

City Question Time January 2024

Transcript

Policy Chairman Chris Hayward (CH): Well, a very good evening to you, ladies and gentleman. It's now five minutes past five. And so I'm going to start the proceedings. And can I firstly extend a very warm welcome to Guildhall to you all, for our question time. It's effectively being combined tonight as a finance special event as well so that we can do our statutory business ratepayers consultation. And you'll hear from the Finance Committee Chairman shortly on that. I think it's absolutely right, incidentally, to open up the city's buildings like Guildhall to our residents and businesses. And I know hopefully many of you joined us back in December, when we were at the Old Bailey for Question Time. And hopefully, you managed to stay for the Christmas party afterwards. For those who don't know, in, I suspect many of you during this room. I'm Chris Hayward, the Policy Chairman and political leader here at the City of London Corporation. And it's a genuine pleasure to see you once again, those of you who've been before and to welcome new members here today as well or new members of the public here today as well.

So thank you for giving up your time to be with us this evening. And as I said, this event brings our annual consultation with business ratepayers are giving these constituents and indeed of course, our City residents the opportunity to ask questions about the City's plans for business rates, council tax, other issues relating to City's finance and budget plans and indeed, anything else that you wish to cover, as well tonight.

Unlike many other local authorities in the United Kingdom, the City Corporation's annual business ratepayer meeting has traditionally been held, as our chosen means of fulfilling our statutory duty to consult ratepayers on our plans for expenditure. And this year's business ratepayers meeting is, as I say, been merged with our regular question time in an effort to maximise the reach and effectiveness of regular consultation.

So today, let's evening rather, you will hear from our Chairman of Finance Henry Colthurst, who will speak about our 2024 budget. And then the City's Assistant Commissioner, police, Peter O'Doherty, who will speak to our plans for operational policing in the Square mile. So in a moment, I'm going to hand over to our Town Clerk and tonight's chair, Ian Thomas CBE who will explain a little bit more about the format of the event including the rules for engagement, which we always set out in advance. And following the formal presentations, and Q&A. There will be some more refreshments if you haven't no pressure. It's already with us here in Guildhall. So I hope you'll stay and network for those proceedings after the event. But now for Ian, over to you. Thank you.

Town Clerk Ian Thomas (IT): Thank you, Chairman and a warm welcome, ladies, gentleman, colleagues. I think I'll start with introductions. We'll get people to introduce themselves. So let's start on my left hand side here with with you, Peter.

Peter O'Doherty (PO): Thank you. Good evening, everyone. So I'm Peter O'Doherty. I'm currently the temporary Commissioner for the City of London police. And I spent most of my career in this wonderful organisation. Good to see you all. We're looking forward to meeting as many of you as possible later on.

IT: Thank you and James Thompson.

James Thompson (JT): I'm an elected member of my ward is Walbrook, but I'm here a chair of the City of London Police Authority Board.

IT: Thank you, James. We've already heard from, from Chris, who, you know, deputy and Henry Colthurst.

Henry Colthurst (HC): I'm an elected member for Lime Street. And I'm just coming together my second year as Chairman of Finance.

IT: Thank you. So just to run through today's agenda, we will have a presentation first from the Finance Chairman, Deputy Colthurst, followed by a presentation from Peter, the acting Commissioner. And then we will move to the Q&A session, which must be based around finance given our statutory, this is a statutory consultation. We thank those who have sent us the questions in advance, but there will be an opportunity for others to ask questions during that time. And there will be a roving mic just to remind those present that this is being recorded. So without further ado, I will hand over to the Chair of the Finance Committee who will deliver a 10 minute presentation around the finances of the corporation. Thank you.

HC: And thank you. Can everybody hear me? Good? Well, thank you. And apologies for some of you for late production of we have a document here, which I hope some of you picked up. The chamber's report is on the table. Actually, we produced it early compared to previous years. But I must take this opportunity to thank our finance team, they've been really under the cosh for a number of months and to produce this now is extremely impressive. I'm going to rattle through these slides quite quickly. This, again, as it was last year makes pretty difficult reading. And certainly from my perspective, with a business background, there's not a great deal of options that we've got. But I'll take you through the issues as I see them.

So what are we having to face, we had, as you know, last year, high inflation highs from a very long time, those impacts, I'm afraid are embedded into our forecasts, we've just got to live with them. So I'm afraid to 2022 23 was unhelpful for long term planning. We've still got, and I'll come back to these later material maintenance needs for operational assets to the tune of £60,000,000, but we have no trade at last to take action on those. We can't ignore the growing needs of the vulnerable, particularly children and adult social care, we have, again, tried to address those and put those at the top of our priorities in terms of extra tax raising.

The last the second last point, I cannot emphasise enough, this increasing trend for central government funding to be shifted to local, we've had to address it, it has a real impact. And you'll see from the graphs later exactly how much of an impact it has for us here at the City Corporation. And along with that, is the fact that we as you know, have our own police force is the lead police force in the country for cyber, we do get a central government grant for that. But along with that trend earlier mentioned the grant for what I call a national policing is reduced compared to what we actually need. So we're having to face quite a lot of pressures there that has particular impact on the business rates premium, which I will come back to in a minute.

So that's what we've had the pressures we've had to face. So what are we doing, we're trying to shore up some corners where we think there are some we've taken the decision that we need to max out all these premiums, or discounts on vacant and residential and uninhabitable properties they they're going to go. I think along with most other councils in London have taken the same view secondhand premiums, we're going to start to tax from April 2025. There's a 12 month process on that. So we're going to start that out that basically takes out there's areas where we can max out our tax raising capability.

I think long term, we've now got to consolidate the quite significant savings we have made over recent years, and really look at areas where can we transform our services further. Where do we generally have to cut services, because we've got to make some pretty difficult decisions. You'll see some here anyhow. But I think that will be an increasing focus. Certainly on my watch for the next few years.

I'm really pleased to say that we have decided we have got to hit this historical backlog of repairs and maintenance on the head. And so we have allocated I think from the City Fund, which is the taxpayers fund £60,000,000 and alleviate what has been a 20 year shortfall in in uplift in all in repairs and maintenance. From my perspective, it's simply not good enough, we have to address it. And so we have now financially at least taken that decision. It's now down to our operational side to work out how best to do that.

