fund.
- The proposed digital system is estimated to cost £45,000 over the next 2.5 years. The cost is proportional to the overall amount of BIK and grant funding.

#### **Corporate & Strategic Implications**

36. Strategic implications: Using existing grant management system will improve the collection, management, reporting and analysis of BIK that supports the City Corporation's Corporate Plan: *Diverse Engaged Communities; Dynamic Economic Growth; Leading Sustainable Environment; Vibrant Thriving Destination; Providing Excellent Services and Flourishing Public Spaces*.
37. Financial implications: Funding for the set up and implementation of the transfer of data to the existing grant management system is being sought through PIF. It is anticipated that the more robust process will lead to savings over time, which in turn will be able to fund the ongoing costs from April 2028.
38. Resource implications: The grant management system is already procured and used by the Central Funding and Charity Management Team. There are additional costs required to allow for the developer to create the systems to host the BIK information and provide a new recording process for Departments and Institutions. The CFCMT will require additional resource to implement and manage the new process ongoing.
39. Legal and Risk implications: The proposed data management software is already used for the management of grant funding across the City of London. Data agreements are in place and regularly reviewed by the City of London's Information Officer. A data mapping exercise will be conducted in advance of the new process going live.
40. Equalities implications: This proposals at Option 2 will enable the City Corporation to better understand and communicate the impact it is having through BIK provided to external organisations. This would enhance its ability to deploy BIK in support of its equalities objectives.
41. Climate implications: This proposals at Option 2 will enable the City Corporation to better understand and communicate the impact it is having through BIK provided to external organisations. This would enhance its ability to deploy BIK in support of its climate objectives.
42. Security implications: BIK data will be more secure and accurate when managed through the proposed Grant Management System.

## Conclusion

43. This report captures the Benefits-in-Kind (BIK) provided by the City Corporation to outside bodies in FY2024/25, recording BIK of £3,739,484 and grants of £13,024,572 — a total of £16,764,056. This is 90 additional BIK items, worth £226,869, compared with the previous record. The report outlines recommendations to improve BIK management, including transfer of data to the grant management system to more effectively collect, manage, report, and analyse BIK data. Members of this Committee are asked to note the BIK report and approve these recommendations.

## Appendices

Appendix 1 – Amended BIK Policy for Approval

Appendix 2 – Policy Initiative Fund Application

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