

Committee(s)	Dated:
Board of Governors of the Guildhall School	24 th May 18
Subject: Finance Team Update	Non-Public
Report of: Principal, Guildhall School Chief Operating and Financial Officer, Guildhall School and Barbican	For Information
Report author: Niki Cornwell, Head of Finance and Business Administration, Guildhall School and Barbican	

NOT FOR PUBLICATION

By virtue of paragraph 3 of Part 1 of Schedule 12A of the Local Government Act 1972

Summary

At the last Board meeting Members asked for a note regarding the finance function at the School which provided assurance that concerns which had been raised regarding the capacity of the team to support the School with its strategic development were being addressed.

This short report outlines the current situation and the recommended way forward.

Recommendation

Members are asked to:

- Note the report.

Main Report

Background

1. As Members will be aware the finance function at the School is provided by the Chamberlain with the Head of Finance and Business Administration reporting to the Deputy Chamberlain and the having a secondary reporting line into the Chief Operating and Financial Officer. The team operated a shared service function supporting both the Barbican and Guildhall School which is located in the Barbican. In 2016 responsibility for the IT function was also moved under the Head of Finance and Business Administration.

Current Position

2. With the appointment of a new Principal to the School in 2017 and the subsequent development of the strategic plan as well as the changing Higher Education landscape it is clear that the needs of the School are changing and developing. Similarly the Barbican is facing a substantial reduction in funding and is focusing on developing a broader commercial offering in order to mitigate this risk.
3. The resulting impact of both these developments is that there are increased demands on support services and, in this particular case, strategic finance support.
4. The finance function can broadly be seen as delivering three functions:
 - Finance – this refers to traditional finance functions such as financial planning, management accounts, providing a general stewardship function and assurance around value for money.
 - Organisational Development – the strategic development of both organisations requires finance support, this is pertinent to the School's strategic plan as well as changes in the Higher Education landscape. At the Barbican there is a focus on increasing income in both arts and commercial areas to underpin reducing City funding. This involves either supporting colleagues with change initiatives, agendas and restructures or more proactively leading debate with regards to organisational change in order to provide balanced business models.
 - IS/IT – Members will be aware of the current IT restructuring process to ensure that the School's IT function is providing a service which is resilient, proactive and supportive of the School's digital strategy.
5. As both the School and Barbican develop they become increasingly reliant and demanding with regards to management information and business intelligence to ensure that decision making is robust. They require more

management support to provide the function of critical friend, challenging norms and proposing different ways of doing things.

6. At a strategic level, the changes in the COFO's role regarding the Centre for Music project has resulted in the Head of Finance and Business Administration taking more of a lead in this area. This has then meant that more has been delegated to the remainder of the finance team who have often been stretched themselves due to increasing workloads or recruitment issues.

Solutions

7. These issues have been acknowledged by the Chamberlain as well as the Barbican and Guildhall School and as a result it has been agreed that a second Group Accountant post will be recruited with the funding split between the School, Barbican and Chamberlain.
8. Presently we are in the process of finalising the recruitment of one Group Accountant to backfill the current postholder who will be acting up to cover maternity leave. This has been a challenging process which has taken over three months to find one suitable candidate due to the balance of expectations and salary. However we will endeavour to continue searching to find a second suitable candidate.
9. The remainder of the posts within the team are filled, although a significant proportion (4 out of 20) are filled by staff acting up or by temps. We are working with HR to resolve these recruitment issues and are confident that these can be resolved in the coming months.

Appendices

- None

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