And we've got to focus again, as I said on need and long term benefit. We have had a little bit of a when we take part in what's called the eighth authority pool. And we get some short term business rates growth, but they are short term, they've probably got no more than two years to live under the current regime. They may renew after that we just don't know. But from my perspective, trying to plan long term, it's very difficult to try and anticipate what one or two years worth of funding how you can fit that into long term forecasts. Because as I think I've probably mentioned again later, we've got to stop taking one or two year views. We've got to plan for at least 20 years I think to get our job done properly.

This is quite an interesting graph. There's too much detail on it but there's really two things just point out to you. If you look at the left hand circle, you'll see there 37% in so deeper blue, that's our cost of police and you'll see the bottom right 12% for the Barbican Centre, two things we can't take our eyes off at the moment and I come back to the Barbican Centre in a minute. But if you look at the right hand side, there's a, again, a deeper blue saying 32% and an orange, I wish these were colour, they're not colour coordinated. But there's an orange of 7% that essentially goes towards paying for the police. So we are trying to balance our books where we can I think we've now if we proceed with what we're suggesting, I think we're going to be in a better position on the police than we probably have been for some time. But this is quite a difficult set of equations to balance.

And that's I'm not going to spend much time on this on this graph. But you can see very simply, what's going on is we are maintaining at the moment a surplus, that blue line shows what we're spending fractionally less than what we're raising. But it's it's very, very close. And I think the key thing to point out there is the enormous percentage of dark blue central government funding. Everybody thinks that city fund is flush with money. I think I'll just give you one fact, which some of you probably know, we raise £1.2billion in business rates. We actually pay that all on central government, we get about £14,000,000 back. That's about a 6% retention. And you can see how attractive the current regime is for central government. It's been raised recently in Common Council, I raised the same question myself four years ago. Personally, I believe the business rates regime is not fit for purpose. But we're stuck with it, where it's set by national government, we have to live with it. But you can just see what's happening there. We have very, very little control, if any, over that huge percentage of our city fund funding.

So what are the challenges that we're having to face here? I've mentioned the residual cost of high inflation, we're stuck with that. We've got an element of retail business growth, but only for two years, what's going to happen after March 26 difficult to work that out. It's helpful at the moment, but not helpful long term. I've mentioned already the need for a wider fair funding review. It is my view that business rates regime is not fit for purpose. And I think the same with the housing revenue account. I'll come back to that in a minute. But these are

issues for national government. And the chance of any national government over the next two years, taking a look at this these sorts of problems properly seems pretty low, whatever colour that national government may be. And we've still got a tonne of investment. We've the Museum of London is moving forward, the police headquarters and the courts of Salisbury Square are moving forwards. But there's a big white big portfolio here, that's taking up about £60,000,000 over the next three or four years. And we got to face a reduced investment return.

Last year, this year, probably we're going to be lucky. cash in the bank has generated a higher interest return than normal, that's going to fall away over time. And I put at the bottom the Barbican Centre, it's a it is the elephant in the room, it's come to the end of its useful life, we've got to work out how to deal with that. And that is all paid for within the city fund. So this is what happens if we do nothing. We go sharply into deficit over the three years time. I'm afraid on my watch, I have no desire for us to issue a section 114 Notice, you've seen them all over the country, we've got to try and keep our heads above water here. So we have got very, very little if any, or accuracy, no choice, but to make some pretty push some some some changes and some tax rises that where we can.

So in very simple terms, these are our proposals. Council Tax to raise I'm afraid another 2.99%. Social Care preset to 2% increase as with last year, the maximum we can we can really do the business rate premium, which is the important one, this is really used for police and security. We are proposing to put this up by point four P in the pond. We've had a lot of discussion about this. But there does appear to be an awful lot of sentiment and support for proper policing and security in the square mile. What that does, for those of you who are business rate pairs, is if your property has a rate of a value of £34,000, it's going to cost you another £204 per year. If you've got a rate of a value of £20,000,000, it's going to cost you about £60,000. But I think certainly from my perspective, as a businessman, we've got to make sure that we keep the standards of policing and security in the square mile as high as they can be. And you'll see the unfortunate news, HRA a 7% increase somewhat 7% increase. Again, that's pretty much common across London. I just raised that point again. It's not anything we can do about I've had a particularly useful lesson about learning about the HRA over the last year. And all I can say from my perspective as a businessman, it just is not fit for purpose. It's it's got I have got to be changed. It's a ring fence fund, understandably. But the math just doesn't add up.

So, on that I think all those changes, we're trying to focus on need. We're trying to address the needs of the vulnerable. And I just again, just comment on that last point. I'm convinced in my short time in this office that we've got to start, stop looking at one or two years ahead, we've got to look a long way ahead to get our maths right. And I hope that that's something that we will do.

That's a pretty quick run through what we're proposing. Very happy to take any questions. If they're very complicated questions, I've got three senior office officers down here, you can ask matters of detail. But I thought it was better it was more useful just take you through that give you the actual picture of the high level because it's pretty difficult. But we've just got to respond to the situation we have to and I hope, in a couple of years, we might be able to have slightly better news, but thank you for listening.

IT: Thank you, Deputy Colthurst. We will now move to the temporary Commissioner Peter O'Doherty, who will also present for 10 minutes.

PO: Thank you. Okay, good evening, everyone. How you all doing? You well, all good? I will do my very best not to use acronyms, because we're a nightmare in policing to doing that.

Originally, I was given two minutes on the agenda, but I threatened to arrest someone if I wasn't given a bit more time to tell you about the good work we were doing.

Now. First question, how do you know if the police is good enough? Think about that. Do you see us? Are we accessible? Are we responsive? Do we listen? Now a man far more intelligent than me in 1996, Professor Mark Moore at Harvard said that for business, the key measure of success is shareholder value. How do you measure if policing here in the city is successful? What he recommended another term called public value. And for me, I really want us to be the best police force in the country only because that would mean you get the very best, and the most amount of value from us. And I'm really keen to engage with all of you to learn how we can do that. But first, to be the best and to serve you in the best possible way.

