

## **FINANCE COMMITTEE**

**Tuesday, 9 December 2014**

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

### **Present**

#### **Members:**

Roger Chadwick (Chairman)	Stuart Fraser
Jeremy Mayhew (Deputy Chairman)	Lucy Frew
Randall Anderson	Alderman John Garbutt
Deputy John Barker	Brian Harris
Christopher Boden	Deputy Alastair King
Alderman Charles Bowman	John Scott
Nigel Challis	Ian Seaton
Deputy John Chapman	Sir Michael Snyder
Deputy Anthony Eskenzi	Deputy John Tomlinson
John Fletcher	Philip Woodhouse

#### **Officers:**

Simon Murrells	Assistant Town Clerk
Christopher Braithwaite	Town Clerk's Department
Peter Kane	Chamberlain
Caroline Al-Beyerty	Chamberlain's Department
Gary Griffin	Chamberlain's Department
Suzanne Jones	Chamberlain's Department
Imran Yasin	Chamberlain's Department
Paul Double	City Remembrancer
Nigel Lefton	Remembrancer's Department
Michael Cogher	Comptroller and City Solicitor
Peter Bennett	City Surveyor

#### **1. APOLOGIES**

Apologies were received from George Abrahams, Deputy Doug Barrow, Nicholas Bensted-Smith, Mark Boleat, Alderman Peter Hewitt, Tom Hoffman, Wendy Hyde, Jamie Ingham Clark, Clare James, Alderman Vincent Keaveny, Oliver Lodge, Robert Merrett, Deputy Henry Pollard and David Thompson.

#### **2. MEMBERS' DECLARATIONS UNDER THE CODE OF CONDUCT IN RESPECT OF ITEMS ON THE AGENDA**

Brian Harris declared a non-pecuniary interest in agenda item 27 (Urgent business – London Fruit and Wool Exchange) by virtue of being a consultant for CBRE who were named within the report.

3. **MINUTES OF THE PREVIOUS MEETING**

**RESOLVED** - That the public minutes and non-public summary of the meeting held on 18 November 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 the outstanding actions from previous meetings of the Committee.

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

5. **DRAFT MINUTES OF THE FINANCE GRANTS SUB-COMMITTEE**

The Town Clerk reported that in addition to the grants set out within the draft minutes of the meeting of the Finance Grants Sub-Committee meeting held on 18 November 2014, the Town Clerk, in consultation with the Chairman and Deputy Chairman, had agreed to make three grants from the Chairman's Discretionary Fund. These grants were:

- £2,500 to the Parent House;
- £2,500 to Women's Aid Refuge; and
- £2,300 to the Stuart Low Trust.

**RESOLVED** - That the public minutes and non-public summary of the Finance Grants Sub Committee meeting held on 18 November 2014 be noted.

6. **FINANCE COMMITTEE 2015 FORWARD PLAN AND ANNUAL REVIEW OF THE COMMITTEE'S TERMS OF REFERENCE**

The Committee considered the report of the Town Clerk which set out a forward look at the anticipated business of the Committee for 2015 and requested the Committee to conduct the annual review of its Terms of Reference.

The Chairman reported that it was anticipated that the March 2015 meeting of the Committee would be likely to be cancelled due to a lack of business to transact, and confirmation of this would be provided to Members well in advance of the meeting date.

**RESOLVED** – That the Committee:

- a) notes the Forward Plan for 2015;
- b) approves the Terms of Reference of the Finance Committee for submission to the Court of Common Council;
- c) agrees that meetings should remain scheduled at the same frequency;
- d) agrees that any further changes in the lead up to the appointment of Committees be delegated to the Town Clerk in consultation with the Chairman and Deputy Chairman.

7. **INFORMATION SYSTEMS - QUARTERLY UPDATE**

The Committee considered the report of the Chamberlain which provided an outline of the current status of the IS Division, its workload and the key achievements over the last quarter. The Chamberlain explained that many of the key issues had also been discussed at the Information Systems Sub-Committee meeting which had been held that morning.

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

**8. REVENUE AND CAPITAL BUDGETS FOR FINANCE COMMITTEE OPERATIONAL SERVICES 2015/16**

The Committee considered the report of the Chamberlain which sought approval to the provisional revenue budget for 2015/16 in relation to the operational services directly overseen by the Finance Committee.

A Member asked for a further explanation of the £0.5m increase in insurance premiums. The Chamberlain explained that this was due to a large increase in the value of the estate. At the suggestion of the Member, the Committee agreed that it would be beneficial for a report to be submitted to this Committee setting out the current situation in relation to insurance costs across all areas of the Corporation.

**RESOLVED** – That the Committee:

- a) notes the forecast overspend of £135,000 at 31 March 2015 against the Chamberlain's local risk budget and that any overspend at year end will be carried forward to be met from the Chamberlain's 2015/16 resources;
- b) reviews the provisional 2015/16 revenue budget to ensure that it reflects the Committee's objectives and approves the budget;
- c) notes the draft capital and supplementary revenue budgets;
- d) authorises the Chamberlain to revise these budgets to allow for any necessary realignment of funds, including those set out in paragraph 27; and
- e) requests that a report be submitted to the Committee at the appropriate juncture regarding the position in relation to insurance costs across the Corporation.

**9. TREASURY'S AUTUMN STATEMENT**

The Committee considered the report of the Chamberlain which provided information about the Chancellor's Autumn Statement and the National Audit Office's recent report on the Financial Sustainability of Local Government.

