

City Question Time – 2 February 2025

Chris Hayward, Policy Chairman (CH): Well, ladies and gentlemen, good evening.

Well, look, a very good evening to you all and a warm welcome to the Barbican Centre for our City Question Time Finance Special Event.

I think many of you will by now have met me at one or more of the City Question Time events, but for those of you that haven't, I'm Chris Hayward, the Policy Chairman at the City of London Corporation, which is in fact the political leader of the Corporation.

And it's a real pleasure to see you all here today.

Thank you for making the time to come and join us for this event this evening.

This is the second time that we've held a Finance Special City Question Time, and it brings together our annual consultation with business ratepayers and our City Question Event for those who live in the Square Mile.

The event gives business ratepayers and residents alike the opportunity to ask questions about the City's plans for business rates, for council tax, and other issues relating to the City's finance and budget plans.

Now, unlike many other local authorities, 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.

Hopefully, as you entered this auditorium today, you will have been given this little brochure here, which is our latest "You Said We Did" document.

And if you haven't got one of these, they will be available for you on the way out.

But what this does is it shows what I think is quite a lot of the work that we're trying to do in response to the points that you are raising, be it as residents or businesses, right across the Square Mile.

This particular edition, which you will get if you haven't already on the way in, responds to your questions from the October City Question Time last year, and indeed, the City Question Forum, which was held in December. You will recall that we had the two events, and some of you may have come to both of them.

That format, the latter format, the forum, meant that many more residents had an opportunity to ask questions, which is why this edition is so much thicker than usual. In the past, you may remember it's been effectively a sheet we've handed out to you.

This is a much thicker one because there was that many more questions which we've answered or tried to answer for you.

And we'll go on looking at ways to continue to improve City Question Time, testing formats to make these events as useful for you as possible.

I'm very keen that you get maximum interaction with myself and your other elected colleagues, and indeed, our Corporation Officers at these events.

Now, in a moment, I'm going to hand you over to my Lead Member for Resident Engagement Jacqui Webster, who is once again kindly chairing tonight's event and has done so at the last event quite brilliantly as well.

Jacqui will introduce our panel and explain a little bit more about the format of the event, including the rules of engagement at these question times.

And following the formal presentations, which we're going to give you, and the question and answers which you can put to us, I'd like to welcome you all to enjoy refreshments with us in the Barbican terrace.

I hope you can stay and have a chance to informally mix with us afterwards. Thank you again for coming, it's a delight to see you all here, and with that, Jacqui, I hand over to you if I may. Thank you.

Jacqui Webster (JW): Thank you very much, Chris. Good evening, everyone. It's a pleasure to be with you this evening for the first City Question Time event of 2025.

So to begin with some housekeeping, there are no fire drills planned, so if the alarm goes off, please make your way to the closest exit. As always, the event is being recorded and will be uploaded with a transcript in due course.

As Chris mentioned, this is our finance special, combining City Question Time with our annual business ratepayers meeting. That means the format of tonight's event is a bit different from our usual panel events.

On our panel tonight, joining the policy chairman is Henry Colthurst who is our Chairman of the City Corporation Finance Committee, Deputy Commissioner Paul Betts of the City of London Police and James Thompson, Deputy Chairman of the City of London Police Authority Board.

We'll begin with a presentation about our budget from Henry, which will be followed by a short presentation given by Paul on our plans for operational policing in the Square Mile.

After the presentations, we will move to questions from the floor. As this is a finance event, please keep your questions on topic about council tax, business rates and our budget plans. Of course, we'll soon have another general City Question Time. And in the meantime, you can always come to me, to Chris, or to your ward councillor if you have any questions, concerns or any suggestions as to how the City Corporation can engage you better.

Now without further ado, Henry, would you like to give your presentation?

Henry Colthurst (HC): Thank you, Jacqui. Welcome, everybody.

I'm going to try and keep this quite high level. And for those of you who don't like numbers, there's quite a lot of pictures here as well, which I think make things much easier to read.

This is not going to be a terribly happy story, so bear with me. Let's just put things into context first.

We're sitting in an environment now where, as you know, CPI has dropped down to 3.5%.

Still not where it should be, but it's getting more stable.

Bank base rates have dropped again, 4.75%.

Now may go down again by a quarter of a percent later this week, but unlikely to go much below 4%, certainly by the end of this year.

And to put that into context, you may have read about a number of pay awards across the country.

We last year kept our staff pay award at 4% plus or minus, so we have tried to be careful with your money.

One thing I should just pick up is that a number of you and us as well were increasingly concerned about the lack of money spent on repairs and maintenance.

We called it the Cyclical Works Programme Bow Wave.

Last year, we persuaded the whole of the Court of Common Council to put £63 million from City Fund into that.

That is slowly going to be spent out over the years, but I'm determined, certainly on my watch, that we don't get this issue again, where we've had many, many years of lack of funding for buildings.

But to put that into context on a national basis, the position is getting worse.

You probably know about, I think, six local authorities, since 2020, have filed Section 114 notices, and essentially they've run out of money.

Again, I have no desire to be one of those in the future of my watch.

We all know about the October budget. If you're a small employer, I share your pain. We've gone through exactly the same issues at work.

We got a 15-mile outfit, and I know what those pressures from that budget have done to you.

National government has increased local authority funding, but unfortunately, for our perspective, the formula is based on deprivation, so the City of London took the lowest increase in London from all those 32 other London boroughs.

We have clearly got to think about the future.

We have a statutory duty to balance the books over five years, and I think we need to go much further than that as well, as you'll see from the last slide.

But we have a major amount of funding reform coming down the line, and as you will see, it's a huge issue for us as to what our take is from central government.

Those graphs, I won't get into the detail, but the blue chunk, which is by far the largest amount in any of these last five years, is what we get from business rate reset, from transitional, all from central government.

That is a political issue for us, because you can see the impact of council tax, city offset and rates in the sort of orangey-brown, grey and olive, I suppose, but it all hinges around that blue column.

That's what we have to negotiate with central government very firmly on the table of our Policy Chairman for a job later in the year.

If I move on to what is my favourite picture here, forget the colours.