I think it requires us to do four key things. The first of all, is to engage with you frequently to listen to your needs and expectations and to do everything we can to deliver a service that will exceed that, first of all, and if you don't think we do that, you must tell us and we must listen. Second, always to evolve in meeting new and changing demand. And there are plenty of those, as you will all know. Thirdly, to ensure that we have a highly skilled, inclusive and motivated workforce that's dedicated to public service. And lastly, to ensure that as an organisation, we're value for money. We use technology and data to police intelligently and effectively, and to make the best use of our resources.

Now, I am pleased with what we have delivered over the last year and I feel that we are on that journey to truly achieve in excellence. But of course, there's work to be done. But the world is changing around us. And there are new demands upon policing. So even the conflict in the Middle East, the tragic invasion of Russia into the Ukraine, the fact that every child is glued to their smart device, all of that has an impact. It has an impact on your safety in the city.

Your feelings of safety and your perception of whether or not we are effectively police in the City of London. Now residents tell us they're worried about nighttime violence, antisocial behaviour, and this disruptive impact of a busier city. I can only imagine. Businesses tell us about fraud, and matters regarding security. And we're all worried about violence against women and girls and the continued threat of terrorism.

Now, despite the data suggesting that crime volumes are the highest they've ever been across the UK, we in a city are having a real positive impact on all of that. And I would like to just spend a couple of minutes giving you some real examples. So an absolute priority for us is policing violence against women and girls. It is unacceptable for any female in the city, whether a visitor, worker or indeed resident to feel unsafe. So we're doing lots of good work in creating safe spaces. We have opt reframe where we have a welfare tent with nighttime guardians and Samaritans, providing that touch point for females and that support and those education and briefings. We have walk and talk initiative. So if you live here or you work you can come out with the police. Tell us how you feel and give us your views about what policing can be doing more of to make you feel safe, particularly in the nighttime economy. And of course, we have the initiative ask for Angela as well, which has been trialled across all the major licenced premises in the city. We have the relentless pursuit of offender. So did you know that we're going through every reported case of domestic abuse in the city the last 20 years? But looking at those investigations with a new lens of all the things that we've learned in history, about coercive control, and coercive partners and revisiting those investigations, so that every possible offender is brought to justice. And indeed, we've had a 41% increase in domestic abuse offences. That means us being really proactive in taking every allegation of domestic abuse seriously, but also providing domestic abuse training for

every officer so that when they attend the scene, they have to be up to date on the law. They know how to support victims and give the right advice to every victim of domestic abuse.

Like all of you, I'm in the city every day of the week for very long hours. And I get annoyed by antisocial behaviour, and cyclists who don't keep our streets safe, and indeed, skateboarders as well. So we're doing lots of work around antisocial behaviour and cycling. In fact, we trialled the new cycle team in July last year. And in a 16 week period, we actually had 4,500 interventions. We gave out over 600 tickets to cyclists. We arrested 47 of them, we seized over 100 e bikes and scooters that are unsafe and shouldn't be on our roads and indeed gave 1,500 verbal warnings to cyclists. And in fact, the trial was so successful, we have now implemented a cycle team that's going to stay within the force long term. So I hope that's really good news for all of you as well.

And phone snatching has become a serious issue. We have reduced phone snatching in the city by 11% through prevention campaigns, targeted patrols, plain clothes officers intervention, and in fact, in July last year, reduced phone snatching by 72%, in one month alone. So lots of work to look forward to in that regard.

And just a few things. We've had to respond in the police to exceptional events such as Just Stop Oil protests, the Palestine solidarity campaigns. In fact, one weekend we have over 30,000 protesters congregating at Bank junction. But I'm really really proud of all the officers and staff police who stay incredibly professionally, and would like to thank all of our partners in residents and businesses for the support you gave us. And in fact, despite the high volumes of people, which is unprecedented in the city, it led to very, very minimum levels of disruption to the community. And I hope you do agree.

And just the last few things so Cyber Griffin, working really hard to brief businesses, whether they're large corporates or small businesses, about the ever increasing threats from cybercrime. This is becoming a really serious problem. And the people committing cybercrime against the UK in the city, and not just criminal gangs, these are hostile state actors. And this is in the public domain, whether it's Russia or China or other nations, they threaten the prosperity and the economic stability of this country. And we're doing loads of work to give businesses the tools they need to protect themselves.

And, of course, our work on preventing terrorism. So we have counterterrorism security advisors who work up and down the city every day, working with the big buildings and the big businesses to make sure that heaven forbid, in the event of an attack, we respond diligently and efficiently. Most importantly, making sure that those businesses have the things that they need to prevent those attacks taking place in the first instance.

And just going forward, just to finish my input, very mindful of my time, Town Clerk, going forward some really good work and motions, we're about to launch a new neighbourhood policing strategy, which will reshape the way in which we engage with our residents to make sure that if you come to a cluster meeting, you get maximum value. We're really transparent about the work we're doing. And you tell us what your priorities are, and what you would like us to do more of keep doing and do less of, we will sit and work to launch a new equality and inclusion strategy to make sure that we become the inclusive employer of choice. We want the very best in policing. So lots of good work to follow. Thank you very much.

IT: Thank you, Commissioner. Round of applause for our two speakers, please. Thank you. So two really insightful presentations. I'm sure you have questions to ask so just some ground rules first, if I may. So this is a finance consultation. So please ensure that you keep to topic there will be an opportunity for another residents' meeting where we will focus more on those residential residents issues that you've raised and that you're used to raising. Our

resident envoy Brendan Barnes will also host a regular City of London citizens forum. And that is on the 18th of February at city wall Vine Street. You can also contact your excellent local councillors some of whom I can see in the room who will help you in between meetings. I will take one question at a time and I will group them where possible. Questions please not statements. And this needs to be a fair process, so do please allow others to speak, which means a won't be taking supplementary questions as a rule. The first 15 minutes will be reserved for ratepayers questions given this is a statutory ratepayers consultation as well as engagement with residents on finance issues. So the first 15 minutes will be for business ratepayers. So if you are a business ratepayer, in this first 15 minutes and would like to ask a question, please raise your hand, we do have a roving mic and to ensure that people can hear including those with hearing impairments, please do not speak until you have the microphone in front of you. So who'd like to speak first on business rates? So we have a lady at the front.