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

**10. FINANCING OF CAPITAL AND SUPPLEMENTARY REVENUE PROJECTS**

The Committee considered a joint report of the Chamberlain and the City Surveyor which provided information on the scale of the City's programme of Capital and Supplementary Revenue Project (SRP) expenditure over the current planning period from 2014/15 to 2018/19.

Members discussed the situation in relation to the Barbican Centre's Capital Cap. It was noted that it had previously been agreed that there was no provision for the Capital Cap after 2016/17, but there had been no agreement on the exact format of funding to replace the existing arrangements. It was noted that this would be a decision for the Resource Allocation Sub-Committee.

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

**11. ENERGY TARGETS 2014-2018**

The Committee considered a report of the City Surveyor which requested the Committee to agree a 9% energy reduction target for the period 2014/15 to 2017/18, highlighted the risk of rising energy prices and provided information of the Energy Efficiency Fund Pilot.

**RESOLVED** – That the Committee:

- a) agrees an energy reduction target of 9% for the period 2014/15 – 2017/18;
- b) agrees that the City Surveyor should be tasked with bringing appropriate “invest to save” schemes through the Project Procedure;
- c) agrees that the City Surveyor should be tasked with revising targets (annually) for individual Chief Officers based on their savings potential;
- d) notes the work to establish an internal Energy Efficiency Fund (EEF) to provide funding of up to £0.5m for a trial period of 1 year for smaller energy efficiency projects; and
- e) notes the recommendations of the SER set out at Appendix 1.

**12. GUIDELINES FOR DISASTER RELIEF DONATIONS**

Consideration was given to a report of the Town Clerk which provided the Committee with the opportunity to review the Guidelines for Disaster Relief Donations.

The Town Clerk explained that the existing guidelines offered the Town Clerk, Chairman and Deputy Chairman sufficient guidance when considering whether to make donations while also providing sufficient flexibility for these donations.

Members discussed the guidelines and noted that it was not necessary to include within the guidelines a distinction between natural disasters and disasters of a man-made origin.

**RESOLVED** – That the Committee approves the Guidelines for Disaster Relief Donations as attached at Appendix 1 to the report.

**13. ANNUAL ON-STREET PARKING ACCOUNTS 2013/14 AND UTILISATION OF ACCRUED SURPLUS ON HIGHWAY IMPROVEMENTS AND SCHEMES**

The Committee considered a report of the Chamberlain which informed Members of the surplus arising from on-street parking activities in 2013/14 and the allocation of funding from on-street parking surpluses towards highway improvement projects.

A Member noted that the report stated that the surplus was wholly allocated to highway improvement projects, but the spending programme detailed in the report left a £2.7m surplus. The Chamberlain explained that the report only provided details of projects funded to 2017/18, and further projects would take place in 2018/19 and beyond, with funding allocated from this surplus such that all of the surplus was allocated.

**RESOLVED** – That the Committee notes the contents of the report for information before submission to the Mayor of London.

**14. FINANCE COMMITTEE CONTINGENCIES**

The Committee considered a report of the Chamberlain which provided information of the current position in relation to the Finance Committee's Contingency Funds.

The Town Clerk reported that the blank entry within Appendix 2 to the report referred to the grant to St Lawrence Jewry, which had been approved at the last meeting of the Committee.

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

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

There were no questions.

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

There was no other business.

**17. 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.

**Item No.**  
18-27

**Paragraph in Schedule 12A**  
3

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

The Committee approved the non-public minutes of the meeting held on 18 November 2014 as an accurate record.

**19. OUTSTANDING ACTIONS FROM NON-PUBLIC SESSIONS OF PREVIOUS MEETINGS**

The Committee noted a report of the Town Clerk which provided details of the outstanding actions from previous meetings of the Committee.

**20. DRAFT NON-PUBLIC MINUTES OF THE FINANCE GRANTS SUB-COMMITTEE**

The Committee noted the non-public minutes of the Finance Grants Sub Committee meeting held on 18 November 2018 be noted.

**21. CORPORATE CLEANING SERVICES - PROCUREMENT POLICY**

The Committee considered and approved a joint report of the Chamberlain and City Surveyor which sought approval of the procurement strategy for corporate cleaning services and a waiver to extend the existing contracts.

22. **CENTRAL CRIMINAL COURT PLANT REPLACEMENT: PHASE 1 - GATEWAY 5 REPORT**

The Committee considered and approved a report of the City Surveyor which requested authority to start work on Phase 1 of the Central Criminal Court Plant Replacement project.

23. **GLOBAL LAW SUMMIT - LOAN GUARANTEE**

The Committee considered and approved a report of the Remembrancer which requested the extension of a loan guarantee for the Global Law Summit.

24. **21 LIME STREET - PURCHASE OF A FREEHOLD DEVELOPMENT SITE**

The Committee considered and approved a report of the City Surveyor which requested approval for the purchase of a freehold development site at 21 Lime Street.

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

The Committee noted a report of the Town Clerk which set out details of a decision taken under urgency procedures by the Town Clerk.

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

There was one non-public question relating to the work of the Committee, which requested further information about the future of local government funding and the City of London Corporation's operations.

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

The Committee considered and approved a report of the City Surveyor as urgent business. The report related to the variation of a development agreement and lease to enable a funding transaction.

The Chairman wished the Committee a merry Christmas and a happy and prosperous new year.

**The meeting closed at 3.10 pm**

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Chairman

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