I've put these together because I think it makes it much, much easier to understand what's happening and where lines of income are coming in and how they're being spent.

I've always been a fan of hypothecated tax.

We don't do it except in a couple of areas, but it is much easier to explain that way.

But if you can see, on the left-hand side is money coming in, on the right-hand side is expenses.

In very simple terms, you can look at that fourth blue down, business rates, 70 million.

That's the key area for negotiation, which we've got to make sure that we get a sensitive hearing from the central government in the future and ideally some sensible and not imprudent transitional reliefs, because you can see that makes enormous difference to the whole picture.

If you go down two to the purple, we do hypothecate money for police and security, but you can see there on the left a core police grant coming in from central government, and then the business rates premium, which I'll come back to again later, we use those exclusively for police and security.

That is a direct hypothecation there.

The green at the top, Housing Revenue Account, is an exact match.

Personally, I think the idea of our ringfence is a good one, but the numbers just simply don't add up.

That is an area that we are, I think we, along with a number of local authorities, have made it very clear that that is ripe for reform.

I fear it's not going to come anytime soon, but I think we have made our position very clear that that has to be addressed at some stage if we're going to sort this problem once and for all.

It looks a bit healthy bottom left, investment income and investment property income.

Much of investment income comes from bank interest.

That's going to go down this year as those base rates come down.

Here are all the items of expenditure on the right.

The one I will pick up again later is bottom right, is the Barbican Centre.

It remains, I think, at this meeting last year, I called it the elephant of the room.

It is very much now the elephant of the room, and I will pick that up in a minute.

Because you can see the subsidy, £28 million a year, is an awful lot to expect to come from a City Fund, which is the taxpayers fund.

So if you look at the other pressures that are facing the City, along with other local authorities around the country, growing needs of the vulnerable We need another £1.3 million just to stand still.

We mentioned their children's placements.

I understand now that some councils have certainly gone up to £1 million per child if the circumstances are sufficiently bad.

That's an awful lot of money, as you can understand. In adult social care, we need another quarter of a million pounds a year just to stand still.

So those are two pressures we have got to deal with in our increases down the line.

I have already mentioned the plan reform and redistribution of business rates.

We have built up growth over the past 10 years. That's all going to get up for grabs when government changes the system. That's a problem.

The Barbican Centre, I have mentioned that £28 million a year. We have to take a long-term view on this.

There are lots of very good reasons why Arts Centre should be subsidised by the taxpayer, but I for one day believe that they should be totally subsidised by the taxpayer.

This is an awful lot of money that potentially we might have to spend on the Barbican Centre.

I did originally ask for a 20-year business plan to look at a completely new model for Barbican Centre, but I was beaten down to 10 years. I think that's a really, really important thing.

We have to understand how these publicly supported Arts Centre should be financed in the future from a number of different lines of revenue.

We cannot expect taxpayers to pick up that sort of bill in my view. You look at the last two.

We need more money for the police to cover pay allowances, national insurance increases, operational pressures on buildings. We can pick that up in a minute.

The future police estate needs hopefully a final amount of cash thrown at it to try and get it to the point where it should be, not just to ensure your security on the streets, but to act obviously as the lead force in the country for cyber or anti-cybercrime.

I've already mentioned at the bottom there, no meaningful change on HRA.

It's another political problem for the chairman on his desk, and when the time is right, we will do what we can to ensure a meaningful change in that system.

One thing I should just add, coming down the line, not on that chart, homelessness, we're going to have to pick up another £2 million bill in 26-27.

It's not on these slides, but it's not in this year's budget. But that is another area of strain that is going to come, we're going to have to pick up next year.

So if you add that all together, if we do nothing, you can see what happens.

We do have to have a responsibility to keep a five-year surplus across five years, but that red line is really the one to follow. That's going to go underwater if we do nothing.

It's a pretty depressing and difficult situation, and we've got to try and do what we can this year to try and address some of the strain, if nothing else.

So if we move here to what are we trying to do, three things at the top I will just pick up.

Going through an ongoing transformation program on staff, we're going to Ambition 25, we're trying to get our staff cost expenditure, pay structures into the right place, that I

think probably in two years' time hopefully will start to produce some real actual benefits for the Corporation and for you, but we're not there yet.

Operational property review, we have lots of operational properties. We always kept them. I think we now have realised that our default position now should be on operational properties sell unless a need is proven, and that is a cultural change that we're trying to drive through.

It's going to take some time to see some real impacts from there, but we really should not be sitting on old properties if we don't use them properly.

The ERP program, that's a complete rework of all our systems operating HR and finance.

Again it's back office, it's critical, it's an awful lot of money, but that hopefully in the long term will make things much more efficient and means we can look at our data more effectively and plan more effectively.

And I've already mentioned the 10-year plan here for the Barbican Centre. We've got to get a proper model. I've already asked for a draft 10-year model to come back to the Policy and Resources Committee no later than next January.

This is an awful lot of thought going into this, but I think it's a fundamental issue for City Fund to try and come up with a model that is sustainable for the long term.

We have on the second bullet there, we are party to what's called the Eight Authority Pool, seven other councils in London.

We managed to pool various increases, worth about £8 million to us. It's been extended, but only for one more year. So that's another source of income that's going to go out the door for next year. We're going to try and work out how to deal with that.

So in very simple terms, our proposals here are to raise council tax by 2.99% as last year. The Social Care Preset, also by 2% as last year.

In order to cap off and finalise our police and security costs, this is for small businesses, we again propose to move out the BRP by 0.4p in the pound and the rents on HRA go up by 2.7%. That's pretty formulaic and is what it is.

None of them are terribly welcome, but I have to say we have got almost zero choice.

If you were to run this like a business, you'd be looking at your lines of income a lot more aggressively to try and get that income increased because it's looking pretty difficult at the moment.

And I think my last point is I think probably from my limited time here as Chairman of Finance this is the end of my third year, it's very, very clear that we certainly as a

Corporation and I hope across the country, although we have to have to balance the books over five years, it is absolutely absurd to try and plan over five years.

We've got to be looking way, way out. I'd like to move to a 20-year outlook across the board. It's been much more meaningful and we have to take a much more strategic look at exactly what we're doing.