Q: I'm deaf. And I want to write something about business. I'm opening a new business at the moment and what's going on in our state is about Companies House fraud. I and my neighbour received a letter from a new registered company business at Companies House. And any banking, Tide bank, business banking. The reason for this in creating fraud registry probably because of the new law starting March we are so worried and very stressful dealing without a loan and some of my community – vulnerable, older, disability and there are no good online stuff to watch right or understand it will be affecting them and me. So there is this as well, I'm deaf I don't have BSL support worker yet for my personal life to help me with all these stressful announcements and not understanding it. I'm working, I have my own business I cannot use my BSR support worker for matters to work for my personal life to sort out fraud in my personal life. So how we can solve this problem with my community?

IT: Okay, are you a business rates payer?

A: I'm just starting a new business now in January.

IT: Okay, so your business started already? Are you paying rates now?

A: Yes, I'm near to this, I need to learn a lot of things so that business rates to learn about this. I need a support worker for my business with me.

IT: Understand that. So if this is about starting your business, what we will do is ensure that we take your details and I'll have an officer get back to you in response to your question. Thank you very much. Any other business ratepayers before we open the floor generally? A gentleman to my left.

Q: Town Clerk, this is not my question. It's from a business in my street. Is it okay to relay the question?

IT: Yes.

Q: Yeah. And I read that a question already. I'll just, I'll just read it to you. My main concern is obviously compared to let's say W1. You have a 75% reduction in rates this year, and we have no reduction in rates for smaller businesses. Also, if I'm even slightly late with the payment, we're talking days, I get a very aggressive legal letters threatening legal action and asking me to pay a full year's rates immediately. When I call voicing my concerns, I'm told everything is centralised and out of their control, which I find odd and frustrating. As a small business owner, I feel invisible. That's in a nutshell. Thank you.

IT: Thank you for the for the question. Just in terms of protocol, I'll look to the Chairman and then direct from there.

HC: I was gonna pass that one to Phil Black who I think would be in the best position to answer the actual detail. Thank you.

Phil Black (PB): Thank you, the 75% I think it's probably the small the retail relief which is 75% everywhere in the country. So that should be the same. We offer the same relief here as any other local authority. In terms of the second part of the question, which was the legal letter, and I think they're referring to a statutory process. So it's a national tax, and we have to bill and collect the money in line with, with an outline structure that government gives to us. So we send a bill. And then 14 days later, roughly, reminder will go and then a final notice. And at that point, you lose the right to pay by instalments. Normally, if you contact us at that point, we'll normally reinstate the instalments for you, if it's some sort of error. And there's no history, so happy to take your friend's details and get back to him if that's helpful. Thank you.

IT: Anything else on business rates? Lady to my left here, thank you.

Q: Hello, I represent a company that owns a building in the city of London and our business model is we are renting out office spaces. And we are struggling actually with renting out those spaces, because there are so many office buildings around. So we've been one of our floors has been vacant for more than a year. And three more floors are becoming vacant in the in this year 2024. So with business rates going up, we just don't know how we're going to survive. Because we're not able to maintain our business already kind of were struggling with these spaces going vacant. We honestly don't know, kind of you understand the challenges that we're facing. And our building is not a new build. And there are so many new builds around that are far better. I don't know whether better value for money, but which are more attractive, obviously, with all the amenities and kind of concierge services, coffee shops, whatever, they have flexible office spaces. So our building is it goes back to 19th century, I believe. So we don't have the ability to have many of these amenities in the building. So I don't know. What do you have any advice for us? In terms of business rates? Thank you.

IT: Thank you for the question.

HC: I'm just trying to understand, you own the whole space in the building, but you've got about 80% empty, and you're being charged on the 80%? Is that what your concern is?

Q: Well, oh, we get only three months of holidays of business rates, right? As soon as the space goes vacant. So currently, we are paying full rates for this empty floor. And there is no interest in potential tenants, nobody comes to visit because there are so many other office buildings around so we don't see how we can fill up this floor, but we continue paying business rates, obviously at full rate.

HC: So you're paying business rates on the whole. So I think you're what you're after is clarity on the rules governing empty business rate space.

Q: Well, I don't know basically, if there is, I know the rules currently that there is no way for us to ask for more holidays of business rates, but maybe it can it is somewhere in discussion for situations like ours, or there is nothing.

HC: I'm going to ask Phil. Phil maybe address this or I think we have to take this offline. But I do sympathise. Phil, can you can you add a bit?

PB: Yeah, it's quite difficult, really, because empty business rates is payable after three months. So the once the floor is empty, then full business rates kicks in. If there's any way that you could split the assessment and ask the valuation office to kind of take part of it out, that might be a possibility, that's quite a difficult thing to do. You could move things around in a building. And I definitely didn't say that. Because that would be that you could change the stack in the end and get the three months but it is three months on an empty property. So that is a problem. I don't know whether you're able to kind of give up some of the space for a short period back to the landlord or possibly but yeah, sorry, that's not much help. I don't think with that. And there is another option which is section 44 A which is partial, which is a partial relief. And again, that would only be for three months. But if the building is assessed as one assessment which it sounds as this as it is at the moment, then you might qualify for that. So it's worth checking the websites have a look at that as well. But is that again that short period.

IT: Thanks Phil I'm sure if you I wish to elucidate on the issue then Phil will be happy to follow up with you as well. Okay, thank you. Anyone else? Even if not a ratepayer a question on business rates. The lady to my right here, thank you.

