

## FINANCE COMMITTEE

Tuesday, 18 November 2014

**Minutes of the meeting of the Finance Committee held at the Guildhall EC2 at 1.45 pm**

### **Present**

#### **Members:**

Roger Chadwick (Chairman)	Brian Harris
Jeremy Mayhew (Deputy Chairman)	Alderman Peter Hewitt
George Abrahams	Tom Hoffman
Randall Anderson	Deputy Robert Howard
Deputy John Barker	Jamie Ingham Clark
Nicholas Bensted-Smith	Clare James
Christopher Boden	Alderman Vincent Keaveny
Alderman Charles Bowman	Gregory Lawrence
Nigel Challis	Robert Merrett
Deputy John Chapman	John Scott
Deputy Anthony Eskenzi	Ian Seaton
Stuart Fraser	Deputy John Tomlinson
Lucy Frew	Mark Boleat (Ex-Officio Member)
Alderman John Garbutt	

#### **Officers:**

Simon Murrells	Assistant Town Clerk
Chris Bartson-Umuliisa	Town Clerk's Department
Christopher Braithwaite	Town Clerk's Department
Alistair MacLellan	Town Clerk's Department
Peter Kane	Chamberlain
Caroline Al-Beyerty	Chamberlain's Department
Steve Telling	Chamberlain's Department
Michael Cogher	Comptroller and City Solicitor
Nick Bodger	Culture, Heritage and Libraries Department
Abigail Pogson	Spitalfields Music

### **1. APOLOGIES**

Apologies were received from John Fletcher, Wendy Hyde, Oliver Lodge, Deputy Henry Pollard, Sir Michael Snyder, David Thompson, Philip Woodhouse and Deputy Douglas Barrow.

### **2. DECLARATIONS BY MEMBERS OF ANY PERSONAL OR PREJUDICIAL INTERESTS IN RESPECT OF ANY ITEMS ON THIS AGENDA**

The Chairman, Jamie Ingham Clark and Ian Seaton declared non-pecuniary interests in respect of item 17 ("St Lawrence Jewry – Memorandum of Understanding for Refurbishment, Ongoing Maintenance and Annual Grant

Funding”) due to being members of the St Lawrence Jewry Guild Church Council.

Alderman Vincent Keaveny declared a non-pecuniary interest in relation to item 8 (“Spitalfields Music Grant from the City of London Corporation for 2015/16 to 2017/18”) due to being a director of a charity which may potentially receive funding from Spitalfields Music.

3. **MINUTES OF THE PREVIOUS MEETING**

**RESOLVED** – That the public minutes and non-public summary of the meeting held on 21 October 2014 be approved as an accurate record.

4. **OUTSTANDING ACTIONS FROM PREVIOUS MEETINGS**

The Committee considered the report of the Town Clerk which set out details of outstanding actions from previous meetings.

**RESOLVED** – That the Committee notes the report.

5. **MINUTES OF THE INFORMATION SYSTEMS SUB-COMMITTEE**

**RESOLVED** – That the draft public minutes and non-public summary of the Information Systems Sub Committee meeting held on 21 November 2014 be noted.

6. **CITY'S CASH FINANCIAL STATEMENTS 2013/14**

The Committee considered the report of the Chamberlain which set out for approval the Annual Report and Financial Statements for City's Cash for the year ended 31 March 2014.

The Town Clerk explained that the Financial Statements had been considered by the Audit and Risk Management Committee on 4 November 2014 and that Committee had recommended the Financial Statements for approval by the Finance Committee. Draft minutes from the meeting of the Audit and Risk Management Committee were put around the table for Members' information.

The Chamberlain explained that the auditors had provided an unqualified Statement of Accounts and the Audit Review Panel was satisfied with the auditors' methodology. The Chamberlain outlined some minor amendments to be made to the Financial Statements, namely that:

- on page 7 of the Financial Statements, the phrase “temporary additional resources agreed” to be amended to “an agreed transfer of resources in 2013/14 from the capital budget to revenue”;
- on page 8 of the Financial Statements, the section relating the Milton Court to be amended to make it clear that Heron's contribution to the project was construction costs; and
- on page 56 and page 58 of the Financial Statements, to clarify that four Members of the Court of Common Council sit on the Guild Church Council of St Lawrence Jewry.

Members noted that the Financial Statements contained many elements which would be extremely confusing for members of the public to understand and

interpret. The Chamberlain explained that the Financial Statements were required to comply with UK Generally Accepted Accounting Principles (GAAP) and International Financial Reporting Standards (IFRS) and therefore required a large amount of detail. Specific explanations were given in relation to queries raised regarding total investment figures, non-property investments and pension deficits.

Members particularly discussed the issue of the funding of the pension scheme and it was agreed that this would be a beneficial topic for a future Finance Committee Breakfast.

**RESOLVED** – That the Committee:

- a) notes the contents of Moore Stephens LLP's Management Letter;
- b) approves the City's Cash Financial Statements for the year ended 31 March 2014, taking account of the observations from the Audit and Risk Management Committee and the amendments outlined by the Chamberlain; and
- c) agrees that the Financial Statements are signed by the Chairman and Deputy Chairman of the Finance Committee on behalf of the Court of Common Council.