So the nuts and bolts business rate update, you can probably read those. I will pick up three points on this one.

The relief for retail hospitality and leisure relief, they've been extended but reduced from 75% to 40%.

That actually is a bit of a nasty kicker in there for small businesses. The impact of that is quite material.

We have written to the Treasury or we're about to write to the Treasury to see if we can't smooth that out because regardless of anything else involved that is an increase.

You could see the business rate premium increase by 0.4p on the pound.

Certainly we had a long debate about this about three weeks ago but I think everybody felt we should not be standing on what we're devoting on police and security and that went through on a unanimous basis.

And then lastly, if you hate administrative complexity, I just draw your attention to the first proposals for 2026/27, three new multipliers. That means we're going to end up with five multipliers.

Fortunately, Phil Black here in the front row is probably the country's expert on this sort of stuff. I certainly am not but it just seems to me to have five multipliers. We will end up with a system that is as clear as mud however well intentioned it's going to be.

So that in summary is what we're proposing to do for business rates. And there on the last slide is our council tax proposals which I think I've mentioned does not withstand the increases.

We're still one of the lowest council taxes in the country, certainly in the bottom quartile if not the bottom three in London.

We are proposing to go ahead with our proposals last year to impose a second home premium at 100%.

That raises, well we don't know how it's going to raise, it's probably going to raise something like 2 million pounds which helps.

You can see the continued maximum premium for empty properties should be much higher.

I don't know why it's not higher but because some of these properties have been empty for ten years which seems a bit mad. But anyhow that's the current charging structure.

The current means tested council tax support remains for the most vulnerable. We've got a small point there. We're going to disregard pensions received by war veterans. It seems the right thing to do. I think we have very, very few so it was quite an easy decision.

The continued local discount for care leave again stays in force. That in again very simple black and white writing is what we're proposing to do.

I'm going to finish there. I hope that was a pretty rapid run through but I hope that gave you a pretty idea of what we're trying to deal with at a Corporation level and the issues which we and other local authorities are having to deal with.

It's going to be pretty difficult. I personally don't think we have any choice in any of these decisions that we're hoping will be approved. But I can pick up any questions. If they're very difficult I have four very good Officers in front of me who get on the detail.

I'm going to pass there and hand back to Jacqui or Paul. Thank you.

JW: Thank you Henry. Thank you for that very useful presentation on the City's finances Paul if I could ask you to do your Paul if I could ask you to do your presentation now but the City Police. Thank you very much.

Paul Betts (PB): Thank you. Good evening ladies and gentlemen. I am Paul Betts, Deputy Commissioner.

I'm the one on the left for the avoidance of doubt in the photo on the right police horse Gilbert, one of our finest.

So I have a number of slides tonight. I'm not going to talk through in great detail. I'm not going to read every word but I can certainly go back to them during questions but I just want to give you a 10-minute snapshot really of all the things that we're doing in the City of London.

So that is our Chief Officer team led by the Commissioner Peter O'Doherty and two very clear but joined areas of business for us in the city.

Firstly local policing and operations which is led by myself and then of course being also a national lead agency for fraud and cybercrime on the right hand side led by Deputy Commissioner Nik Adams.

Our priorities and values as a force stay the same whilst we are refreshing with the Police Authority Board and Court of Common Council our next policing plan for the coming years.

The key operational priorities for us remain keeping those who live work and visit the city safe and feeling safe.

That core protection of the Square Mile and the people here whether we are talking about businesses, workers, residents, tourists, visitors of any kind, keeping people safe and feeling safe, protecting the UK from the threat of economic and cybercrime, that national lead agency responsibility that we have and in everything we do in both areas of the business putting the victim at the heart of all we do in policing and in our response to crime.

So this area will be familiar to you but just to be clear we divide the city into six different clusters and we support the city through our Neighbourhood Policing team which I'll talk about further on in the presentation.

Of course we have a large daily transient population between 600 and 700,000 people come into the city every day. That makes it quite unique to police. Most of our offenders, most of our victims don't live in the city.

We of course have significant and iconic sites that we have to protect and whilst thankfully in recent years we haven't seen a huge amount of terrorist activity we have to remain vigilant at all times and ensure our counter-terrorism is on point and where it needs to be, counter-terrorism is on point and where it needs to be.

Some of our achievements, a very small number bearing in mind at the time but important for me to reflect on, we have the highest outcome rate nationally and when we talk about outcomes, these are positive outcomes, justice for victims, so charges where people go to court right through to cautions, to tickets for people acting in contravention of laws.

We sit at around 21% against the national average of 11% and that is something that we are rightly proud of and is about a whole policing team pulling together to deliver that.

Shoplifting has increased dramatically but we have really good response times in the City, some of the best in the country and we are detecting one in three shopliftings which isn't as high as we would like it to be but some of those are very challenging to detect.

We have redesigned and resourced and trained better our neighbourhood policing teams now.

We have some of our Dedicated Ward Officers here. We have also got our cycle team here with us tonight as well which is newly launched and our volume crime unit as well deals with a number of crime types in the City getting justice for victims and investigating offenders.

Call handling times are very good here. I have worked in four different forces here in the City that are excellent.

You might well say in a Square Mile there should be but we do have challenges getting around the City. We are proportionate in size to the force and the area that we have and those response times are very strong.

That is seven minutes on average against a 15 minute target time, 22 minutes on average against a 60 minute target time for those significant grades.

We have relaunched a new victim strategy and our victim surveying is much stronger now so we can intervene and we can support victims when they feel they are not getting the service that they need from us.

We have increased serious and organised crime disruptions so tackling those most high harm groups by 78% on the last year.

On top of this we continue to deliver major events in the City including spontaneous protests and disorder that sadly we sometimes see.

Crime is going up. It is going up nationally. It is going up in the City as well. The city is still a safe place. It is not high harm crime that is increasing. Our biggest crime volumes are theft.

About 60% of our crime is theft and that includes all of those things you would understand. Phone snatches, shoplifting, theft from gym lockers and about 15% of our crime type is violence largely collected with licence premises and the night time economy.

That is how we target and deal with those crime types.

There are a number of reasons why crime increases nationally and likewise that happens within the city as well.