Q: Hi, oh, you can hear me now, I have a retail business. And obviously, we have the hospitality relief at this time, which is basically a signal that things aren't going particularly well on the retail side. And the elephant in the room is that you've got a lot of office buildings here where people have been able to transition to working from home very easily, and what plan is there to either get them back or to effectively, brazenly seduce other businesses to move into the area to fill the gap that the people now working from home are leaving, because a lot of businesses here are struggling, and it's nice to have the relief, but ultimately, you need to see good, buoyant footfall and people spending money in the area. And if we're looking at a long term view for the finances, then there also needs to be a long term view for the footfall to fill that gap. Just wondering what the what the plan is there.

IT: Thank you. Thank you. Thank you for the for the question. We will have a bit of a tag team here. We're going to start with the Chairman of Finance. And then something that's really dear to the Chairman of Policy and Resources' heart is about getting people back into office places, office workplaces. So starting with the Chairman.

HC: I think the your question really is more more long term strategic. And I leave that to Chris, but I just I think my point is this was raised last year. You know, it's really unfortunate. It's why I personally think that the business rates regime, it's just not working for small retail and hospitality shops. That's why I just think we can only do what we must be always must try to do to get full blown reform across the country. But it's a long old haul. And so I can give you nothing other than sympathy and our full support. We have tried once, we'll try again. But it's a long haul. So in that respect, well it's bad luck. It is just unfortunate. But I think the your wider question is much more long term about attracting footfall. I'm going to pass it over to Chris, thank you.

CH: Thank you very much, Finance Chairman. Look, when I first took on this role a couple of years ago, it was in the immediate aftermath of COVID. And the imperative for me, at that time was to try to drive new footfall into the city, for new spending to the city. And the reason for that was really simple. It was that, you know, a lot of our SMEs, particularly retail coffee shops, sandwich shops, you know, had got into tremendous challenges and problems during COVID. Some of them indeed failed, in fact, to get to come through it and to actually for their businesses to survive. So, as you've heard me probably say here before, some of these, some of these challenges led us to actually initiate a Destination City policy, which was about trying to get new footfall into the city. And it was very much around trying to look at

inbound tourism, trying to look at new audiences beyond the traditional business footfall that you've been talking about. Now, we're two years on from that. And what's pretty clear from that is that hybrid working is here to stay in some form or another, you know, I can't push the waves back from the shore, even if I wanted to do so. That is that is happening. So what we have now done with Destination City is to re engineer it into a policy which looks at how we get businesses and the right businesses and what we do to attract more and more investment in terms of businesses into the city, as well. And actually, we're about to publish that renewed Destination City plan, which will include those those issues. But what is quite positive from a business perspective, is that, you know, there is still demand for office accommodation, but the demand is very specific. It's in high quality, A grade sustainable office accommodation. So anything that's sort of B grade or C grade is really difficult to let now we're quite lucky in the city because a very large proportion of our of our office accommodation is A grade sustainable, and frankly, in terms of global investment coming into the city of London. We today have got in our planning department 11 more tall towers in the designated area for those tall towers, which are waiting to get planning permission. So there is no question that there isn't growth predicted for the City of London, because whether you like it or not, the market is the ultimate judge of whether there should be growth. So if people are putting in those planning applications with the view to build these offices, they know more than I know as to whether that demand is there. So we are marketing the city, we market it globally, to businesses large and small. And I'm very keen to see that footfall from businesses coming back, continue.

IT: Okay, thank you. Final question on business rates. Lady, on my right hand side here. Thank you.

Q: Thank you. My name is Alison Perry. And you said earlier about the Barbican Centre, you said three things, one, that it wasn't fit for purpose, two, that it come to the end of its life and three that it was the elephant in the room, but you never addressed the elephant in the room. And you're now talking about Destination City, and I see the Barbican Centre as being at the centre of Destination City. So frankly, you need to pull your socks up and stop it being the elephant in the room coming to the end of its life, etc, etc. So could we address that please?

CH: Well, honestly, that's a very fair question you put to me and actually I agree with the premise of the question, which is the Barbican Centre is at the heart of Destination City and we want it to be at the heart of Destination City. There is just one small problem in dealing with that. It's called £450,000,000, which is what we're being told the cost of reinstating the Barbican to its former glory of 40 years ago but brought up to date. So what I am trying to do at the moment is to tackle that by thinking imaginatively, how do we access that sort of a resource. Most people in this room know of all the other major capital projects we've got going in the city. We've got the new law courts and police headquarters Salisbury Square. We've got the Museum of London which we are co funding with the GLA we've got the markets transitioned down to Barking and Dagenham, we have a huge programme of capital build. And on top of that we have got to tackle the Barbican Centre. But being no doubt not only myself, but I believe my colleagues on the corporation are fully committed to getting the Barbican Centre back up to scratch. It's a big project. It can't happen overnight. And we do have to find the resourcing and the funding. And £450,000,000 just to get it back to a modern state of the art centre in a competitive arts centre environment is what's needed. But we are working on it and we will do it.

IT: Thank you, Allison. Allison, I think I need to keep my eye on you. You managed to sneak in a question that wasn't rates related. Clearly, I need to get out of bed earlier in future. It's absolutely fine. No, it's good. That's fine. Good segue then into the open session on finance,

anything to do with the budgets and the very sombre position that you heard from the Finance Chairman. And there's a distinction clearly between day to day finances here and now and the strategic position and the pressures bearing down on us. So this is for questions relating to what you've heard today in regards the budget position, finances, you've heard what where that some of the money goes with regards to our police. So the first question we have for the lady to my right.

Q: Hello, hi. Henry said in his first slide, but he was talking about the pressures on the city funds. And he said that some of the main pressures are related to children's placements and adult social care. So the city is cutting services for SEND children and for children's social care, putting some very vulnerable people in danger. My autistic son who all of you are very aware of the case is still out of school and the city wants to send him to an unsuitable school, who the SENCO personally called me to ask me to refuse the place because they don't have the funds to keep him safe inside of that school. We also heard about the police department that are investigating domestic abuse, fantastic kudos. But if we take money away from adults, social care and social care, how are we going to avoid this in the future, you also brought cyber crime, which is a very valid point. I'm with you on that. But we also have to talk about breaches of data protection that are happening and I'm going to be writing a personal email to both of you about two recent breaches of data protection that are very serious and should be taken seriously and currently they are not so my question is, this care comes before finance.