**7. CHAMBERLAIN'S DEPARTMENT BUSINESS PLAN PROGRESS REPORT**

The Committee considered the report of the Chamberlain which provided Members with an update of progress made in delivering the objectives and outcomes and stated in the Chamberlain's Business Plan.

The Chamberlain highlighted the key achievements for the year to date and the main challenges facing the Department going forward. The Chamberlain also explained that at the Committee's next meeting they would be presented with a Forward Plan for the Committee's business for 2015.

A Member asked for an update regarding progress with the actions within the Risk Register due for completion in November. The Chamberlain explained that he would circulate a briefing note to the Committee to update on these actions.

**RESOLVED** – That the Committee notes the report.

**8. SPITALFIELDS MUSIC GRANT FROM THE CITY OF LONDON CORPORATION FOR 2016/17 TO 2018/19**

The Committee considered a report of the Director of Culture, Heritage and Libraries which requested the Finance Committee to approve a grant of £45,000 per year to Spitalfields Music from 2016/17 to 2018/19.

The Chairman explained that he had requested that, if the grant was approved, the Finance Grants Sub-Committee would be provided with an annual monitoring report from Spitalfields Music. It was also noted that it would be beneficial to conduct a review of grant funding to ensure that there was some consideration to strategic direction in the granting of funding.

Members discussed whether it would be appropriate for the City of London Corporation to have representation on the board of Spitalfields but it was agreed that this would not be appropriate as it make the representative in question a Trustee of the charity and therefore create an obligation for that representative to protect the position of Spitalfields Music.

**RESOLVED** – That the Committee agrees that the annual grant to Spitalfields Music is set at £45,000 per year from 2016/17 to 2018/19

**9. FINANCE COMMITTEE CONTINGENCIES**

The Committee considered the report of the Chamberlain which set out the current position in relation to the Finance Committee's Contingency budget as at 30 October 2014.

**RESOLVED** – That the Committee notes the report.

**10. DECISIONS TAKEN UNDER DELEGATED AUTHORITY OR URGENCY SINCE THE LAST MEETING OF THE COMMITTEE**

The Committee considered the report of the Town Clerk which provided details of a decision taken under Delegated Authority since the last meeting of the Committee.

**RESOLVED** – That the Committee notes the report.

**11. QUESTIONS ON MATTERS RELATING TO THE WORK OF THE COMMITTEE**

There were no questions.

**12. ANY OTHER BUSINESS THAT THE CHAIRMAN CONSIDERS URGENT**

There was no other business.

**13. EXCLUSION OF THE PUBLIC**

**RESOLVED** - That under Section 100(A) of the Local Government Act 1972, the public be excluded from the meeting for the following items on the grounds that they involve the likely disclosure of exempt information as defined in Part I of Schedule 12A of the Local Government Act.

<b>Item No.</b>	<b>Paragraph(s) in Schedule 12A</b>
14	1, 2, 3
15, 16, 17, 18, 19, 20, 21, 22	3

**14. NON-PUBLIC MINUTES OF THE PREVIOUS MEETING**

The Committee approved the non-public minutes of the meeting held on 21 October 2014 as an accurate record.

**15. OUTSTANDING ACTIONS FROM THE NON-PUBLIC MINUTES OF PREVIOUS MEETINGS**

The Committee considered and noted a report of the Town Clerk which set out outstanding actions from previous meetings of the Committee.

**16. NON-PUBLIC MINUTES OF THE INFORMATION SYSTEMS SUB-COMMITTEE**

The draft non-public minutes of the Information Systems Sub Committee meeting held on 21 October 2014 were noted.

**17. ST LAWRENCE JEWRY - MEMORANDUM OF UNDERSTANDING FOR REFURBISHMENT, ONGOING MAINTENANCE AND ANNUAL GRANT FUNDING**

The Committee considered and approved a report of the Town Clerk which set out a Memorandum of Understanding for the refurbishment, ongoing maintenance and annual grant funding for St Lawrence Jewry.

**18. NOTICE OF WAIVER APPROVAL BY THE CHAMBERLAIN - PROJECT SERVATOR**

The Committee considered and noted a report of the Commissioner of the City of London Police which provided information of a waiver approval granted by the Chamberlain for Project Servator.

**19. NON-PUBLIC DECISIONS TAKEN UNDER DELEGATED AUTHORITY AND URGENCY PROCEDURES**

The Committee considered and noted a report of the Town Clerk detailing a non-public decision taken under delegated authority since the last meeting.

**20. NON-PUBLIC QUESTIONS ON MATTERS RELATING TO THE WORK OF THE COMMITTEE**

There were no non-public questions relating to the work of the Committee.

**21. ANY OTHER BUSINESS THAT THE CHAIRMAN CONSIDERS URGENT AND WHICH THE COMMITTEE AGREE SHOULD BE CONSIDERED WHILST THE PUBLIC ARE EXCLUDED**

There was one item of non-public business. The Committee considered and approved a report of the City Surveyor which sought a waiver to the City's Procurement Regulations to facilitate a new letting at a City premises.

**22. CONFIDENTIAL MINUTES**

The Committee approved the confidential minutes of the meeting held on 21 October 2014 as an accurate record.

**The meeting closed at 2.55 pm**

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Chairman

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