Policing continues to face a number of financial challenges. You have seen this in the media. We have a number of forces struggling to recruit their police officer numbers. We have a number of forces having to cut staff numbers as well to balance budgets. We are not immune to those but we are up to our strength in police officers.

The police officers we should do, we have on the streets.

We have doing the investigations that we need and we are not cutting staff at the moment and we are committed to delivering the services that we need to deliver. But that does come with the challenges as shown on the slide.

Increasing footfall is good for the city. Business is good for the City. Licensed premises bring people in. All of those things increase crime in the city. With footfall comes crime, victims, offenders. It is our job to combat that and keep the Square Mile safe.

Just a quick snapshot of some of the key things we are doing.

We have refreshed and relaunched our community engagement with our cluster panel meetings and our Dedicated Ward Officers speaking to our communities to understand what it is, business and residential, what it is they need from us, what it is important to them.

As I say, our dedicated ward officers, we have 18 in total but we have a number of elements to our neighbouring offering such as our cycle team as well.

You will see on there Operation Lewis is our focus on antisocial behaviour around cycles, around e-bikes and a lot of our crime is enabled by bicycles and e-bikes as well.

Not just the frustration we all feel when people jump red lights in the city but also crime related. Our cycle team combat that. They have had over 16,000 engagements with cyclists in the last year and a half since that team has been live.

Nearly 5,000 traffic interventions as in enforcement interventions and they have seized nearly 500 e-bikes from different people which is more than any other force, all the other forces combined.

A real focus on what is important to our communities there.

What reframe is a focus on the night time economy and keeping people safe in the night time economy including and specifically around violence against women and girls and how we reduce that and combat that and that is about high visibility.

And observatories are specialist operation specially trained officers that are out and about with our mounted units, with all our neighbourhood officers to prevent terrorism and identify strange behaviours that could lead to hostile reconnaissance.

Just to mention of course as well our national lead force responsibilities. Fraud makes up over a third of all crime. One in 18 people have been victims of fraud and fraud itself 67% committed by cyber enabled crime.

So the connection between fraud and cyber very prevalent and the national lead force element something we are very proud of as a force as well.

Very briefly as well, really important to us that we are an inclusive police service internally and the way we use our powers on our community.

Policing as a trust and confidence crisis at the moment. Locally that is not reflected nationally it is reflected a lot more and our new equality, diversity and inclusion strategy focuses on our people, our policies, our public and our partners and we are all committed to that and that is led personally by the commissioner.

And finally in terms of next steps as I mentioned at the beginning we are launching our new policing plan that will have more than likely a specific focus on the challenges around theft and violent crime in the square mile.

That can only be done with a strong partnership approach with all agencies, with our communities.

We have to work through that together. We are launching the new fraud and cyber crime reporting and analysis service as well nationally for people to report fraud and cyber crime.

We have what is known as our HMRC FRS peel inspection in a couple of weeks which is the external agency that inspects all forces and explains to them how they can improve their services to the public.

So we are welcoming and looking forward to that.

As has been mentioned our accommodation is no longer fit for purpose. It is keeping us going and we are keeping it going but the force needs new accommodation to operate out of effectively as a modern service and a national lead force moving forward for many years to come.

Thank you. That was everything from me.

JW: Thank you Paul. So I want us to move to questions.

So the way this will work is we have reserved the first 15 minutes to questions just from business rate payers and then we will open up questions to the floor. I will take questions one at a time and direct them to the relevant chair.

Please remember to keep them focused on finance, the city's budget, council tax, business rates. So on that have we got any questions from business rate payers?

Resident/ ratepayer: Good evening. Just for the benefit of all of us, I think the City collects a great deal more than 67, whatever it was, million a year.

Most of it gets paid to central government, doesn't it? It wasn't quite clear from your presentation how that worked.

HC: Yes, you're absolutely right. I think I could get the exact numbers. I think we collect something like 1.2 billion in business rates. We get back about 40 million. Six percent. It's a very attractive tax state for national government. Thank you.

JW: Can we have the next question David?

Resident/ ratepayer: Hi there. Thanks for those presentations which are great.

My question was in relation to the bike force whose name I've already forgot. But just as a rate payer and being involved in other initiatives in the City, I mean they're absolutely outstanding.

And I think as a pedestrian and a cyclist, one of the challenges with movement around the City now is that we've got great flows of people by bike, but we've also got some real dangers that go with that, particularly at some of our biggest junctions.

And I really recognise the need for resource to help calm that, particularly at peak hours. And I think if you could find a question in here, then good luck.

My question is, given the great work that the pilot or the initial people who've been doing that are doing, are you going to be able to keep doing it and extend that even further?

Because I personally think it's invaluable and it's been absolutely outstanding.

James Thomspson (JT): I'm going to go first, Deputy Commissioner.

So I think, I thank your question and I say we referred to I think as a pilot / trial, but actually they are, the team is now permanent. It's still a relatively small team, arguably.

I think there is clearly a balance on how we deploy resources across the City, which I know the, which is clearly an operational decision. I know Paul Betts will pick up in a minute.

Certainly from a Police Authority perspective, I think we are very supportive of where feasible, both expanding that cycle team, but also actually seeing other police officers on bicycles as well, actually, because you do get greater visibility and it allows people to cover a much greater territory across the City.

So for instance, getting some of the wards officers out on So for instance, getting some of the wards officers out on bicycles as well, you wouldn't necessarily have the same level of training as the cycle team, but it is a really effective way of engaging with our communities. Deputy Commissioner.

PB: Thank you. Yes. And thank you for your comments and Stu for the sergeants from that team is here.

So I'm sure we'll feed that back to the team. The public sentiment has been great for the team. And they are, as the deputy chair said, they are no longer a pilot. It is a permanent team and we've committed to that as well.

We're also committed to the visibility that all of our units provide and the cycle team are a very visible unit doing something that matters a lot to people in the city. And personally, I'm on the mission as well in terms of stopping people quite regularly on my way to and from work, if that helps.

But in terms of the neighbourhood policing commitment by the government, we're also considering that there'll be a small uplift in our neighbourhood teams as well.