IT: Thank you. Thank you for that question. We're going to point to the Chairman of Policy and Resources. First, I'm going to bring you in Commissioner or indeed, Chairman with regards to the data protection issue. I'm not aware that we're cutting the corporation's cutting provision for adult or children's social care, which we can pick up a bit later on. We have our Director here, who can provide more detail on that.

CH: So first, okay, I'll be very brief. There were a number of points in your question. And some of them were different to others. Some are related to cyber, as you said, and some to SEND, etc. And you and I have been in communication, specifically about your particular case, I know in your own personal circumstances. And that is going through a process and I'm going on that particular point to ask Judith Finlay the Director of Children's and Community Services is here to specifically speak to that point. But as the Town Clerk, Chairman said, there are others who can speak on the other points and on the on the cybercrime, etc.

IT: So let's deal with one at a time, let's deal with the issue around provision for children and adult social care. And Judith Finlay, who's the Executive Director is here who can address that point.

Judith Finlay (JF): Thank you. I was looking over there for the mic. Yes, Judith Finlay, Executive Director, we were emailing today just to confirm to or residents and people at the meeting, we're not reducing our budget to children and adults social care, we make decisions based on the needs of the individuals that we assess. And that's how we determine what the needs are. From time to time, indeed, we will overspend, and I will have discussions with our Chamberlain. And we're in fact, we're in an overspend situation at the moment that we will try and reduce. But that said, our decisions are needs led. So please be assured that we would not make a decision to the detriment of a child based on money. In relation to your individual question we were emailing but that today, I think there's probably more appropriate that we follow up those conversations, not in a public forum, but on an on a one to one basis. Thank you. Thanks.

IT: Thank you, Judith, we will move to the data protection to the Chairman of the Police Authority Board.

JT: Just wish to clarify the question as to whether the data protection issue was an individual, if you like complaints that you are flagging, or you want to understand what the police do around cybercrime more generally, but I understood it to be a individual complaint.

Q: It is two things I received. I received personal and confidential information about a mother and her children and her mental health that were notes from a conversation between this mother and social services that it came to me and it shouldn't have. And I also received the file of a SEND child with informations about address medical needs, and etc. That was also not for my eyes. So I as Judith said, we were emailing today and I request for people to call me and to talk to me. And Judith said she was very busy. And I said I was going to come to city question time and bring this question to you. Because as some people in your table know, this is a very difficult and long process that is going on. And anything needs individual attention and so far, having non answers evasive elusive answers and it needs to be treated seriously. And it's not.

JT: I was going to say, I'm sorry to hear that, actually. But I think it's probably for Judith to respond to rather than if you like a police matter, but Judith?

JF: Absolutely. It's not a police matter. Thank you. We're reviewing that I heard about it today. So we're reviewing that data protection, what appears to be a breach entirely unacceptable, and we'll remedy it as best we can. Thank you.

IT: Thank you and you're right data breaches are serious and you know, they are regrettable. So Judith will undertake to follow up. I'm conscious that you've spoken already. I'm going to try and ensure that everybody can speak. So I had a gentleman raised his hand to my right here. Thank you.

Q: Oh, hello, my name is Garth Hall and from Cripplegate ward. It's a very quick question. It relates partly to business rates and also one of the elephants in the room was the Barbican, but I just wonder what the latest audit is on unoccupied office buildings in the city of London because that underpins a lot of the budget and It's difficult to get ahold of figures. But do you have that sort of information available? Or when was the last audit done? We've seen what's happened in New York City. They talk about the equivalent of 13, Empire State Buildings unoccupied. And we know that the situation is quite serious in the City of London, we just wonder what the latest audit is. Thank you.

IT: Okay. So it conflates rates with vacant buildings. City Surveyor, can you respond on the audit and the position around vacant buildings? We can see if we can pick up any additional issues with regard to rates on the back of that? Yeah.

City Surveyor Paul Wilkinson (PW): Okay. Thank you. I can't answer your question in totality, what I can tell you for our own portfolio, we have a large investment portfolio in the city and the West End, we're probably running at about 7% in terms of vacancy. So nowhere near the New York market, I think more widely across London, I'm pretty sure that we are not faring as badly as New York, I think, to the one of the previous questions, I think Grade B is a real issue for many landlords, I think in particular, greening those buildings, making them sustainable, and attracting tenants. And I think that's one thing that we're certainly looking at at the moment, in terms of investing in our climate action programmes. So I can get the exact figures, there's lots of data within the investment houses that I can provide. But that's speaking with our own portfolio, we are much, much lower. So and we you know, we are

pleasantly surprised as low as that. And of course, we're working very hard to ensure that that remains, and indeed that we can reduce that vacancy rate.

IT: Thank you. Mr. Wilkinson. Is there anything to add, Mr. Black with regards to the impact on business rates for the square mile?

PB: It is to say on the on the business rates that we obviously monitor how much relief for empty property rates that we give. And that's been pretty consistent over the last few years. So we have to report on that it doesn't actually deal with the number of individual properties because it's obviously a moving feast. And it's only as we heard earlier, three months. And some properties, if they're about to be refurbished, they're taken out of the business rate list as well. So whilst they may appear empty, there's probably going to be some work done on them a bit like here on Basinghall Street at the moment where it's, it's under renovation, that wouldn't appear in the list.

IT: Okay, thank you. Anyone else? Was there someone behind? Okay, thank you. Thank you.

Q: Hello, my name is Yvonne. And I live in the so called Eastern cluster. I'm a bit alarmed that there is 11 more towers that are going up presumably in my neighbourhood. And I just wanted to know what's happening to the section 106 funds that come in with those projects. at ground level, we tend to get promised a few spindly trees, which usually die within about 10 minutes, or in this case of 22, Bishopsgate, they actually ripped them out, because they were touching the building within seconds of being planted. And I think we've all learned post pandemic, that what kept us all sane and reasonably healthy was having facilities to go and walk or exercise or just just be and we only have the one sports centre on the other side of the square mile. And there's lots of private gyms that charge 20, 30, 50 pounds an hour. We need more facilities, more amenities, not just for residents, but also for local workers who perhaps also can't afford gold plated gyms. And, you know, where is that fund going? Because I understand it's supposed to be for community uses. And there was a report in the press that the City of London has not been spending that money. So I think now's the time to address that.