And we'll be thinking very carefully on how we deploy those officers, a mixture potentially between some more dedicated ward officers and some more cycle officers as well. But the tactic of cycling itself is, of course, very useful in the City.

I would say, of course, as well, that they're behind all of those teams, all of our proactive teams because we have a lot is a lot of officers and a lot of staff that have to do the functionality of investigations of processing. And equally, they're working hard to deliver that safety on the streets as well. But thank you for the comments. And I know Stu will be around after as well if you wanted to feed anything back.

JT: Yeah, I just had just one small addition to that, because we do anti-social cycling, cyclist breaking law is probably one of the biggest issues we hear from residents and workers across the City and hence the good work of the team.

That has got some national recognition, has got interest from those that make the law, including the House of Lords, and we're looking at how we may strengthen the legislation around cycling offences, particularly with e-bikes, e-scooters, so that that has more bite and hopefully changes behaviours.

But that's a longer term ambition. Thank you.

JW: Thank you, James. Have we got any more questions from business ratepayers we've got two more. So we've got a gentleman at the front and a gentleman on the left at the back. Thank you.

Resident/ ratepayer: Thank you. Just a quick question with regards to the rise in post-COVID, the rise in flexible working and people working from home.

What impact is that having on the city's finances and is there a push to try and encourage more people to get back into cities to boost growth and income?

CH: Well, let me just answer that with a couple of opening comments.

I mean, first of all, our jobs, our workers in the City have gone up 20% since the pre-COVID period. That's up to 678,000 workers. Now they're not all in the City all week because of hybrid working, which is the point I think you're making.

And what we've got is Tuesdays, Wednesdays and Thursdays are those key busy days for footfall in the city. Monday has come up a bit. Friday is still pretty dead and the weekends aren't great either.

Now what are we doing about that in terms of trying to ensure that we get that football that creates new spend in the City?

Well we've got a Destination City program, which is all about making the city vibrant, attractive, visible, supporting the nighttime economy, supporting tourism coming in as well.

So we're looking at trying to attract more spend into the City. So I won't pretend that hybrid working hasn't impacted on spend because it clearly has. But what we're doing is to try to get the levels up to a more consistent level across the week.

And the reason for that is that Thursday night, for example, has become the old Friday night. We've got so many people in the City on a Thursday night. Frankly, our catering establishments, bars and restaurants, almost struggle to cope with some of that.

All we want to try and do is get a more even spread across the week. But that requires a more even spread of people coming in to the office. And frankly, we're still feeling our way with it.

Even these years now after Covid, it still hasn't actually settled down into a permanency of numbers of days that people are in the City. But I don't know, Henry, did you want to add?

HC: I mean, I think the whole point of rates is they're based on the rateable value of the actual property. So it's hard to tell if there's any change until and unless a business chooses to downsize.

I mean, the starting assumption, I think a few years ago, was most businesses five years ago would probably take on or continue with 60 percent of the same space. It's very hard to gauge what's happening, as Chris has said, the numbers are going up.

So I think in terms of saying there's a direct link, I'm not sure if we can really answer that, but there doesn't appear to be.

Resident/ ratepayer: A question about transport infrastructure, which is outside your realm, but it affects every business.

So how are you able to nudge our friends, let's be generous, at TFL in the finance model in order to try and unblock some of the bottlenecks which have a certain history of malingering for quite a long time?

JW: Thank you. I'm going to ask Shravan, our Chair of Planning and Transportation.

Shravan Joshi (SJ): Thank you. Yeah, absolutely. Shravan Joshi, our chair of planning and transportation in the City.

I think we do have a good relationship with TFL overall. They are the strategic transport authority for London, so we have to work with them, obviously.

We are responsible, obviously, for a lot of our own streets and walkways across the Square Mile. I think there are specific key areas where we are trying to prioritise TFL's efforts in the Square Mile.

But you've got to understand, they've only just, as you will know from the press, they've only just got a two-year line of site of funding sorted out.

That's obviously been a big stress point for them in how to prioritise their capital spend. But we're now starting to see some of that flowing through. And there are certain junctions, there are certain hotspots where there are collisions, there are incidents happening where TFL are going to prioritise that funding.

We're also talking to them very proactively about legislation around the e-bikes and scooters that James mentioned on how we can work together with London councils more widely to get a sort of unified response to some of those stresses on the roads themselves.

So I think there is generally a very strong relationship. Chris Hayward and I meet with the transport commissioner quarterly, and our officers share a good peer relationship with them. But it is very much a collaborative response.

JW: Thanks Shravan. I think I'll take one more question on business rate payers.

Resident/ ratepayer: I'd like to ask a sort of follow-up to the very first question about the proportion of business rates that actually remains in the City, because if it's 6% of a very large sum of money, compared to all the other sources of income, then obviously getting that 6% to 6.1% or going the other ways is very, very significant.

So I'm interested in how that links to the City's plans when we develop more office blocks and increase the rateable value in the City. If there's a 1% increase in rateable value, does that feed through into the slice that the City gets? Or is this a sort of a negotiation with central government that doesn't depend on those sort of factors?

HC: I don't think you get hung up on the figure of 6%. I think it's a straight figure, but I'm going to ask the Chamberlain here to respond. Who will know that much better than I will.

Caroline Al-Beyerty (CAB): Hello, Caroline Al-Beyerty, Chamberlain.

A great question, and this is about how much we retain of business rates that we've grown over the last, effectively, decade. So what government allowed us to do with the business rate system was they set a baseline, and our baseline was really low. I mean, it was less than 20 million pounds.

But they said if you grow the square footage of the office space, if you grow your rate space, you can get to keep a proportion of that. Now, you'll know from seeing cranes over the City over that time, how much office development has taken place. So we've been able to retain that income growth.

So when the Chairman of Finance was showing you those charts, and you can see it in the Sankey chart, when you look at the 69 million plus another 20, that is what we're at risk of losing is the reset. So when it's reset, all that growth comes off.

So when we saw the charts with the cliff edge, that was due to the reset. The government have announced in the consultation document recently that will happen in April 26. So for the 26, 27 financial year, we start losing. We start losing that.

Now, we hope and this is part of the advocacy that we're doing with Treasury and with the local government department, MHCLG, transitional relief or something that will help tide us over and smooth out that cliff edge. So that's what we'll be advocating for.

Thank you.

JW: Thanks, Caroline. All right, so if I could move us along, if there are now any questions generally on the city budget, council tax, business rates and City Police.

Resident/ ratepayer: Thank you. I have some questions about the pretty thing. One of my questions is, where is the money from filming on your graph? Because there's so much filming that goes on in the City. I'd like to know where it is on the side coming in and the side going out.

And on the bit, because that follows in with the Barbican Centre. The money that goes to the Barbican Centre, you said, is coming out of our money. So what benefit do residents get from paying for the Barbican Centre? There should be a quid pro quo on that.

And are you getting money out of nighttime helicopter flights, all these jaunts round the City at night? What are you doing about that?

Couldn't one of these old buildings that you're thinking of getting rid of be used to house the homeless, the ones who want to be indoors, do remember there are some who cannot sleep inside.

And then on the hospitality, as I understand it, the reason for all these increases in the tax on hospitality, on the hospitality industry, is because Rachel Reeves wants everybody to get back into industry or more people. The City doesn't actually have factories in industry. And the bit of industry it does have, shouldn't you be negotiating then in some way of increasing this and doing quid pro quo with Rachel Reeves?

And my final thing is on... Well, you can make it all by question. It's all about money.

My final thing is you say that we pay lowish rates as residents. However, our actual properties are highly numbered. So, you know, an E property in the City is a one bedroom flat. An E property in the country is a four bedroom house. So it's a quid pro quo again. Thank you very much.

JW: So we've got five questions there. I'm going to start with the filming. Does anybody want to answer that or should we try and pick that one up afterwards? I'm not sure if we can do that here. Okay, we're looking that one up for filming. Thank you.

Barbican Centre.

HC: I'm very happy to take on Barbican Centre. It's a very good question. It's exactly my point. I think it warrants a wide debate.

Personally, as I said, my view is that the model is not sustainable.

I think there are arguments, but we need to hear all the arguments as to why an art centre should be supported entirely by the public person. It's a very, very valid argument.

And I don't know, I suspect that opinions are split on it, but I think we must get to the point hopefully by next January where we can come up with an alternative model that looks half sensible for all those stakeholders who might be involved in it.

And you can judge it on its merits at the time, but we all have our views on the arts, whether you're Philistines or not. But I think it warrants a debate, certainly.

JW: Thanks, Henry. Do you want to come in, Chris?

CH: Yeah, I'd like to sort of stick my neck out a little bit on the Barbican Centre because this is a hugely challenging issue for the corporation now.

As you've heard from the Chairman of Finance, the Barbican Centre sits within the City Fund. The City Fund are being our local authority fund.

It is that fund which is effectively supported, as you've said to the questioner has said, by your taxes effectively, by council taxes, et cetera. And it is in need of huge, and I mean huge investment.

In fact, we've just had to make a decision because there's been no investment into this building we're sitting in here. Broadly speaking, significant investment for the past 40 years. We've had to put significant sums in just to keep it open because it's now facing huge health and safety challenges and the building would have to close if we didn't do that.

That position, I believe, politically, is not sustainable for the City Corporation, as the Chairman of Finance has outlined.

So what we need to do, I think, in the longer term with the Barbican Centre, is to open it up to make it available to get more Arts Council support and grants. We also need third-party investment.

It is, for my mind, unthinkable to see the corporation for the next 20, 30 years continuing to finance a private arts centre of this magnitude. We need private sector investment into the building as well and into the running of the building as well.

Now, this is controversial. I'm expressing a personal view rather than the Corporation's view. It will need to be debated. But frankly, what we can't do is expect ratepayers to continue to foot the bill for a publicly funded arts centre. It needs much more in the way of private investment as well.

JW: Thank you, Chris.

I'm looking at our Chair of Planning and Transportation, re the helicopters, but maybe we'll come back to that question because I'm not quite sure if we can answer that here and now. So we will follow that up.

Could I ask you just to quickly repeat the hospitality? I think I can't read my own writing. I'm terribly sorry. And I have written hospitality tax going back to residents. Is that correct?

Resident/ ratepayer: No. As I understand it, the reason that Rachel Reeves increased the hospitality tax and has made this a nightmare for London in particular, without understanding that one fifth of the income of the United Kingdom, I believe, comes from basically theatre and that kind of thing.

But what she wants, she thinks that this will get more people into industry, i.e. you've been in the hospitality industry and then you will happily move into mills or, you know, whatever, factories, farming.

JW: Could we follow that question up with you afterwards, if that's all right?

Resident/ ratepayer: This is for you to think about and how you can play this off against the government.

JW: Thank you.

Resident/ ratepayer: You do it.

JW: Thank you. Yeah, we'll follow up afterwards. Thank you. We have the last question on the on the on the rateable value. The rateable value.

Phil Black (PB): Sorry, I'm Phil Black. I'm Assistant Director of Financial Services. So council tax sits with me.

Valuations for council tax sort of date back to 1990, 1991, and they haven't been revalued since. So they're not particularly reliable in that sense.

But I think to say that, you know, the the value or the valuation of council tax flats in the Barbican can be compared with a three or four bedroom flat house in Blackpool is possibly not a great comparator because quite often they'll be paying a lot more than a Band E here, so, it's very difficult to compare.

I think, I don't think anyone would deny that council tax probably is in need of some reform on that point.

JW: Thanks, Phil. Fiona, you had your hand up. So we'll just wait for the mic. Fiona, thank you.

Resident/ ratepayer: It was just a query really about the council tax. It's going up by nearly five percent. Is that correct? Nearly five percent.

And then it's going and for second homes, 100 percent?

HC: It's 100 percent premium on top. Yes, that on top of that.

Resident/ ratepayer: Yes, that's for that. Now, the other thing is, what are you actually doing about the homeless?

How do you intend to house the homeless? You know, what do you are you going to have hostels? How do you help them out?

JW: Thank you, Fiona. I'm going to ask Helen Fentiman to answer that question, Chair of Community and Children's Services. Thank you.

Helen Fentiman (HF): Thank you. I'm Helen Fentiman, as Jacqui said, Chair of Community and Children's Services. And homelessness and rough sleeping comes under that brief.