IT: Thank you. Thank you for the for the question. A planning issue in the main, the chairman of P&T isn't here. I'm looking over to my left I can see Mr. Bob Roberts who can provide an initial response and we have people who can speak on SIL as well.

Bob Roberts (BR): Just on open spaces and facilities 38 million paid for the City of London Corporation every year into our open spaces 11,000 akin to 200. pocket parks across the city. We are making a massive investment looking at extra facilities in the city. I've been discussing it today how we can increase children's playgrounds, putting money into street cleansing an extra £1,000,000 in the street cleansing we're aware of the concerns of residents. We're aware of the concerns of Business. So this is how we can use SIL funds. This is where we are using OSPF. And I assure you I'm trying my hardest to make sure we spend as much as we possibly can have it legally.

IT: Thank you. The gentleman at the front here.

Q: Sorry, Fred Rogers, just looking at appendix three in the document, can you have distributed this afternoon, there seems to be a few either typing errors or additional errors, as two or three columns don't actually add up. I trust this isn't representative of City's accounting.

IT: Okay, we'll take that away. And we'll verify that. Any other questions? The lady with her hand up? Just immediately behind you, sir.

Q: Thank you, thank you. This is a question for Councillor Hayward. It's the same question I asked you in December. And we agreed that today would be a good day for you to respond to it. And my question is in two parts. The first is could you please tell us what the budget is for getting the London Wall West site to planning? Is it eight? Is it nine? Is it 10 million? And the second part of the question is, when will you publish the options appraisal that led you to the conclusion that spending whatever the sum is on the site before you dispose of it is the best way to go about it. The two go hand in hand, because whilst one might appreciate that, you know, painting the front door before you dispose of the property might you know to tart it up might be a good thing to do. If you're actually going to spend two, 20,000 on disposing of a £100,000 property, it doesn't look like such a great way to go about it.

IT: Excuse me, can we just for time, can we just hear the question rather than a statement?

Q: So there are two questions there. There are two questions. There are two questions. And really it was just a couple of sentences of context to explain the reason for the question. The budget for getting London Wall West to planning application. And when will the options appraisal for the disposal method be published?

IT: They're the two questions that I heard, I'm conscious of time. So thank you for your questions. Over to the Chairman of Policy and resources.

CH: Yes, certainly. And you're quite right. This is a question you put to me back in December. I didn't have the numbers at my disposal at that time. But I did promise you that if it was asked again at this meeting, I would attempt to give you a transparent and open and honest answer which I of course will do. So I can confirm that the budget approved by the appropriate committees, which started back frankly in 2020. The approvals for the London Wall West planning application is £11,500,000. We will not know the exact sum until the planning application is determined. However, the amount is expected until by officers to be very close to the approved budget. This cost includes all planning fees and associated costs over several years. It reflects successive Committee decisions taken since 2020, the extensive time taken to deliver a design that's been through many changes following public consultation, including as many of you know, a significant reduction in massing, carbon auctioneering and soft market testing. And the amount is considered to be in line with the costs associated with a highly complex planning application such a large scale development, and compares favourably with the level of fees incurred for example, in the Salisbury Square development at the Museum of London developments. Such a complex planning application requires a very large team of professional advisers and extensive specialist support and to be more specific to you. The funding has been spent on architect, on carbon modelling, on archaeology, on stakeholder and public engagement, on planning fees, on legal fees, on engineering costs, on environmental impact assessments, on specialists including daylight modelling, and many other services as would be expected for the development of this size. Now, your second part of the question was much more around the options for the future and what when we might publish that wasn't it? Sorry, I'm missing your second question then, I'm, I've misunderstood it. I thought you wanted to know, when we would publish effectively, an options appraisal based upon, you know, the other expressions of interest that we received in stock market testing. But maybe it's not that sorry.

IT: Can we just clarify that point?

Q: No, my question is, why? Why go to all of this expense in order to flog off a piece of land to sophisticated buyers? Who will know how to achieve a decent return on the investment

and so on? So it was the options for the method of disposal? Okay, not the options for the eventual use of the land, which was the question that I was asking.

CH: Apologies, I absolutely understand what you're asking. Well, first of all, let me say what this was not we did not spend this money purely to get a valuation on the site, that was not the objective, we've been advised by our experts that a site with the benefit of planning consent is significantly more valuable than a site without consent. And I think that's a pretty obvious statement, really, and hence, the need to invest the funds in preparing a planning application. Now, I have always said at these meetings, and I say, again, for avoidance of doubt tonight, that everything is still open as to what happens if, and when or if we do not get a planning application, I can't muse on that. That's a matter for the planning committee. And I cannot get involved as the promoter of the scheme in that. But when we know that, when we consider the other soft market testing exercise, which we've been doing, which we're going through due diligence on now, then we will publish what our intent is to do and how we're going to dispose of the site.

IT: Okay, no more on that. I'm sorry, I'm sorry. I'm sorry. I'm sorry. We have. Okay, so it's, it's when and very, very quickly.

CH: I haven't got a specific date for this. I can look at the City Surveyor to tell me if he's got a specific date. If he has, he hasn't told me, but do you have a specific date? Okay, well, why don't you then?

PW: I think your question's around the development appraisal, I think. So we've had a third party development appraisal, as you would expect. You're shaking your head, I'm not quite sure what you're talking about in that case, I'm sorry to say, but we've had a development appraisal, which any developer would do. And that's helped us inform what the land value would be as a residual valuation. Clearly that remains confidential. Because otherwise, if we put that out in the public, then developers know all of our intelligence, so that, that's helped to inform our decision. But I think as the Policy Chairman has said this will, you know, help us achieve what we think is the optimum use of the site and the optimum value. So I think there's no more complicated than that.