And this is an extremely difficult issue to deal with because, of course, not all homeless and rough sleeping people want to move into any kind of accommodation.

So that's the first thing to say. That said, there are a number who would move into accommodation.

But before doing that, of course, we have a process whereby people are invited to become part of the services where we offer support and assessment, particularly where there are health needs and we try and support people through their health needs and work with those individuals to try to understand specifically what it is that will help them most.

It could be at home. It could be a job. It may be a combination of both of those things.

But we try to help people work through the things that would help them most and then help them find the longer term placement or longer term employment.

And it's interesting because just at a meeting today, we had a discussion about the adequacy of the services that we have in the City of London already or access to services and City of London. And we know that the numbers are increasing and they're increasing very significantly.

And I've asked officers today to do a bit more work on sizing and scoping what that additional resource might look like because it's quite clear to me that it's not just the City of London.

It's also other services like mental health services, drug and alcohol services, etc.

And we need to have a whole package of things put together to try and support people more.

Some of it, of course, is homes. And everybody on this panel and many people here will have heard me say that we have to be making available more studio accommodation, single bedroom accommodation, particularly for this population group.

But also we have people on our housing list who are looking for two, three, three bedroomed homes. And we have to work out how we're going to provide those as well in the, I would say, very near future, certainly not too far into the future.

JW: Thank you, Helen. I think we've got time for one more question. Do we have any more questions?

Resident/ ratepayer: I had a question, it's a two part. I was at a carers meeting, the carers group in the City this morning.

And one thing that came up from there, if anyone hasn't asked a question from the carers group yet, is that now that the Imagine Fund has gone, there isn't any kind of sort of micro funding for community groups or individuals rather than the usual through the arts councils, charities, etc.

Now, when you're talking about, say, the Barbican Centre, that I think very much developing the community connections with that, which will play into what the lady was saying up there about, you know, why it's worthwhile paying for it. I'm very pro the arts because I'm in the arts.

So yes, it was just to find out if the City is going to perhaps reinstate something or expand the Cripplegate Fund, I believe there's something, but it's very specific for a particular part of the City. And if you're not in that bit, you wouldn't be eligible.

And lastly, it's sort of a positive, but also a question. It's great to see all the green spaces taking off in and around the City. I think it's vital, these are very much the lungs of the City that we need to expand.

And I just wondered if there was anything where we could find out or I could find out more about that, the nature, the birds, the greenery, all of that that makes, you know, life and wellbeing just that little bit better.

JW: Thank you for the question. Helen, I'm going to come to you around the funding for carers, and then we'll ask Shravan to talk about green spaces and pocket parks. Thank you.

HF: Thanks. And thank you very much for the question. Carers are one of the most important groups in our community because they provide so much support and help to such a wide range of people.

It's not just their own families and relatives, but it's neighbours and friends. And of course, they work very closely with the services and service providers that are part of the City range of services that are available.

Very recently, we just reviewed and published the Carers Strategy. It also links to the strategy for children with special educational needs, which was also recently reviewed. And in both that, the SEND Strategy and the carers strategy, it was worked up with those people who are most involved. And I think that's a very important group of people who are most involved.

So, we try to involve and be as inclusive as possible in developing these strategies and then the action plan that follows because it's only as good as the relevance it has to the people who are on the receiving end of these pieces of work.

The specific question about funds and support, I think is a really important one. And quite frankly, I'm not sure that we do enough. Carers will tell us that we don't do enough. And the conversation continues with the carers group and those that we're in most contact with about what would help more.

And as far as community and children services are concerned, I think we have to look at the whole package of things that we offer, which can be financial support, but in kind, it can be facilities, it can be office support for people to meet and have the opportunity to support themselves.

So, it isn't just the money, but it is the whole package of things. And I think we do have more to do. And I'm hopeful having just produced the strategy and the SEND strategy that we're able to do much better at that in the coming year.

JW: Thank you, Helen. Shravan next, thank you.

SJ: Thank you. Look, the city's green spaces are actually, I think, one of the most valuable resources we've got. You know, we've only got about one square mile.

And actually having the little pocket parks and these enclaves are really vital to the health and wellbeing, not just of nature around us, but actually of the people that occupy the City.

We've got a number of policies that actually encourage more green spaces. And I suppose primary around that is our Sustainability and Climate Action Plan There's an absolute recognition that temperatures are going up. And so things like urban cooling and having those green spaces actually make a huge difference in those warm summer days for the people in that environment.

We're also bringing in a requirement on offices as developments go up to have green spaces in and around the buildings, whether they're green rooftops or whether they're green terraces or pocket parks around those buildings.

Again, not just for the enjoyment of the people in that area, but also to increase the biodiversity in the City. So we actually do have a biodiversity measure. It's a biodiversity net gain. That's now embedded within our Local Plan that's coming through. And it's a quantitative measure of how the sort of green spaces that we provide actually help nature to occupy those spaces.

And you might have seen these insect hotels appearing around the City. They're these sort of boxes that allow different types of insects to go in. I actually got into trouble because I suggested that we should have beehives. And I was told of being biased towards bees. Whereas actually what we need is a diversity of insects coming into the City because there are different types of pollinators I've learned. And we need to be encouraging different types of pollination across the City. And those corridors have to be created quite carefully. And our officers do have specialisms in that area.

So these are really vital spaces. We are not going to diminish our green spaces in the City at all. In fact, there's a drive in our Local Plan to increase them.

JW: Thank you, Shravan. Before we end, I'm just going to come to Henry on the filming income.

HC: Yeah, we have an answer on the filming question from Sonia. Thank you.

Sonia Virdee (SV): So just on the filming income is not as much as you thought you would have expected it to be. So it is short of a million pounds that we receive, but it is across the various different areas. And the Sankey chart that you saw on the right hand side, it would be under the net expenditure.

So it's not showing as a main income stream because it's quite minimal. And a majority of that does go into the on-street parking reserve. So any surplus income that we receive goes into on-street parking reserve, which is then used to support the capital expenditure on streeting.

Thank you.

JW: Okay, I've been racing ahead. I've told we've got time for another question.

Resident/ ratepayer: It's a question regarding license premises and antisocial and other questionable behaviour.

Can you let me know what the police are planning to do for this wave of spiking of drinks? Not necessarily just for women, but across the piece. Thank you.

JW: Thank you.

PB: Yes, so part of the presentation when I talked about Operation Reframe and our tackling violence against women and girls focuses largely as well on spiking. And so for us, there are a number of elements.

So quite clearly prevention is most important in any in any crime, but particularly around spiking.

So we work with the licensed premises as do the corporation licensing team to ensure that venues can identify spiking before it happens, can support a sensible drinking with all sorts of different crime prevention things as simple as covers over glasses to identifying certain behaviours of people.

We also test premises on their response to spiking because quite often we get called to instance and there are very few in the City. I would just add we get called to instance and either offenders aren't detained or evidence is not secured, i.e. the alcohol, the drink itself. So we train with the licensing teams and we test the license premise as well. And obviously we take reports very seriously of any instance of spiking.

Historically, traditionally, they are very difficult to detect because forensically you have to have the substance or the CCTV evidence of the substance going into the drink. And as I say, thankfully, they're quite low. But awareness and prevention is key around that.

And that's a key element to our Operation Reframe, and we have specialists spiking focused nights with the officers out on the streets as well.

JT: I'll just add to that because actually I think tackling violence against women and girls has been a priority for the City of London Police for some time. And indeed was a priority before it became a priority for the Home Office.

So Deputy Commissioner has talked about Operation Reframe, which is run regularly on busy, in particular busy, evenings of the month, often towards the end of the month. And actually it covers a wide range of things, not just spiking everything through to Ask for Angela how people feel safe in terms of nighttime economy.

There are initiatives for the City of Police for us to walk and talk, in particular for women, but not just women to go out with police officers to, again, discuss areas where they may feel unsafe.

And again, I think Operation Reframe is a multi-partner approach that involves, for instance, the Samaritans, St John's, providing support and resources to people who may feel vulnerable or just need help on a busy night. So it's a real priority for the City of London.

Thank you.

JW: Thank you, James. Has anybody got a final question for this evening before we wrap up? Yes, Henry.

HC: Sorry, I can just add, this is rather a personal view, but the two ladies at the back made the point about the Barbican Centre, the Arts and Housing. And I think this is a really, really important point because there's no doubt if you look at these numbers that there's the single biggest issues we've got here.

One is the business rate reset coming in, and the second is the Barbican Centre going out. And you can see probably quite a valid and interesting argument, potentially at some stage.

Do we spend money on the Arts or Housing? You can see that. That is a possibility. It's a valid argument. And there's lots of other things that we have to have to consider.

And I've often advocated, I'm quite keen on the Sankey chart, a hypothecated income, to take it in very simple terms.

If we as nationally were to hypothecate tobacco tax, alcohol tax and petrol tax to go to the National Health Service, one, it would make extremely good sense. You could argue increases in any of those charges. And there's almost an exact correlation in any event between the two.

And I think we have been looking, it would be lovely to come up with another form of income, potentially for the Arts, maybe a hotel tax or something like that. You can see some arguments there.

But I think be under no illusions, this is something we're going to have to really, a really grown-up debate about next year, because it is a very, there is no right answer. It's a really, really interesting question. But we've got to get to the bottom of it.

Because as Chris has said, I just don't think we're in a position to recommend that the current subsidy carries on. We have to come up with a model, whether it's Arts Council, corporate sponsors or whatever. It's a really, really big challenge. And I think we need to take that on the chin and hopefully come up and hopefully we'll have something next year that will be quite interesting.

But I find that sort of debate, we could be arguing for a long time about it, but it's a very, very valid argument. I think those two questions hit the nail on the head so thank you.

Resident/ ratepayer: Could that be an open debate?

HC: I suspect when we get there, we, most of our meetings on policy, I think, are open debates.

From my perspective, I would love to have an open debate. I can't guarantee that. Because some of these things are sensitive and we may have to go sensitive first.

But I think if we're going to come up with a valid proposal for the general public, we need to have that open debate somewhere down the line at least.

Thank you.

JW: Thank you, Henry. We've got a question at the front here.

Resident/ ratepayer: Thank you. Yes, it's in relation to the Barbican Centre. Destination City is something in the aspirational.

If you close down the things that are, or you don't support the things that are bringing people in, it's going to be counterproductive.

CH: Well, look, yes, that's why we have to find a way of keeping the Barbican going and growing it and keeping it open and keeping it competitive.

It is one of Europe's foremost arts centres. Believe you me, the last thing we want to do is close the Barbican Centre. My aspiration is that we find different means of financing it. And that's what the Chairman of Finance is saying to you today as well.

You're absolutely right. At the heart of Destination City are things like the Barbican Centre, are things like the new Museum of London. This is part of what makes us that vibrant cultural centre as well.

So we don't want to close them down. We just want to find ways of financing them that don't hit your pockets directly.

JW: Thank you, Chris. So we've got one more question.

Resident/ ratepayer: Just something I'm a bit curious about. What is the rationale behind doubling the council tax for second homeowners?

The rationale, is it so that people will be forced to move out and liberating space for the homeless? Or is it just an easy way of getting money?

HC: We highlighted this as an issue last year. I think all bar one Council in London are going to implement it.

You're absolutely right. It's something we can do. You can see the numbers there. The financial gaps are going to come in next year. And I have to say, from a philosophical point of view, I'm going to pay a double tax. I know.

I just think it's much more fair to impose such a charge on those you probably can afford it. If some of the outcome helps to house those, you can't afford it. And I think that's a philosophical argument.

We're not trying to drive anybody out, but there's partly a numbers game here we can do it. It raises some money, it's useful. And it depends on your politics. But as a person, I just don't think we can avoid doing it, because it seems the right thing to do. But I can't defend it in any other way other than that.

JW: Thank you, Henry. So I'm afraid we've reached the end of our time. Thank you very much for your questions for your time tonight.

Please do now join the panel, myself, in the Barbican Terrace for a refreshment. And thank you ever so much for coming this evening and also for all of your questions.

It was very broad and I think really informative. So thank you. Good night.