IT: So we are under pressure for time. I'll take two more questions. And we also have had a question in advance from Mr. Rogers. And the Chairman has whispered in my ear that he'd like to respond to that question before we close the session today. So I think the first person I saw was you, Adam. So for your question, and then we'll draw this to a close, the gentleman on the right hand side follows that.

Q: Thank you. My question is about the Barbican residents and their service charges. Many Barbican residents, which include quite a lot of accountants, who are used to looking at budgets, which are put together from the bottom up, have enormous difficulty in understanding the way the service charges where the city creates, and indeed, explains our service charges to us. And this lack of, this lack of understanding is really quite a lot of concern. The questions are that there are two questions, one to the Chairman of Finance, are you aware that we're having these problems? And secondly, if you are aware, what plans have you got to put it right?

HC: Yes, I'm aware there's problems. I've been very clear in my mind that our financial reporting needs to be made more simple and more clear. And that is work that's already been done by the finance department. I'm convinced we can we can improve it dramatically make it much more clear, much easier to understand. But yes, I am aware that specific inquiry as well.

IT: Thank you, Chairman, just to build on that, Judith, can you just add to what the Chairman has just imparted?

JF: Thank you. We had helpful conversations at Barbican residential committee this in the last couple of weeks about the transparency we need to provide for residents in terms of their service charge information. We've agreed a model to look at to go forward to make sure that we get this more transparent and more clear and accessible for residents. Thank you.

IT: And thank you. There was a gentleman on my right. Thank you.

Q: Thank you, Chair. Graham Spickett Jones, could you just clarify a simple question, what is the second home premium that you were talking about in one of your lines of budget?

HC: If you have a at the moment as I understand, you have a second home, you pay normal council tax rate. If a second home, you pay you pay a double rate. I think that's right.

IT: Thank you.

HC: It's up to the individual to elect which is their primary home.

IT: Thank you. So I'm taking. I was going to take just one more, but because you're my favourite, I'm going to, you can have a second question. Alright, so the penultimate question, then the question from Mr. Rogers, and then we will close the session. Thank you.

Q: I have one. One is about mental health. As a deaf person also, okay, I have lived in city for many years supporting my community. The same I don't have received support. I need to study a short course in mental health in the city. But our budget won't fund my interpreter. So this means I'll have to use my personal interpreter, which I find I only have three hour to go to person or Teams chat. So I have sacrificed one hour, it's very upsetting for me. To be part of city, I would like to have more support. I feel that not everyone based here to put on more than three hours a week I've been told I will go to is my personal fear or if I want to study, or some care for my personal need. And I wish I had more support from City. My question is how disability and care have access to education and mental health? And first, I don't have no interpreter for that.

IT: Thank you very much. Judith, could you respond to that please?

JF: Thank you, and I was I was made aware of your the issues that you've raised. This is about the use of personal budgets in terms of accessing education. So that's something that we're happy to look at in terms of Adult Social Care and reassessing your individual needs if that's helpful. Thank you.

IT: And the final question, Mr. Rogers, you submitted this in advance and the Chairman of Policy and Resources, rather than this Chairman, is prepared to take that question. So would you like to read the question, Mr. Rogers? If you don't have it we have a copy here that we can read out if that's helpful to you. That's okay. Mr. Rogers let's read it out.

CH: The question you asked me Fred in writing, and you gave me notice which I thank you for but I think that's why I should really answer it because you did give me notice of it, was this and it was on London Wall West. Buro Happold has failed to use its option to major refurbishment with a continuing office use for Bastion House and a mixed use for the museum building, which I understand was the choice of the respondents to the soft marketing exercise for comparison in its latest WLCA. Instead Buro Happold uses its option one. This is minor refurbishment which Buro Happold specifically states would require a major refurbishment in 15 years time. So it has ignored the option of an immediate major refurbishment, which would enable an early lengthy letting instead 15 years of retrofit first

becomes a retrofit last. City Corporation's planning application whether or not it's approved, let alone implemented, creates according to Buro Happold 57 0 17 T02E. So how can you justify pursuing a planning application that fails to meet the basic requirements of both the city Corporation's own carbon guidance, and its draft sustainability SPD to retrofit? I think that's your question?

CH: So let me give you my answer. This is well, you know this, this is incredibly technical and specific aspects of the planning process. And given that technicality, in addition to what I'm going to say to you now, which I don't expect you to agree with, but nevertheless, I'm gonna give you the answer. I've also asked officers to come back to you with a specific response in writing because it is technical, it is complex, and I I don't want to get too bogged down in that, in the final question. However, in the interim, my understanding is that any large planning application is required to demonstrate that it is has considered a range of development scenarios specifically in relation to the carbon impact of development in accordance with the city of London's carbon guidance that you refer to. You mentioned two of these scenarios. There are in fact 10 scenarios analysed, ranging from do nothing through refurbishment, and intensification to full redevelopment. And this long list of scenarios was assessed, and a shortlist of what were considered realistic and feasible scenarios was taken forward for full assessment, the specialist team rejected the option to that you reference, as well as some of the other options as these was considered to be the least viable for other options involving refurbishment of Bastian House were assessed through this carbon assessment. Ultimately, the contents of the carbon assessment is not for us politicians to determine, these are technical matters overseen by professionals with the benefit of experience and technical advice. It is simply wrong, though, to say that the city Corporation is pursuing a planning application that doesn't accord with its own carbon guidance. I know you will be aware as everyone else will be here, that the this is a live planning application currently under consideration and residents and others have until tomorrow to register either objection or support for the application. And I would encourage you to do so in the terms that you've set out in your question where they will be properly dealt with and in equally I will ensure a detailed, a more detailed explanation is written to you in the next couple of days.

IT: Thank you, Chairman. So that concludes this very special question time based on finance and business rates for today. Thank you for coming. You'll be glad to know that whilst the budgets are tight, not too tight not to offer you refreshments which are available through to your, to my left into the crypt. Please do join us for refreshments and a round of applause for the panel please. It's not that easy. Thank you. Thank you.